



道和環球
DAOHE GLOBAL

DAOHE GLOBAL GROUP LIMITED 道和環球集團有限公司
(Stock Code 股份代號: 915)

2018
ANNUAL REPORT 年報





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Chairman's Statement 主席報告書

On behalf of the board of directors, I am pleased to present the annual results of Daohe Global Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**Daohe Global**”) for the year ended 31 December 2018.

In the past year, the global trade situation was clouded by the China-US trade conflict, which presented major challenges to our trading and supply chain management services in the latter half year. Nonetheless, the Group still recorded a revenue of approximately US\$107.5 million in the year, with credits to a satisfactory growth in revenue of around 195.2% year-on-year of our operation of online social platforms business which commenced in 2017, and contributed around US\$43.5 million to the Group. This performance is clear evidence that our expansion into this new business was the right decision and direction.

Looking ahead, we believe the China-US trade dispute is unlikely to be resolved shortly, so the global trade conditions will remain unstable and create obstacles for our trading and supply chain management services, particularly in the first half of 2019. But Daohe Global has been engaged in the industry for over half a century and has established long-term solid relationships with brand partners and retail customers, enabling us to understand their difficulties and needs. Thus we have confidence in leading the Group forward and overcoming the challenges ahead. To further consolidate our cooperation with our current business partners, on top of expanding our product mix, we will explore other areas suitable for procurement, so as to satisfy those who need procurement outside of China, in particular the US-based business partners.

本人謹代表董事會欣然提呈道和環球集團有限公司(「**本公司**」，連同其附屬公司統稱「**本集團**」或「**道和環球**」)截至二零一八年十二月三十一日止年度的年度業績。

回顧過去一年，縱然中美貿易博弈為全球貿易局勢蒙上陰霾，亦於下半年為我們的貿易及供應鏈管理服務帶來挑戰，本集團仍能於年內錄得約107.5百萬美元的收益，其中有賴於在二零一七年進軍的經營網上社交平台業務取得按年約195.2%的理想收益增長，為本集團貢獻約43.5百萬美元，亦證明了我們拓展新業務的決定和方向正確。

展望未來，相信中美貿易糾紛難於短期內解決，環球貿易局勢仍將陰晴不定，將對我們的貿易及供應鏈管理服務帶來阻力，尤其在二零一九年上半年。但道和環球在行業深耕逾半世紀，已與品牌夥伴和零售客戶建立了長期穩固的業務關係，我們了解其困難和需要，有信心能帶領本集團跨越該等挑戰。為進一步鞏固與現有業務夥伴的合作關係，我們除了擴大產品組合之外，亦將探索更多合適的採購地區，以滿足其(尤其是美國業務夥伴)對中國以外地區的採購需求。

Chairman's Statement 主席報告書

As for the operation of the online social platforms, in addition to keen competition in the industry, the China government has tightened its grip on the approval of mobile games. While we are not optimistic about the operating environment for the coming year, we still believe that it offers outstanding opportunities for growth. According to the latest report from the China Internet Network Information Center, the number of Internet users in China reached 829 million as of December 2018, with 817 million of them using mobile phones, creating the biggest market in the world. Capitalising on our successful experience in developing our claw crane mobile online game, we target to develop more mobile games to meet the huge demand for innovative online social and entertainment experiences by users.

In light of the volatile operating environment during recent years, we have decided to terminate the money lending business in 2019, and allocate the resources to the businesses of the trading and supply chain management services and the operation of online social platforms, as they have greater potential for development. We will also explore other promising investment opportunities in order to generate the best returns for shareholders.

Last but not least, I would like to take this opportunity to express my heartfelt gratitude and appreciation to the board, our management team and staff for their contributions and their steadfast dedication to their work. I would also like to extend my sincerest thanks to our shareholders, business partners and customers for their unflagging support.

ZHOU Xijian
Chairman

Hong Kong, 26 March 2019

在經營網上社交平台方面，除了來自行業的激烈競爭，亦面對著中國政府收緊手遊審批，因此來年的經營環境雖不容樂觀，但機遇仍在。中國互聯網絡信息中心的最新報告顯示，截至二零一八年十二月，中國網民規模已達8.29億，其中手機網民達8.17億，市場規模之大已冠絕全球。憑藉自行研發抓娃娃連線手機遊戲的成功經驗，我們的目標是開發更多手機遊戲，以迎合廣大用戶對嶄新網上社交及娛樂體驗的渴求。

至於貸款業務，鑑於近年經營環境波動，我們決定於二零一九年終止該業務的營運，將資源投放至更具發展潛力的貿易及供應鏈管理服務和經營網上社交平台業務上。我們亦將發掘其他投資良機，務求為股東締造最佳回報。

最後，本人謹藉此機會向董事會、管理團隊及員工的貢獻及付出致以誠摯的謝意，並由衷感謝股東、業務夥伴及客戶堅定不移的支持。

周希儉
主席

香港，二零一九年三月二十六日

Management Discussion and Analysis

管理層討論及分析

Business Review Overview

The current financial year covering 12 months from 1 January 2018 to 31 December 2018 may not be entirely comparable with last year's results which included only eight months from 1 May 2017 to 31 December 2017, as the Company changed its financial year end date from 30 April to 31 December since the financial year 2017.

During the year ended 31 December 2018, the Group achieved a revenue of approximately US\$107.5 million (eight months ended 31 December 2017: approximately US\$78.5 million), with credits to a satisfactory growth in revenue of its online social platforms acquired in 2017, which contributed approximately US\$43.5 million of revenue (eight months ended 31 December 2017: approximately US\$14.8 million).

Gross profit was approximately US\$27.7 million (eight months ended 31 December 2017: approximately US\$18.2 million), of which approximately US\$9.4 million was contributed by the operation of online social platforms (eight months ended 31 December 2017: approximately US\$3.0 million).

Operating expenses amounted to approximately US\$33.0 million (eight months ended 31 December 2017: approximately US\$23.6 million). The increase was mainly attributable to the increase in expenses in relation to the operation of the online social platforms business, which was in line with the business growth in this segment.

Loss for the year ended 31 December 2018 amounted to approximately US\$84.2 million (eight months ended 31 December 2017: approximately US\$76.2 million). The loss included non-cash impairment losses on goodwill of approximately US\$66.5 million and amortisation and impairment losses on other intangible assets of approximately US\$35.0 million (eight months ended 31 December 2017: non-cash impairment losses on goodwill of approximately US\$73.1 million and amortisation of other intangible assets of approximately US\$7.6 million). Excluding the non-cash impairment losses on goodwill, amortisation and impairment losses on other intangible assets, net of deferred tax credit of approximately US\$8.7 million (eight months ended 31 December 2017: approximately US\$1.9 million), the Group's profit for the year ended 31 December 2018 would have been approximately US\$8.6 million (eight months ended 31 December 2017: approximately US\$2.6 million).

業務回顧 概覽

自二零一七財政年度起，本公司財政年度年結日由四月三十日更改為十二月三十一日，因此本財政年度包括由二零一八年一月一日至二零一八年十二月三十一日十二個月，未必可以完全與去年二零一七年五月一日至二零一七年十二月三十一日僅八個月的業績作比較。

截至二零一八年十二月三十一日止年度，受惠於二零一七年收購的網上社交平台錄得令人滿意的增長，貢獻收益約43,500,000美元（截至二零一七年十二月三十一日止八個月：約14,800,000美元），因此本集團的收益約達107,500,000美元（截至二零一七年十二月三十一日止八個月：約78,500,000美元）。

毛利約27,700,000美元（截至二零一七年十二月三十一日止八個月：約18,200,000美元），其中約9,400,000美元由經營網上社交平台貢獻（截至二零一七年十二月三十一日止八個月：約3,000,000美元）。

營運開支約33,000,000美元（截至二零一七年十二月三十一日止八個月：約23,600,000美元），增加主要因為經營網上社交平台業務的開支增加，這與該分部的業務增長一致。

截至二零一八年十二月三十一日止年度虧損約84,200,000美元（截至二零一七年十二月三十一日止八個月：約76,200,000美元）。虧損包括商譽非現金減值虧損約66,500,000美元，以及其他無形資產攤銷及減值虧損約35,000,000美元（截至二零一七年十二月三十一日止八個月：商譽非現金減值虧損約73,100,000美元以及其他無形資產攤銷約7,600,000美元）。撇除商譽非現金減值虧損、其他無形資產攤銷及減值虧損，扣除遞延稅項抵免約8,700,000美元（截至二零一七年十二月三十一日止八個月：約1,900,000美元）後，本集團截至二零一八年十二月三十一日止年度溢利約為8,600,000美元（截至二零一七年十二月三十一日止八個月：約2,600,000美元）。

Management Discussion and Analysis

管理層討論及分析

Segmental Analysis Operating Segmentation

The Group's business comprises three operating segments: (i) trading and supply chain management services; (ii) operation of online social platforms; and (iii) money lending business.

(i) Trading and supply chain management services

During the year ended 31 December 2018, shipment value for trading and supply chain management services was approximately US\$185.0 million (eight months ended 31 December 2017: approximately US\$145.5 million).

Shipment value for provision of services and trading of merchandise accounted for approximately 72% and 28% (eight months ended 31 December 2017: approximately 62% and 38% respectively) of the Group's total shipment value respectively.

Geographical Analysis

分類分析 經營分類

本集團之業務分為三個經營分類：(i)貿易及供應鏈管理服務；(ii)經營網上社交平台；以及(iii)貸款業務。

(i) 貿易及供應鏈管理服務

截至二零一八年十二月三十一日止年度，貿易及供應鏈管理服務之付運量總值約185,000,000美元（截至二零一七年十二月三十一日止八個月：約145,500,000美元）。

提供服務及商品貿易之付運量總值分別約佔本集團付運量總值約72%及28%（截至二零一七年十二月三十一日止八個月：分別約62%及38%）。

地域分析

		Shipment Value 付運量總值	
		Year Ended 31 December 2018 截至二零一八年 十二月三十一日 止年度 US\$' million 百萬美元	Eight Months Ended 31 December 2017 截至二零一七年 十二月三十一日 止八個月 US\$' million 百萬美元
North America	北美洲	101.9	74.5
Europe	歐洲	48.0	34.4
Others	其他	35.1	36.6
Total	合計	185.0	145.5

Shipments to North America were approximately US\$101.9 million, contributing approximately 55.1% of the total shipment value (eight months ended 31 December 2017: approximately 51.2%).

往北美洲之付運量約101,900,000美元，佔付運量總值約55.1%（截至二零一七年十二月三十一日止八個月：約51.2%）。

Shipments to Europe were approximately US\$48.0 million and presently account for approximately 25.9% of the total shipment value (eight months ended 31 December 2017: approximately 23.6%).

往歐洲之付運量約48,000,000美元，佔付運量總值約25.9%（截至二零一七年十二月三十一日止八個月：約23.6%）。

Management Discussion and Analysis 管理層討論及分析

Shipments grouped under “Others”, comprising mainly shipments to the southern hemisphere, represented approximately 19.0% of the total shipment value (eight months ended 31 December 2017: approximately 25.2%). The drop was mainly due to decrease in orders from certain Australian customers.

The trading and supply chain management services segment recorded revenue of approximately US\$64.0 million (eight months ended 31 December 2017: approximately US\$63.7 million), representing approximately 59.5% of the Group’s total revenue (eight months ended 31 December 2017: approximately 81.1%).

(ii) Operation of online social platforms

On 1 June 2017, the Group acquired the entire issued share capital of Loozee Holdings Inc. (“Loozee”). Loozee, through its subsidiaries, is principally engaged in the operation of online social platforms. It provides a variety of online social and entertainment services, including a claw crane mobile online game, to a large number of users in the People’s Republic of China (the “PRC”). The revenue of this segment surged by 195.2% to approximately US\$43.5 million (eight months ended 31 December 2017: approximately US\$14.8 million), contributing around 40.5% of the Group’s total revenue (eight months ended 31 December 2017: approximately 18.8%).

(iii) Money lending business

There was no loan granted or no new borrower during the year ended 31 December 2018 (eight months ended 31 December 2017: US\$95,000).

As the business environment has been highly volatile in these years, the management decided to terminate the money lending business in 2019, so that the Group can focus its resources on developing its two major businesses.

「其他」分類項目下之付運量主要為運往南半球之付運量，佔付運量總值約19.0%（截至二零一七年十二月三十一日止八個月：約25.2%）。付運量下跌主要由於源自若干澳洲客戶的訂單減少所致。

貿易及供應鏈管理服務之收益約64,000,000美元（截至二零一七年十二月三十一日止八個月：約63,700,000美元），佔本集團總收益約59.5%（截至二零一七年十二月三十一日止八個月：約81.1%）。

(ii) 經營網上社交平台

於二零一七年六月一日，本集團收購Loozee Holdings Inc.（「Loozee」）的全部已發行股本。Loozee主要透過附屬公司經營網上社交平台業務，為中華人民共和國（「中國」）廣大用家提供不同的網上社交及娛樂服務，包括抓娃娃手機在線遊戲。分類收益上升195.2%至約43,500,000美元（截至二零一七年十二月三十一日止八個月：約14,800,000美元），佔本集團總收益約40.5%（截至二零一七年十二月三十一日止八個月：約18.8%）。

(iii) 貸款業務

截至二零一八年十二月三十一日止年度並無已授出之貸款或新借款人（截至二零一七年十二月三十一日止八個月：95,000美元）。

鑒於近年的營商環境十分波動，因此管理層決定於二零一九年終止貸款業務，讓本集團得以集中資源發展其兩大主要業務。

Management Discussion and Analysis

管理層討論及分析

Impairment Losses on Goodwill and Other Intangible Assets

During the year ended 31 December 2018, the Group recognised non-cash impairment losses on goodwill and other intangible assets of approximately US\$66.5 million and US\$21.7 million respectively, of which approximately US\$12.7 million and US\$75.5 million were allocated to the trading and supply chain management services and operation of online social platforms, respectively.

The impairment losses have been made in view of the increasingly competitive and challenging business environment and the management expects a future decline in revenue in both business segments.

Regarding the operation of online social platforms, the Group had achieved a satisfactory performance in terms of the growth rate and the actual average number of monthly new users achieved for the six months ended 30 June 2018. However, the Public Information Network Security Supervision Branch of the Public Security Bureau of Shenzhen* (深圳市公安局公共信息網絡安全監察分局) imposed a new government policy in August 2018 pursuant to which the identities of all the online users have to be verified with valid mobile numbers, and the contents on the operation of online social platforms including live streaming presented to the public are under the measures of monitoring and control. The management was fully aware of the implementation of the new government policy and closely monitored the impact on the business in the subsequent months. The number of monthly new users and the monthly revenue dropped significantly in December 2018 and the management considered that the new government policy has adversely affected the business and should be the key reasons for the decrease in the average number of monthly new users in the operation of online social platforms and live streaming businesses.

The revenue and monthly new users continue to decrease in 2019 and the Group revised a forecast based on the latest position. As a result, an impairment loss on goodwill and other intangible assets of US\$75.5 million in relation to this segment was provided in the financial statements for the year ended 31 December 2018.

* For identification purpose only

商譽及其他無形資產減值虧損

截至二零一八年十二月三十一日止年度，本集團就商譽及其他無形資產分別確認非現金減值虧損約66,500,000美元及21,700,000美元，其中約12,700,000美元及75,500,000美元分別分配至貿易及供應鏈管理服務及經營網上社交平台。

減值虧損乃因應營商環境競爭加劇及挑戰增多，管理層預期兩項業務的未來收益將有所下跌而作出。

就經營網上社交平台而言，截至二零一八年六月三十日止六個月，本集團在增長率及實際平均每每月新用戶人數方面取得令人滿意的表現。然而，深圳市公安局公共信息網絡安全監察分局於二零一八年八月實施一項新的政策，據此，所有線上用戶的身份須通過有效的手機號碼進行核實，而經營網上社交平台的內容(包括向公眾顯示的直播)均受到監察及監控。管理層充分了解新政策的實施情況，並密切監察其後月份內對業務的影響。每月新用戶人數及每月收益於二零一八年十二月大幅下降，管理層認為新政策對業務產生不利影響，並應成為經營網上社交平台及直播業務的每月新用戶平均人數減少的主要原因。

收益及每月新用戶於二零一九年繼續減少，而本集團根據最新狀況修訂預測。因此，截至二零一八年十二月三十一日止年度，該分部的商譽及其他無形資產減值虧損75,500,000美元已於財務報表計提撥備。

* 僅供識別

Management Discussion and Analysis 管理層討論及分析

The above factors and circumstances were not anticipated at the time of the acquisition of Loozee, the company operating the online social platforms in 2017.

In respect of the trading and supply chain management services, the Group recognised an impairment loss on goodwill of US\$12.7 million allocated to the cash-generating units of trading and supply chain management services of which US\$9.7 million was provided in the 2018 interim results and disclosed in the profit warning announcement of the Company dated 8 August 2018. The recognition of the impairment loss in the 2018 interim results was a result of the increasingly challenging and competitive business environment of this segment, the reduction in the orders received from the customers under the segment to which the goodwill related and the management's expectation that the growth of the business in this segment will continue to slow down.

The financial conditions deteriorated in the second half of 2018 due to the China-US trade war but the impact had not been fully reflected until early 2019. The management of the Company assessed the business outlook for 2019 based on the orders received on hand and expected the business will drop further, in particular due to fewer orders from United States customers who are adversely affected by the trade war. Accordingly, a further impairment loss on goodwill of US\$3 million in relation to this segment was provided in the financial statements for the year ended 31 December 2018.

The abovementioned impairment losses are recognised based on the results of impairment tests for the goodwill and other intangible assets concluded by an independent valuer using the income-based approach, based on their values in use in accordance with HKAS 36. Details of the goodwill and other intangible assets are set out in Notes 13 and 14 of this annual report.

於二零一七年收購經營網上社交平台的公司 Loozee 時，並無預計上述因素及情況。

就貿易及供應鏈管理服務而言，本集團確認分配至貿易及供應鏈管理服務現金產生單位的商譽減值虧損 12,700,000 美元，其中 9,700,000 美元已於二零一八年中中期業績計提撥備，並於本公司日期為二零一八年八月八日的盈利警告公佈中披露。二零一八年中中期業績的減值虧損確認乃由於此分部的營商環境越來越具挑戰性及競爭性，與商譽相關的分部項下自客戶收取的訂單減少，且管理層預期此分部的業務增長將繼續放緩。

由於中美貿易戰，財務狀況於二零一八年下半年惡化，惟有關影響直至二零一九年年初方得以全面反映。本公司管理層根據手頭已收取訂單對二零一九年的業務前景作出評估，並預期業務將進一步下滑，尤其是受到貿易戰的不利影響，以致來自美國客戶的訂單減少。因此，截至二零一八年十二月三十一日止年度，有關此分部的商譽進一步減值虧損 3,000,000 美元已於財務報表計提撥備。

上述減值虧損乃按獨立估值師使用收入法根據香港會計準則第 36 號所採用使用價值計算之商譽及其他無形資產減值測試結果確認。有關商譽及其他無形資產的詳情載於本年報附註 13 及 14。

Management Discussion and Analysis 管理層討論及分析

The pre-tax discount rate for the operation of online social platforms decreased from 28% as at 31 December 2017 to 27%. For the trading and supply chain management services, the pre-tax discount rate decreased from 12% as at 31 December 2017 to 8% as at 31 December 2018. The change in discount rate is due to the change of beta, debt to equity ratio, cost of debt, risk-free rate and market risk premium affected by market conditions.

Save as mentioned above, there was no material change in the assumptions for the impairment assessment for the operation of online social platforms or the trading and supply chain management as at 31 December 2017 and 31 December 2018.

Hong Kong Tax Case

As at the date of this annual report, the Group has received protective assessments amounting to approximately HK\$197,000,000 (equivalent to US\$25,321,000) from the Inland Revenue Department in Hong Kong (the "IRD") in respect of queries on the modus operandi of the Group and the chargeability of the profits for the years of assessment from 2003/2004 to 2012/2013 (the "Case"). The Group has lodged objections against the protective assessments. In addition, Tax Reserve Certificates amounting to HK\$5,250,000 (equivalent to US\$675,000) have been purchased by two subsidiaries of the Company in pursuit of the holdover of tax demanded under the protective assessments for these years.

The Group has submitted a settlement proposal as part of a negotiation with the IRD in relation to the Case in April 2015. Subsequent to the submission to the IRD with the assistance of an external tax specialist, the Group has maintained a close dialogue with the IRD and understood that the IRD has required additional evidence from the Group to further assess the tax position. As at the date of this annual report, the Case is still under negotiation with the IRD. Despite the unknown outcome, sufficient tax provisions have been made in the financial statements based on the information available.

經營網上社交平台的稅前貼現率由於二零一七年十二月三十一日的28%減少至27%。就貿易及供應鏈管理服務而言，稅前貼現率由於二零一七年十二月三十一日的12%減少至於二零一八年十二月三十一日的8%。貼現率變動乃由於受市況影響，以致貝塔比率、負債股權比率、債務成本、無風險利率及市場風險溢價出現變動所致。

除上文所述者外，於二零一七年十二月三十一日及二零一八年十二月三十一日，經營網上社交平台或貿易及供應鏈管理的減值評估假設並無重大變動。

香港稅務個案

於本年報日期，本集團已就有關本集團由二零零三／二零零四至二零一二／二零一三評稅年度的營運模式及溢利之申報繳稅之查詢（「**案件**」）接獲香港稅務局（「**稅務局**」）保障性評稅約197,000,000港元（相等於25,321,000美元）。本集團已就該等保障性評稅提出反對。此外，本公司兩家附屬公司已就暫緩繳納該等年度保障性評稅所需支付之稅款購買價值5,250,000港元（相等於675,000美元）之儲稅券。

本集團就二零一五年四月的案件向稅務局提交一項和解方案作為與稅務局磋商之一部份。向稅務局提交方案後，本集團在外部稅務專家協助下與稅務局保持密切對話，並了解到稅務局要求本集團提供更多證據以進一步評估稅務狀況。於本年報日期，案件仍在與稅務局磋商。儘管結果仍未知，惟本集團已根據所得資料於財務報表內作出充足稅項撥備。

Financial Review

Financial Resources and Liquidity

The Group's financial position remained healthy with cash and cash equivalents of approximately US\$17.2 million as at 31 December 2018 (2017: approximately US\$13.3 million). In addition, the Group had total banking facilities of approximately US\$10.3 million including borrowing facilities of approximately US\$0.1 million as at 31 December 2018 (2017: approximately US\$10.3 million and US\$0.1 million, respectively).

The Group had a current ratio of approximately 1.6 and a gearing ratio of zero, based on no interest-bearing borrowings and total equity of approximately US\$24.6 million as at 31 December 2018. There has not been any material change in the Group's borrowings since 31 December 2018.

As at 31 December 2018, trade receivables amounted to approximately US\$8.8 million (2017: approximately US\$8.6 million). Gross trade receivables aged over 90 days, which amounted to approximately US\$1.2 million and which are related to trading and supply chain business, are being carefully monitored by management and sufficient provision has been made.

The Group's net asset value recorded was approximately US\$24.6 million as at 31 December 2018 (2017: approximately US\$111.5 million).

The majority of the Group's transactions during the year ended 31 December 2018 were denominated in US dollars, Hong Kong dollars and Renminbi. To minimise foreign exchange risks, sales and purchases are generally transacted in the same currency.

As at 31 December 2018, the Group had no material contingent liabilities or guarantees, or charges on any Group assets.

財務回顧

財務資源及流動資金

本集團之財務狀況依然穩健，於二零一八年十二月三十一日之現金及現金等值項目約17,200,000美元(二零一七年：約13,300,000美元)。此外，本集團於二零一八年十二月三十一日之銀行融資總額約10,300,000美元，其中包括借貸融資約100,000美元(二零一七年：分別約10,300,000美元及100,000美元)。

於二零一八年十二月三十一日，本集團之流動比率約為1.6，按未有計息借貸及權益總額約24,600,000美元計算，資產負債比率為零。自二零一八年十二月三十一日起，本集團之借貸無重大變動。

於二零一八年十二月三十一日，應收貿易賬款約8,800,000美元(二零一七年：約8,600,000美元)。賬齡逾90天之應收貿易賬款總額約1,200,000美元來自貿易及供應鏈管理服務業務，現正受管理層嚴密監控，並已作出充足撥備。

於二零一八年十二月三十一日，本集團錄得資產淨值約24,600,000美元(二零一七年：約111,500,000美元)。

本集團於截至二零一八年十二月三十一日止年度之大部份交易以美元、港元及人民幣結算。為減低外匯風險，買賣一般是以相同貨幣交易。

於二零一八年十二月三十一日，本集團並無重大或然負債或擔保，或抵押集團資產。

Management Discussion and Analysis

管理層討論及分析

Remuneration Policy and Staff Development Scheme

As at 31 December 2018, the Group had 389 employees (2017: 400). Total staff costs for the year ended 31 December 2018 amounted to approximately US\$15.3 million (eight months ended 31 December 2017: US\$10.8 million).

The Group offers competitive remuneration schemes to its employees based on industry practice as well as performance of the individual employee and that of the Group. In addition, the Company has adopted a share option scheme for eligible persons and discretionary bonuses are payable to staff based on his or her performance and that of the Group as a whole.

Prospects

Looking ahead, the management expects that the global economic environment is likely to remain uncertain in view of the ongoing China-US trade dispute, posing challenges to the Group's trading and supply chain management services business, especially in the first half of 2019. Exports have been negatively affected as customers are now more conservative, in particular, the United States ("US") customers are demanding for shifting the sourcing away from the PRC.

The headwinds should not, however, impede the Group's efforts to continue to develop new business and expand procurement beyond China in order to meet customers' requirements, especially for those from the US. Just as importantly, the Group will steadfastly continue to expand its product offerings and offer competitive prices so as to strengthen ties with its key customers. Constantly seeking efficiency, the Group will also embrace information technologies to implement positive changes to its operations.

As for the operation of online social platforms, "Duimian", one of the Group's gamified mobile social networking platforms, is expected to be adversely affected by tighter government policy and intensified industry competition in the PRC in the coming year. Unwaveringly, the Group will continue to develop and launch a variety of innovative mobile entertainment games, building on the foundation of its self-developed claw crane mobile online game which is among the most popular of its kind.

To summarise, the Group will continue to develop its two major businesses and carefully evaluate suitable acquisition and investment opportunities in order to create better value for shareholders of the Company.

薪酬政策及員工發展計劃

於二零一八年十二月三十一日，本集團聘有389名僱員(二零一七年：400名)。截至二零一八年十二月三十一日止年度的僱員成本總額約為15,300,000美元(截至二零一七年十二月三十一日止八個月：10,800,000美元)。

本集團按行業慣例、員工個人及本集團表現為僱員制訂具競爭力的薪酬方案。此外，本公司已採納購股權計劃授予合資格人士，並根據員工個人及本集團整體表現向員工發放酌情花紅。

前景

展望未來，鑒於中美貿易紛爭持續的緣故，管理層預期全球經濟環境很可能仍然陰晴不定，為本集團的貿易及供應鏈管理服務業務帶來挑戰，尤其是於二零一九年上半年。目前客戶轉趨保守，尤其是美國(「美國」)客戶要求將採購移離中國，令出口受到負面影響。

然而，上述不利環境將無礙本集團繼續發展新業務及在中國以外增加採購，以滿足客戶要求，尤其是美國客戶的要求。同樣重要的是，本集團將繼續不懈地擴大產品組合，同時提供具競爭力的價格，以鞏固與主要客戶的關係。此外，為不斷提升效率，本集團將擁抱資訊科技，為業務帶來正面的變革。

經營網上社交平台方面，隨著中國政府收緊政策及行業競爭日益激烈，本集團預計旗下遊戲化流動社交網絡平台之一「對面」於來年將受到一定影響，但基於自行研發的連線網上遊戲抓娃娃成為最受歡迎的同類遊戲之一，本集團將堅定不移，繼續研發及推出不同的創新手機娛樂遊戲。

總而言之，本集團將繼續雙線發展，並謹慎評估收購及投資良機，為本公司的股東創造更高價值。

Biographical Details of Directors and Senior Management

董事及高級管理層資料

Non-executive Director

Mr. ZHOU Xijian, aged 44, was appointed as a Non-executive Director of the Company and the Chairman of the Board on 5 February 2015. Mr. Zhou is the Chairman of the Nomination Committee of the Board and a member of the Remuneration Committee of the Board.

Mr. Zhou has over 20 years of business experience. He is the president of 廣東道和投資產業集團有限公司 (Guangdong Daohe Investment Industrial Group Co., Ltd*) ("**Guangdong Daohe Group**"). Guangdong Daohe Group is a multi-industry company which is engaged in a wide range of businesses including but not limited to liquor, drinking water, film and television, catering and internet technology. On 6 September 2017, Mr. Zhou has been appointed as a director and the chairman of Qingdao Huaren Pharmaceutical Co., Ltd (stock code: 300110) which is listed on the Shenzhen Stock Exchange. Mr. Zhou has also been the chairman of 北京派合文化傳播股份有限公司 (Beijing Pai PR Communications Co., Ltd.*) since January 2016, the shares of which are quoted on the National Equities Exchange and Quotations in the People's Republic of China (stock code: 839457). Mr. Zhou completed a postgraduate programme in Management and Business Administration from the Business School of Nanjing Normal University in 2011.

非執行董事

周希儉先生，44歲，於二零一五年二月五日獲委任為本公司非執行董事及董事會主席。周先生現時為董事會提名委員會主席及董事會薪酬委員會成員。

周先生擁有逾20年業務經驗。彼為廣東道和投資產業集團有限公司（「廣東道和集團」）董事長。廣東道和集團為跨行業公司，從事多個領域之業務，包括但不限於酒類、飲用水、電影及電視、餐飲及互聯網技術。於二零一七年九月六日，周先生獲委任為於深圳證券交易所上市之青島華仁藥業股份有限公司（股份代號：300110）之董事兼董事長。周先生由二零一六年一月起亦擔任北京派合文化傳播股份有限公司（其股份於中華人民共和國全國中小企業股份轉讓系統掛牌，股份代號：839457）之董事長。周先生於二零一一年於南京師範大學商學院完成工商管理研究生課程。

* For identification purpose only

* 僅供識別

Biographical Details of Directors and Senior Management 董事及高級管理層資料

Executive Directors and Senior Management

Mr. WONG Hing Lin, Dennis, aged 49, was appointed as an Executive Director of the Company on 1 September 2010 and was appointed as the Chief Executive Officer of the Company on 1 January 2019. He is the Chairman of the Executive Committee of the Board and holds directorship of certain subsidiaries of the Group. Mr. Wong has been the President of the Group since 5 February 2015. He was the Chief Financial Officer of the Group from January 2006 to January 2017.

Prior to that, Mr. Wong was the head of corporate development department of a Greater China based supply chain management solutions provider and consumer products distributor, primarily responsible for business development, mergers and acquisitions and investor relations activities. Previously, Mr. Wong had worked at several major international financial institutions where he gained extensive experience in finance, investments and banking. Mr. Wong holds a Master of Business Administration degree in finance from Boston University in the United States of America, and a Bachelor of Science degree from The University of British Columbia in Canada.

執行董事及高級管理層

黃慶年先生，49歲，於二零一零年九月一日獲委任為本公司執行董事及於二零一九年一月一日獲委任為本公司行政總裁。彼現時為董事會執行委員會主席，以及於本集團若干附屬公司擔任董事。黃先生自二零一五年二月五日起擔任本集團總裁。彼於二零零六年一月至二零一七年一月期間擔任本集團之財務總裁。

在此之前，黃先生曾任一家總部設於大中華地區的供應鏈管理解決方案提供商及消費品分銷商之企業發展部主管，主要負責業務開發、併購及投資者關係事務。之前，黃先生曾任職多間大型國際金融機構，在財務、投資及銀行業務方面累積了廣泛經驗。黃先生持有美國波士頓大學工商管理財務碩士學位及加拿大英屬哥倫比亞大學理學士學位。

Biographical Details of Directors and Senior Management 董事及高級管理層資料

Executive Directors and Senior Management

(continued)

Mr. HO Chi Kin, aged 50, was appointed as an Executive Director of the Company on 13 February 2018. Mr. Ho was also appointed as the Chief Financial Officer of the Company on 1 January 2018. He is a member of the Executive Committee of the Board and holds directorship of certain subsidiaries of the Group.

Mr. Ho has over 20 years of extensive experience in wealth management services in the United States of America, Hong Kong and mainland China, providing independent financial consulting services for high-end customers, focusing on corporate restructuring, mergers and acquisitions and assisting domestic clients with managing assets in their overseas listings. Mr. Ho began his career as an accountant at Tang & Wong CPAs in Hawaii in 1993. From the year of 2000 to 2005, he was a partner of CCP C.P.A. Limited where he handled a variety of portfolios in auditing and assurance service in the fields of properties, manufacturing, construction, trading and retailing business, hotels and financial institutions. From the year of 2005 to 2016, Mr. Ho was a founder and managing director of TAKA International Corporation, which is a professional firm for provision of corporate restructuring, company secretarial and accounting services in mainland China. Mr. Ho holds a Master of Business Administration degree from Hawaii Pacific University and a Bachelor of Business Administration degree from the University of Hawaii. Mr. Ho is a qualified accountant and a member of the American Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants.

執行董事及高級管理層 (續)

何致堅先生，50歲，於二零一八年二月十三日起獲委任為本公司執行董事。何先生亦於二零一八年一月一日起獲委任為本公司財務總監。彼現時為董事會執行委員會成員，以及於本集團若干附屬公司擔任董事。

何先生於美國、香港及中國內地積逾20年財富管理服務的豐富經驗，為高端客戶提供獨立財務諮詢服務，專注於企業重組、併購及協助國內客戶管理其海外上市資產。何先生於一九九三年在夏威夷的Tang & Wong會計師事務所擔任會計師開始其職業生涯。自二零零零年至二零零五年，彼為永新會計師事務所有限公司的合夥人，彼於該公司處理物業、製造、建築、貿易及零售業務、酒店及金融機構領域的各類審計服務。自二零零五年至二零一六年，何先生為TAKA International Corporation的創辦人及董事總經理，該公司為一間在中國內地提供企業重組、公司秘書及會計服務的專業公司。何先生持有夏威夷太平洋大學工商管理碩士學位及夏威夷大學工商管理學士學位。何先生為合資格會計師，並為美國會計師公會會員及香港會計師公會會員。

Biographical Details of Directors and Senior Management 董事及高級管理層資料

Independent Non-executive Directors

Mr. WANG Arthur Minshiang, aged 58, has been an Independent Non-executive Director of the Company since 22 April 2002. Mr. Wang is the Chairman of the Remuneration Committee of the Board and a member of each of the Audit Committee and the Nomination Committee of the Board.

Mr. Wang is a managing director of 698 Capital Limited, a private Asian investment firm. Previously, Mr. Wang was also a member of the board and audit committee of NASDAQ listed Homeinns Hotel Group, one of China's leading hotel chains. Mr. Wang was a member of the board and the chief executive officer of GigaMedia Limited, a NASDAQ listed online entertainment and game provider. Mr. Wang was also previously a co-founder and executive director of KGI Asia Limited, an investment bank and securities brokerage. Mr. Wang has also served on the board of directors of several finance and technology companies in the region and was previously a member of the board and the chairman of the audit committee of Softbank Investment International (Strategic) Limited (now known as China Wah Yan Healthcare Limited) (stock code: 648), the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Mr. Wang received his Juris Doctorate degree from Yale Law School and practised corporate and securities law in Hong Kong and New York. He also holds a Bachelor of Arts degree from the University of California at Los Angeles in the United States of America.

獨立非執行董事

王敏祥先生，58歲，自二零零二年四月二十二日以來一直擔任本公司獨立非執行董事。王先生現時為董事會薪酬委員會主席，以及董事會審核委員會及提名委員會各自之成員。

王先生為一家亞洲私人投資公司698 Capital Limited之常務董事。之前，王先生亦曾為於納斯達克上市之如家酒店集團(中國知名的連鎖飯店之一)之董事及審核委員會成員。王先生曾為和信超媒體股份有限公司(一家於納斯達克上市之網上娛樂及遊戲供應商)之董事及行政總裁。在此之前，王先生亦曾為投資銀行及證券經紀凱基證券亞洲有限公司創辦人之一兼執行董事。王先生亦在亞洲區多家財務及科技公司擔任董事，並曾任香港聯合交易所有限公司主板上市公司軟庫發展有限公司(現稱中國華仁醫療有限公司)(股份代號：648)董事及審核委員會主席。王先生獲耶魯大學法律學院法學博士學位，並曾在香港和紐約執業，專責企業和證券法律事務。彼亦持有美國洛杉磯加州大學文學學士學位。

Biographical Details of Directors and Senior Management 董事及高級管理層資料

Independent Non-executive Directors (continued)

Mr. LAU Shu Yan, aged 37, was appointed as an Independent Non-executive Director of the Company on 11 January 2017. Mr. Lau is the Chairman of the Audit Committee of the Board.

Mr. Lau is currently a partner of an audit firm. He had previously worked in an international accounting firm and has over 10 years of experience in finance, auditing and accounting fields. Mr. Lau is currently an independent non-executive director of Union Asia Enterprise Holdings Limited (stock code: 8173), an independent non-executive director and chairman of the audit committee of 深圳市明華澳漢科技股份有限公司 (Shenzhen Mingwah Aohan High Technology Corporation Limited*) (stock code: 8301), and an independent non-executive director, chairman of the audit committee and member of the remuneration committee of Perfectech International Holdings Limited (stock code: 765), the securities of these companies are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Mr. Lau graduated from the University of Newcastle upon Tyne, United Kingdom with a Bachelor of Arts degree majoring in accounting and financial analysis. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. Mr. Lau was formerly an independent non-executive director of Evershine Group Holdings Limited (formerly known as TLT Lottotainment Group Limited) (stock code: 8022) from 11 July 2012 to 16 January 2014, the securities of which are listed on the Stock Exchange.

* For identification purpose only

獨立非執行董事(續)

劉樹人先生，37歲，於二零一七年一月十一日獲委任為本公司獨立非執行董事。劉先生現時為董事會審核委員會主席。

劉先生現時為一間核數公司之合夥人。彼過往曾於一間國際會計師行工作，於金融、審計及會計領域積逾10年經驗。劉先生現為萬亞企業控股有限公司(股份代號：8173)之獨立非執行董事、深圳市明華澳漢科技股份有限公司(股份代號：8301)之獨立非執行董事兼審核委員會之主席及 Perfectech International Holdings Limited(威發國際集團有限公司*)(股份代號：765)之獨立非執行董事、審核委員會主席兼薪酬委員會成員，該等公司的證券均於香港聯合交易所有限公司(「**聯交所**」)上市。劉先生畢業於英國泰恩河畔紐卡素大學，獲頒文學士學位，主修會計及財務分析。彼為香港會計師公會會員及英國特許公認會計師公會資深會員。劉先生過往曾於二零一二年七月十一日至二零一四年一月十六日擔任證券於聯交所上市之永耀集團控股有限公司(前稱彩娛集團有限公司)(股份代號：8022)之獨立非執行董事。

* 僅供識別

Biographical Details of Directors and Senior Management 董事及高級管理層資料

Independent Non-executive Directors (continued)

Mr. ZHANG Huijun, aged 62, was appointed as an Independent Non-executive Director of the Company on 11 January 2017. Mr. Zhang is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Board.

Mr. Zhang is currently a vice-chairman of each of China Film Association, Beijing Film Specialist Association and 北京影視藝術家協會 (Beijing Film and TV Artist Association*), deputy director of China Council for the Promotion of Art Education, a tutor and professor of the Academy of Chinese Culture under Peking University, director of 中國電影高新技術研究院 (China Research Institute of Film Technology*), vice chairman and standing member of the council of China Society of Motion Picture and Television Engineers, member of each of the Academic Degree Committee of the State Council and National Art Professional Master Degree Education Steering Committee under the Ministry of Education. He is also a member of 國家教育部高等學校素質教育工作委員會 (Committee of Quality Education in Higher Education Institutions under the Ministry of Education*), head of the higher education division under the Education Committee of China Photographers Association, principal specialist of Beijing Film and Television Art Research Centre, vice-president of China Advertising Association of Commerce and a specialist enjoying special government subsidies granted by the State Council. Mr. Zhang is also a tutor to doctoral students and a professor of Beijing Film Academy in which he was enrolled in 1978 (Class 78) as a student under the department of photography and graduated with a Bachelor of Arts (cinematography) degree in July 1982. In the same year, he assumed a teaching post at his alma mater shortly after graduating with flying colours.

獨立非執行董事(續)

張會軍先生，62歲，於二零一七年一月十一日獲委任為本公司獨立非執行董事。張先生現時為董事會審核委員會、薪酬委員會及提名委員會各自之成員。

張先生現為中國電影家協會、北京電影家協會及北京影視藝術家協會副主席、中國藝術教育促進會副主任、北京大學中國文化書院導師兼教授、中國電影高新技術研究院院長、中國電影電視技術學會副理事長兼常務理事、國務院學位委員會、教育部全國藝術碩士專業學位指導委員會委員。彼亦為國家教育部高等學校素質教育工作委員會委員、中國攝影家協會教育委員會高教部部長、北京影視研究基地首席專家、中國商務廣告協會副會長及獲享國務院政府特殊津貼專家。張先生亦為北京電影學院博士生導師及教授。彼於一九七八年考入北京電影學院攝影系(78班)，於一九八二年七月畢業，獲頒文學(電影攝影)學士學位。同年，張先生以優異成績畢業後留校任教。

* For identification purpose only

* 僅供識別

Biographical Details of Directors and Senior Management 董事及高級管理層資料

Independent Non-executive Directors (continued)

Mr. Zhang was a member of the national committee of the 10th and 11th Chinese People's Political Consultative Conference ("CPPCC"), a member of the 10th and 11th CPPCC Subcommittee of Education, Science, Culture, Health and Sports, as well as a specially invited supervisor of the Ministry of Public Security. He has acted as the deputy director of Beijing Film Academy for 8 years and the director of Beijing Film Academy for 14 years.

Mr. Zhang was accredited the 優秀指導教師獎 (Outstanding Tutor Award*) at the 99 全國大學生藝術節 (Arts Festival for University Students Across China 1999*) co-hosted by the Ministry of Education, Ministry of Culture, Central Committee of the Communist Youth League of China, State Administration of Radio, Film and Television and the Beijing Municipal Government. He was conferred 義大利仁惠之星勳章 (三級勳章) (Commendatore dell'Ordine della Stella della Solidarieta Italiana (3rd Class)) by the President of the Italian Republic in recognition of his positive contribution to the promotion of cultural exchange and friendly cooperation between the PRC and Italy. Being the awardee of 中國文化產業人才培養特殊貢獻大獎 (Award of Special Contribution to the Nurture of Talents for Cultural Industries of China*) by the organizing committee of Forum on International Cultural Industries (China), Mr. Zhang has been engaged as a life member of the judging committee of Macau International Movie Festival.

Being a famous cinematographer, director, producer in the PRC, as well as a "fifth generation" leading figure of the PRC's movie industry, Mr. Zhang has involved himself in the production of over 20 movies, making enormous artistic achievement and winning numerous prestigious awards at home and abroad. Besides, Mr. Zhang has presented over 300 TV productions, including drama series and other genres, in the capacity of director, cinematographer, organizer and producer. He has written, compiled and undertaken over 20 academic papers. He has undertaken research projects of state and provincial level covering the aspects of science, education and technology as a project leader or principal participant.

* For identification purpose only

獨立非執行董事(續)

張先生曾為中國人民政治協商會議(「中國人民政協」)第十屆及第十一屆全國委員會委員以及中國人民政協第十屆及第十一屆教科文衛體委員會委員，並為國家公安部特邀監督員。彼亦曾於北京電影學院擔任副校長逾8年及擔任校長逾14年。

張先生於由教育部、文化部、共青團中央、國家廣播電影電視總局及北京市政府聯合舉辦之「99全國大學生藝術節」獲頒發「優秀指導教師獎」。彼獲義大利共和國總統授予「義大利仁惠之星勳章(三級勳章)」，對其促進中國與義大利在文化交流和友好合作作出之傑出貢獻予以肯定。作為中國文化產業(國際)論壇組委會「中國文化產業人才培養特殊貢獻大獎」之獲獎者，張先生獲委任為澳門國際電影節終身評委。

作為中國知名電影攝影師、監製、製作人以及中國電影業「第五代」領導人物，張先生曾參與制作超過20部電影，創造輝煌之藝術成就並在本地及海外獲獎無數。此外，張先生以監製、電影攝影師、統籌及製作人身份參與超過300項電視製作，包括電視連續劇及其他類別。他曾撰寫、主編及獨立完成超過20份學術專著。彼亦一直以項目負責人或主要參與者之角色進行國家及省級研究項目，涵蓋科學、教育及技術層面。

* 僅供識別

Corporate Governance Report

公司管治報告

Daohe Global Group Limited (the “**Company**”) has adopted the code provisions (the “**Code Provisions**”) as stated in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as the Corporate Governance Code (the “**Code**”) of the Company. The board (the “**Board**”) of directors (the “**Directors**”) is committed to complying with the Code to the extent that the Directors consider it to be applicable to the Company and suited to the needs and interests of the Company and its subsidiaries (collectively (the “**Group**”).

The corporate governance principles of the Group emphasise an effective Board, sound internal controls, appropriate independence policy, and transparency and accountability to all shareholders of the Company (the “**Shareholders**”).

During the year ended 31 December 2018, the Company has complied with all the applicable Code Provisions of the CG Code to the Listing Rules, save for the deviations discussed in the relevant paragraphs below.

(A) DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as its code of conduct for dealing in securities of the Company by the Directors.

The Company, having made specific enquiries, obtained confirmations from all the Directors that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2018.

The Company has also established written guidelines on no less exacting terms than the Model Code (the “**Employees Written Guidelines**”) for securities transactions by relevant employees who are likely to possess unpublished inside information in relation to the Company or its securities.

No incident of non-compliance with the Employees Written Guidelines by the relevant employees was noted by the Company during the year ended 31 December 2018.

道和環球集團有限公司(「**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**」)附錄十四所載之企業管治守則(「**企業管治守則**」)內的守則條文(「**守則條文**」)，作為本公司的公司管治守則(「**守則**」)。董事(「**董事**」)會(「**董事會**」)承諾，在董事認為適用於本公司及符合本公司及其附屬公司(統稱「**本集團**」)需要及利益的前提下，嚴格遵從守則行事。

本集團公司管治原則著重有效的董事會、良好的內部監控及恰當的獨立政策，並為本公司全體股東(「**股東**」)提供一個具透明度及問責的董事會。

截至二零一八年十二月三十一日止年度，本公司已遵守上市規則企業管治守則之所有適用守則條文，但以下相關段落所述偏離除外。

(A) 董事之證券交易

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「**標準守則**」)，作為董事買賣本公司證券的操守守則。

本公司經作出特定查詢後，已獲全體董事確認，彼等於截至二零一八年十二月三十一日止年度一直遵守標準守則所載的規定準則。

就可能擁有與本公司或其證券相關之未經公佈之內幕消息之有關僱員進行證券交易，本公司亦制定不遜於標準守則所載條款之書面指引(「**僱員書面指引**」)。

本公司並沒有發現於截至二零一八年十二月三十一日止年度有關僱員違反僱員書面指引。

(B) BOARD OF DIRECTORS

Board Composition

During the year ended 31 December 2018, the Board had seven Directors comprising three Executive Directors, one Non-executive Director and three Independent Non-executive Directors. During the year ended 31 December 2018, the Company had at all times complied with Rules 3.10 and Rules 3.10A of the Listing Rules. With effect from 1 January 2019 and up to the date of this annual report, the Board had six Directors after the resignation of Mr. YU Lei as an Executive Director.

The Directors have given sufficient time and attention to the Company's affairs during the year ended 31 December 2018. The Company requests the Directors to disclose annually to the Company the number and nature of offices held in public companies or organisations and other significant commitments.

Independent Non-executive Directors and Non-executive Director provide the Board with diversified skills, expertise and experience. Their views and participation in Board and committee meetings bring independent, constructive and informed comments on issues relating to the Company's strategies and policies to ensure that the interests of all Shareholders are taken into account.

An updated list of the Directors identifying their roles and functions is maintained on the websites of the Company and the Stock Exchange. Independent Non-executive Directors are identified as such in all corporate communications containing the name of the Directors.

Mr. ZHOU Xijian is a director and shareholder of Daohe Global Investment Holding Limited ("Daohe Global Investment"), a controlling shareholder of the Company. Save as disclosed above, none of the members of the Board has any relationship (including financial, business, family or other material/relevant relationship(s)) with each other.

Biographical details of the Directors are set out in the "Biographical Details of Directors and Senior Management" section of this annual report.

(B) 董事會

董事會組成

於截至二零一八年十二月三十一日止年度，董事會由七名董事組成，包括三名執行董事、一名非執行董事及三名獨立非執行董事。於截至二零一八年十二月三十一日止年度，本公司一直遵守上市規則第3.10條及第3.10A條。自二零一九年一月一日起及直至本年報日期，於余磊先生辭任執行董事後，董事會有六名董事。

於截至二零一八年十二月三十一日止年度，董事均投入足夠時間及精力以處理本公司事務。本公司要求董事每年向本公司披露其於公眾公司或機構擔任職位之數目及性質以及其他重大承擔。

獨立非執行董事及非執行董事為董事會提供多元化的技能、專業知識及經驗。彼等參與並對董事會及委員會會議提出意見，為本公司於制定策略及政策時提供了獨立、富建設性及有見地的意見，確保所有股東之利益均獲得考慮。

本公司已在其網站及聯交所網站登載最新的董事名單，並列明董事的角色及職能。獨立非執行董事身份在所有載有董事姓名之公司通訊中均有明確說明。

周希儉先生為道和環球投資控股有限公司（「道和環球投資」）（本公司控股股東）的董事及股東。除以上披露者外，董事會成員彼此之間概無任何關係（包括財務、業務、家庭或其他重大／相關關係）。

董事履歷詳情載於本年報「董事及高級管理層資料」一節。

Board Diversity Policy

The Company has adopted a board diversity policy (the “**Board Diversity Policy**”) on 30 August 2013 (which was revised on 14 December 2018) setting out the approach to achieve diversity on the Board.

The Company recognises the importance of having a diverse team of Board members, which is an essential element in maintaining an effective Board and enhancing corporate governance standard. The Nomination Committee of the Company is delegated the authority (amongst other things) to review and assess the diversity of the Board, with the objective of maintaining an appropriate mix and balance of skills, knowledge, experience and diversity of perspectives on the Board which are appropriate to the requirements of the Company’s business.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to skills, knowledge, industry and professional experience, cultural and educational background, gender, age and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee shall discuss and where necessary, agree on the measurable objectives for achieving diversity on the Board and make recommendation to the Board. The Board may adopt and/or amend from time to time (as applicable) such diversity perspectives and/or measurable objectives that are appropriate to the Company’s business and Board succession planning, as applicable.

董事會成員多元化政策

本公司已於二零一三年八月三十日採納董事會成員多元化政策(「**董事會成員多元化政策**」)(於二零一八年十二月十四日修訂)，當中載有達致董事會成員多元化之方針。

本公司重視董事會成員多元化，此為維持董事會行之有效的必要元素，以及提升企業管治水平。本公司提名委員會所獲之授權其中包括檢討及評估董事會的多元化程度，從而確保董事會持續具備符合本公司業務所需的適當技能、知識、經驗及多樣的觀點與角度，以及在以上各方面取得平衡。

甄選人選將按一系列多元化範疇為基準，包括但不限於技能、知識、行業及專業經驗、文化及教育背景、性別、年齡及服務任期。最終將按人選的長處及可為董事會提供的貢獻而作決定。提名委員會將會討論及協定(如有需要)為達致董事會成員多元化的可計量目標，並向董事會作出有關建議。如有需要，董事會可隨時採納及/或修訂多元化因素及/或可計量目標，以切合本公司業務所需和董事會繼任計劃(如適用)。

Director Nomination Policy

The Company has adopted a director nomination policy (the “**Director Nomination Policy**”) on 14 December 2018 setting out the procedures and criteria to be used by the Company in relation to the selection, appointment and re-appointment of Directors to ensure that the Board maintains an appropriate mix and balance of skills, knowledge, experience and diversity of perspectives to the requirements of the Company’s business.

The Nomination Committee shall make reference to this Director Nomination Policy and the Board Diversity Policy to nominate suitably qualified candidates to the Board for it to consider and make recommendations to the Shareholders for election as Directors at general meetings or appointment as Directors to fill casual vacancies or as an addition to the Board.

Directors’ and Officers’ Liabilities Insurance

The Company has arranged appropriate insurance coverage on directors’ and officers’ liabilities of the Company and its subsidiaries in respect of any legal actions taken against the Directors and officers of the Company and its subsidiaries arising out of corporate activities.

Delegation by the Board

The overall management of the Company’s business is vested in the Board, which assumes the responsibility for the leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising the Group’s affairs. All Directors should make decisions objectively in the best interests of the Company.

The functions of the Board are carried out either directly or through Board committees. To ensure the Board is in a position to exercise its powers in an informed manner, management provides monthly management accounts and updates to the Directors who also have full and timely access to all relevant information and may take independent professional advice if necessary. Furthermore, the types of decisions to be delegated by the Board to management include implementation of the strategy and direction determined by the Board, operation of the Group’s businesses, preparation of financial statements and operating budgets, and compliance with applicable laws and regulations.

董事提名政策

本公司於二零一八年十二月十四日採納董事提名政策(「**董事提名政策**」)，載列本公司就甄選、委任及重選董事所用的程序及標準，以確保董事會符合本公司業務要求，於技能、知識、經驗及多方面維持適當組合及平衡。

提名委員會須參考董事提名政策及董事會成員多元化政策，以向董事會提名具備合適資格的候選人以供董事會考慮，並就於股東大會選舉有關人士擔任董事或委任有關人士以填補臨時空缺或增添董事會成員向股東提供推薦意見。

董事及高級職員的責任保險

本公司已為本公司及其附屬公司董事及高級職員投購適當的責任保險，就本公司及其附屬公司董事及高級職員因公司業務所承擔的法律責任提供保障。

董事會授權

董事會負責整體管理本公司的業務，其中肩負著領導及監控本集團的責任，並共同承擔指導及監督本集團事務的責任，推動本集團達致成功。全體董事應以本公司的最佳利益為依歸，客觀地作出決策。

董事會直接或透過董事委員會履行職務。為確保董事會在知情的情況下行使其職權，管理層每月向董事提供管理賬目及更新資料，而董事亦獲提供所有全面及適時的相關資料，並可於有需要時諮詢獨立專業意見。再者，董事會授權管理層可作出決定之事項包括：執行董事會決定之策略和方針、本集團之業務運作、編製財務報表及營運預算，以及遵守適用之法律和規例。

Corporate Governance Report 公司管治報告

To comply with the requirement under the CG Code, the Board is also responsible for performing the corporate governance duties including but not limited to:

- develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- review and monitor the training and continuous professional development of the Directors and senior management;
- review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and
- review the Company's compliance with the code and disclosure in the corporate governance report.

During the year ended 31 December 2018, the Board met regularly for reviewing and approving the financial and operating performance, the compliance of CG Code and corporate governance report, and considering and approving the overall strategies and policies of the Company.

為符合企業管治守則之規定，董事會亦負責履行企業管治職責，包括但不限於：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察僱員及董事的操守準則及合規手冊；及
- 檢討本公司遵守守則的情況及在《企業管治報告》內的披露。

於截至二零一八年十二月三十一日止年度，董事會定期會面以檢討及批准財務及營運表現、企業管治守則及企業管治報告的遵守情況，並考慮及批准本公司整體策略及政策。

Corporate Governance Report

公司管治報告

The Company currently has four Board committees. The table below provides membership information of these committees on which each Board member serves.

本公司現時設有四個董事委員會。下表提供各董事會成員在該等委員會中所擔任的職位。

Directors 董事	Board Committees 董事委員會	Executive Committee 執行委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Non-executive Director ZHOU Xijian (Chairman)	非執行董事 周希儉 (主席)			M	C
Executive Directors WONG Hing Lin, Dennis ^(Note 1) (Chief Executive Officer and President)	執行董事 黃慶年 ^(附註1) (行政總裁兼總裁)	C			
HO Chi Kin ^(Note 2) (Chief Financial Officer)	何致堅 ^(附註2) (財務總監)	M			
Independent Non-executive Directors	獨立非執行董事				
WANG Arthur Minshiang	王敏祥		M	C	M
LAU Shu Yan	劉樹人		C		
ZHANG Huijun	張會軍		M	M	M
Ex-Directors YU Lei ^(Note 3) (Ex-Chief Executive Officer)	前董事 余磊 ^(附註3) (前行政總裁)	C			
TSANG Chun Ho, Anthony (also known as Zichen) ^(Note 4) (Ex-President)	曾俊豪 (亦稱為子辰) ^(附註4) (前總裁)	M			

Notes:

- Mr. WONG Hing Lin, Dennis was appointed as the Chief Executive Officer and the Chairman of the Executive Committee with effect from 1 January 2019.
 - Mr. HO Chi Kin was appointed as an Executive Director and a member of the Executive Committee with effect from 13 February 2018. He was appointed as the Chief Financial Officer of the Company with effect from 1 January 2018.
 - Mr. YU Lei resigned as an Executive Director, the Chief Executive Officer and the Chairman of the Executive Committee with effect from 1 January 2019.
 - Mr. TSANG Chun Ho, Anthony (also known as Zichen) resigned as an Executive Director, a President of the Company and a member of the Executive Committee with effect from 23 March 2018.
- C Chairman of the relevant Board committees
M Member of the relevant Board committees

附註：

- 黃慶年先生自二零一九年一月一日起獲委任為行政總裁兼執行委員會主席。
 - 何致堅先生自二零一八年二月十三日起獲委任為執行董事及執行委員會成員。彼自二零一八年一月一日起獲委任為本公司之財務總監。
 - 余磊先生自二零一九年一月一日起辭任執行董事、行政總裁及執行委員會主席。
 - 曾俊豪先生(亦稱為子辰)自二零一八年三月二十三日起辭任執行董事、本公司總裁及執行委員會成員。
- C 有關董事委員會的主席
M 有關董事委員會的成員

Corporate Governance Report

公司管治報告

Board Meetings and Committees Meetings

The attendance of individual Directors at the Board and its committee meetings, and the annual general meeting (the "AGM") of the Company held during the year ended 31 December 2018 is set out in the following table:

董事會會議及委員會會議

各董事出席本公司於截至二零一八年十二月三十一日止年度舉行的董事會及其委員會會議及股東週年大會(「股東週年大會」)的情況載列於下表：

Name of Directors	董事姓名	Attendance/Number of Meetings					
		Board Meeting 董事會會議	Executive Committee Meeting 執行委員會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Annual General Meeting 股東週年大會
Non-executive Director	非執行董事						
ZHOU Xijian	周希儉	3/4	N/A 不適用	N/A 不適用	1/1	1/1	0/1
Executive Directors	執行董事						
WONG Hing Lin, Dennis	黃慶年	4/4	6/6	N/A 不適用	N/A 不適用	N/A 不適用	1/1
HO Chi Kin ^(Note 1)	何致堅 ^(附註1)	4/4	3/3	*2/2	N/A 不適用	N/A 不適用	1/1
Independent Non-executive Directors	獨立非執行董事						
WANG Arthur Minshiang	王敏祥	4/4	N/A 不適用	2/2	1/1	1/1	0/1
LAU Shu Yan	劉樹人	4/4	N/A 不適用	2/2	N/A 不適用	N/A 不適用	1/1
ZHANG Huijun	張會軍	3/4	N/A 不適用	2/2	1/1	1/1	0/1
Ex-Directors	前董事						
YU Lei ^(Note 2)	余磊 ^(附註2)	4/4	6/6	N/A 不適用	N/A 不適用	N/A 不適用	0/1
TSANG Chun Ho, Anthony (also known as Zichen) ^(Note 3)	曾俊豪 (亦稱為子辰) ^(附註3)	1/1	0/3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Number of meetings held	會議的舉行次數	4	6	2	1	1	1

Notes:

- Mr. HO Chi Kin was appointed as an Executive Director and a member of the Executive Committee with effect from 13 February 2018. He was appointed as the Chief Financial Officer of the Company with effect from 1 January 2018.
 - Mr. YU Lei resigned as an Executive Director, the Chief Executive Officer and the Chairman of the Executive Committee with effect from 1 January 2019.
 - Mr. TSANG Chun Ho, Anthony (also known as Zichen) resigned as an Executive Director, a President of the Company and a member of the Executive Committee with effect from 23 March 2018.
- * The Director is not a member of the committee at the relevant time but attended the meetings by invitation.

附註：

- 何致堅先生自二零一八年二月十三日起獲委任為執行董事及執行委員會成員。彼自二零一八年一月一日起獲委任為本公司之財務總監。
 - 余磊先生自二零一九年一月一日起辭任執行董事、行政總裁及執行委員會主席。
 - 曾俊豪先生(亦稱為子辰)自二零一八年三月二十三日起辭任執行董事、本公司總裁及執行委員會成員。
- * 於相關時間董事並非為委員會成員但獲邀出席會議。

Apart from holding physical meetings, the Board and Board committees also circulate written resolutions for approval by the relevant members of the Board and Board committees except for matters where a substantial shareholder or a Director has a conflict of interest which the Board has determined to be material in compliance with Code Provision A.1.7 of the CG Code.

The Board having considered the attendance records and training records of the Directors and the confirmation provided by each Director is satisfied that each Director spends sufficient time performing his responsibilities. Key issues and decisions made during the meetings were communicated to the Directors in a timely manner.

Chairman and Chief Executive Officer

Currently, the Chairman of the Board and the Chief Executive Officer ("CEO") of the Group are Mr. ZHOU Xijian and Mr. WONG Hing Lin, Dennis (who was appointed on 1 January 2019 in replacement of Mr. YU Lei) respectively. The roles of Chairman and CEO are segregated and their respective responsibilities are clearly defined and set out in writing.

The Chairman's principal role is to provide leadership for the Board on corporate and strategic planning, ensure proper proceedings of the Board and encourage all Directors to have active contributions to the Board's affairs.

The CEO, supported by the other Executive Directors and management, is to manage and operate the Group's day-to-day business, including the implementation of major strategies and initiatives adopted by the Board.

Non-executive Director

Mr. ZHOU Xijian, Chairman and Non-executive Director, is appointed for a term of three years under his letter of appointment. All Directors including Non-executive Director are subject to retirement by rotation and eligible for re-election at the AGM at least once every three years in accordance with the bye-laws of the Company (the "Bye-laws"). The Company has issued a formal letter of appointment to Mr. Zhou setting out the key terms of his appointment.

除親身出席會議外，董事會及董事委員會亦傳閱書面決議案，以尋求董事會及董事委員會有關成員的批准，惟主要股東或董事涉及利益衝突而董事會遵照企業管治守則守則條文第A.1.7條認為屬重大事宜除外。

經考慮董事之出席記錄及培訓記錄及各董事提供之確認書後，董事會信納各董事已付出充足時間履行其職責。會議期間的主要事項及作出的決策已及時向各董事傳達。

主席及行政總裁

目前董事會主席及本集團行政總裁（「行政總裁」）分別為周希儉先生及黃慶年先生（於二零一九年一月一日獲委任以替代余磊先生）。主席及行政總裁之職位彼此分開，彼等各自的責任已清楚界定並已書面載列。

主席之主要責任為領導董事會進行企業及策略規劃，確保董事會按照恰當的程序運作，並鼓勵全體董事對董事會事務作出積極貢獻。

行政總裁在其他執行董事及管理層的支持下，負責管理及經營本集團的日常業務，包括履行董事會採納的重要策略與措施。

非執行董事

主席兼非執行董事周希儉先生已根據其委聘函獲委任，為期三年。根據本公司的公司細則（「公司細則」），全體董事（包括非執行董事）須於股東週年大會上每三年至少輪值退任一次，且符合資格可膺選連任。本公司已向周先生發出正式的委聘函，當中列明其獲委聘的主要條款。

Code provision E.1.2 of the CG Code requires the Chairman to attend the AGM. Due to other business commitments, Mr. ZHOU Xijian was not able to attend the AGM held on 31 May 2018 (the "2018 AGM"). Mr. HO Chi Kin, an Executive Director and the Chief Financial Officer of the Company, acted as the chairman of the 2018 AGM to ensure an effective communication was carried out with the Shareholders.

Independent Non-executive Directors

Every Independent Non-executive Director is appointed for a specific term under his letter of appointment. All Directors including Independent Non-executive Directors are subject to retirement by rotation and eligible for re-election at the AGM at least once every three years in accordance with the Bye-laws. The Company has issued formal letter of appointments to its Independent Non-executive Directors setting out key terms of their appointments.

The Company has received written annual confirmation from each Independent Non-executive Director of his independence pursuant to Rule 3.13 of the Listing Rules. Based on the contents of such confirmation, the Company considers all of the Independent Non-executive Directors to be independent.

Independent Non-executive Director who has served for more than nine years

Mr. WANG Arthur Minshiang has served as Independent Non-executive Director for more than nine years. To comply with Code Provision A.4.3 of the CG Code, Mr. Wang retired voluntarily and was re-elected as Director at the AGM held on 27 August 2012 and 27 August 2015 respectively. He retired by rotation and was re-elected as Director at the AGM held on 30 August 2017.

Directors' Continuous Professional Development

Each newly appointed Director has received a comprehensive, formal and tailored induction on the first occasion of his appointment, so as to ensure that he has an appropriate understanding of the business and operations of the Group and that he is fully aware of his responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

企業管治守則守則條文第E.1.2條規定主席須出席股東週年大會。由於其他事務在身，故周希儉先生未能出席於二零一八年五月三十一日舉行的股東週年大會（「二零一八年股東週年大會」）。本公司執行董事兼財務總監何致堅先生已擔任二零一八年股東週年大會主席，以確保與股東進行有效溝通。

獨立非執行董事

每名獨立非執行董事已根據其委聘函按特定任期獲委任。根據公司細則，全體董事（包括獨立非執行董事）須於股東週年大會上每三年至少輪值退任一次，且符合資格可膺選連任。本公司已向其獨立非執行董事發出正式的委聘函，當中列明其獲委聘的主要條款。

本公司已接到各獨立非執行董事的書面年度確認書，確認彼等均符合上市規則第3.13條所述之獨立性。根據有關確認書的內容，本公司認為所有獨立非執行董事均符合獨立資格。

在任逾九年的獨立非執行董事

王敏祥先生已擔任獨立非執行董事逾九年。為符合企業管治守則守則條文第A.4.3條，王先生分別於二零一二年八月二十七日及二零一五年八月二十七日舉行的股東週年大會上自願退任，並獲選連任董事。彼於二零一七年八月三十日舉行的股東週年大會上輪席告退，並獲選連任董事。

董事之持續職業發展

各新委任董事於首次獲委任時均會獲得全面、正規及切合個人需要的就任須知，以確保彼對本集團業務及運作有恰當的了解，並全面知悉其根據上市規則及有關法例規定下之職責及責任。

There are also arrangements in place for providing continuing briefing and professional development to the Directors at the Company's expenses whenever necessary.

有需要時，本公司亦會安排向董事提供持續簡介及專業發展，費用由本公司承擔。

The Company provides regular updates and presentations on changes and developments relating to the Group's business and the legislative and regulatory environments in which the Group conducts its business to the Directors.

本公司就本集團業務及本集團經營業務所在之立法及監管環境之變動及發展向董事提供定期更新及簡報。

The trainings received by the Directors during the year ended 31 December 2018 are summarised as follows:

董事於截至二零一八年十二月三十一日止年度接受的培訓概述如下：

Directors	Attending seminars and/or reading materials on legal and regulatory updates, corporate governance, director's duties and responsibilities or group's business 出席研討會及／或閱讀有關法律及監管最新資料、企業管治、董事職責及責任或集團業務的材料
Directors	
董事	
Non-Executive Director	
ZHOU Xijian (Chairman)	非執行董事 周希儉(主席) ✓
Executive Directors	
WONG Hing Lin, Dennis ^(Note 1) (Chief Executive Officer and President)	執行董事 黃慶年 ^(附註1) ✓
HO Chi Kin ^(Note 2) (Chief Financial Officer)	(行政總裁兼總裁) 何致堅 ^(附註2) (財務總監) ✓
Independent Non-Executive Directors	
WANG Arthur Minshiang	獨立非執行董事 王敏祥 ✓
LAU Shu Yan	劉樹人 ✓
ZHANG Huijun	張會軍 ✓
Ex-Directors	
YU Lei ^(Note 3) (Ex-Chief Executive Officer)	前董事 余磊 ^(附註3) (前行政總裁) ✓
TSANG Chun Ho, Anthony (also known as Zichen) ^(Note 4) (Ex-President)	曾俊豪 (亦稱為子辰) ^(附註4) (前總裁) ✓

Notes:

- Mr. WONG Hing Lin, Dennis was appointed as the Chief Executive Officer and the Chairman of the Executive Committee with effect from 1 January 2019.
- Mr. HO Chi Kin was appointed as an Executive Director and a member of the Executive Committee with effect from 13 February 2018. He was appointed as the Chief Financial Officer of the Company with effect from 1 January 2018.
- Mr. YU Lei resigned as an Executive Director, the Chief Executive Officer and the Chairman of the Executive Committee with effect from 1 January 2019.
- Mr. TSANG Chun Ho, Anthony (also known as Zichen) resigned as an Executive Director, a President of the Company and a member of the Executive Committee with effect from 23 March 2018.

附註：

- 黃慶年先生自二零一九年一月一日起獲委任為行政總裁兼執行委員會主席。
- 何致堅先生自二零一八年二月十三日起獲委任為執行董事及執行委員會成員。彼自二零一八年一月一日起獲委任為本公司之財務總監。
- 余磊先生自二零一九年一月一日起辭任執行董事、行政總裁及執行委員會主席。
- 曾俊豪先生(亦稱為子辰)自二零一八年三月二十三日起辭任執行董事、本公司總裁及執行委員會成員。

Change to the Emolument of Directors

The following changes were made to the emolument of Directors:

The director's salary of Mr. WONG Hing Lin, Dennis has been increased to HK\$450,000 per month with effect from 1 January 2019.

The director's salary of Mr. HO Chi Kin has been increased to HK\$120,000 per month with effect from 1 January 2019.

Company Secretary

Mr. HO Chi Kin has been the company secretary of the Company (the "Company Secretary") in replacement of Ms. LO Yin Wan, with effect from 24 August 2018. Mr. Ho is an Executive Director and the Chief Financial Officer of the Company.

All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the board procedures are followed, advising the Board on all corporate governance matters, and arranging induction programs including briefings on the general and specific duties of directors under legal and regulatory requirements for newly appointed directors. The Company Secretary facilitates the induction and professional development of directors.

During the year ended 31 December 2018, Mr. Ho has received no less than 15 hours of relevant professional training to refresh his skills and knowledge.

(C) BOARD COMMITTEES

The Company currently has four committees, namely, the Executive Committee, Audit Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs.

Terms of reference of all Board committees are available on the Stock Exchange's website and the Company's website.

董事酬金變動

董事的酬金作出以下變動：

自二零一九年一月一日起，黃慶年先生的董事薪金增加至每月450,000港元。

自二零一九年一月一日起，何致堅先生的董事薪金增加至每月120,000港元。

公司秘書

何致堅先生自二零一八年八月二十四日起接替盧燕雲女士擔任本公司公司秘書（「公司秘書」）。何先生為本公司執行董事兼財務總監。

全體董事均可向公司秘書尋求有關意見及服務，公司秘書負責確保董事會程序獲得遵從，並就所有企業管治事宜向董事會提供意見，以及為新委任的董事安排就任培訓，其中包括董事在法律及法規規定下的一般及特定職責的簡介。公司秘書就董事的就任培訓及專業發展提供支援。

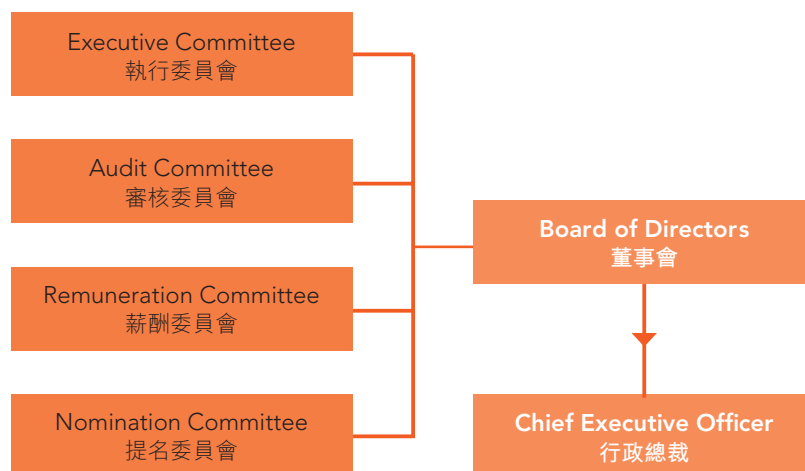
於截至二零一八年十二月三十一日止年度，何先生已接受不少於15小時的相關專業培訓，以更新其技能及知識。

(C) 董事委員會

為監督本公司個別方面的事務，本公司現時設有四個委員會，即執行委員會、審核委員會、薪酬委員會及提名委員會。

所有董事委員會的職權範圍登載於聯交所網站及本公司網站，以供參考。

Current structure of the Board



The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

Executive Committee

The Executive Committee currently consists of all the Executive Directors as follows:

WONG Hing Lin, Dennis (Chairman)

(appointed as Chairman with effect from 1 January 2019)

HO Chi Kin *(appointed with effect from 13 February 2018)*

Ex-Committee members

YU Lei (Ex-Chairman) *(appointed with effect from 1 January 2018 and resigned with effect from 1 January 2019)*

TSANG Chun Ho, Anthony (also known as Zichen)

(resigned with effect from 23 March 2018)

The Board has delegated the day-to-day management and operation functions of the Group to the Executive Committee save to the extent that certain powers and authorities are reserved to the full Board or the other Board committees. The Executive Committee is also responsible for reviewing or recommending to the Board the investment transactions of the Group and has the power to approve transactions that would not constitute notifiable transactions under Chapter 14 of the Listing Rules, connected transactions under Chapter 14A of the Listing Rules or capital market activities.

董事會現時架構

董事委員會具備充足的資源履行其職責，並在恰當的情況下，可應合理的要求尋求獨立專業的意見，費用由本公司支付。

執行委員會

執行委員會目前由以下全體執行董事組成：

黃慶年(主席)

(自二零一九年一月一日起獲委任為主席)

何致堅*(自二零一八年二月十三日起獲委任)*

前委員會成員

余磊(前主席)*(自二零一八年一月一日起獲委任及自二零一九年一月一日起辭任)*

曾俊豪(亦稱為子辰)

(自二零一八年三月二十三日起辭任)

董事會已授權執行委員會負責本集團日常的管理及營運職務，惟若干職權及權限由全體董事會或其他董事委員會保留。執行委員會亦負責檢討或向董事會建議本集團之投資交易並有權批准不會構成上市規則第14章項下之須予公佈交易、上市規則第14A章項下之關連交易或資本市場活動之交易。

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公司管治報告

During the year ended 31 December 2018, the Executive Committee held six meetings to approve the matters relating to the management and day-to-day operations of the Company. The attendance of individual Directors at the committee meetings is set out on page 26 of this annual report. Apart from the said meetings, matters requiring the Executive Committee's approval were arranged by means of circulation of written resolutions.

Audit Committee

The Audit Committee currently comprises three Independent Non-executive Directors as follows:

LAU Shu Yan (Chairman)
WANG Arthur Minshiang
ZHANG Huijun

None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The primary duties of the Audit Committee are to review the Company's annual reports and accounts, interim reports and results announcements and to provide advice and comments thereon to the Directors. The Audit Committee also reviews and monitors the external auditor's independence and objectivity and the effectiveness of the audit process. The members meet regularly with the external auditor and the Company's senior management for the review and supervision of the Company's financial reporting, risk management and internal control systems. The Audit Committee is also responsible for monitoring integrity of the financial statements of the Company and the Company's annual reports and accounts and interim reports, and to review significant financial reporting judgements contained in them.

As required by Code Provision C.3.7 of the CG Code, details of arrangements for employees to raise concerns about improprieties in financial reporting, internal control and other matters have been included in the Employee Handbook since 1 April 2012.

The Company amended the terms of reference of the Audit Committee, which took effect from 14 December 2018, in order to conform to the revised Code Provision C.3.2 of the CG Code which took effect on 1 January 2019.

於截至二零一八年十二月三十一日止年度，執行委員會舉行六次會議批准有關本公司管理及日常營運的事宜。個別董事出席委員會會議的次數載於本年報第26頁。除所述會議外，須執行委員會批准的事宜則以傳閱書面決議案方式處理。

審核委員會

審核委員會目前由下列三名獨立非執行董事組成：

劉樹人(主席)
王敏祥
張會軍

概無審核委員會成員為本公司現任外聘核數師的前合夥人。

審核委員會的主要職責是審議本公司年報與賬目、中期報告及業績公佈，並就此向董事提供建議及意見。審核委員會亦檢討及監察外聘核數師的獨立性和客觀性，以及核數程序的效能。審核委員會成員定期與外聘核數師及本公司高級管理層舉行會議，對本公司的財務報告、風險管理及內部監控系統進行審議及監督。審核委員會亦負責監督本公司財務報表、本公司年報及賬目以及中期報告的真確性，並審議其中所載重大財務報告的判斷。

應企業管治守則守則條文第C.3.7條之規定，自二零一二年四月一日起，僱員就財務報告、內部監控及其他方面發生的不正當行為提出關注之安排詳情已載入僱員手冊內。

本公司已修訂審核委員會之職權範圍，由二零一八年十二月十四日起生效，以符合企業管治守則之經修訂守則條文第C.3.2條，於二零一九年一月一日生效。

The Audit Committee met two times during the year ended 31 December 2018. The attendance of individual Directors at the committee meetings is set out on page 26 of this annual report. Apart from the said meetings, matters requiring the Audit Committee's approval were arranged by means of circulation of written resolutions.

The work performed by the Audit Committee during the year ended 31 December 2018 included:

- (a) reviewed the financial statements and reports and considered any significant or unusual items raised by the Chief Financial Officer (who heads a team of professional staff responsible for the accounting and financial reporting function) or external auditor before submission to the Board;
- (b) reviewed the interim and annual results of the Group, discussed and approved the relevant financial reports, reviewed the Group's internal control system;
- (c) approved the revised risk assessment report and 2017–2019 Internal Audit Plan;
- (d) reviewed the relationship with the external auditor by reference to the work performed by the auditor, their fees, terms of engagement and independence, and made recommendation to the Board on the appointment, re-appointment and removal of external auditor proposed by management;
- (e) reviewed the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures; and
- (f) reviewed and recommended the Board to approve the revised terms of reference of the Audit Committee.

Private session between the Committee members and the external auditor without the presence of the management had also been arranged.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year ended 31 December 2018.

於截至二零一八年十二月三十一日止年度，審核委員會舉行兩次會議。個別董事出席委員會會議的次數載於本年報第26頁。除所述會議外，須審核委員會批准的事宜則以傳閱書面決議案方式處理。

審核委員會於截至二零一八年十二月三十一日止年度履行的工作包括：

- (a) 審議財務報表及報告，並在呈交董事會前考慮由財務總監（作為專責會計及財務報告專業員工團隊的領導人）或外聘核數師提出的任何重大或不尋常項目；
- (b) 審議本集團的中期及年度業績及討論及批准相關財務報告，審議本集團的內部監控系統；
- (c) 批准經修訂風險評估報告及二零一七年至二零一九年內部審核計劃；
- (d) 參照核數師所履行的工作後，審議與外聘核數師的關係、其酬金及聘任條款及獨立性，並就管理層建議委任、重新委任及罷免外聘核數師向董事會提出建議；
- (e) 審議本公司財務報告系統、內部監控系統、風險管理系統及相關程序的充足程度及效力；及
- (f) 檢討及建議董事會批准經修訂審核委員會職權範圍。

委員會成員亦獲安排在管理層不在場之情況下與外聘核數師進行會議。

於截至二零一八年十二月三十一日止年度，董事會與審核委員會之間就外聘核數師的挑選及委任並無出現意見分歧。

Remuneration Committee

The Remuneration Committee currently comprises three members, the majority of which are Independent Non-executive Directors, as follows:

WANG Arthur Minshiang (Chairman)
ZHOU Xijian (appointed with effect from 1 January 2018)
ZHANG Huijun

The primary objectives of the Remuneration Committee include making recommendations on and approving the Company's policy and structure for all the remuneration packages of the Directors and senior management. The Remuneration Committee is also responsible for establishing formal and transparent procedures for developing remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions. The Remuneration Committee shall consult the Chairman and/or the CEO of the Company about their recommendations on remuneration policy and structure and remuneration packages.

The Company adopted Code Provision B.1.2(c)(i) out of the two models suggested by the CG Code. As a result, the Board as a whole is responsible for determining the remuneration of Non-executive Directors whereas the Remuneration Committee has the authority to approve the remuneration of the individual Executive Directors and senior management of the Company and its subsidiaries as well as share options related matters.

The Remuneration Committee met one time during the year ended 31 December 2018. The attendance of individual Directors at the committee meetings is set out on page 26 of this annual report. Apart from the said meeting, matters requiring the Remuneration Committee's approval were arranged by means of circulation of written resolutions.

薪酬委員會

薪酬委員會目前由下列三位成員組成，大部分成員為獨立非執行董事：

王敏祥(主席)
周希儉(自二零一八年一月一日起獲委任)
張會軍

薪酬委員會的首要目標包括就本公司有關所有董事及高級管理層之薪酬待遇之政策及架構提供建議，並審批此等政策架構。薪酬委員會亦負責建立制定有關薪酬政策及架構的正式及透明程序，以確保概無董事或其任何聯繫人士將參與釐定其本身之薪酬。彼等之薪酬將經參照個人及本公司表現以及市場慣例及狀況後釐定。薪酬委員會應就薪酬政策、架構及薪酬待遇諮詢本公司主席及／或行政總裁之建議。

本公司採納企業管治守則所建議之兩種模式其中之一所載之守則條文第B.1.2(c)(i)條。因此，董事會整體負責釐定非執行董事之薪酬，而薪酬委員會有權審批個別執行董事及本公司及其附屬公司之高級管理層之薪酬以及購股權相關事宜。

於截至二零一八年十二月三十一日止年度，薪酬委員會舉行一次會議。個別董事出席委員會會議的次數載於本年報第26頁。除所述會議外，須薪酬委員會批准的事宜則以傳閱書面決議案方式處理。

The work performed by the Remuneration Committee during the year ended 31 December 2018 included:

- (a) reviewed and recommended the remuneration of the new Director;
- (b) reviewed, adjusted the salary and approved the discretionary bonus of an Executive Director; and
- (c) reviewed the terms of reference of the Remuneration Committee.

Nomination Committee

The Nomination Committee currently comprises three members, the majority of which are Independent Non-executive Directors, as follows:

ZHOU Xijian (Chairman)
WANG Arthur Minshiang
ZHANG Huijun

The main duties of the Nomination Committee include the following:

- (a) review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) identify individual suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- (c) assess the independence of Independent Non-executive Directors, having regard to the requirements of the Listing Rules;
- (d) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive; and

薪酬委員會於截至二零一八年十二月三十一日止年度履行的工作包括：

- (a) 檢討及建議新董事的薪酬；
- (b) 檢討、調整薪金及批准一名執行董事的酌情花紅；及
- (c) 檢討薪酬委員會的職權範圍。

提名委員會

提名委員會目前由下列三位成員組成，大部分成員為獨立非執行董事：

周希儉(主席)
王敏祥
張會軍

提名委員會主要職責包括下列各項：

- (a) 至少每年一次檢討董事會之架構、規模及組成(包括技能、知識、經驗及多樣的觀點與角度)，並就任何為配合本公司之企業策略而擬對董事會作出之變動提出建議；
- (b) 物色具備合適資格可擔任董事會成員之人士，並甄選提名有關人士出任董事或就此向董事會提供意見；
- (c) 經考慮上市規則之規定後，評估獨立非執行董事之獨立性；
- (d) 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；及

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- (e) ensure that the Board has a balance of skills, knowledge, experience and diversity of perspectives appropriate to the requirements of the Company's business, and in that regard, the Nomination Committee should assist the Board to formulate and review a policy concerning diversity of Board members.

The Nomination Committee met one time during the year ended 31 December 2018. The attendance of individual Directors at the committee meetings is set out on page 26 of this annual report. Apart from the said meeting, matters requiring the Nomination Committee's approval were arranged by means of circulation of written resolutions.

The work performed by the Nomination Committee during the year ended 31 December 2018 included:

- (i) reviewed the Directors who were due to retire pursuant to the Bye-laws and the CG Code and recommended that they be subject to retirement and re-election at the 2018 AGM;
- (ii) considered the appointment of a new Director and the CEO, and the renewal of the letters of the appointment of the Independent Non-executive Directors and made recommendations to the Board for such to be approved, if the Board thought fit;
- (iii) reviewed the structure, size and composition of the Board (including the skills, knowledge and experience) of the Board;
- (iv) assessed the independence of each Independent Non-executive Directors;
- (v) reviewed the terms of reference of the Nomination Committee; and
- (vi) reviewed and recommended the Board to approve the revised Board Diversity Policy and adopted the Director Nomination Policy.

- (e) 確保董事會根據本公司業務要求在技能、知識、經驗及多樣的觀點與角度方面達致合適的平衡，就此而言，提名委員會應協助董事會就有關董事會成員多元化制訂及檢討政策。

於截至二零一八年十二月三十一日止年度，提名委員會舉行一次會議。個別董事出席委員會會議的次數載於本年報第26頁。除所述會議外，須提名委員會批准的事宜則以傳閱書面決議案方式處理。

提名委員會於截至二零一八年十二月三十一日止年度履行的工作包括：

- (i) 審議根據公司細則及企業管治守則須退任的董事及建議彼等須於二零一八年股東週年大會上退任及膺選連任；
- (ii) 審議新董事和行政總裁的任命及獨立非執行董事委聘函的續期並向董事會提出建議以作出酌情批准；
- (iii) 檢討董事會之架構、規模及組成(包括技能、知識及經驗方面)；
- (iv) 評估各獨立非執行董事的獨立性；
- (v) 檢討提名委員會的職權範圍；及
- (vi) 檢討及建議董事會批准經修訂董事會成員多元化政策並採納董事提名政策。

(D) RISK MANAGEMENT AND INTERNAL CONTROLS

The Board places great importance on risk management and internal control and has ultimate responsibilities for overseeing management in the design, implementation and monitoring of the risk management and internal control system of the Group on an ongoing basis. The Board is also committed to and is responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

The Group established the risk management and internal control systems with aims to manage rather than eliminate the risk of failure to achieve business objectives, and provide reasonable but not absolute assurance against material misstatements or losses caused by judgment in decision making process, human error, fraud or other irregularities.

In order to comply with the applicable CG Code to the Listing Rules, the Board has retained an external independent professional firm as the outsourced internal auditor with a view to facilitating adequacy of resources and quality of review to satisfy the Group's internal audit function as required by the Stock Exchange and to assist the Board to perform annual reviews on the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2018.

During the year ended 31 December 2018, the Group has maintained an internal audit charter which defines the scope and the duties and responsibilities of the internal audit function and its reporting protocol. The Group has conducted an annual risk assessment which identified respective strategic risks, operational risks, financial risks and compliance risks for the Group. Based on the risk assessment results following a risk based methodology audit approach, a three-year audit plan was devised which prioritised the risks identified into annual audit projects. The annual review was performed according to the audit plan with a view to assisting the Board and the Audit Committee to evaluate the effectiveness of the Group's risk management and internal control systems. The review also covered the compliance of CG Code to the Listing Rules, material controls, including financial, operational and compliance controls at entity and operational levels. The Group has taken further steps to enhance its risk management and internal control systems according to some weaknesses identified during risk assessment and examination of the internal control and strengthen the implementation of all the risk management and internal control systems.

(D) 風險管理及內部監控

董事會高度重視風險管理及內部監控，對持續監督管理本集團風險管理及內部監控系統的設計、實施及監察負有最終責任。董事會亦致力並負責檢討本集團風險管理及內部監控系統的充分性及有效性。

本集團已建立風險管理及內部監控系統，旨在管理而非消除未能達成業務目標的風險，並就在決策過程中由判斷所引致的重大錯誤陳述或損失、人為錯誤、欺詐或其他違規行為提供合理而非絕對之保證。

為遵守適用上市規則之企業管治守則，董事會已留聘外部獨立專業事務所為外聘內部核數師，旨在協助促進資源充足及提高審閱質素，使本集團內部審核職能滿足聯交所規定並協助董事會對本集團於截至二零一八年十二月三十一日止年度的風險管理及內部監控系統的效用進行年度審議。

於截至二零一八年十二月三十一日止年度，本集團已保留一套內部審核憲章，其定義內部審核部門的範圍及職責及其報告政策。本集團已進行年度風險評估，此舉可識別本集團的相關策略風險、經營風險、財務風險及合規風險。根據採納風險主導的審核方法後的風險評估結果，本集團已制定一個三年審核計劃，該計劃將所識別之風險優先列入年度審核項目。根據審核計劃進行的年度審閱，旨在協助董事會及審核委員會評估本集團風險管理及內部監控系統之效能。該審閱亦涵蓋上市規則之企業管治守則的合規性及重大監控（包括財務、營運及於實體及營運水平的合規控制）。本集團已根據於風險評估及內部監控檢查期間所識別的若干弱點，採取進一步措施增強其風險管理及內部監控系統並加強實施所有風險管理及內部監控系統。

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The Group has established procedures in handling and dissemination of inside information in an accurate and secure manner and to avoid possible mishandling of inside information within the Group. The Policy on Disclosure of Inside Information provide a guide to the Company's directors, senior management, officers and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries.

Based on the risk management and internal control systems established and maintained by the Group, the work performed by the external auditor, the internal auditor, and reviews performed by the management, respective Board Committees and the Board, the Audit Committee and the Board are of the view that the Group has maintained sound and effective internal audit, risk management and internal control system during the year ended 31 December 2018.

(E) ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the financial statements of the Group for the year ended 31 December 2018 and confirmed that the consolidated financial statements contained herein give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of the consolidated financial performance and the consolidated cash flow of the Group for the year ended 31 December 2018. In preparing the accounts for the year ended 31 December 2018, the Directors, with the assistance of the management, selected the suitable accounting policies and applied them consistently, made judgements and estimates that are prudent, and prepared the accounts on the going concern basis. Such acknowledgement should be read in conjunction with, but be distinguished from, the Independent Auditor's Report of the external auditor of the Company, Ernst & Young ("EY"), in relation to their reporting responsibilities as set out in their auditor's report on pages 109 to 116 of this annual report.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's and the Group's ability to continue as a going concern. Accordingly, the Directors have prepared the consolidated financial statements on a going concern basis.

本集團已建立以準確及安全之方式處理及公佈內部資料之程序，以避免不當處理本集團內之內部資料。披露內幕消息的政策為本公司董事、高級管理層、高級職員及相關僱員提供指引，以處理機密資料、監察消息披露及回應查詢。

根據本集團建立及維持的風險管理及內部監控系統、外部核數師與內部核數師進行的工作及管理層、有關董事委員會及董事會進行的審議，審核委員會及董事會認為於截至二零一八年十二月三十一日止年度，本集團已維持良好及有效的內部審核、風險管理及內部監控系統。

(E) 問責性及審核

董事聲明編製本集團於截至二零一八年十二月三十一日止年度之財務報表乃其責任，並確認當中所載綜合財務報表真實及公平反映本集團於二零一八年十二月三十一日之綜合財務狀況以及本集團於截至二零一八年十二月三十一日止年度之綜合財務表現及綜合現金流量。在編製截至二零一八年十二月三十一日止年度之賬目時，董事在管理層之協助下選用及採用適當之會計政策並貫徹使用，作出審慎判斷及估計，以及按持續經營基準編製賬目。此等聲明與本公司外聘核數師安永會計師事務所（「安永」）之獨立核數師報告書（內容有關其申報責任，詳情載於本年報第109至116頁）不同，但兩者應一併閱讀。

董事並不知悉有任何涉及重大不明朗因素之事件或狀況或會令本公司及本集團是否能持續經營產生重大疑問。因此，董事已按持續經營基準編製綜合財務報表。

The consolidated financial statements of the Company for the year ended 31 December 2018 have been audited by EY. For the year ended 31 December 2018, fees charged by EY for audit services amounted to US\$307,000 (equivalent to HK\$2,388,000) and for non-audit services was US\$16,000 (equivalent to HK\$124,000). Non-audit services were mainly related to tax services.

(F) COMMUNICATION WITH SHAREHOLDERS

The Board has established a shareholders' communication policy and posted it on the website of the Company setting out the principles of the Company in relation to shareholders' communications, with the objective of ensuring that Shareholders are informed of balanced and understandable information about the Company (including the Group's strategies, businesses, major developments and financial performance) in a factual and timely manner and to enable them to exercise their rights as Shareholders in an informed manner. The Company aims to be open and transparent with its Shareholders and encourages Shareholders' active participation at the Company's general meetings.

Information would be communicated to the Shareholders mainly through the Company's corporate communications (such as interim and annual reports, announcements and circulars), AGMs and other general meetings, as well as disclosure on the websites of the Company and the Stock Exchange. Interim reports, annual reports and circulars are sent to the Shareholders in a timely manner and are also available on the websites of the Company and the Stock Exchange. The Company's and the Stock Exchange's websites provides Shareholders with the corporate information.

Shareholders are provided with contact details of the Company as set out in "Shareholder Information" section to this annual report, such as telephone hotline, fax number, email address and postal address, in order to enable them to make any query that they may have with respect to the Company. They can also send their enquiries to the Board through these means. In addition, Shareholders can contact Tricor Standard Limited, the Hong Kong branch share registrar of the Company, if they have any enquiries about their shareholdings and entitlements to dividend.

本公司於截至二零一八年十二月三十一日止年度之綜合財務報表已由安永審核。於截至二零一八年十二月三十一日止年度，安永就審核服務及非審核服務分別收取費用達307,000美元(相等於2,388,000港元)及16,000美元(相等於124,000港元)。非審核服務主要與稅項服務有關。

(F) 與股東之溝通

董事會已制定股東溝通政策並登載於本公司網站，當中闡明本公司有關股東溝通之原則，以確保股東可適時及如實獲知全面及易於理解本公司之資料(包括本集團之策略、業務、主要發展及財務表現)，以便其能在知情情況下行使其作為股東之權利。本公司旨在與其股東保持公開及透明之溝通，並鼓勵股東積極參與本公司之股東大會。

本公司主要透過公司通訊(如中期及年度報告、公告以及通函)、股東週年大會及其他股東大會以及在本公司及聯交所網站上之披露向股東傳達資料。中期報告、年度報告及通函將適時寄發予股東，亦可於本公司及聯交所網站查閱。本公司及聯交所網站為股東提供公司資料。

本公司向股東提供本公司之詳細聯繫方式(載述本年報「股東資料」一節)，例如熱線電話、傳真號碼、電郵地址及郵寄地址，以便彼等提出任何有關本公司之查詢。彼等亦可透過該等方式向董事會發出查詢。此外，股東如有任何有關其持股量及可獲派股息之查詢，可聯絡本公司之香港股份過戶登記分處卓佳標準有限公司。

Corporate Governance Report

公司管治報告

The Company's AGM allows the Directors to meet and communicate with Shareholders. The Company ensures that Shareholders' views are communicated to the Board. The chairman of the AGM proposes separate resolutions for each issue to be considered. AGM proceedings are reviewed from time to time to ensure that the Company follows good corporate governance practices. The notice of AGM is distributed to all Shareholders at least 20 clear business days prior to the AGM and the accompanying circular also sets out details of each proposed resolution and other relevant information as required under the Listing Rules. Separate resolution is proposed for each issue to be considered at the meeting. The chairman of the AGM exercises his power under the Bye-laws to put each proposed resolution to the vote by way of a poll. The procedures for demanding and conducting a poll are explained at the meeting prior to the polls being taken. Voting results are posted on the Company's website on the day of the AGM.

Dividend Policy

The dividend policy of the Company (the "Dividend Policy") is in place setting out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the Shareholders.

The Board shall take into account the following factors when considering the declaration and payment of dividends:

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of shareholders;
- taxation consideration;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

The Dividend Policy shall be reviewed when necessary, and can be revised by the Board from time to time.

本公司之股東週年大會讓董事可與股東會面及溝通。本公司確保股東之意見可傳達至董事會。股東週年大會主席就各項須於大會審議之事宜提出單獨決議案。本公司不時檢討股東週年大會程序，以確保本公司遵守良好企業管治常規。股東週年大會通告於股東週年大會前至少20個完整營業日發送予所有股東，而附隨之通函亦載列各項建議決議案詳情及上市規則所規定之其他相關資料。於大會上，就各項予以考慮之議題提出單獨決議案。股東週年大會主席行使公司細則所賦予之權力，就各項提呈之決議案以投票表決之方式進行表決。在作出投票表決前，大會會解釋要求及進行投票表決之程序。投票結果會於股東週年大會舉行當日登載於本公司網站。

股息政策

本公司已制定股息政策（「股息政策」），載明釐定本公司就宣派、派付或分發其純利予股東作為股息時擬應用的原則及指引。

董事會在考慮宣派股息時，同時考慮下列的因素：

- 財務業績；
- 現金流狀況；
- 業務狀況及策略；
- 未來營運及收入；
- 資金需求及支出計劃；
- 股東的利益；
- 稅務考慮；
- 任何派付股息的限制；及
- 董事會可能視為相關的任何其他因素。

股息政策應在有需要時作出檢討，並可由董事會不時作出修訂。

(G) SHAREHOLDERS' RIGHTS

Procedures to convene a general meeting and put forward proposals at general meetings

Pursuant to Bye-law 58 of the Bye-laws, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a special general meeting ("SGM") to be called by the Board for the transaction of any business specified in such requisition, including making proposals or moving a resolution at the SGM. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda (the "Companies Act").

Shareholders may by written requisition request, deposit at the registered office of the Company, inclusion of a resolution relating to matters in a general meeting by following the requirements and procedures as set out in Sections 79 and 80 of the Companies Act.

The above request can be sent to the Company at its head office and principal place of business as set out in the "Corporate Information" section of this annual report for the attention of the Company Secretary.

Subject to the provisions of the above-mentioned sections of the Companies Act, on the written requisition of members representing not less than one-twentieth of the total voting rights or 100 members, at the expense of the requisitionists unless the Company otherwise resolves, the Company shall give Shareholders notice of any resolution which may properly be moved and is intended to be moved at that meeting and a relevant statement.

Shareholders may also propose a person for election as director, the procedures for which are available on the Company's website.

(G) 股東之權利

召開股東大會並於股東大會上提呈建議之程序

根據公司細則第58條，任何一名或多名於遞呈要求之日期持有不少於附帶於本公司股東大會表決權之本公司繳足股本十分之一之股東，於任何時候均有權透過向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會（「股東特別大會」），以處理有關要求中指明之任何事務，包括於股東特別大會上提出建議或動議一項決議案。有關大會須於遞交請求後兩個月內舉行。倘董事會於遞交請求後21日內仍未落實召開該大會，則遞呈要求人士可根據百慕達一九八一年公司法（「公司法」）第74(3)條之規定自行召開該大會。

股東可以書面要求方式存置於本公司註冊辦事處要求將相關事宜之決議案納入股東大會議程，惟須遵守公司法第79及80條所載規定及程序。

上述要求可送達本年報「公司資料」一節所載之本公司總辦事處及主要營業地點，收件人為公司秘書。

在上述公司法條文之規限下，在佔總投票權不少於二十分之一之股東或100名股東提出書面要求時（除本公司另有議決者外，費用由遞呈要求人士承擔），本公司須向股東發出可能於該次會議上適當動議或擬於該次會議上動議之任何決議案之通告及相關聲明。

股東亦可建議董事人選，有關程序可於本公司網站查閱。

Corporate Governance Report

公司管治報告

Shareholders' enquiries

Shareholders can send their enquiries about shareholdings, share transfer, registration and payment of dividend to Tricor Standard Limited, the Hong Kong branch share registrar and transfer office of the Company. Other Shareholders' enquiries can be directed to the head office and principal place of business of the Company as set out in the "Corporate Information" section of this annual report for the attention of the Company Secretary.

Details of the Shareholders' rights and communication policy are also available on the Company's website.

(H) CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2018, there was no change in the Company's constitutional documents.

股東查詢

股東可向本公司股份過戶登記處香港分處卓佳標準有限公司查詢有關其持股量、股份過戶、登記及派付股息之事宜。其他查詢股東可發送至本年報「公司資料」一節所載的本公司總辦事處及主要營業地點，收件人為公司秘書。

股東權利及通訊政策的詳情亦登載於本公司網站。

(H) 組織章程文件

於截至二零一八年十二月三十一日止年度，本公司的組織章程文件並無任何變動。

Environmental, Social and Governance Report

環境，社會及管治報告

1. ABOUT THE REPORT

Daohe Global Group Limited and its subsidiaries (the “**Group**” or “**we**”) are pleased to present our Environmental, Social and Governance Report (the “**ESG Report**”). The report concerns environmental and social impacts, policies and initiatives of the Group to demonstrate our long-term commitment to ensure that our activities, at all levels, are economically, socially and environmentally sustainable. Additional information in relation to the Group’s corporate governance and financial performance can be referred to our 2018 annual report for the year ended 31 December 2018.

The “Environmental, Social and Governance Reporting Guide” (the “**ESG Reporting Guide**”) which is set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) is the reporting framework of this ESG Report.

The scope of the ESG Report covers the environmental and social performances of the principal operating activities of the Group, which includes the business of trading and supply chain management services, operation of online social platforms and money lending, spanning over the period from 1 January 2018 to 31 December 2018 (the “**reporting period**” or “**2018**”).

With reference to the ESG Reporting Guide and the Group’s business operation, the presentation of our ESG Report divides the relevant aspects and Key Performance Indicators (“**KPI**”), which are considered to be relevant and material to the Group, into four subject areas: Environmental Protection, Employment and Labour Practices, Operating Practices and Community Investments.

1. 關於本報告

道和環球集團有限公司及其附屬公司(「**本集團**」或「**我們**»)欣然提呈我們的環境、社會及管治(「**環境、社會及管治**»)報告(「**環境、社會及管治報告**»)。本報告與本集團的環境及社會影響、政策及倡議有關，彰顯我們在確保各層面活動符合經濟、社會及環境上可持續發展的長期承諾。有關本集團企業管治及財務表現的其他資料可參閱截至二零一八年十二月三十一日止年度之二零一八年年報。

香港聯合交易所有限公司(「**聯交所**»)證券上市規則附錄27所載《環境、社會及管治報告指引》(「**環境、社會及管治報告指引**»)乃本環境、社會及管治報告之報告框架。

本環境、社會及管治報告的範圍涵蓋本集團主要經營活動的環境及社會表現，當中包括自二零一八年一月一日起至二零一八年十二月三十一日止期間(「**報告期間**」或「**二零一八年**»)的貿易及供應鏈管理服務、經營網上社交平台，及貸款業務。

參照環境、社會及管治報告指引及本集團的業務營運，我們的環境、社會及管治報告將被視為對本集團屬相關及重大的層面及關鍵績效指標(「**關鍵績效指標**»)分為四大主要範疇：環境保護、僱傭及勞工常規、營運常規及社會投資呈列。

Environmental, Social and Governance Report

環境，社會及管治報告

1. ABOUT THE REPORT (continued)

A complete index in compliance with the ESG Reporting Guide is also available at the end of this report for reference. Except for provisions that the Group considers are inapplicable to its operations, for which explanations have been given on the rightmost column in the said index, this report has complied with all the “comply or explain” provisions set out in the ESG Reporting Guide.

The Group is determined to be a responsible enterprise and is committed to perfecting its business and improving the local community. In order to determine what issues are relevant and material to our business with respect to sustainability, the Group is aware that the key is to understand the issues that our stakeholders are concerned most.

We define our stakeholders as people who affect our business or who are affected by our business. In our daily business, we actively exchange information with our stakeholders through our transparent platform while we are devoted to continuous improvement of our communication system. In addition, we are committed to maintaining a long-term partnership with our stakeholders and are actively engaged in addressing their concerns with timely follow-up actions.

We welcome comments and suggestions from our stakeholders. You may provide your comments or views with respect to this ESG Report or our sustainability initiatives via email to info@daoheglobal.com.hk.

1. 關於本報告(續)

根據環境、社會及管治報告指引的一套完整索引載於本報告末尾，可供參閱。除本集團認為不適用於其業務的條文外(有關解釋載於上述索引的最右一欄)外，本報告已遵守環境、社會及管治報告指引所載的所有「不遵守就解釋」條文。

本集團矢志成為負責任的企業，並致力完善旗下業務，同時改善本地社區。為界定業務在可持續發展方面屬相關及重要的事宜，本集團知悉其關鍵在於了解持份者最關注的事項。

我們將持份者界定為影響我們業務或受我們業務影響的人士。在日常業務中，我們透過公開透明的平台與持份者積極交流資訊，同時致力持續改善通訊系統。此外，我們亦承諾與持份者維持長期夥伴關係，並及時採取跟進行動積極解決彼等關注的事項。

我們歡迎我們的持份者提供意見及建議。閣下可發送電郵至 info@daoheglobal.com.hk 發表對本環境、社會及管治報告或有關我們可持續發展倡議的意見或見解。

2. ENVIRONMENTAL PROTECTION

2.1. Corporate Environmental Policy and Compliance

The Earth, our precious planet, is the most valuable asset for us. We endeavour to protect this planet and to build a sustainable future for our next generations. The Group is committed to upholding high environmental standards to fulfil relevant requirements throughout our operation, and will continue to devote human and financial resources for environmental conservation, reduction of carbon footprint and environmental compliance as required under applicable laws and regulations.

As a company that is principally engaged in trading and supply chain management services, operation of online social platforms and money lending business, the Group does not own any manufacturing operation at this moment. Nevertheless, the Group is committed to actively minimizing the impact on our environment and implementing different measures to optimize the workplace, continuing to address the environmental issues in relation to global warming, pollution, and biodiversity of the environment.

With the goal to reduce energy consumption and carbon emissions, the Group has formulated relevant rules and regulations for a sound and effective management of energy consumption, greenhouse gas ("GHG") emission, as well as discharge of domestic waste and sewage and other pollutants. We are committed to strictly complying with the environmental protection laws and regulation promulgated by the local government.

2. 環境保護

2.1. 企業環境政策及合規

地球既是我們珍貴的星球亦是最寶貴的資產。我們以保護地球為己任，致力為後代打造一個可持續發展的未來。本集團致力於整個營運過程中堅持高水平的環保標準，以滿足相關規定，並將繼續根據適用法律及法規所規定，於環境保育，減少碳足印及符合環境合規方面投放人力及財務資源。

作為主要從事貿易及供應鏈管理服務、經營網上社交平台及貸款業務的公司，本集團現時並無擁有任何製造業務。儘管如此，本集團致力積極減低對環境的影響及實際各種措施以優化工作場所，並持續關注與全球暖化、污染及環境生物多樣性有關的環境議題。

為節約能源及減少碳排放量，本集團已制定有關規則及法規，以穩健有效地管理能源耗用、溫室氣體（「溫室氣體」）排放以及廚餘及污水和其他污染物的排污。我們致力於嚴格遵守本地政府頒佈的環境法律及法規。

2. ENVIRONMENTAL PROTECTION (continued)

2.1. Corporate Environmental Policy and Compliance (continued)

The Group is committed to reducing carbon emission and conserving resources. The Group has started monitoring the carbon emission since 2013 with reference to the guidelines issued by Environmental Protection Department (EPD)/ Electrical and Mechanical Services Department (EMSD), GHG Protocol and ISO 14064 standard.

The Group is not aware of any significant fines, non-monetary sanctions or litigation arising from non-compliance with environmental protection laws and regulations during the reporting period.

2.2. Emissions

2.2.1. Exhaust Gas and GHG Emissions

Our Group's business, by nature, does not generate a significant amount of exhaust gas directly from its operation.

During daily operation and office administration, the Group generates GHG emissions directly or indirectly through energy consumption. To properly manage our GHG emissions, we actively adopt electricity conservation and energy saving measures as well as other measures, including:

- maintaining indoor temperature at an optimal level for comfort;
- providing on-off and zoning control of lighting and ventilation system in the workplace according to the operation schedule;

2. 環境保護(續)

2.1. 企業環境政策及合規(續)

本集團致力減少碳排放及節約資源。自二零一三年起，本集團監察碳排放，參考準則包括環境保護署／機電工程署所頒佈指引、溫室氣體議定書及ISO 14064標準。

本集團並不知悉於報告期內因違反環保法律及法規而產生的任何巨額罰款、非貨幣制裁或訴訟。

2.2. 排放

2.2.1. 廢氣及溫室氣體排放

基於業務性質使然，本集團在整個營運過程中並無直接產生大量廢氣。

在日常營運及辦公室行政期間，本集團直接或間接因消耗能源而排放溫室氣體。為妥善管理溫室氣體排放，我們積極採取節電和節能措施以及其他措施，包括：

- 保持舒適的室內溫度；
- 根據營運時間表，在工作場所提供照明及通風系統開關及區域控制器；

2. ENVIRONMENTAL PROTECTION (continued)

2.2. Emissions (continued)

2.2.1. Exhaust Gas and GHG Emissions (continued)

- installing LED lighting system in the workplace;
- encouraging employees to switch off machines and devices, such as computers and monitors when not in use;
- encouraging employees to make the best use of modern telecommunication system to avoid unnecessary travel arrangement; and
- placing "Green Message" reminders on office equipment and workplace to further enhance employees' environmental awareness.

2. 環境保護 (續)

2.2. 排放 (續)

2.2.1. 廢氣及溫室氣體排放 (續)

- 於工作場所安裝LED照明系統；
- 鼓勵僱員關閉閒置的機械及設備，例如電腦及顯示器；
- 鼓勵利用現代通訊系統以避免不必要差旅安排；及
- 在辦公室及辦公室設備上貼上「綠色信息」告示貼，進一步提高僱員的環保意識。

Table 1 – Emissions

表 1 – 排放

	Unit 單位	2018 二零一八年
GHG Emissions 溫室氣體排放	CO ₂ e (kg) 二氧化碳當量(千克)	472,845.24
Nitrogen Oxides 氮氧化物	g 克	10,685.94
Sulphur Oxides 硫氧化物	g 克	299.32
Particulate Matter 顆粒物	g 克	786.78

2. ENVIRONMENTAL PROTECTION (continued)

2.2. Emissions (continued)

2.2.2. Waste Management

We adhere to the principles of waste management and are committed to a sound and proper management of all waste generated from our operation.

Hazardous Waste

Our business, by nature, does not directly produce hazardous waste from any part of our activities.

Non-hazardous Waste

Domestic Waste

During our operation, the non-hazardous wastes generated are mainly domestic waste, among which, recyclable wastes, such as paper, will be recycled for reuse. Our waste management practice involves compliance with relevant laws and regulations relating to environmental protection. The Group has also implemented policies to reduce waste generation through environmental education, aiming at waste management from the source.

Wastewater Discharge

With respect to wastewater management, the Group ensures all domestic sewage is discharged into the urban sewage pipe network for proper sewage treatment.

Table 2 – Total Waste Discharge

	Unit 單位	2018 二零一八年
Domestic Waste 生活廢水	kg 千克	92,324.4

2. 環境保護 (續)

2.2. 排放 (續)

2.2.2. 廢物管理

我們堅持廢物管理原則，並致力於健全且妥善地管理營運期間產生的所有廢物。

有害廢物

基於業務性質使然，我們的業務活動並無直接產生有害廢物。

無害廢物

廚餘

於營運期間所產生的無害廢物主要為廚餘，當中可循環再造的廢物(如紙張)將回收再用。廢物管理常規涉及遵守與環境保護相關的法律及法規。本集團亦已透過環保教育，實施減少廢物產生的政策，旨在從源頭實現廢物管理。

廢水排放

就廢水管理而言，本集團確保所有生活廢水經城市污水管網排放，以妥善處理污水。

表 2 – 廢水排放總量

2. ENVIRONMENTAL PROTECTION (continued)

2.2. Emissions (continued)

2.2.2. Waste Management (continued)

Non-hazardous Waste (continued)

Wastewater Discharge (continued)

The Group strives to maintain a high standard of requirement of waste reduction, actively encouraging its employees to appreciate the significance of sustainable development through continuous development in skills and knowledge.

Green Operation

The Group is committed to a paperless operation, constantly encouraging all employees to reduce paper usage through duplex printing, paper recycling and frequent use of electronic information systems for material sharing or internal administrative documents.

Reusable paper products, such as envelopes, are properly recycled whereas the use of disposable paper products, such as paper cups and paper towels, are discouraged to the extent possible and appropriate during our operation.

2. 環境保護(續)

2.2. 排放(續)

2.2.2. 廢物管理(續)

無害廢物(續)

廢水排放(續)

本集團致力在減廢上維持高標準規定，透過持續提升僱員的技能及知識，積極鼓勵僱員意識到可持續發展的重要性。

綠色經營

本集團致力於無紙經營，其不斷鼓勵全體僱員使用雙面影印、紙張回收及經常使用電子資料系統作共享資料或內部行政文件，以減少用紙。

在營運期間可行及適用的情況下，妥善重用可循環再造的紙製品(如公文袋、信封)，且不鼓勵使用即棄紙製品(如紙杯及紙巾)。

2. ENVIRONMENTAL PROTECTION (continued)

2.3. Use of Resources

The Group considers the conservation of natural resources as an indispensable component of our sustainable business. Through actively promoting various environmental-friendly measures, we encourage an efficient use of resources, including energy, paper, water and other raw materials. As such, we have formulated policies to raise the awareness of electricity conservation and taken energy saving measures throughout our daily operation as elaborated in section of 2.2 (Emissions) of this ESG Report.

Water Consumption

With respect to water conservation, we encourage all employees and customers to develop the habit of conserving water consciously. Water saving devices are installed in all water taps in the office. Pantry and washrooms are posted with environmental messages to remind our employees the importance of water conservation.

Apart from education, the utility facilities are maintained regularly for service, to ensure that water seepage or leaking pipelines are replaced or repaired on a timely manner.

Packaging Material

Due to our business nature, the Group does not have manufacturing facilities and does not consume a significant amount of packaging materials.

2. 環境保護(續)

2.3. 資源使用

本集團認為保護天然資源是可持續業務不可或缺的組成部分。通過積極推廣各項環保措施，我們鼓勵有效運用資源，包括能源、紙張、水及其他原材料。因此，我們已判定提高節電意識的政策，並在日常業務中採取節能措施，詳情於本環境、社會及管治報告2.2(排放)一節闡述。

耗水

就節約用水而言，我們鼓勵全體僱員及客戶培養自覺節水的習慣。辦公室內的所有水龍頭均設有節水裝置。茶水間及洗手間則張貼了環保訊息，提醒僱員節約用水的重要性。

除教育外，本公司會定期維護公共設施以供服務，確保及時更換及維修出現漏水或破裂的水管。

包裝材料

基於業務性質使然，本集團並無製造設施，亦無消耗大量包裝材料。

2. ENVIRONMENTAL PROTECTION (continued)

2.3. Use of Resources (continued)

Environmental Performance

In accordance with the ESG Reporting Guide set out by the Stock Exchange, our environmental performance of “Energy Use and Emissions” and “Resources Use” during the reporting period are tabulated below.

Table 3 – Energy and Resources Use

	Unit 單位	2018 二零一八年
Electricity 電	kWh 千瓦特小時	622,892.65
Purchased Gas 外購天然氣	m ³ 立方米	N/A 不適用
Unleaded Petrol 無鉛汽油	L 升	20,362.10
Paper 紙張	kg 千克	1,762.34
Water 水	m ³ 立方米	792.00

The Group is committed to instilling the consciousness of resources conservation and environmental protection into the work and life of every employee. We seek business partners who also share our philosophy and commitment of environment conservation and compliance with the applicable environmental laws and regulations. We believe that these initiatives are capable of reflecting our commitment to offering the best quality of services while exerting the least adverse environmental impact on our planet.

2. 環境保護(續)

2.3. 資源使用(續)

環保表現

根據聯交所制定的環境、社會及管治報告指引，我們於報告期間針對「能源使用及排放物」以及「資源使用」的環保表現載於下表。

表3 – 能源及資源使用

本集團致力將節約資源及環保意識灌輸到各僱員的工作及生活中。我們尋求與我們環保信念及承諾一致且遵守適用環境法律及法規的商業夥伴。我們相信，該等舉措可反映出我們承諾提供最優質服務的決心，同時將對地球造成的不利影響減至最低。

2. ENVIRONMENTAL PROTECTION

2.4. The Environment and Natural Resources

The Group is highly aware of the possible impact that it can make on the environment and natural resources, and is committed to taking steps to minimise any negative footprints that may be generated by its operation.

In addition to compliance with relevant environmental laws and regulations to properly preserve the natural environment, the Group has integrated the concept of environmental protection into its internal management and daily operation with an objective of achieving environmental sustainability.

In the future, we will continue our commitment in environmental protection and strive to build a greener and healthier environment to fulfil our responsibilities as a member of the community we all live in.

3. EMPLOYMENT

3.1. Recruitment and Promotion

We fully understand that our business development is largely driven by the continued quality services delivered by our experienced and competent workforce. As such, it is therefore of paramount importance to proactively manage our talent pipeline and career development for employees. We are determined to set ourselves in a good position to maintain a robust business performance and growth together with our employees.

With an objective to uphold an open, fair, just and reasonable human resource policy, the Group has formulated the recruitment policy with respect to equal opportunities, diversity and anti-discrimination.

2. 環境保護(續)

2.4. 環境及天然資源

本集團高度關注其對環境及天然資源可能造成的影響，並致力於採取措施以盡量減少營運可能為環境及天然資源造成的任何負面影響。

除遵守相關自然環境法律及法規以妥善保育自然環保外，本集團已將環保概念融入其內部管理及日常營運中，旨在達致環境可持續發展。

我們日後將繼續堅守環保承諾，努力建設更綠化更健康的環境，履行我們作為共同生活社區一分子的責任。

3. 僱傭

3.1. 招聘及晉升

我們充分明白業務發展很大程度上由具備豐富經驗及能力的團隊持續提供優質服務所推動。因此，積極管理人才儲備及僱員的職業發展屬至關重要。我們決定為自身設定良好定位，以與僱員共同維持強勁的業務表現及增長。

本集團宗旨為秉持公開、公平、公正及合理的人力資源政策，並已制定符合平等機會、多元化及反歧視的招聘政策。

3. EMPLOYMENT (continued)

3.1. Recruitment and Promotion (continued)

We encourage differences and individuality in employees, with the philosophy that diversity can bring new ideas, dynamics and challenges to our operations. We discourage all forms of discrimination on gender, age, family status, sexual orientation, disability, race and religion. Our employment policy encourages hiring of talented people with physical or mental disabilities. We are committed to supporting our employees to maintain a family-friendly working environment because we respect their roles and responsibilities in their families. We strive to make sure employees and business partners comply with laws and regulations, follow ethical business practices and respect equal opportunity in employment. We bring in new recruits and equip them with necessary skill set to develop a long-term rewarding career with us.

During the reporting period, we continue to strictly observe the applicable laws and regulations and follow our employment policies relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, by providing competitive remuneration packages, including internal promotion opportunities and performance-based bonus, so as to recruit and retain experienced employees.

3. 僱傭(續)

3.1. 招聘及晉升(續)

我們鼓勵僱員之間的差異及個人特質，相信多元化能夠為我們的運營帶來新的意見、動力及挑戰。我們反對任何形式的性別、年齡、家庭狀況、性取向、殘疾、種族及宗教歧視。我們的僱傭政策鼓勵僱用有肢體或精神殘障的人才。我們致力於支持僱員，以維持關懷僱員家庭的工作環境，因為我們尊重彼等於家庭中的角色及責任。我們致力於確保僱員及業務合作夥伴遵守法律法規，遵循道德商業常規並尊重就業中的平等機會。我們引進新員工並為彼等配備必要技能裝備，以與我們共同發展長遠事業並從中得益。

於報告期內，我們繼續嚴格遵守與招聘及晉升、補償及解僱、工時、休息時間、平等機會、多元化、反歧視以及其他待遇及福利有關的適用法律法規及僱傭政策，方式為提供具競爭力的薪酬待遇(包括內部晉升機會及績效獎金)以招攬及留聘資深員工。

3. EMPLOYMENT (continued)

3.2. Employment and Labour

In order to attract and retain our employees, which are our most valuable assets, the Group offers competitive wages, medical insurance, disability and invalidity coverage, maternity leave and other compensation to our employees.

During the reporting period, the Group was not aware of any material non-compliance with employment laws and regulations.

In accordance with the ESG Reporting Guide set out by HKEX, details of the Group's workforce during the reporting period are tabulated as well as presented in charts below.

Table 4 – Our Workforce

	2018 二零一八年
Total Number of Full-Time Employees 全職僱員總數	389
Turnover Rate by Gender 按性別劃分的流失比率	
Male 男性	23%
Female 女性	26%
Turnover Rate by Age 按年齡劃分的流失比率	
Under 30 years old 30歲以下	39%
30–50 years old 30至50歲	20%
over 50 years old 50歲以上	14%

3. 僱傭 (續)

3.2. 僱傭及勞工

為吸引及留聘僱員，即我們最有價值的資產，本集團為僱員提供具競爭力的工資、醫療保險、殘疾及傷殘保險、產假及其他補償。

於報告期間，本集團並不知悉任何有關僱傭法律及法規的重大違規情況。

根據聯交所制定的環境、社會及管治報告指引，本集團於報告期內的僱員詳情載於下表。

表 4 – 我們的僱員

3. EMPLOYMENT (continued)

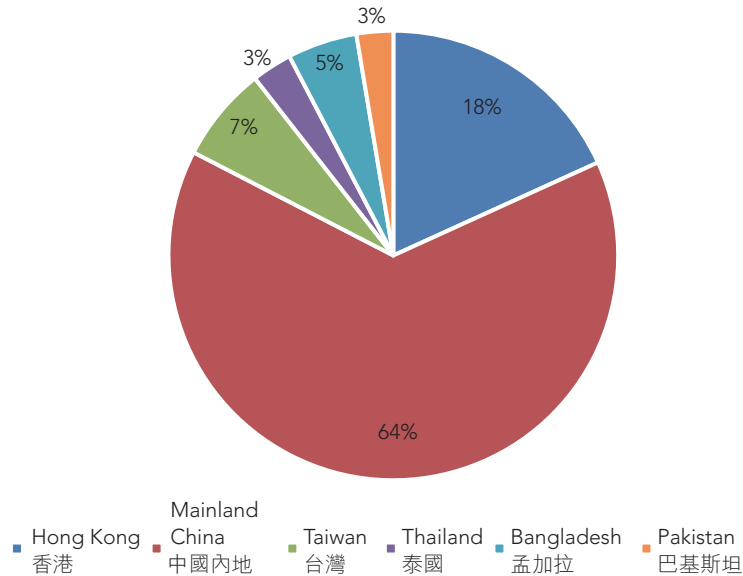
3.2. Employment and Labour (continued)

3. 僱傭(續)

3.2. 僱傭及勞工(續)

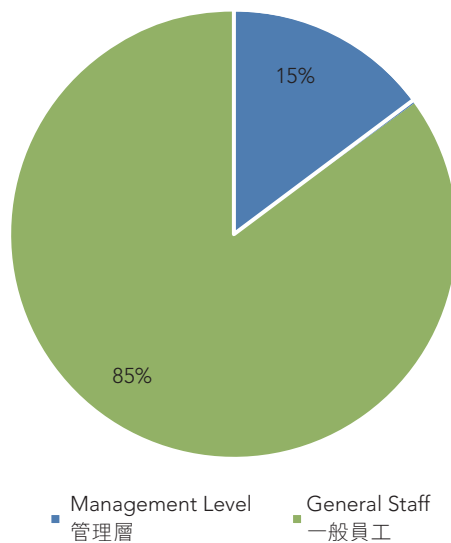
Total Workforce by Region as at 31 December 2018

於二零一八年十二月三十一日按地區劃分的僱員總數



Total Workforce by Employment Level as at 31 December 2018

於二零一八年十二月三十一日按僱傭類別劃分的僱員總數



3. EMPLOYMENT (continued)

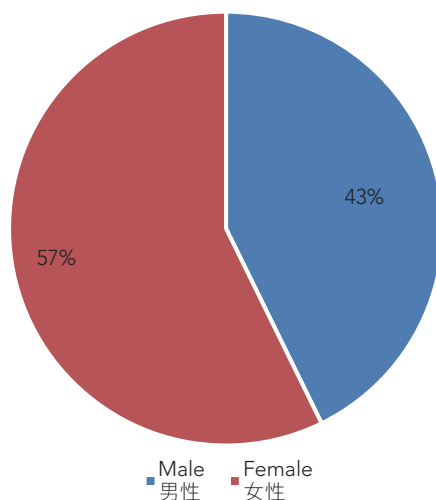
3.2. Employment and Labour (continued)

3. 僱傭 (續)

3.2. 僱傭及勞工 (續)

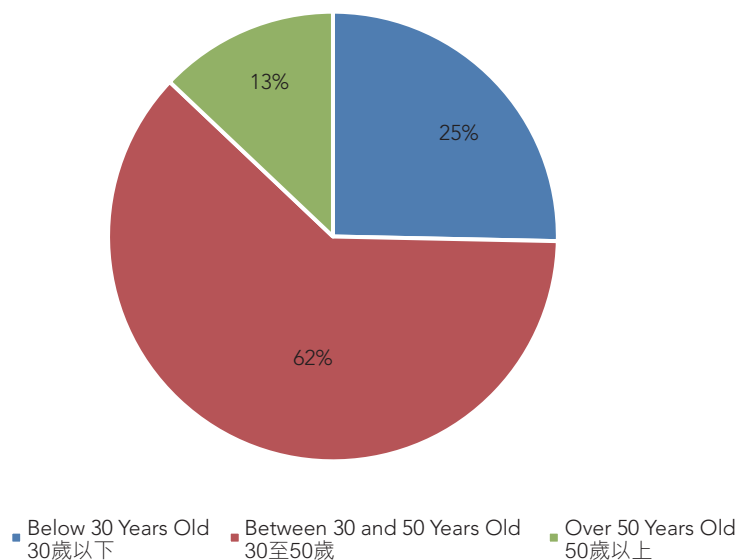
Total Workforce by Gender as at 31 December 2018

於二零一八年十二月三十一日按性別劃分的僱員總數



Total Workforce by Age Group as at 31 December 2018

於二零一八年十二月三十一日按年齡組別劃分的僱員總數



During the reporting period, the Group was not aware of any material non-compliance with laws and regulations in respect of human resources.

於報告期間，本集團並不知悉任何違反與人力資源相關的法律及法規的重大事宜。

3. EMPLOYMENT (continued)

3.3. Health and Safety

We are determined to provide a comfortable and safe working environment for our employees which protects them from potential occupational hazards and health and safety risks.

As employees' health and safety is of paramount importance to the operation of the Group, the Group has accordingly formulated a series of relevant personnel management policy to provide employees with a healthy, positive and motivating working atmosphere.

The Group maintains the risk management system including identification, prevention and management of risks and hazards throughout the workplaces as well as follow-up actions for accidents or personal injuries. We have taken the following measures:

- installing air purifiers in relatively crowded areas such as conference and meeting rooms;
- prohibiting smoking and abuse of alcohol and drugs in the workplace;
- providing clean and tidy rest area such as corridors and pantry;
- providing adjustable chairs and monitors for eye protection;
- setting up posters of proper working postures and lifting method accessible on the intranet and at appropriate locations in offices;
- conducting fire drills and emergency evacuation simulations to raise the employees' awareness of fire prevention and to equip employees with appropriate knowledge and skills in the event of emergency; and

3. 僱傭(續)

3.3. 健康與安全

我們決心為員工提供舒適及安全的工作環境，保護員工免受潛在職業危害及健康與安全風險。

由於本集團在業務過程中非常重視員工健康及安全，本集團因此制定一系列相關人力管理政策，為員工提供健康、正面及充滿活力的工作環境。

本集團維持風險管理制度，包括識別、預防及管理工作地點的風險及危害，以及在事故或人身傷害方面的跟進行動。我們已採取以下措施：

- 於會議室及會客室等相對擁擠的區域安裝空氣淨化機；
- 工作場所禁止吸煙及濫用酒精與藥物；
- 提供乾淨整潔的休息區，例如走廊及茶水間；
- 提供可調節的椅子及顯示屏以保護眼睛；
- 於內聯網及辦公室適當位置備存及張貼正確工作姿勢及搬運重物方式的海報；
- 舉行防火演習及緊急疏散模擬練習，提升員工的防火意識，讓員工具備應付緊急情況的適當知識及技巧；及

3. EMPLOYMENT (continued)

3.3. Health and Safety (continued)

- improving the fire evacuation plans by providing first aid kits and fire extinguishers in workplace in response to emergencies.

The Group strives to ensure that the employees are working in a safe environment in respect of health, hygiene, ventilation, gas safety, building structure and means of escape and has complied with all applicable laws and regulations in relation to health and safety for the year ended 31 December 2018. During the reporting period, the Group did not record any accidents that resulted in death or serious physical injury and no material non-compliance with laws and regulations relevant to health and safety of employees were identified.

Additionally, we provide induction programs and safety training programs to new employees such that they can be familiar with our corporate policies in relation to health and safety matters as quickly as they can.

The summary of work-related fatalities and injuries are summarized in the table below.

Table 5 – Health and Safety

	2018 二零一八年
No. of Work-Related Fatalities 工作相關死亡數目	0
Rate of Work-Related Fatalities 工作相關死亡比率	0
No. of Injuries at Work 工傷數目	0
Lost Days due to Injury at Work 因工傷損失工作日數	0

3. 僱傭 (續)

3.3. 健康與安全 (續)

- 在工作場所放置急救箱及滅火器以應付緊急情況，藉以改善消防疏散計劃。

截至二零一八年十二月三十一日止年度，本集團努力確保僱員在健康、衛生、通風、燃氣安全、建築結構及逃生方式方面屬安全的環境下工作且已遵守有關健康及安全的所有適用法律及法規。於報告期內，本集團並無任何導致死亡或嚴重受傷的意外記錄，亦無嚴重違反有關員工健康及安全的法例及法規。

此外，我們向新員工提供入職培訓計劃及安全培訓計劃，以便彼等盡快熟識有關健康及安全事宜的公司政策。

下表概述工作相關死亡或受傷事故概要。

表 5 – 健康與安全

3. EMPLOYMENT (continued)

3.4. Development and Training

We envision that empowering our people through development and training is the cornerstone of our success in the long-run. We listen and respond to our people. Our training programmes are designed to provide skill set required for the operation in order to meet our business vision as well as for the benefit of our society as a whole.

Considering that each of the positions is of unique professional and technical needs, the Group ensures that every new joiner receives proper orientation training and mentoring in order to help them to adapt to the new working environment affirmatively and quickly. Continuous training is committed by the Group in different ways including internal training programs, comprehensive training for specific skill development, and courses for continuous professional development for relevant employees so as to ensure that they possess the appropriate qualities and skill-sets. Implementation of safety training and comprehensive risk assessments are also one of the most important tasks in the Group.

Employees at all levels can satisfy their needs of trainings through multiple training courses, including induction training, technical skills training and pre-post training. These training programs not only facilitate the career prospect of individual employee, but also boost the sustainable development of the Group.

3. 僱傭(續)

3.4. 發展及培訓

長遠而言，我們認為通過發展及培訓賦予其員工權力是我們成功的基石。我們聆聽並回應員工。我們的培訓計劃提供營運所需技能，以滿足我們的業務願景及為社會整體利益提供服務。

考慮到每個職位均有獨特的專業及技術要求，本集團確保每名新員工接受適當的入職培訓及指導，以幫助彼等完全快速適應新工作環境。本集團承諾以不同的方式為有關僱員提供持續培訓，包括內部培訓課程，專門技能發展的全面培訓及持續專業培訓課程，確保僱員具備適當資格及技能。實施安全培訓及全面風險評估亦為本集團最重要的工作之一。

本公司通過入職培訓、技術技能培訓及崗前培訓等多元化培訓模式，滿足各級員工的培訓需求。該等培訓計劃不僅促進個別員工的職業前景，亦促進本集團的可持續發展。

3. EMPLOYMENT (continued)
3.4. Development and Training (continued)

3. 僱傭 (續)
3.4. 發展及培訓 (續)

Table 6 – Employee Training

表 6 – 員工培訓

	Unit 單位	2018 二零一八年
Average hours of training received per employee 員工平均受訓時數	hours 小時	2.39
Average hours of training per employee by ranking 按職級劃分的平均受訓時數		
Management Level 管理層	hours 小時	1.38
General Staff 一般員工	hours 小時	2.57
Average hours of training per employee by gender 按性別劃分的平均受訓時數		
Male 男性	hours 小時	2.51
Female 女性	hours 小時	2.31
Percentage of employees trained by employment level 按聘用水平劃分的受訓員工百分比		
Management Level 管理層	%	32
General Staff 一般員工	%	42
Percentage of employees trained by gender 按性別劃分的受訓員工百分比		
Male 男性	%	43
Female 女性	%	39

Moreover, the Group is strongly convinced that sense of belonging and morale of the employees are always the key drivers to the Group's healthy and prosperous growth. The Group delivers festive foods, such as mooncakes, to employees during certain traditional festivals (such as Lunar New Year and Mid-Autumn Festival) in recognition of their contributions and dedicated work to the Group. Regular and festival gatherings were organised during the reporting period to enhance the harmonious spirit of different levels among staff members in the Group.

The Group believes that such a corporate culture and harmonic working environment will naturally achieve a synergistic result to facilitate employee retention and to improve productivity.

此外，本集團深信，僱員歸屬感及士氣一直是本集團穩健增長的主要動力。本集團在若干傳統節日（例如農曆新年及中秋節）向僱員派發月餅等應節食品，以表揚彼等對本集團作出的貢獻及努力。於報告期間，我們組織定期及節日聚會，以此提高本集團所有不同階層員工的和諧精神。

本集團相信，此企業文化及和諧的工作環境將自然而然地達到協同合作的效果，從而促使僱員留任及提高生產率。

3. EMPLOYMENT (continued)

3.5. Labour Standards

The Group is committed to strictly complying with the relevant labour laws and regulations in the regions we operate.

Being fully aware that exploitation of child and forced labour violates human rights and international labour conventions, the Group strictly prohibits the employment of any child labour and forced labour. The Group refuses to engage suppliers and contractors that hire child labour or forced labour or have been identified as having significant risk for incidents of child labour or forced labour in their operations.

During the reporting period, the Group was not aware of any material non-compliance with the laws and regulations related to the prevention of child labour or forced labour.

4. OPERATING PRACTICES

We are determined to disseminate the pursuit of sustainability into our core business which is regarded as part of the responsibility of an accountable corporate citizen. We encourage all business partners to incorporate sustainability practices and policies into their operation in order to work together in our pursuit of sustainable development.

3. 僱傭(續)

3.5. 勞工準則

本集團致力於嚴格遵守我們營運所在地區的相關勞工法例及法規。

本集團充分明白剝削童工及強迫勞工違反人權及國際勞工公約，因此嚴格禁止僱用任何童工及強迫勞工。本集團拒絕委聘僱用童工或強迫勞工，或已發現於其經營中具有嚴重使用童工或強迫勞工風險的供應商及承包商。

於本報告期間，本集團並不知悉任何違反防止童工或強制勞工相關的法律及法規的重大事宜。

4. 營運慣例

作為負責任的企業公民，我們致力將追求可持續發展的決心帶入核心業務。我們鼓勵所有業務夥伴將該等可持續發展常規及政策納入其業務營運，齊心協力達致可持續發展。

4. OPERATING PRACTICES (continued)

4.1. Supply Chain Management

The Group understands that supply chain management is one of the core operations of the Group.

In the segment of trading and supply chain management services, we not only consider economic and commercial benefits during the supplier assessment processes, but also evaluate social compliance aspects which include safeguarding workers' health and safety, and mitigating environmental impacts. Our team has developed a vendor and supplier selection mechanism to ensure our potential suppliers to comply with all the applicable laws and regulations and confirm their compliance with safety, environment, and social aspects. Inspection and assessments may be conducted by the Group if deemed necessary. To maintain a good corporate control and governance, the Group has developed management procedures to monitor compliance of vendor code of conducts and corporate responsibility standards.

In operation of online social platforms, we have standard procedures in selecting appropriate suppliers of gift products. We will review the samples of the gift products and carry out procurement quality control.

We believe that, through the above review process, we can minimize the potential environmental and social risks associated with the supply chain management.

During the reporting period, the Group has engaged various suppliers across different regions. In the segment of trading and supply chain management services, 79.5% are geographically located in the PRC, 6.9% located in Hong Kong, 5% located in Taiwan, 4.6% located in Bangladesh and 4% located in other regions. In operation of online social platforms, 100% are located in the PRC.

4. 營運慣例(續)

4.1. 供應鏈管理

本集團明白，供應鏈管理為本集團其中一項主要營運。

於貿易及供應鏈管理服務分部，我們不僅在供應商評估過程中考慮經濟及商業利益，亦就社會合規方面(包括保障工人健康及安全以及減輕環境影響)進行評估。我們制定賣方及供應商挑選機制以確保潛在供應商遵守所有適用法律及法規，並確認彼等在安全、環境及社會方面合規。倘本集團認為有必要，則可能進行檢測及評估。為維持良好的企業監控及管治，本集團已建立管理程序，以監察供應商行為守則及企業責任標準的合規情況。

於經營網上社交平台中，我們設有標準程序挑選合適的禮品供應商。我們亦會審查禮品樣本，以控制採購質量。

我們相信，透過上述審閱程序，我們可盡量減低與供應鏈管理有關的潛在環境及社會風險。

於報告期間，本集團已從不同地區聘請多個供應商。於貿易及供應鏈管理服務中，79.5%地域上位於中國、6.9%位於香港、5%位於台灣、4.6%位於孟加拉國而4%位於其他地區。於經營網上社交平台中，100%位於中國。

4. OPERATING PRACTICES (continued)

4.2. Product Responsibility

To be a successful business, the Group realizes that we are held responsible for the quality of the products delivered to our customers whereas their needs and expectations are well addressed. The Group carries out continuous and regular assessment of the product quality and keeps abreast of the laws and regulations related to product compliance.

In the segment of trading and supply chain management services, we carry out quality assurance protocol to make sure that suppliers' products constantly meet customer requirements and legal and safety standards for its intended use. Our well-trained quality assurance team applies the latest mobile technology to ensure the highest level of quality inspection in all production countries. Moreover, the intellectual properties of our customers are under strict protection in accordance with the corporate policies and signed terms and conditions between our customers and the Group.

In operation of online social platforms, we also carry out quality assurance protocols for both the software experience and the quality of the gift products. In developing the software applications, providing good user experience to our customer is always our top priority. We update our software regularly to make sure that our customers are offered with a great satisfaction from using our software. Also, before giving our gift products to our customers, we run quality check as well to ensure our products meet our customers' expectation.

During the reporting period, the Group did not identify any material non-compliance with the laws and regulations related to the quality of products and services.

4. 營運慣例(續)

4.2. 產品責任

為使業務取得成功，本集團意識到我們有責任確保交付予客戶的產品質量，使彼等的需求及期望獲得妥善處理。本集團對產品質量進行持續定期評估，並及時了解產品合規相關的法律及法規。

於貿易及供應鏈管理服務分類方面，我們實施質量保證政策，以確保供應商的产品就其預期用途而言持續滿足客戶要求，並符合法律及安全標準。我們的質量保證團隊訓練有素，採用最新流動科技，確保於所有生產國進行最高水平的質量檢驗。此外，根據公司政策以及客戶與本集團簽訂的條款及條件，客戶的知識產權受嚴格保護。

於經營網上社交平台中，我們亦對軟件體驗及禮品質量實施質量保證政策。於開發軟件應用程序中，我們將為客戶提供良好的用戶體驗作為首要任務。我們定期更新軟件以確保客戶使用軟件時感到滿意。此外，向客戶提供禮品前，我們會進行質量檢驗以確保產品符合客戶期望。

於報告期間，本集團並未發現任何違反與產品及服務質素有關的法律及法規的重大事宜。

4. OPERATING PRACTICES (continued)

4.2. Product Responsibility (continued)

Feedback Management

The Group has set up various complaints and feedback channels to collect suggestions and advice from customers.

In managing complaints and feedback from customers in trading and supply chain management services, a Claim Alert System was established to register and keep track of customer claims and complaints. Our account manager and suppliers will jointly investigate the reported cases and take follow-up actions to identify solutions and hence resulting in improvement of our operation. Feedback will additionally be provided to the customers in a timely manner. There were no cases of product recall nor complaints received against our products due to health and safety issues during the reporting period.

For operation of online social platforms, real time customer supports and telephone hotline are available to solve their problems in the most efficient way. Their feedbacks and complaints will be delivered to the customer services team and make sure their concerns are well addressed. There were no cases of fatal errors associated with reported our software nor complaints received against our services during the reporting period.

4.3. Privacy Protection

The Group is committed to compliance with the privacy laws and regulations to ensure that all data are securely kept in our internal system with access control. We also set out data privacy requirements in our corporate policies, under which the data of customers and suppliers would be used exclusively for matters relating to the Group's operation only. We strive to ensure all collected data kept is free of unauthorized or accidental access, processing, erasure or other use.

4. 營運慣例(續)

4.2. 產品責任(續)

反饋管理

本集團已設立多種投訴及反饋渠道，以收集客戶建議及意見。

於貿易及供應鏈管理服務管理客戶投訴及反饋時，建立索賠警報系統以登記並追蹤客戶索賠及投訴。我們的客戶經理及供應商將聯合調查舉報個案，並採取跟進行動以確定解決方案，從而改善我們的運營。我們亦將及時向客戶提供反饋。於報告期間，並無任何產品回收個案，亦未因健康及安全問題接獲有關我們產品的投訴。

就經營網上社交平台而言，可透過實時客戶支援及電話熱線以最具效益的方式解決彼等的問題。彼等的反饋及投訴將交予客戶服務團隊，並確保彼等關注的事項獲妥善處理。於報告期內，概無有關軟件的重大錯誤而呈報的個案，亦未收到對服務的投訴。

4.3. 私隱保障

本集團致力遵守私隱法律及法規，確保所有資料安全地存放於設置存取權限控制的內部系統內。我們亦於企業政策訂明資料私隱規定，據此，客戶及供應商資料僅用於本集團營運相關事宜。我們致力確保所有已收集的資料不會被未經授權或意外查閱、處理、刪除或作其他用途。

4. OPERATING PRACTICES (continued)

4.4. Anti-Corruption

Insisting on the honesty, integrity and fairness in all aspects of our business, and upholding a high standard of business ethics and prohibition of any forms of bribery and corrupt practices, the Group has developed a series of policies of anti-fraud and anti-bribery as part of the exercise of corporate governance.

The Group strives to observe with all related laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering, such as the “Prevention of Bribery Ordinance of Hong Kong” (Chapter 201 of the laws of Hong Kong), the Criminal Law of the PRC (《中華人民共和國刑法》), and the Regulations of the PRC for Suppression of Corruption (《中華人民共和國懲治貪污條例》). During the reporting period, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to bribery, extortion, fraud and money laundering mentioned above, as well as the corporate policy of anti-corruption, and no cases of anti-corruption have been concluded.

According to the Group’s policy, employees may report any concern in relation to accounting controls and audit matters to the audit committee of the Board of the Company (the “**Audit Committee**”) which will review each complaint and decide how the investigation should be conducted. During the reporting period, the Audit Committee identified no complaint from the employees.

4. 營運慣例(續)

4.4. 反貪污

本集團在業務各方面堅持真誠、誠信及公平的經營理念，堅持高標準的商業道德規範，禁止任何形式的賄賂及貪污行為，本集團已建立一套反詐騙及反賄賂政策作為實行企業管治的一部分。

本集團致力於注意對本集團具重大影響且與賄賂、勒索、欺詐及洗黑錢有關的所有相關法律及法規，例如香港法例第201章《防止賄賂條例》、《中華人民共和國刑法》及《中華人民共和國懲治貪污條例》。於報告期間，本集團並不知悉任何違反上述與賄賂、勒索、欺詐及洗黑錢有關的相關法律及法規以及反貪污的企業政策的重大事宜，且並無發生反貪污案件。

根據本集團的政策，僱員可就任何有關會計監控及審計事項向本公司董事會審核委員會(「**審核委員會**」)提出關注事項，而審核委員會將審閱每項投訴，並決定進行調查的方法。於報告期間，審核委員會並無接獲僱員任何投訴。

5. COMMUNITY INVESTMENT

We actively strive to make a better society through our active involvement in the community and we put the best effort in helping the local communities and people in needs through voluntary services, donation programs and social enterprise supports.

During the reporting period, we made a donation to Orbis International and participated in two charitable events, namely, "Green Ladies" organized by St James' Settlement in January and July 2018 and "Flag Day" organized by Fu Hong Society in October 2018, to support the local community development. We consider the participation in those events is a good fit to our business whereas we will continue our donation of product samples in future.

Going forward, we will continue to attach great importance to community services, and will encourage our staff members to be actively engaged in voluntary services and join hands together to disseminate the spirit of serving our community.

5. 社區投資

我們透過積極融入社區，致力創造一個更加美好的社會，透過義工服務、捐贈計劃及社會企業支援，盡力幫助本地社區及有需要人士。

於報告期間，我們曾向奧比斯國際捐款並參與兩個慈善活動，即聖雅各福群會於二零一八年一月及七月舉辦的「Green Ladies」以及扶康會於二零一八年十月舉辦的「賣旗日」，以支持本地社區發展。我們認為參與有關活動對我們的業務吻合，且我們於未來將繼續捐贈產品樣本。

未來，我們將繼續高度重視社區服務，並將鼓勵員工積極參與義工服務，在社區攜手宣揚服務精神。



Our care with the community during "Flag Day"
「賣旗日」關懷社區



Our care with the community during "Green Ladies"
「Green Ladies」關懷社區

Environmental, Social and Governance Report

環境，社會及管治報告

6. HKEX ESG GUIDE CONTENT INDEX

6. 聯交所《環境、社會及管治報告指引》內容索引

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
Aspect A1: Emissions 層面 A1：排放物			
General Disclosure 一般披露	Information on: 有關廢氣及溫室氣體排放、向水及土地的 的排污、有害及無害廢棄物的產生等的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste (b) 遵守對發行人有重大影響的相關法 律及規例的資料	Environmental Protection 環境保護	
KPI A1.1 關鍵績效指標 A1.1	Types of emissions and respective emissions data 排放物種類及相關排放數據	Environmental Protection 環境保護	
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total and, where appropriate, intensity 溫室氣體總排放量及(如適用)密度	Environmental Protection 環境保護	
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced and, where appropriate, intensity 所產生有害廢棄物總量及(如適用)密度	–	The Group did not identify any hazardous waste produced in our core business 本集團並未發現核心業 務產生任何有害廢棄物
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced and intensity 所產生無害廢棄物總量及密度	Environmental Protection 環境保護	
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved 減低排放量的措施及所得成果的描述	Environmental Protection 環境保護	
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous waste are handled, reduction initiatives and results achieved 處理有害及無害廢棄物的方法、減低 產生量的措施及所得成果的描述	Environmental Protection 環境保護	

6. HKEX ESG GUIDE CONTENT INDEX (continued) 6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
Aspect A2: Use of Resources 層面 A2：資源使用			
General Disclosure 一般披露	Policies on efficient use of resources including energy, water and other raw materials 有效使用資源(包括能源、水及其他原材料)的政策	Environmental Protection 環境保護	
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type in total and intensity 按類型劃分的直接及/或間接能源總耗量及密度	Environmental Protection 環境保護	
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity 總耗水量及密度	Environmental Protection 環境保護	
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved 能源使用效益計劃及所得成果的描述	Environmental Protection 環境保護	
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water, water efficiency initiatives and results achieved 求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果的描述	–	Defined to be irrelevant to the Group's operation 界定為與本集團業務無關
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products, and if applicable, with reference to per unit produced 製成品所用包裝材料的總量及(如適用)每生產單位估量	–	Use of packaging material is not applicable to the Group's core operation 包裝材料的使用不適用於本集團核心業務

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環境，社會及管治報告

6. HKEX ESG GUIDE CONTENT INDEX (continued) 6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
層面、一般披露及關鍵績效指標	描述	環境、社會及管治報告相關章節	備註
Aspect A3: The Environment and Natural Resources			
層面 A3：環境及天然資源			
General Disclosure 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources 減低發行人對環境及天然資源造成重大影響的政策	Environmental Protection 環境保護	
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them 業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動的描述	Environmental Protection 環境保護	
Aspect B1: Employment			
層面 B1：僱傭			
General Disclosure 一般披露	Information on: 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare (b) 遵守對發行人有重大影響的相關法律及規例的資料	Employment 僱傭	
KPI B1.1 關鍵績效指標 B1.1	Total workforce by gender, employment type, age group and geographical region 按性別、僱傭類型、年齡組別及地區劃分的僱員總數	Employment 僱傭	
KPI B1.2 關鍵績效指標 B1.2	Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率	Employment 僱傭	

6. HKEX ESG GUIDE CONTENT INDEX (continued) 6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
Aspect B2: Health and Safety 層面 B2：健康與安全			
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障僱員避免職業性危害的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards (b) 遵守對發行人有重大影響的相關法律及規例的資料	Employment 僱傭	
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities 因工作關係而死亡的人數及比率	Employment 僱傭	
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury 因工傷損失工作日數	Employment 僱傭	
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored 所採納的職業健康與安全措施，以及相關執行及監察方法的描述	Employment 僱傭	

Environmental, Social and Governance Report

環境，社會及管治報告

6. HKEX ESG GUIDE CONTENT INDEX (continued)

6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
Aspect B3: Development and Training 層面 B3：發展及培訓			
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動	Employment 僱傭	
KPI B3.1 關鍵績效指標 B3.1	The percentage of employees trained by gender and employee category 按性別及僱員類別劃分的受訓僱員百分比	Employment 僱傭	
KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的平均時數	Employment 僱傭	
Aspect B4: Labour Standards 層面 B4：勞工準則			
General Disclosure 一般披露	Information on: 有關防止童工或強制勞工的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour (b) 遵守對發行人有重大影響的相關法律及規例的資料	Employment 僱傭	
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour 檢討招聘慣例的措施以避免童工及強制勞工的描述	Employment 僱傭	
KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate child and forced labour practices when discovered 在發現違規情況時消除童工及強制勞工情況所採取的步驟的描述	–	No such incidents were reported during the reporting period 於報告期內並無呈報發生有關事件

6. HKEX ESG GUIDE CONTENT INDEX (continued) 6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain 管理供應鏈的環境及社會風險政策	Operating Practices 營運慣例	
KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region 按地區劃分的供應商數目	Operating Practices 營運慣例	
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored 有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法的描述	Operating Practices 營運慣例	
Aspect B6: Product Responsibility 層面 B6：產品責任			
General Disclosure 一般披露	Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress (b) 遵守對發行人有重大影響的相關法律及規例的資料	Operating Practices 營運慣例	

Environmental, Social and Governance Report

環境，社會及管治報告

6. HKEX ESG GUIDE CONTENT INDEX (continued)

6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比	–	Not applicable to the Group's core operation 不適用於本集團核心業務
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with 接獲關於產品及服務的投訴數目以及應對方法	–	No products and service related complaints received during the reporting period 於報告期間並無接獲有關產品及服務的投訴
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights 與維護及保障知識產權有關的慣例的描述	–	Not applicable to the Group's core operation 不適用於本集團核心業務
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures 質量檢定過程及產品回收程序的描述	Operating Practices 營運慣例	
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored 消費者資料保障及私隱政策，以及相關執行及監察方法的描述	Operating Practices 營運慣例	

6. HKEX ESG GUIDE CONTENT INDEX (continued) 6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
Aspect B7: Anti-corruption 層面 B7：反貪污			
General Disclosure 一般披露	Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) the policies; and (a) 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering (b) 遵守對發行人有重大影響的相關法律及規例的資料	Operating Practices 營運慣例	
KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	Operating Practices 營運慣例	No concluded legal cases regarding corrupt practices during the reporting period 於報告期間並無對已審結的貪污訴訟案件
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle – blowing procedures, how they are implemented and monitored 防範措施及舉報程序，以及相關執行及監察方法的描述	Operating Practices 營運慣例	

Environmental, Social and Governance Report

環境，社會及管治報告

6. HKEX ESG GUIDE CONTENT INDEX (continued) 6. 聯交所《環境、社會及管治報告指引》內容索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Relevant sections in the ESG Report 環境、社會及管治報告相關章節	Remarks 備註
Aspect B8: Community Investment 層面 B8：社區投資			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities' interests 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策	Community Investment 社區投資	
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution 專注貢獻範疇	Community Investment 社區投資	
KPI B8.2 關鍵績效指標 B8.2	Resources contributed to the focus areas 在專注範疇所動用資源	Community Investment 社區投資	

Report of the Directors

董事會報告書

The board (the “**Board**”) of directors (the “**Directors**”) of Daohe Global Group Limited (the “**Company**”) present their report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2018.

Principal activities

The Company is an investment holding company. The principal activities of its subsidiaries are set out in Note 40 to the financial statements.

An analysis of the Group’s performance for the year ended 31 December 2018 by business and geographical segments as well as information about major customers is set out in Note 4 to the financial statements.

Financial results

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss on page 117.

Financial summary

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on pages 244 and 245.

Dividends

No interim dividend was declared and paid to shareholders of the Company (the “**Shareholders**”) during the year ended 31 December 2018.

The Directors do not recommend the payment of any final dividend in respect of the year ended 31 December 2018 (eight months ended 31 December 2017: Nil).

道和環球集團有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)謹此提呈本公司連同其附屬公司(統稱「**本集團**」)截至二零一八年十二月三十一日止年度之董事會報告書及經審核綜合財務報表。

主要業務

本公司為投資控股公司，其附屬公司之主要業務載於財務報表附註40。

於截至二零一八年十二月三十一日止年度，本集團按業務及地域分類劃分之表現及有關主要客戶資料之分析載於財務報表附註4。

財務業績

本集團於截至二零一八年十二月三十一日止年度之業績載於第117頁之綜合損益表。

財務概要

本集團於過往五個財政年度之業績與資產及負債概要載於第244及245頁。

股息

於截至二零一八年十二月三十一日止年度概無向本公司股東(「**股東**」)宣派及派付中期股息。

董事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(截至二零一七年十二月三十一日止八個月：無)。

Report of the Directors

董事會報告書

Business review

A fair review of the Group's business and likely future development, a discussion and analysis of the Group's performance during the year and the material factors underlying its results and financial position are included in the "Management Discussion and Analysis" section on pages 5 to 12 of this annual report.

The principal risks and uncertainties faced by the Group include but are not limited to (i) foreign currency risk as the Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk; (ii) credit risk that may arise from possible default of the Group's business counter parties; and (iii) Loozee Group (as defined below) are under VIE contractual arrangement as disclosed under section headed "Contractual arrangements" to this annual report.

The Group periodically reviews monetary assets and liabilities held in currencies other than the United States dollar and Hong Kong dollar to ensure that net exposure is kept at an acceptable level and will consider hedging significant foreign currency exposure should the need arise.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedure. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Environmental policies and performance

The Group is committed to better protect the environment by encouraging its employees to reduce consumption of electricity and paper, reduce waste, and use environmental friendly products whenever possible. The Group is subject to various environmental laws and regulations set by the People's Republic of China (the "PRC") national, provincial and municipal governments which include regulations on discharge of wastes and air pollution. During the year ended 31 December 2018, the Group has complied with such laws and regulations that have significant impact to the Group. Details of the relevant policies are set out in the Environmental, Social and Governance Report on pages 43 to 76 of this annual report.

業務回顧

有關本集團業務的中肯回顧及可能未來發展，以及就本集團於本年度內表現以及業績和財務狀況相關重要因素的討論和分析，載於本年報第5至12頁的「管理層討論及分析」一節。

本集團面臨之主要風險及不確定因素包括但不限於(i)外幣風險，由於本集團於海外業務擁有若干投資，而該等資產淨值需承擔外幣換算風險；(ii)信貸風險，可能於本集團業務交易對手可能違約時產生；及(iii)樂唯集團(定義見下文)是通過VIE合約安排，於本年報「合約安排」章節內披露。

本集團定期檢討以美元及港元以外貨幣持有之貨幣資產及負債，確保承擔之淨風險維持於可接受水平，並在有需要時考慮對沖重大外幣風險。

本集團只會與經認可及信譽良好之第三方交易。本集團政策規定所有擬以信貸期交易之客戶須通過信用審核程序。此外，本集團持續監察應收款項結餘，故本集團承受之壞賬風險並不重大。

環境政策及表現

本集團透過鼓勵僱員盡可能減少耗電及耗紙、減廢以及使用環保產品，致力保護環境。本集團須遵守中華人民共和國(「中國」)國家、省、市政府制定之多項環境法律及法規，當中包括有關處理廢物及空氣污染之規例。於截至二零一八年十二月三十一日止年度，本集團已遵守對本集團構成重大影響之法律及法規。相關政策之詳情載於本年報第43至76頁之環境、社會及管治報告。

Business review (continued)

Compliance

We have in place compliance procedures to ensure adherence to the relevant laws and regulations including but not limited to The Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Companies Ordinance, the Securities and Futures Ordinance (“**SFO**”), the Money Lenders Ordinance, Regulation of the People’s Republic of China on Telecommunication* 《中華人民共和國電信條例》 and Administrative Measures for Internet Information Services* 《互聯網信息服務管理辦法》 that are relevant to the Group. Laws in other jurisdictions may also apply to our non-Hong Kong operations in Hong Kong, the PRC and elsewhere.

The Board is responsible for reviewing and monitoring the Group’s policies and practices on compliance with legal and regulatory requirements, with the support and assistance of the company secretarial department. The Group has also engaged external counsels to provide advice regarding the rules and laws on the business transactions when required.

As far as the Company is aware, save as already disclosed in the Company’s announcements or this annual report, it has complied with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

Key relationships with stakeholders

Employees

The Group’s remuneration policy and staff development scheme are set out on page 12 of this annual report.

The Group implemented comprehensive mechanisms to ensure that high standard of ethical business practices are adopted when our employees are dealing with suppliers and service providers. Our Employee Handbook states our policies in avoiding conflict of interest and the whistle-blowing channels.

We are an equal opportunity employer. We embrace anti-discrimination practices that protect potential and existing employees from being disadvantaged or excluded on the basis of gender, age, family status, sexual orientation, disability, race or religion.

We strictly comply with local laws and regulations concerning health and safety at work.

* For identification purpose only

業務回顧(續)

合規情況

我們已訂立合規程序以確保遵從與本集團有關的相關法律及規例，包括但不限於香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)、公司條例、證券及期貨條例(「**證券及期貨條例**」)、放債人條例、中華人民共和國電信條例及互聯網信息服務管理辦法。其他司法權區的法律亦可能適用於我們於香港、中國及其他地區之香港境外業務。

在公司秘書部門的支援及協助下，董事會負責檢討及監察本集團有關遵守法律及監管規定的政策及常規。於必要時，本集團亦外聘法律顧問就業務交易之規則及法律提供意見。

據本公司所知悉，除本公司於公告及本年報所披露者外，其已遵守對本集團的業務及營運有重大影響之相關法律及法規。

與持份者的主要關係

僱員

本集團之薪酬政策及員工發展計劃載於本年報第12頁。

本集團實行全面機制以確保僱員與供應商及服務供應商交易時維持良好商業道德操守標準。僱員手冊列明避免利益衝突的政策及舉報方法。

我們是平等機會僱主。我們設有反歧視常規，保障潛在及現有僱員避免因性別、年齡、家庭狀況、性取向、殘疾、種族或宗教而受到不公平對待或排斥。

我們嚴格遵守有關工作健康及安全的本地法律及規例。

* 僅供識別

Business review (continued)

Key relationships with stakeholders (continued)

Customers

- (i) Trading and supply chain management services
Linmark Holdings Limited and its subsidiaries (the “**Linmark Group**”) are engaged in trading and supply chain management services. As a global supply chain management solutions provider and business partner, the Linmark Group offers diverse and comprehensive services to a wide range of customers including some of the world’s leading retailers, well known brands, wholesalers, mail order houses and department stores in North America, Europe, Australia and South Africa. The Group continues to strengthen ties with the customers and strives to meet their growing demand on price and service level by reaching out for new supply base and expanding into new product categories. To improve the customer service level, the Group has set a claim alert system to record and track the status of claims and complaints received from customers.
- (ii) Operation of online social platforms
Loovee Holdings Inc. (“**Loovee**”) and its subsidiaries (the “**Loovee Group**”) are principally engaged in gamified social, online entertainment and social advertising business, thereby providing various social and entertainment services to a number of individual users in the PRC. In future, we shall continue to enhance the user experiences, customer service capability and corresponding customer service for products, so as to meet the demand of our partners and customers. Meanwhile, we have also set up a user suggestion system, so that users can make suggestions and comments on our products at any time.

業務回顧 (續)

與持份者的主要關係 (續)

客戶

- (i) 貿易及供應鏈管理服務
Linmark Holdings Limited及其附屬公司(「**林麥集團**」)主要從事貿易及供應鏈管理服務，作為一家全球供應鏈管理解決方案供應商和商業夥伴，林麥集團為眾多客戶提供多元化及全方位服務，當中包括多個位於北美洲、歐洲、澳洲和南非的國際知名零售商、著名品牌、批發商、郵購公司和百貨公司。本集團繼續加強與客戶的聯繫並不斷擴大供應商基礎和開拓新產品類別，以滿足客戶對價格和服務水準日益增長的需求。為改善客戶服務水平，本集團訂立了索償警報系統，以記錄及追蹤客戶索償及投訴的狀況。
- (ii) 經營網上社交平台
Loovee Holdings Inc. (「**Loovee**」)及其附屬公司(「**樂唯集團**」)主要從事遊戲化社交、線上娛樂及社交廣告等業務，為中國國內許多個人用戶提供多元化的社交及娛樂服務，未來我們將繼續加強用戶體驗及客戶服務能力，做好相應的產品服務，以滿足合作夥伴及客戶的需求，同時我們也建立使用者意見建議系統，以便可以隨時針對產品提出建議和意見。

Business review (continued)

Key relationships with stakeholders (continued)

Suppliers

- (i) Trading and supply chain management services
Linmark Group operates an international sourcing network with a focus on emerging markets. Supplier management is the core of our supply chain business, all the suppliers have been evaluated by the Group based on their expertise, experience, production capabilities and other production factors, and are subject to constant performance review and evaluation by the Group to improve their quality and efficiency. In addition, the Group has developed an extensive Corporate Social Responsibility Compliance Manual and Vendor Code of Conduct, and has a complete quality assurance procedure in place for products produced by suppliers before shipping to customers.
- (ii) Operation of online social platforms
Loovee Group has established cooperation relationship with a number of partners in the PRC, including online application markets (e.g. 應用寶 (Tencent App Center), 華為市場 (Huawei App Store)), advertising partners, Internet Data Centre services companies, etc. We also regularly evaluate and review the capabilities of and relationships with our partners to increase the number of users or sales volume.

業務回顧 (續)

與持份者的主要關係 (續)

供應商

- (i) 貿易及供應鏈管理服務
林麥集團擁有國際性採購網路並著重於新興市場。由於供應商管理為我們供應鏈業務的核心，所有供應商皆通過由本集團根據其專業知識，經驗，生產能力等生產要素進行的評估並會定期接受本集團對其表現之審查及評估，以提高他們的質量和效益。此外，本集團已制定詳盡的企業社會責任手冊及供應商行為守則及已訂立完整品質保證程序，於付運供應商生產的產品予客戶前檢驗產品。
- (ii) 經營網上社交平台
樂唯集團在中國有眾多合作夥伴，包括線上應用市場(如應用寶、華為市場)、廣告合作夥伴、互聯網數據中心服務公司等等建立合作，我們也會定期評估和審查合作夥伴能力及與合作夥伴之關係，以增加使用者規模或銷售規模。

Report of the Directors 董事會報告書

Property, plant and equipment

Details of movements in the Group's property, plant and equipment during the year ended 31 December 2018 are set out in Note 12 to the financial statements.

Share capital

Details of the share capital of the Company during the year ended 31 December 2018 are set out in Note 26 to the financial statements.

Reserves and distributable reserves

Movements in the reserves of the Group and the Company during the year ended 31 December 2018 are set out in the Consolidated Statement of Changes in Equity and Note 39 to the financial statements respectively.

The distributable reserves of the Company consisted of the aggregate of contributed surplus and accumulated losses. The Company had no reserve available for distribution to Shareholders as at 31 December 2018 (31 December 2017: Nil).

物業、廠房及設備

本集團之物業、廠房及設備於截至二零一八年十二月三十一日止年度之變動詳情載於財務報表附註12。

股本

本公司於截至二零一八年十二月三十一日止年度之股本詳情載於財務報表附註26。

儲備及可供分派儲備

本集團及本公司儲備於截至二零一八年十二月三十一日止年度之變動詳情分別載於綜合權益變動表及財務報表附註39。

本公司之可供分派儲備包括實繳盈餘及累計虧損之總和。於二零一八年十二月三十一日，本公司並無可供分派予股東之儲備(二零一七年十二月三十一日：無)。

Directors

The Directors who held office in the Company during the year ended 31 December 2018 and up to the date of this annual report are:

Non-executive Director

ZHOU Xijian

Executive Directors

YU Lei (appointed with effect from 1 January 2018

and resigned with effect from 1 January 2019)

WONG Hing Lin, Dennis

HO Chi Kin (appointed with effect from 13 February 2018)

TSANG Chun Ho, Anthony (also known as Zichen)

(resigned with effect from 23 March 2018)

Independent Non-executive Directors

WANG Arthur Minshiang

LAU Shu Yan

ZHANG Huijun

Pursuant to the annual written confirmations, all Independent Non-executive Directors have confirmed their independence to the Company pursuant to the Listing Rules and the Company considers them to be independent in accordance with Rule 3.13 of the Listing Rules.

Mr. TSANG Chun Ho, Anthony (also known as Zichen) resigned as Director due to his decision to devote more time to his personal endeavours. Mr. YU Lei, resigned as Director due to his decision to devote more time to his other business commitments. Each of the aforesaid Directors confirmed that he has no disagreement with the Board and there is no matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to his resignation.

Mr. ZHOU Xijian and Mr. ZHANG Huijun, in accordance with Bye-laws 87(1) and 87(2) of the Bye-laws, will retire at the forthcoming AGM and, being eligible, offer themselves for re-election.

董事

於截至二零一八年十二月三十一日止年度及截至本年報日期止在本公司任職之董事如下：

非執行董事

周希儉

執行董事

余磊(自二零一八年一月一日起獲委任

及自二零一九年一月一日起辭任)

黃慶年

何致堅(自二零一八年二月十三日起獲委任)

曾俊豪(亦稱為子辰)

(自二零一八年三月二十三日起辭任)

獨立非執行董事

王敏祥

劉樹人

張會軍

根據年度確認書，全體獨立非執行董事已根據上市規則確認彼等於本公司之獨立性，而本公司根據上市規則第3.13條認為彼等屬獨立人士。

曾俊豪先生(亦稱為子辰)因其決定投放更多時間從事個人事務而辭任其董事職務。余磊先生因其決定投放更多時間從事其他事務而辭任其董事職務。前述董事各自確認，彼與董事會並無任何分歧，亦無任何與其辭任有關之事項須敦促股東及聯交所垂注。

周希儉先生及張會軍先生將根據公司細則第87(1)及87(2)條於應屆股東週年大會上退任，彼等均符合資格並願膺選連任。

Report of the Directors

董事會報告書

Directors' service contracts

No Director proposed for re-election at the forthcoming AGM has a service contract with the Group which is not determinable within one year without payment of compensation (other than statutory compensation).

Directors' interests in transaction, arrangement or contracts

Details of the connected transaction and significant related party transactions are disclosed in this annual report and in Note 34 to the financial statements.

Save as disclosed above, no other transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party to which a director of the Company or an entity connected with a director had a material interest, whether directly or indirectly, subsisted as at 31 December 2018 or at any time during the year ended 31 December 2018.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into during the year ended 31 December 2018.

Permitted indemnity

Pursuant to the Bye-laws, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may incur or sustain in or about the execution of the duties in his/her office or otherwise in relation thereto. The Company has maintained appropriate directors and officers liability insurance coverage for the Directors and officers of the Group.

董事服務合約

擬於應屆股東週年大會上膺選連任之董事概無與本集團訂立任何本集團不可於一年內不作賠償(法定賠償除外)而終止之服務合約。

董事於交易、安排或合約之權益

關連交易及重大有關連人士交易之詳情於本年報及財務報表附註34內披露。

除上文所披露者外，於二零一八年十二月三十一日或於截至二零一八年十二月三十一日止年度任何時間概無存在本公司或其任何附屬公司參與訂立而本公司之董事或與董事有關連之實體於當中直接或間接擁有重大權益之其他重大交易、安排或合約。

管理合約

本公司於截至二零一八年十二月三十一日止年度概無訂立任何與本公司全部或大部分業務的管理及行政有關的合約。

獲准彌償

根據公司細則，本公司每名董事或其他高級職員均有權就彼於執行職務或就此有關而可能招致或遭受的所有虧損或負債透過本公司資產獲得彌償。本公司已為本集團董事及高級職員安排適當的董事及高級職員責任保險。

Directors' interests in shares, underlying shares and debentures of the Company and its associated corporations

As at 31 December 2018, the interests and short positions of the Directors and Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO (Cap. 571, Laws of Hong Kong)) as recorded in the register required to be kept by the Company under section 352 of the SFO, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

董事於本公司及其相聯法團之股份、相關股份及債券中之權益

於二零一八年十二月三十一日，本公司之董事及行政總裁於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例第XV部）之股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊之權益及淡倉，或（如需要）根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

(a) Interests and short positions in the shares of the Company and its associated corporations

(a) 於本公司及其相聯法團之股份中之權益及淡倉

Name of Directors	Capacity	Number and class of securities (Note 1)	Percentage of shareholding in the same class of securities as at 31 December 2018 (Note 3) 於二零一八年十二月三十一日在同類別證券中之股權百分比 (附註3)
董事姓名	身份	證券數目及類別 (附註1)	
The Company 本公司			
ZHOU Xijian 周希儉	Interest of controlled corporations (Note 2) 受控制法團之權益(附註2)	664,121,427 ordinary shares 普通股 (L)	43.99%
WONG Hing Lin, Dennis 黃慶年	Beneficial owner 實益擁有人	3,750,000 ordinary shares 普通股 (L)	0.25%
WANG Arthur Minshiang 王敏祥	Beneficial owner 實益擁有人	390,000 ordinary shares 普通股 (L)	0.03%
Associated corporation – Daohe Global Investment Holding Limited ("Daohe Global Investment") (Note 2) 相聯法團 – 道和環球投資控股有限公司(「道和環球投資」)(附註2)			
ZHOU Xijian 周希儉	Beneficial owner 實益擁有人	8,000 ordinary shares 普通股 (L)	80%

Directors' interests in shares, underlying shares and debentures of the Company and its associated corporations (continued)

(a) Interests and short positions in the shares of the Company and its associated corporations (continued)

Notes:

- (1) The letter "L" represents long position in the shares.
- (2) Of these shares, (i) Sino Remittance Holding Limited ("Sino Remittance") owned 512,250,000 shares, (ii) Fame City Developments Limited ("Fame City") owned 59,690,535 shares, (iii) Oceanic Force Limited ("Oceanic Force") owned 92,042,892 shares and (iv) Winning Port International Limited ("Winning Port") owned 138,000 shares. Sino Remittance, Fame City, Oceanic Force and Winning Port are wholly-owned subsidiaries of Daohe Global Investment, which is in turn held by Mr. ZHOU Xijian (Director of the Company) and Mr. ZHANG Qi (a former director of the Company), as to 80% and 20% respectively. As such, Mr. ZHOU Xijian was deemed to be interested in the shares of the Company in which Sino Remittance, Fame City, Oceanic Force and Winning Port were interested by virtue of the provisions of Part XV of the SFO.
- (3) Calculated on the basis of 1,509,592,701 shares in issue as at 31 December 2018.

(b) Interests and short positions in the underlying shares of the Company and its associated corporations

As at 31 December 2018, none of the Directors and Chief Executive of the Company had interests or short positions in the underlying shares of the Company and its associated corporations as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(c) Interests and short positions in the debentures of the Company and its associated corporations

As at 31 December 2018, none of the Directors and Chief Executive of the Company had interests or short positions in the debentures of the Company and its associated corporations as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事於本公司及其相聯法團之股份、相關股份及債券中之權益(續)

(a) 於本公司及其相聯法團之股份中之權益及淡倉(續)

附註：

- (1) 「L」乃指於股份中之好倉。
- (2) 於該等股份中，(i)華匯控股有限公司(「華匯」)擁有512,250,000股，(ii)Fame City Developments Limited(「Fame City」)擁有59,690,535股，(iii)Oceanic Force Limited(「Oceanic Force」)擁有92,042,892股，及(iv)Winning Port International Limited(「Winning Port」)擁有138,000股。華匯、Fame City、Oceanic Force及Winning Port為道和環球投資之全資附屬公司，而道和環球投資由周希儉先生(本公司董事)及張琦先生(本公司前董事)分別持有80%及20%權益。因此，根據證券及期貨條例第XV部之條文，周希儉先生被視為擁有華匯、Fame City、Oceanic Force及Winning Port所持有之本公司股份權益。
- (3) 按於二零一八年十二月三十一日之已發行股份1,509,592,701股計算。

(b) 於本公司及其相聯法團之相關股份中之權益及淡倉

於二零一八年十二月三十一日，本公司之董事及行政總裁概無於本公司及其相聯法團之相關股份中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

(c) 於本公司及其相聯法團之債券中之權益及淡倉

於二零一八年十二月三十一日，本公司之董事及行政總裁概無於本公司及其相聯法團之債券中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

Directors' rights to acquire shares or debentures

Save as disclosed in this annual report, at no time during the year was the Company, or any of its subsidiaries a party to any arrangements to enable the Directors of the Company (including their spouses and children under 18 years of age) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事購買股份或債券之權利

除本年報所披露者外，於本年度內任何時間，本公司或其任何附屬公司概無參與訂立任何安排以使本公司董事（包括彼等配偶及未滿18歲的子女）可藉購入本公司或任何其他法團之股份或債券而獲取利益。

Interests and short positions of substantial shareholders in the shares and underlying shares of the Company

As at 31 December 2018, the following Shareholders (other than the Directors and Chief Executive of the Company whose interests and short positions in the shares and underlying shares of the Company are set out above) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

主要股東於本公司股份及相關股份中之權益及淡倉

於二零一八年十二月三十一日，下列股東（上文所載於本公司股份及相關股份中擁有權益及淡倉之本公司董事及行政總裁除外）於本公司之股份及相關股份中擁有須記入本公司根據證券及期貨條例第336條存置之登記冊之權益或淡倉：

Name of substantial shareholders	Capacity	Number of shares of the Company held (Note 1) 持有本公司股份數目 (附註1)	Approximate percentage of interests in the Company (Note 4) 於本公司之權益概約百分比 (附註4)
主要股東名稱	身份		
Sino Remittance 華匯	Beneficial owner (Note 2) 實益擁有人(附註2)	512,250,000 (L)	33.93%
Oceanic Force	Beneficial owner (Note 2) 實益擁有人(附註2)	92,042,892 (L)	6.10%
Daohe Global Investment 道和環球投資	Interest of controlled corporations (Note 2) 受控制法團之權益(附註2)	664,121,427 (L)	43.99%
Leqian Investment Limited	Beneficial owner (Note 3) 實益擁有人(附註3)	178,875,000 (L)	11.85%
ZHOU Congwei 周聰偉	Interest of controlled corporation (Note 3) 受控制法團之權益(附註3)	178,875,000 (L)	11.85%
TSANG Chun Ho, Anthony 曾俊豪	Beneficial owner 實益擁有人	77,625,000 (L)	5.14%

Interests and short positions of substantial shareholders in the shares and underlying shares of the Company (continued)

Notes:

- (1) The letter "L" represents long position in the shares.
- (2) Of these shares, (i) Sino Remittance owned 512,250,000 shares, (ii) Fame City owned 59,690,535 shares, (iii) Oceanic Force owned 92,042,892 shares and (iv) Winning Port owned 138,000 shares. Sino Remittance, Fame City, Oceanic Force and Winning Port are wholly-owned subsidiaries of Daohe Global Investment. As such, Daohe Global Investment was deemed to be interested in the shares of the Company in which Sino Remittance, Fame City, Oceanic Force and Winning Port were interested by virtue of the provisions of Part XV of the SFO.
- (3) Mr. ZHOU Congwei was deemed interested in the shares of the Company held by Leqian Investment Limited, a company wholly-owned by Mr. ZHOU Congwei, by virtue of the provisions of Part XV of the SFO.
- (4) Calculated on the basis of 1,509,592,701 shares in issue as at 31 December 2018.

Save as disclosed above, as at 31 December 2018, the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company which are required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

主要股東於本公司股份及相關股份中之權益及淡倉 (續)

附註：

- (1) 「L」乃指於股份中之好倉。
- (2) 於此等股份中，(i) 華匯擁有 512,250,000 股，(ii) Fame City 擁有 59,690,535 股，(iii) Oceanic Force 擁有 92,042,892 股，及 (iv) Winning Port 擁有 138,000 股。華匯、Fame City、Oceanic Force 及 Winning Port 為道和環球投資之全資附屬公司。因此，根據證券及期貨條例第 XV 部之條文，道和環球投資被視為擁有華匯、Fame City、Oceanic Force 及 Winning Port 所持有之本公司股份權益。
- (3) 根據證券及期貨條例第 XV 部之條文，周聰偉先生被視為擁有彼全資擁有之公司 Leqian Investment Limited 所持有本公司股份權益。
- (4) 按於二零一八年十二月三十一日之已發行股份 1,509,592,701 股計算。

除上文所披露者外，於二零一八年十二月三十一日，本公司並無獲悉本公司之股份及相關股份中擁有須記入本公司根據證券及期貨條例第 336 條存置之登記冊之任何權益或淡倉。

Equity-linked agreements

Other than the share option scheme of the Company as disclosed below, no equity-linked agreements that have, will or may result in the Company issuing shares or that require the Company to enter into any agreements that have, will or may result in the Company issuing shares were entered into by the Company during the year ended 31 December 2018 or subsisted as at 31 December 2018.

Share options and share option scheme

The Company adopted a share option scheme (the “**2011 Share Option Scheme**”) pursuant to an ordinary resolution passed at the AGM on 29 August 2011. The 2011 Share Option Scheme will remain in force for a period of 10 years up to 2021. Under the 2011 Share Option Scheme, the Board or a committee thereof may grant options (the “**Share Options**”) to eligible persons to subscribe for shares in the Company at a price per share of at least the higher of (i) the closing price of a share as stated in the daily quotation sheets issued by the Stock Exchange on the date of the offer of the relevant option; and (ii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer, provided that the exercise price shall in no event be less than the nominal amount of one share. Written acceptance is required on acceptance of the grant of options. The maximum number of shares which may be issued upon the exercise of all outstanding options granted under the 2011 Share Option Scheme and any other scheme to be adopted by the Company from time to time must not in aggregate exceed 30% of the share capital of the Company in issue from time to time. The Company has no legal or constructive obligation to repurchase or settle the Share Options in cash.

股票掛鈎協議

除下文所披露之本公司購股權計劃外，本公司於截至二零一八年十二月三十一日止年度概無訂立或於二零一八年十二月三十一日概無存在任何股票掛鈎協議，而該協議已經、將會或可能會導致本公司發行股份，或規定本公司訂立已經、將會或可能會導致本公司發行股份的任何協議。

購股權及購股權計劃

本公司已根據於二零一一年八月二十九日在股東週年大會上通過之一項普通決議案採納購股權計劃（「**二零一一年購股權計劃**」）。二零一一年購股權計劃將一直有效至二零二一年止，為期10年。根據二零一一年購股權計劃，董事會或董事委員會可將購股權（「**購股權**」）授予合資格人士以認購本公司股份，每股認購價至少為(i)聯交所發佈之每日報價表所列股份於有關購股權批授日期當日之收市價；及(ii)聯交所發佈之每日報價表所列股份於緊接批授日期前五個營業日之平均收市價（以較高者為準），惟行使價無論如何不得低於一股股份之面值。合資格人士於接納購股權時須提供書面接納。根據二零一一年購股權計劃及本公司不時將予採納之任何其他計劃已授出但尚未行使之所有購股權獲行使時可發行之股份總數上限，合共不得超逾本公司不時已發行股本之30%。本公司並無法定或推定責任以現金購回或償付購股權。

Share options and share option scheme (continued)

Details of the 2011 Share Option Scheme are as follows:

1. Purpose

The primary purpose of the 2011 Share Option Scheme is to provide incentives or rewards to eligible persons for their contribution or potential contribution to the Group.

2. Eligible persons

The eligible persons under the 2011 Share Option Scheme include:

- (i) any Director or proposed Director (whether Executive or Non-executive, including any Independent Non-executive Director), employee or proposed employee (whether full time or part time) of, or any individual for the time being seconded to work for, any member of the Group or any controlling shareholder of the Company or any company controlled by a controlling shareholder of the Company; or
- (ii) any holder of any securities issued by any member of the Group or any controlling shareholder of the Company or any company controlled by a controlling shareholder of the Company; or
- (iii) any business partner, agent, consultant or representative of, or any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to, or any supplier of goods or services to, or any customer of, any member of the Group or any controlling shareholder of the Company or any company controlled by a controlling shareholder of the Company.

購股權及購股權計劃(續)

二零一一年購股權計劃之詳情如下：

1. 目的

二零一一年購股權計劃的主要目的是獎勵或酬謝曾經或將會對本集團作出貢獻之合資格人士。

2. 合資格人士

二零一一年購股權計劃下之合資格人士包括：

- (i) 本集團任何成員公司或本公司任何控股股東或本公司控股股東控制之任何公司之任何董事或候任董事(不論為執行或非執行董事，包括任何獨立非執行董事)、僱員或擬聘僱員(不論全職或兼職)或任何當時獲借調為其工作之人士；或
- (ii) 本集團任何成員公司或本公司任何控股股東或由本公司控股股東控制之任何公司發行之任何證券之任何持有人；或
- (iii) 本集團任何成員公司或本公司任何控股股東或由本公司控股股東控制之任何公司之任何業務伙伴、代理、顧問或代表或任何向其提供研究、開發或其他技術支援或任何諮詢、顧問、專業或其他服務之人士或企業、任何貨品或服務供應商或任何客戶。

Share options and share option scheme (continued)

3. Total number of shares available for issue

The initial total number of shares in respect of which options may be granted under the 2011 Share Option Scheme is not permitted to exceed 10% of the shares of the Company in issue at the date of approval of the 2011 Share Option Scheme (i.e. 102,460,389 shares after the adjustment for the effect of the share consolidation and the share subdivision in September 2016 and August 2017 respectively). As at 31 December 2018, the total number of shares available for issue under the 2011 Share Option Scheme (save for those granted but not yet exercised) is 87,460,389, representing approximately 5.79% of the Company's issued share capital as at the date of this annual report.

Subject to the approval by the 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 2011 Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the Company's shares in issue from time to time. Options granted to the Independent Non-executive Directors or substantial shareholders of the Company or any of their respective associates in excess of 0.1% of the Company's shares in issue and with an aggregate value in excess of HK\$5 million resulting in the total number of shares issued and to be issued upon exercise of options already granted and to be granted to such person under the 2011 Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant of such option must be approved in advance by the Shareholders.

4. Maximum entitlement for each eligible person

The maximum number of shares issued and to be issued upon exercise of the options granted under the 2011 Share Option Scheme and any other share option schemes of the Company to any eligible persons (including those cancelled, exercised and outstanding options), in any 12-month period up to the date of the latest grant shall not exceed 1% of the Company's shares in issue. Any further grant of options in excess of such limit must be separately approved by the Shareholders in a general meeting.

購股權及購股權計劃(續)

3. 可供發行股份總數

根據二零一一年購股權計劃可授出之購股權初步涉及之股份總數，不得超逾二零一一年購股權計劃批准當日本公司已發行股份之10%（即102,460,389股，已就二零一六年九月股份合併及二零一七年八月股份拆細之影響作出調整）。於二零一八年十二月三十一日，根據二零一一年購股權計劃可供發行的股份總數（不包括已授出但未行使者）為87,460,389股，佔本公司於本年報日期已發行股本約5.79%。

在股東批准之規限下，根據二零一一年購股權計劃及本公司任何其他購股權計劃已授出但尚未行使之所有購股權獲行使時本公司可發行之股份總數，不得超逾本公司不時已發行股份之30%。倘若向本公司獨立非執行董事或主要股東或任何彼等各自之聯繫人士授出購股權，導致截至及包括授出該購股權日期之任何十二個月期間，因行使根據二零一一年購股權計劃及本公司任何其他購股權計劃已授予及將授予該人士之購股權（包括已行使、已註銷及尚未行使者）而已發行及將予發行之股份總數，超逾本公司已發行股份之0.1%及總價值超逾5,000,000港元，則必須事先獲得股東批准。

4. 每名合資格人士可獲授最高股數

根據二零一一年購股權計劃及本公司任何其他購股權計劃授予任何合資格人士之購股權（包括已註銷、已行使及尚未行使者）獲行使當時已發行及將予發行之股份總數，於截至最近授出購股權該日止任何十二個月期間，不得超逾本公司已發行股份之1%。凡再授出超逾該上限之購股權，須另行徵求股東於股東大會上之個別批准。

Share options and share option scheme (continued)

5. Time of exercise of options

Options may be exercised at any time commencing on the date as the Board may determine and ending on such date as the Board may determine but shall not exceed 10 years from the date of grant (which is the date of offer of grant if the offer for the grant of the option is accepted).

6. Minimum holding period of the option before it can be exercised

The 2011 Share Option Scheme does not specify any minimum holding period but the Board has the authority to determine the minimum period for which a share option in respect of some or all of the shares forming the subject of the share options must be held before it can be exercised.

7. Acceptance and payment on acceptance

Offer for the grant of options must be accepted within 30 days inclusive of the day on which such offer was made. No consideration is required to be paid by the grantee of an option to the Company on acceptance of the offer for the grant of an option.

8. Exercise Price

The exercise price is determined by the Board, and will not be less than the higher of the closing price of the Company's shares on the date of offer of grant and the average closing price of the shares for the five business days immediately preceding the date of offer of grant.

9. Remaining life of the 2011 Share Option Scheme

Subject to the earlier termination of the 2011 Share Option Scheme in accordance with the rules governing the 2011 Share Option Scheme, the 2011 Share Option Scheme will expire on 29 August 2021.

購股權及購股權計劃 (續)

5. 行使購股權之時間

購股權可由董事會決定之日期起隨時行使，直至董事會可能釐定但不超逾授出日期(即倘授出購股權要約獲接納，則為要約授出日期)後十年之日期為止。

6. 購股權行使前最短須持有之期限

二零一一年購股權計劃並無指明任何最短持有期限，但董事會有權決定組成購股權的若干或全部股份的購股權在行使前必須持有之最短期限。

7. 接納及於接納時付款

授出購股權之要約必須在提出該等要約當日起三十日內(包括當日)予以接納。購股權承授人於接納授出購股權之要約時，毋須支付任何代價予本公司。

8. 行使價

行使價由董事會釐定，其將不會低於本公司股份於要約授出日期之收市價及股份於緊接要約授出日期前五個營業日之平均收市價(兩者以較高者為準)。

9. 二零一一年購股權計劃之尚餘期限

除非因根據二零一一年購股權計劃之規則而須提早終止二零一一年購股權計劃，否則二零一一年購股權計劃將於二零二一年八月二十九日屆滿。

Share options and share option scheme (continued)

Details of movements for the year in the number of Share Options are set out below:

購股權及購股權計劃(續)

於本年度購股權數目之變動詳情載列如下：

Participant(s)	Number of Share Option(s) 購股權數目					Date of grant (DD/MM/YY)	Exercise price (HK\$)	Exercise period (DD/MM/YY)
	Outstanding as at 1 January 2018	Granted from 1 January 2018 to 31 December 2018	Exercised from 1 January 2018 to 31 December 2018	Cancelled/ lapsed from 1 January 2018 to 31 December 2018	Outstanding as at 31 December 2018			
參與者	截至 二零一八年 一月一日 尚未行使	自 二零一八年 一月一日至 二零一八年 十二月 三十一日 授出	自 二零一八年 一月一日至 二零一八年 十二月 三十一日 行使	自 二零一八年 一月一日至 二零一八年 十二月 三十一日 註銷/失效	截至 二零一八年 十二月 三十一日 尚未行使	授出日期 (日/月/年)	行使價(港元)	行使期 (日/月/年)
Consultants (Note 1) 顧問(附註1)	7,500,000 (Note 2) (附註2)	-	-	(7,500,000)	-	06/11/2015	Three and one third (Note 2) 三又三分之一 (附註2)	06/11/2015 – 05/11/2018
Total 總數	7,500,000	-	-	(7,500,000)	-			

Notes:

(1) None of the grantees under the 2011 Share Option Scheme is a Director, Chief Executive or substantial shareholder of the Company or their respective associates (as defined in the Listing Rules) of any of them.

附註：

(1) 概無二零一一年購股權計劃項下之承授人為本公司董事、行政總裁或主要股東或任何彼等各自之聯繫人(定義見上市規則)。

Report of the Directors

董事會報告書

Share options and share option scheme (continued)

Notes: (continued)

(2) The subscription price of the outstanding Share Options and the shares to be allotted and issued upon full exercise of the subscription rights attaching to the Share Options have been adjusted as a result of share consolidation and share subdivision effective on 27 September 2016 and 10 August 2017 respectively. Details of the adjustments made to the Share Options were set out in the announcements of the Company dated 26 September 2016 and 9 August 2017 and as shown below:

Share Option granted on 6 November 2015 於二零一五年十一月六日授出之購股權		Share Consolidation on 27 September 2016 於二零一六年九月二十七日進行之股份合併		Share Subdivision on 10 August 2017 於二零一七年八月十日進行之股份拆細	
Subscription price (per share) (Note 3)	No. of shares to be allotted and issued upon full exercise of the subscription rights attaching to the Share Options	Adjusted subscription price (per consolidated share)	Adjusted no. of consolidated shares to be allotted and issued upon full exercise of the subscription rights attaching to the Share Options	Adjusted subscription price (per subdivided share)	Adjusted no. of subdivided shares to be allotted and issued upon full exercise of the subscription rights attaching to the Share Options
認購價(每股)(附註3)	購股權所附認購權獲 全面行使時將予配 發及發行之股份數 目	經調整認購價 (每股合併股份)	購股權所附認購權獲 全面行使時將予配 發及發行之經調整 合併股份數目	經調整認購價 (每股拆細股份)	購股權所附認購權獲全面 行使時將予配發及發行 之經調整拆細股份數目
HK\$1 1港元	25,000,000	HK\$10 10港元	2,500,000	Three and one third HK dollar 3 $\frac{1}{3}$ 港元	7,500,000

(3) The Share Options may only be exercised by the grantees if the average closing price of the shares on the Stock Exchange stated in its daily quotations sheets for the five business days immediate preceding the exercise date exceeds HK\$6.67 per share.

購股權及購股權計劃(續)

附註：(續)

(2) 尚未行使購股權之認購價及全面行使購股權所附認購權時將配發及發行之股份因進行分別於二零一六年九月二十七日及二零一七年八月十日生效之股份合併及股份拆細而調整。對購股權作出調整之詳情載於本公司日期為二零一六年九月二十六日及二零一七年八月九日之公佈及載列如下：

(3) 承授人僅於緊接行使日期前五個營業日股份在聯交所每日報價表所報平均收市價超過每股6.67港元時方可行使購股權。

Connected Transaction

Save as disclosed in Note 34 to the financial statements, there was no connected transaction or continuing connected transaction undertaken by the Company during the year ended 31 December 2018 and up to the date of this annual report which was required to be disclosed pursuant to Chapter 14A of the Listing Rules.

關連交易

除財務報表附註34所披露者外，於截至二零一八年十二月三十一日止年度直至本年報日期，本公司並無進行根據上市規則第14A章須予披露之關連交易或持續關連交易。

Related party transactions

Details of the significant related party transactions undertaken during the year ended 31 December 2018 are disclosed in Note 34 to the financial statements.

For those related party transactions that constituted connected transactions or continuing connected transactions (as the case may be) under the Listing Rules, these transactions are exempt from reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Contractual arrangements

Loovee, through Loovee Science and Technology Development Co., Ltd.* (深圳市樂唯科技開發有限公司) (the "OPCO") and its subsidiaries (the "OPCO Group"), is principally engaged in the development and operation of online social platforms. The OPCO is a limited liability company established under the laws of the PRC and is owned as to 80% by Mr. LI Feng* (李鋒) and 20% by Mr. LIAO Guoxin* (廖國新), equity owners of the OPCO nominated by the Company (the "VIE Equity Owners").

On 24 April 2017, Loovee Science and Technology (Shenzhen) Co., Ltd.* (樂唯科技(深圳)有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of Loovee (the "WFOE"), the OPCO and the VIE Equity Owners entered into certain structured contracts namely, the Exclusive Technology Consulting and Services Agreement, the Business Operation Agreement, the Exclusive Call Option Agreement, the Equity Interest Pledge Agreements, the Powers of Attorney, the Commitment Letters and the Spousal Consent Letters (collectively, the "VIE Contracts") to enable the financial results, the entire economic benefits and the risks of the business of the OPCO Group to flow onto the WFOE and to enable the WFOE to gain control over the OPCO Group (the "Contractual Arrangements").

Financial contribution of the OPCO Group to the Group

The aggregate revenues of the OPCO Group that were attributable to the Group through VIE Contracts amounted to approximately US\$43,545,000 for the year ended 31 December 2018. As at 31 December 2018, the net assets attributable to the OPCO Group were approximately US\$9,265,000.

* For identification purpose only

有關連人士交易

於截至二零一八年十二月三十一日止年度進行之重大有關連人士交易詳情於財務報表附註34內披露。

就根據上市規則構成關連交易或持續關連交易(視情況而定)之有關連人士交易而言,該等交易獲豁免遵守上市規則第14A章之申報、年度審閱、公佈及獨立股東批准規定。

合約安排

Loovee透過深圳市樂唯科技開發有限公司(「OPCO」)及其附屬公司(「OPCO集團」)主要從事開發及經營網上社交平台。OPCO為根據中國法律成立之有限公司,由本公司提名之OPCO股權擁有人李鋒先生、廖國新先生(「VIE股權擁有人」)分別擁有80%及20%權益。

於二零一七年四月二十四日,樂唯科技(深圳)有限公司(一間根據中國法律成立之公司,為Loovee之間接全資附屬公司)(「WFOE」)、OPCO與VIE股權擁有人訂立若干結構性合約,即獨家技術諮詢服務協議、業務經營協議、獨家購買權協議、股權質押協議、授權委託書、承諾函及配偶承諾函(統稱「VIE合約」),致使OPCO集團業務之財務業績、全部經濟利益及風險流入WFOE,並讓WFOE取得對OPCO集團之控制權(「合約安排」)。

OPCO集團對本集團之財務貢獻

截至二零一八年十二月三十一日止年度,本集團透過VIE合約應佔OPCO集團之總收益約為43,545,000美元。於二零一八年十二月三十一日,OPCO集團應佔資產淨值約為9,265,000美元。

* 僅供識別

Contractual arrangements (continued)

Reasons for the Contractual Arrangements

According to The Guidance Catalogue of Industries for Foreign Investment (2017 Amended)* (《外商投資產業指導目錄(2017年修訂)》) (the "Catalogue"), value-added telecommunications service business is restricted for foreign investors and foreign ownership in such business (except e-commerce) cannot exceed 50%, and in particular, internet cultural business (except for music) is prohibited for foreign investors.

The OPCO Group is principally engaged in the development and operation of online social platforms which is considered to be engaged in the provision of value-added telecommunications services and the internet cultural business, a restricted and prohibited business respectively for foreign investors pursuant to the Catalogue. As the Group does not possess the required qualifications, Loovee cannot directly or indirectly hold the equity interest in the OPCO as a foreign investor.

In order to comply with the applicable PRC laws and regulations including the Catalogue, the WFOE, the OPCO and the VIE Equity Owners entered into the VIE Contracts to enable the financial results, the entire economic benefits and the risks of the business of the OPCO Group to flow onto the WFOE and to enable the WFOE to gain control over the OPCO Group.

Summary of the major terms of the VIE Contracts

The following sets out the principal terms of the VIE Contracts, which were in place since 1 June 2017:

1. The Exclusive Technology Consulting and Services Agreement was entered into between the WFOE and the OPCO for an initial term of 10 years from the date of execution (which may be extended at the sole discretion of the WFOE), pursuant to which the WFOE has the exclusive rights to provide the OPCO with consulting services at a service fee that is equal to 100% of the net profit of the OPCO after deducting taxes, costs and expenses incurred during the course of business.

* For identification purpose only

合約安排(續)

訂立合約安排之原因

根據《外商投資產業指導目錄(2017年修訂)》(「目錄」)，外國投資者從事增值電信服務業務受到限制，外商於有關業務(電子商貿除外)之擁有權不得超過50%，尤其是，外國投資者被禁止從事網絡文化業務(音樂除外)。

OPCO集團主要從事開發及經營網上社交平台，故被視為從事提供增值電信服務及網絡文化業務，而有關業務根據目錄分別屬外國投資者受限制及禁止從事之業務。由於本集團並不具備所需資格，因此Loovee作為外國投資者不可直接或間接持有OPCO之股權。

為遵守中國適用法律及法規(包括目錄)，WFOE、OPCO與VIE股權擁有人已訂立VIE合約，致使OPCO集團業務之財務業績、全部經濟利益及風險流入WFOE，並讓WFOE取得對OPCO集團之控制權。

VIE合約之主要條款概要

以下載列自二零一七年六月一日起生效之VIE合約之主要條款：

1. WFOE與OPCO訂立之獨家技術諮詢服務協議，由簽立日期起計初步為期10年，並可由WFOE全權酌情延長，據此，WFOE擁有獨家權向OPCO提供諮詢服務，服務費用相等於OPCO扣除業務過程中所產生稅項、成本及開支後之全部純利。

* 僅供識別

Contractual arrangements (continued)
Summary of the major terms of the VIE Contracts
(continued)

2. The Business Operation Agreement was entered into between the WFOE, the OPCO and VIE Equity Owners for an initial term of 10 years from the date of execution (which may be extended at the sole discretion of the WFOE) pursuant to which the VIE Equity Owners agreed that, without the prior written consent from the WFOE, the OPCO would not enter into any transaction or perform any act that could materially affect its assets, businesses, personnels, undertakings, rights or operations. The VIE Equity Owners also agreed (i) to vote for or appoint nominees designated by the WFOE to serve as the directors, chairman, general managers, financial controllers and other senior managers of the OPCO; (ii) to accept and implement proposals set forth by the WFOE regarding employment, day-to-day business operations and financial management; and (iii) to unconditionally transfer any dividend or other interest declared by the OPCO to the WFOE.
3. The Exclusive Call Option Agreement was entered into by the WFOE, the OPCO and the VIE Equity Owners which shall remain effective until all the equity interests in the OPCO held by the VIE Equity Owners are transferred or assigned to the WFOE or its designated party. Pursuant to the Exclusive Call Option Agreement, the VIE Equity Owners unconditionally and irrevocably granted the WFOE an irrevocable and exclusive option to purchase or designate one or more persons to purchase, to the extent permitted under the relevant PRC laws and regulations, all or part of their equity interests in the OPCO at the total purchase price of RMB10,000 for 100% of the equity interests, or 1% of the evaluation price or the minimum price permitted by the then applicable PRC laws (if evaluation is required).

The OPCO also granted the WFOE an irrevocable and exclusive option to purchase or designate another party to purchase, to the extent permitted under the relevant PRC laws and regulations, any or all of the assets owned by the OPCO (including its equity interest in Leyi Science and Technology Co. Ltd.* (深圳市樂宜科技有限公司)) at the lower of (i) the book value; and (ii) the minimum price permitted by the then applicable PRC laws.

* For identification purpose only

合約安排 (續)
VIE 合約之主要條款概要 (續)

2. WFOE、OPCO 與 VIE 股權擁有人已訂立業務經營協議，由簽立日期起計初步為期 10 年，並可由 WFOE 全權酌情延長，據此，VIE 股權擁有人同意，在未經 WFOE 事先書面同意下，OPCO 不會進行任何交易或作出任何行動，從而對其資產、業務、人員、義務、權利或營運造成實質影響。VIE 股權擁有人亦同意 (i) 投票支持或委任由 WFOE 指定之代名人出任 OPCO 之董事、主席、總經理、財務主管及其他高級經理；(ii) 接納及實行 WFOE 在委聘、日常業務經營及財務管理方面訂明之建議；及 (iii) 向 WFOE 無條件轉讓 OPCO 宣派之任何股息或其他權益。
3. WFOE、OPCO 與 VIE 股權擁有人已訂立獨家購買權協議，有關協議將一直生效，直至 VIE 股權擁有人持有之全部 OPCO 股權轉讓或分配予 WFOE 或其指定人士為止。根據獨家購買權協議，VIE 股權擁有人無條件及不可撤回地向 WFOE 授出不可撤回獨家認購權，以在中國相關法律及法規許可下購買或指定一名或以上人士購買 OPCO 全部或部分股權，全部股權之總購買價須為人民幣 10,000 元，或 (倘須評估) 評估價之 1% 或屆時適用中國法律許可之最低價格。

OPCO 亦向 WFOE 授出不可撤回獨家認購權，以在中國相關法律及法規許可下購買或指定其他人士購買 OPCO 擁有之任何或全部資產 (包括其於深圳市樂宜科技有限公司之股權)，購買價為以下兩者之較低者：(i) 賬面值；及 (ii) 屆時適用中國法律許可之最低價格。

* 僅供識別

Contractual arrangements (continued)
Summary of the major terms of the VIE Contracts
(continued)

4. The Equity Interest Pledge Agreement was entered into by the WFOE (as pledgee) and the VIE Equity Owners (as pledgers) which was effective on the date when the pledge of the equity interests in the OPCO was registered on the register of members of the OPCO and shall remain binding until the VIE Equity Owners discharge all their obligations under the Contractual Arrangements or termination of the VIE Contracts (other than the Equity Interest Pledge Agreement).

Pursuant to the Equity Interest Pledge Agreement, the VIE Equity Owners agreed to pledge all of their equity interests in the OPCO (including any equity interest subsequently acquired or subscribed) to the WFOE to guarantee the performance by the OPCO and the VIE Equity Owners of their respective obligations under the Contractual Arrangements.

5. The Powers of Attorney were entered into by the VIE Equity Owners for an initial term of 10 years from the date of execution (which may be extended at the discretion of WFOE). Pursuant to the Powers of Attorney, each of the VIE Equity Owners irrevocably appointed the WFOE as their attorney-in-fact to act for all matters pertaining to the OPCO and to exercise all of their rights as shareholders of the OPCO.

合約安排 (續)
VIE 合約之主要條款概要 (續)

4. WFOE (作為質權人) 與 VIE 股權擁有人 (作為出質人) 訂立之股權質押協議，有關協議將於 OPCO 股權質押記載於 OPCO 股東名冊當日生效，並於 VIE 股權擁有人解除其於合約安排項下所有責任或終止 VIE 合約 (除股權質押協議外) 前一直具約束力。

根據股權質押協議，VIE 股權擁有人同意向 WFOE 質押其於 OPCO 之全部股權 (包括其後收購或認購之任何股權)，以擔保 OPCO 及 VIE 股權擁有人履行彼等各自於合約安排項下之責任。

5. VIE 股權擁有人訂立之授權委託書，由簽立日期起計初步為期 10 年，並可由 WFOE 酌情延長。根據授權委託書，各 VIE 股權擁有人不可撤回地委任 WFOE 為彼等之實際授權代表，就與 OPCO 有關之所有事宜行事，並以 OPCO 股東身分行使彼等所有權利。

Contractual arrangements (continued)
Summary of the major terms of the VIE Contracts
(continued)

6. The Commitment Letters were entered into by the VIE Equity Owners pursuant to which the VIE Equity Owners irrevocably undertook that:

- (i) for whatever reason the equity interests in the OPCO are transferred or inherited to other person(s) (including but not limited to bankruptcy, divorce or death of the VIE Equity Owners), such transferee(s) or successor(s) shall be legally bound by the VIE Contracts (as appropriate) and such transfer or inheritance or other relevant arrangement shall not contravene the VIE Contracts unless with the prior written consent from the WFOE;
- (ii) all the equity interests held in the OPCO shall not form part of their matrimonial property and all decisions made by them in the OPCO shall not be affected by their spouses;
- (iii) they shall not, whether directly or indirectly through any other person or entity, participate in, carry out, acquire or hold any interest in any business which is or may be in competition with the OPCO or its related companies, and shall not do anything which gives rise to any conflict of interest between them and the WFOE;
- (iv) they shall transfer any assets of the OPCO obtained as a result of the liquidation of the OPCO to the WFOE at nil consideration or the lowest price permitted by the applicable laws; and
- (v) they shall unconditionally return any proceeds received as a result of the exercise of the option under the Exclusive Call Option Agreement to the WFOE or its designated party.

合約安排 (續)
VIE 合約之主要條款概要 (續)

6. VIE 股權擁有人訂立之承諾函，據此，VIE 股權擁有人不可撤回地承諾：

- (i) 除非獲得 WFOE 事先書面同意，無論任何原因（包括但不限於 VIE 股權擁有人破產、離婚或身故），倘 OPCO 股權轉讓予或由其他人士承繼，有關承讓人或承繼人將受到 VIE 合約（如適用）約束，而有關轉讓或承繼或其他相關安排不會抵觸 VIE 合約；
- (ii) 彼等持有之所有 OPCO 股權不會構成夫妻共有財產之任何部分，且彼等於 OPCO 作出之所有決定均不會受配偶影響；
- (iii) 彼等不會直接或間接透過任何其他人士或實體參與、從事或收購任何會或可能與 OPCO 或其關連公司競爭之業務或於其中持有任何權益，且不會作出任何會導致彼等與 WFOE 之間出現利益衝突之事宜；
- (iv) 彼等會以零代價或按適用法例許可之最低價格向 WFOE 轉讓因 OPCO 清盤而獲得之任何 OPCO 資產；及
- (v) 彼等會向 WFOE 或其指定人士無條件歸還因行使獨家購買權協議項下認購權而收取之任何所得款項。

Contractual arrangements (continued)
Summary of the major terms of the VIE Contracts
(continued)

7. The Spousal Consent Letters were entered into by the spouses of the VIE Equity Owners (the spouse of each of the VIE Equity Owners executed a Spousal Consent Letter separately). The spouse of each of the VIE Equity Owners irrevocably agreed that:
- (i) all the equity interests held by the VIE Equity Owners in the OPCO and all the benefits generated from these equity interests do not form part of their matrimonial property;
 - (ii) all the benefits generated from the equity interests in the OPCO belong to the VIE Equity Owners and can be dealt with in any way by the VIE Equity Owners without the consent of their spouses;
 - (iii) the VIE Equity Owners may execute any supplemental document to the relevant VIE Contracts without the signature, confirmation, consent and approval from their spouses; and
 - (iv) they shall be bound by the relevant VIE Contracts in the event that they obtain any equity interest in the OPCO held by the VIE Equity Owners for any reason.

Risks associated with the Contractual Arrangements and actions taken by the Company to mitigate the risks

The following are the risks associated with the Contractual Arrangements. Further details of the risks were set out in the circular of the Company dated 28 April 2017.

- The PRC government may determine that the VIE Contracts do not comply with applicable regulations
- The VIE Contracts may not be as effective as direct ownership in providing control over the OPCO
- The VIE Equity Owners may potentially have conflicts of interest with the Group

合約安排 (續)
VIE 合約之主要條款概要 (續)

7. VIE 股權擁有人之配偶訂立之配偶承諾函(各 VIE 股權擁有人之配偶已個別簽立配偶承諾函)。各 VIE 股權擁有人之配偶不可撤回地同意：
- (i) VIE 股權擁有人持有之所有 OPCO 股權及該等股權產生之所有利益不會構成彼等夫妻共有財產之任何部分；
 - (ii) OPCO 股權產生之所有利益屬於 VIE 股權擁有人，並可由 VIE 股權擁有人以任何形式處置而毋須獲得其配偶同意；
 - (iii) VIE 股權擁有人可簽立相關 VIE 合約之任何補充文件而毋須獲得其配偶簽署、確認、同意及批准；及
 - (iv) 倘彼等就任何原因取得 VIE 股權擁有人持有之任何 OPCO 股權，彼等會受到相關 VIE 合約約束。

有關合約安排之風險以及本公司為減低風險採取之行動

以下為有關合約安排之風險。有關風險之進一步詳情載於本公司日期為二零一七年四月二十八日之通函。

- 中國政府可能裁定 VIE 合約不符合適用法規
- VIE 合約在提供對 OPCO 控制權方面之效用可能不及直接擁有權
- VIE 股權擁有人可能與本集團存在利益衝突

Contractual arrangements (continued)
Risks associated with the Contractual Arrangements and actions taken by the Company to mitigate the risks (continued)

- Certain provisions in the VIE Contracts may not be enforceable under the PRC laws
- The Contractual Arrangements under the VIE Contracts may be subject to the scrutiny of the PRC tax authorities and additional tax may be imposed
- The Group does not have any insurance which covers the risks relating to the VIE Contracts and the transactions contemplated thereunder
- WFOE's ability to acquire the equity interests in the OPCO may be subject to various limitations and substantial costs
- Economic risks the WFOE bears as the primary beneficiary of the OPCO, financial support to the OPCO and potential exposure of Loovee to losses
- Uncertainty to the Group when the foreign ownership restriction in value-added telecommunications services is relaxed

In order to mitigate the risks of the Contractual Arrangements, the Company had adopted a series of internal control measures including, among others, appointing an executive director or senior management to the board of the OPCO (the **"Responsible Director"**) to enforce all management controls of the OPCO. As at the date of this annual report, Mr. LI Feng* (李鋒) has been appointed as the Responsible Director and he had conducted regular site visits to the OPCO and conducted interviews with the relevant senior management of the OPCO every six months and submitted the interview notes to the designated Director of the Board.

The Responsible Director will also consult the Company's PRC legal adviser (the **"PRC Legal Adviser"**) from time to time to check if there are any legal developments in the PRC affecting the arrangement contemplated under the VIE Contracts, and immediately report to the designated Director of the Board thereafter so as to allow the Board to determine if any modification or amendment is required to be made.

* For identification purpose only

合約安排 (續)
有關合約安排之風險以及本公司為減低風險採取之行動 (續)

- 根據中國法律，VIE合約若干條文未必可強制執行
- VIE合約項下合約安排可能須受中國稅務機關審查及可能須繳納額外稅項
- 本集團並無就與VIE合約及其項下擬進行交易有關之風險投保
- WFOE收購OPCO股權之能力可能面對多項限制及產生龐大成本
- WFOE作為OPCO之主要受益對象所承擔之經濟風險、對OPCO之財務支持及Loovee可能蒙受之損失
- 當增值電信服務之外資所有權限制放寬時，本集團或須面對不確定因素

為減低合約安排之風險，本公司已採納一系列內部監控措施，包括(其中包括)委任一名執行董事或高級管理層加入OPCO董事會(「**負責董事**」)，主要負責執行OPCO所有管理監控事宜。於本年報日期，李鋒先生已獲委任為負責董事，彼定期巡視OPCO及每隔六個月與OPCO相關高級管理層會面，並向董事會指定董事呈交會議記錄。

負責董事亦將不時諮詢本公司之中國法律顧問(「**中國法律顧問**」)，以核實有否存在任何中國法律進展足以影響VIE合約項下擬進行安排，並向董事會指定董事即時匯報以便董事會決定是否需要作出任何更改或修訂。

* 僅供識別

Contractual arrangements (continued)
Requirements related to Contractual Arrangements
(other than relevant foreign ownership restrictions)

1. As advised by the PRC Legal Adviser, the VIE Contracts do not violate mandatory provisions of laws and regulations of validity nature, including those applicable to the business of the WFOE and the OPCO, and the articles of association of the WFOE and the OPCO. The VIE Contracts are legally binding on each relevant party to the VIE Contracts and shall not be deemed as “concealing illegal intentions with a lawful form” and void under the PRC contract law. The GAAP’s Notice 13 prohibits foreign investors from using any agreements or contractual agreements to gain control of or operate an online game business in the PRC. Taking into account that details of the implementation and the scope for execution of the GAAP’s Notice 13 have not yet been issued by the relevant authorities and based on confirmations by the relevant authorities in the interviews with the same, the PRC Legal Adviser is of the view that the VIE Contracts would not constitute a violation of the GAAP’s Notice 13. The WFOE had not encountered any interference or encumbrance from any governing bodies in operating its business through the OPCO under the VIE Contracts.

合約安排 (續)
有關合約安排之規定(有關外資所有權限制除外)

1. 中國法律顧問表示，VIE合約並無違反法律及法規的效力性之強制性規定(包括WFOE及OPCO業務所適用者)以及WFOE及OPCO之組織章程細則。VIE合約對VIE合約之各有關訂約方均具有法律約束力，且不應視為「以合法形式掩蓋非法目的」及於中國合同法下無效。13號通知禁止外國投資者透過任何協議或合同協議於中國控制或經營網絡遊戲業務。由於有關當局尚未頒佈執行13號通知之細節及範圍，加上考慮到有關當局在面談過程中就此作出之確認，中國法律顧問認為VIE合約不會構成違反13號通知。WFOE根據VIE合約透過OPCO經營業務時並無面對任何監管機構之干預或阻撓。

Contractual arrangements (continued)
Requirements related to Contractual Arrangements
(other than relevant foreign ownership restrictions)

(continued)

2. The VIE Contracts are governed by and will be construed in accordance with the PRC laws and contain a provision for resolving disputes by arbitration at South China International Economic and Trade Arbitration Commission* (華南國際經濟貿易仲裁委員會) in accordance with its arbitration rules. The VIE Contracts provide that the arbitration tribunal may award remedies over the equity interests or assets of the OPCO, injunctive relief (e.g. for the conduct of business or to compel the transfer of assets) or order the winding up of the OPCO. The VIE Contracts also include a clause in relation to dispute resolution among the parties where, when awaiting the formation of the arbitration tribunal or otherwise under appropriate conditions, the parties thereto may seek temporary injunctive relief or other temporary remedies from the courts in Hong Kong, Bermuda, the PRC and the locations where the principal assets of the Company or the OPCO are located. However, the PRC Legal Adviser is of the view that pursuant to the PRC laws, the arbitration tribunal may have no power to grant the aforementioned remedies or injunctive relief or to order the winding up of the OPCO. In addition, even though the VIE Contracts provide that overseas courts (e.g. courts in Hong Kong and Bermuda) shall have the power to grant certain relief or remedies, such relief or remedies may not be recognised or enforced under the PRC laws.

The Subject Persons Undertaking

Each of Mr. ZHOU Xijian, Mr. ZHANG Qi and Mr. ZHOU Congwei (collectively, the "Subject Persons") has undertaken to the Company that (the "Subject Persons Undertaking"), after completion:

- (i) he shall maintain his PRC nationality so as to be qualified as a "PRC investor"; and

合約安排 (續)
有關合約安排之規定 (有關外資所有權限制除外) (續)

2. VIE合約受中國法律規管及將按其詮釋，並載有根據仲裁規則於華南國際經濟貿易仲裁委員會以仲裁形式解決爭議之條文。VIE合約規定，仲裁庭可就OPCO之股權或資產頒佈補救措施、禁令濟助(例如就經營業務或強制轉讓資產)或頒令OPCO清盤。VIE合約亦載有條文解決訂約方之間爭議，據此，當等候仲裁庭成立或在適當情況下，相關訂約方可向香港、百慕達、中國及本公司或OPCO主要資產所在地之法院尋求臨時禁令濟助或其他臨時補救措施。然而，中國法律顧問認為，根據中國法律，仲裁庭可能無權授出上述補救措施或禁令濟助或頒令OPCO清盤。此外，即使VIE合約規定海外法院(例如香港及百慕達法院)須有權授出若干濟助或補救措施，該等濟助或補救措施未必可根據中國法律予以承認或強制執行。

有關人士承諾

周希儉先生、張琦先生及周聰偉先生(統稱「有關人士」)各自已向本公司承諾(「有關人士承諾」)，於完成後：

- (i) 彼將維持其中國國籍，以符合「中國投資者」資格；及

Contractual arrangements (continued)

The Subject Persons Undertaking (continued)

(ii) he shall only dispose of any of his interest in the shares, if:

- (a) after such disposal, the Company shall still be considered as “controlled” by “PRC investors”;
- (b) all the other Subject Persons have given their written consent to such disposal; and
- (c) where the disposal would result in the Subject Persons together holding not more than 50% voting rights in the Company, the transferee in such a disposal must:
 - (1) be a “PRC investor”; and
 - (2) provide the same undertaking to the Company as the Subject Persons did.

Prior to such disposal, the Subject Persons must demonstrate to the satisfaction of the Company and the Stock Exchange that the Company shall remain “controlled” by “PRC investors” after such disposal.

The aforesaid undertakings were made to the Company solely for the purpose of complying with the relevant foreign investment laws and related laws applicable to the Group from time to time in connection with domestic investment and shall remain effective until compliance with the relevant foreign investment laws and related laws is not required and shall only terminate subject to the approval of the Company and that the Subject Persons can demonstrate to the satisfaction of the Company and the Stock Exchange that the Group is no longer required to comply with the relevant foreign investment laws and related laws in relation to domestic investment.

Each of the Subject Persons confirmed to the Company that they have complied with the undertaking for the period from the completion of acquisition, up to and until 31 December 2018.

合約安排 (續)

有關人士承諾 (續)

(ii) 彼只在以下情況方會出售其於股份之任何權益：

- (a) 於出售有關股份後本公司仍被視為受「中國投資者」控制；
- (b) 所有其他有關人士均已書面同意進行有關出售；及
- (c) 倘出售將導致有關人士合共持有本公司之投票權不超過50%，有關出售事項之承讓人必須：
 - (1) 為「中國投資者」；及
 - (2) 向本公司作出與有關人士相同之承諾。

於進行有關出售事項前，有關人士必須向本公司及聯交所證明並令其信納本公司將於有關出售事項後仍受「中國投資者」控制。

上述承諾純粹就遵守相關外商投資法律及不時適用於本集團有關國內投資之相關法律而向本公司作出，並將維持有效直至毋須遵守相關外商投資法律及相關法律為止，並只能在本公司批准及有關人士能向本公司及聯交所證明並令其信納本集團再毋須就國內投資遵守相關外商投資法律及相關法律之前提下方可終止。

各有關人士已向本公司確認，彼等自完成收購起直至二零一八年十二月三十一日止期間一直遵守有關承諾。

Contractual arrangements (continued)

The Company's Undertaking

The Company has undertaken to the Stock Exchange (the "Company's Undertaking") that:

1. the Company shall at all times enforce the letters of undertakings provided by the Subject Persons; and
2. save for any issue of new shares pursuant to the exercise of any Share Options, the Company shall not issue any new shares to any person(s) who are not the Subject Persons, whether pursuant to the specific mandate and/or the general mandate from the Shareholders, unless the following conditions are satisfied: (i) the aggregate shareholdings of all the Subject Persons would represent not less than 50% (or such other percentage shareholding in the Company as required by applicable PRC laws and regulations from time to time as confirmed in writing by the Company's PRC Legal Adviser to ensure "control" of the Company as defined in and for the purpose of the draft PRC Foreign Investment Law* (《中華人民共和國外國投資法(草案徵求意見稿)》) and the Explanation on the draft PRC Foreign Investment Law* (《關於〈中華人民共和國外國投資法(草案徵求意見稿)〉的說明》) (collectively, the "Draft Law") so that the VIE Contracts continue to be in full force and effect) of the enlarged issued share capital of the Company, assuming all Share Options have been fully exercised, upon completion of such issue of shares; and (ii) the Stock Exchange has confirmed in writing that it has no objection to the proposed issue of shares. If so requested by the Stock Exchange, the Company shall provide to the Stock Exchange a legal opinion issued by a PRC Legal Adviser for its assessment of the implications (if any) of the proposed issue of shares under the Draft Law.

The Company's Undertaking shall continue in full force and effect unless and until the Company is no longer required to comply with the relevant PRC laws and regulations governing the VIE Contracts and the Stock Exchange has given its written consent for the termination of the Company's Undertaking.

The Company confirmed that it has complied with the Company's Undertaking for the period from the completion of acquisition, up to and until 31 December 2018.

* For identification purpose only

合約安排(續)

本公司之承諾

本公司向聯交所承諾(「本公司之承諾」):

1. 本公司一直令有關人士所提供承諾函生效; 及
2. 除因行使任何購股權而發行之任何新股份外, 本公司不得向並非有關人士之任何人士發行任何新股份(不論根據股東之特別授權及/或一般授權), 惟達成以下條件則除外: (i) 假設於完成相關股份發行後, 所有購股權已獲全面行使, 全體有關人士之股權總數不少於本公司經擴大已發行股本之50%(或適用中國法律及法規不時規定於本公司股權之其他百分比, 並經本公司之中國法律顧問書面確認, 確保本公司之「控制權」(定義見《中華人民共和國外國投資法(草案徵求意見稿)》及《關於〈中華人民共和國外國投資法(草案徵求意見稿)〉的說明》(統稱「草案徵求意見稿」)及就草案徵求意見稿而言), 以使VIE合約持續全面生效及有效); 及(ii) 聯交所已書面確認, 其並不反對建議發行股份。倘聯交所要求, 本公司將根據草案徵求意見稿向聯交所提供中國法律顧問就其對建議發行股份之涵義(如有)評估而發出之法律意見。

除非及直至本公司再毋須遵守規管VIE合約之相關中國法律及法規以及聯交所已發出書面同意終止本公司之承諾, 否則本公司之承諾將持續全面生效及有效。

本公司確認, 其自完成收購起直至二零一八年十二月三十一日止期間一直遵守本公司之承諾。

* 僅供識別

Report of the Directors

董事會報告書

Material changes

Save as disclosed above, there has not been any material change in the Contractual Arrangements and/or the circumstances under which they were adopted for the year ended 31 December 2018.

Unwinding of the contractual arrangements

Pursuant to the relevant provisions of the VIE Contracts, the WFOE has the right to unwind the VIE Contracts as soon as the relevant PRC laws allow the WFOE to register itself as the shareholder of the OPCO. The VIE Equity Owners have also undertaken that in the event the relevant PRC laws allow the WFOE to operate the business of the OPCO without the VIE Contracts in the future, they shall unwind the VIE Contracts and return any consideration received if the WFOE or its designated party acquires the equity interests in the OPCO from them.

Up to 26 March 2019, there has not been any unwinding of any Contractual Arrangements, nor has there been any failure to unwind any Contractual Arrangements when the restrictions that led to the adoption of the Contractual Arrangements are removed.

Major customers and vendors of the Group

During the year ended 31 December 2018, the five largest customers of the Group in aggregate accounted for approximately 45.2% of the Group's revenue and the largest customer accounted for approximately 16.4% of the revenue of the Group.

The five largest vendors of the Group in aggregate accounted for approximately 5.9% of the Group's total shipment volume placed by the Group and the largest vendor accounted for approximately 1.6% of the Group's total shipment value placed by the Group.

None of the Directors, their respective close associates or any Shareholders (which to the knowledge of the Directors owns more than 5% of the issued share capital of the Company) had any interest in the customers or vendors noted above.

重大變動

除上文所披露者外，於截至二零一八年十二月三十一日止年度，合約安排及／或採用該等安排之情況概無出現任何重大變動。

解除合約安排

根據VIE合約之相關條文，只要中國相關法律容許WFOE自行登記為OPCO之股東，則WFOE有權解除VIE合約。VIE股權擁有人亦承諾，倘中國相關法律日後容許WFOE毋須透過VIE合約經營OPCO旗下業務，VIE股權擁有人將解除VIE合約並退還任何已收代價，前提為WFOE或其指定人士須向彼等收購OPCO之股權。

截至二零一九年三月二十六日，概無解除任何合約安排，亦無任何導致採納合約安排之限制經移除後無法解除任何合約安排之情況。

本集團主要客戶及供應商

於截至二零一八年十二月三十一日止年度，本集團五家最大客戶合共佔本集團的收益約45.2%，其中最大一家客戶佔本集團的收益約16.4%。

本集團之五家最大供應商合共佔本集團購貨之付運量總值約5.9%，其中最大供應商佔本集團購貨之付運量總值約1.6%。

本公司各董事、彼等各自之緊密聯繫人士或任何股東（據董事所知擁有本公司已發行股本多於5%者）概無於上述任何客戶或供應商當中擁有任何權益。

Purchase, sale or redemption of securities

During the year ended 31 December 2018, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any securities of the Company.

Pre-emptive rights

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

Donation

During the year ended 31 December 2018, the Group made charitable donations of approximately HK\$18,000.

Public float

As at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

Auditor

The consolidated financial statements for the year ended 31 December 2018 have been audited by Ernst & Young who will retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM. A resolution for the re-appointment of Ernst & Young as auditor of the Company is to be proposed at the forthcoming AGM.

Corporate events after the reporting period Close of Money Lending Business

The principal activities of the Group consist of three operating segments, (i) trading and supply chain management services, (ii) operation of online social platforms, and (iii) money lending business.

There has been no loan granted or no new borrower for the money lending business since July 2017. The Directors considered that it would be advantageous from the resource allocation perspective of the Group to close the non-core money lending business. The close of money lending business would not have any material adverse effect on the business, operations or financial position of the Group.

The Group would focus on its core business activities, namely trading and supply chain management services, and operation of online social platforms.

購買、出售或贖回證券

於截至二零一八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何證券。

優先購買權

公司細則或百慕達法律概無有關優先購買權之條文規定本公司須按持股比例向現有股東發售新股份。

捐款

於截至二零一八年十二月三十一日止年度，本集團已作出慈善捐款約18,000港元。

公眾持股量

於本年報日期，根據本公司可獲得之公開資料及就董事所知，本公司一直維持上市規則所規定之公眾持股量。

核數師

安永會計師事務所已審核於截至二零一八年十二月三十一日止年度之綜合財務報表並將於應屆股東週年大會上告退，惟其符合資格並願意膺選連任。一項續聘安永會計師事務所為本公司核數師之決議案將在應屆股東週年大會上提呈。

報告期後公司活動 結束貸款業務

本集團的主要業務包括三個經營分類，(i) 貿易及供應鏈管理服務，(ii) 經營網上社交平台，及(iii) 貸款業務。

自二零一七年七月起，貸款業務並無已授出之貸款或新借款人。董事認為，從資源分配的角度來看，本集團結束非核心貸款業務更為有利。結束貸款業務並不會對本集團的業務、營運或財務狀況造成任何重大不利影響。

本集團將專注於其核心業務活動，即貿易及供應鏈管理服務以及經營網上社交平台。

Corporate events after the reporting period

(continued)

Termination of Framework Agreement in relation to the Possible Investment in a TV Drama

Reference is made to the announcement of the Company on 24 December 2017 in relation to the framework agreement (the “**Framework Agreement**”) entered into between Huoerguosi Hanbo Culture Industry Limited* (霍爾果斯瀚泊文化產業股份有限公司) (the “**Producer**”) and the Group in relation to the possible cooperation in the production of a TV drama series.

As disclosed in the paragraph headed “Close of Money Lending Business” above in this annual report, the Group would focus on its two core business activities. Thus, the Group would not proceed with the Framework Agreement. Both the Producer and the Group have been released from all obligations under the Framework Agreement. It would not have any material adverse effect on the business, operations or financial position of the Group.

On behalf of the Board

ZHOU Xijian

Chairman and Non-Executive Director

Hong Kong, 26 March 2019

* For identification purpose only

報告期後公司活動(續)

終止有關可能投資電視劇的框架協議

茲提述本公司日期為二零一七年十二月二十四日之公佈，內容有關霍爾果斯瀚泊文化產業股份有限公司(「製片方」)與本集團訂立關於可能合作製作電視連續劇之框架協議(「框架協議」)。

誠如本年報上文「結束貸款業務」一段所述，本集團將專注於其兩個核心業務活動。因此，本集團不會繼續執行框架協議。製片方及本集團均毋須履行框架協議項下之所有義務。其不會對本集團的業務、營運或財務狀況造成任何重大不利影響。

代表董事會

周希儉

主席兼非執行董事

香港，二零一九年三月二十六日

* 僅供識別

Independent Auditor's Report 獨立核數師報告書



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INDEPENDENT AUDITOR'S REPORT To the shareholders of Daohe Global Group Limited (Incorporated in Bermuda with limited liability)

Opinion

We have audited the consolidated financial statements of Daohe Global Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 117 to 243, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, 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.

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

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We 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.

獨立核數師報告書

致道和環球集團有限公司全體股東
(於百慕達註冊成立之有限公司)

意見

我們已審核載於第117頁至243頁的道和環球集團有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，此綜合財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表、綜合現金流量表以及綜合財務報表附註(包括主要會計政策概要)。

我們認為，該等綜合財務報表已按照香港會計師公會(「**香港會計師公會**」)所頒佈香港財務報告準則(「**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其截至該日止年度之綜合財務表現及綜合現金流量，並已按香港公司條例之披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「**香港審計準則**」)進行審核。我們於該等準則項下的責任在本報告「核數師對審核綜合財務報表之責任」一節中詳述。我們獨立於 貴集團並根據香港會計師公會之職業會計師道德守則(「**守則**」)及已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證能充足和適當地為我們的審核意見提供基礎。

Independent Auditor's Report 獨立核數師報告書

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核本期綜合財務報表中最重要的事項。我們在整體審核綜合財務報表和就此形成意見時處理此等事項，而不會就此等事項單獨發表意見，惟我們就以下各事項提供了在審核中如何處理該事項的描述。

我們履行了我們報告中核數師對綜合財務報表審核的責任一節中所述的責任，包括與這些事項有關的職責。因此，我們的審核包含了執行旨在回應我們對綜合財務報表重大錯報風險的評估的程序。我們的審核程序的結果，包括為處理以下事項而執行的程序，為我們對隨附綜合財務報表的審計意見提供了基礎。

Key audit matter
關鍵審核事項

Impairment of goodwill and other intangible assets
商譽及其他無形資產減值

The Group had goodwill with a gross amount of US\$147,553,000 which was fully impaired as at 31 December 2018. The goodwill was allocated to the "trading and supply chain management services" CGU, the "operation of online social platforms" CGU and "others" CGU, and impairment losses of US\$66,496,000 was recognised during the year in profit or loss. The Group had other intangible assets with a carrying amount of US\$18,476,000 as at 31 December 2018 allocated to the "the operation of online social platforms" CGU.

於二零一八年十二月三十一日，貴集團總額為147,553,000美元之商譽已全數減值。商譽已分配至「貿易及供應鏈管理服務」現金產生單位、「經營網上社交平台」現金產生單位及「其他」現金產生單位，並於年內於損益確認減值虧損66,496,000美元。於二零一八年十二月三十一日，貴集團擁有賬面值為18,476,000美元的其他無形資產，分配至「經營網上社交平台」現金產生單位。

Management engaged an independent professional valuer to determine the valuation models for the impairment assessment. Based on the assessment of the recoverable amounts of the CGUs, management recognised impairment losses of approximately US\$66,496,000 in respect of the goodwill and US\$21,747,000 in respect of the other intangible assets in the current year.

管理層已委聘獨立專業估值師以釐定減值評估之估值模型。基於評估現金產生單位之可收回金額，管理層確認本年度商譽減值虧損約66,496,000美元及其他無形資產減值虧損21,747,000美元。

The determination of recoverable amounts, being the higher of fair value less costs of disposal and value-in-use, requires significant management judgement and estimates of variables such as expected growth in revenue and gross margins and the discount rates.

釐定可收回金額(即公平值減出售成本與使用價值的較高者)需要重大管理層判斷及變量估計(如預期收益增長及毛利率以及貼現率)。

Relevant disclosures are included in notes 3, 13 and 14 to the consolidated financial statements.

相關披露載於綜合財務報表附註3、13及14。

How our audit addressed the key audit matter
我們的審核如何處理關鍵審核事項

We assessed the competence, capabilities and objectivity of the independent professional valuer engaged by management.

我們已評估管理層所委聘獨立專業估值師之資歷、能力及客觀性。

We reviewed management's assessment of the recoverable amounts. Our audit procedures included examining and recalculating management's discounted cash flow projections for the determination of value-in-use and assessing key assumptions such as the growth rates, expected growth in revenue and gross margin by comparison to the historical performance of the CGUs. We also performed sensitivity analyses on the assumptions used in the cash flow projections. Further, we involved our internal valuation specialists to assist us with our assessment of the methodology and the discount rates used to determine the value-in-use of the CGUs.

我們已審閱管理層對可收回金額的評估。我們的審核程序包括審閱及重新計算管理層的貼現現金流量預測以釐定使用價值，及透過比較現金產生單位的過往表現評估增長率、預期收益增長及毛利率等主要假設。我們亦對現金流量預測所使用的假設進行敏感度分析。此外，我們安排內部評估專家協助我們評估釐定現金產生單位使用價值所用方法及貼現率。

We also assessed the related disclosures made in the consolidated financial statements.

我們亦已評估綜合財務報表所作出相關披露。

Independent Auditor's Report

獨立核數師報告書

Key audit matter 關鍵審核事項

Income tax provision 所得稅撥備

The Group received protective assessments amounting to approximately HK\$197,000,000 (equivalent to US\$25,321,000) from the Inland Revenue Department in Hong Kong (the "IRD") in respect of queries on the modus operandi of the Group and the chargeability of the profits for the years of assessment from 2003/2004 to 2012/2013. Objections have been lodged by the Group against the protective assessments. In addition, Tax Reserve Certificates amounting to HK\$5,250,000 (equivalent to US\$675,000) have been purchased by two subsidiaries of the Company in pursuit of the holdover of tax demanded under the protective assessments for those years.

貴集團已就有關 貴集團於二零零三／二零零四至二零一二／二零一三評稅年度營運模式及溢利之申報繳稅之查詢，接獲香港稅務局（「稅務局」）保障性評稅約197,000,000港元（相等於25,321,000美元）。貴集團已就保障性評稅提出反對。此外，貴公司兩家附屬公司已就暫緩繳納該等年度保障性評稅所需支付之稅款，購買價值5,250,000港元（相等於675,000美元）之儲稅券。

The Group had engaged an external tax specialist and submitted a settlement proposal as part of the negotiations with the IRD. As at 31 December 2018, the case was still under negotiation with the IRD and sufficient tax provision was made. The determination of tax provisions requires significant management judgement.

貴集團已委聘外部稅務專家，並提交一項和解方案作為與稅務局磋商之一部分。於二零一八年十二月三十一日，該案件仍在與稅務局磋商中，且已作出充足的稅項撥款。釐定稅項撥備需要重大管理層判斷。

Relevant disclosures are included in notes 3 and 9 to the consolidated financial statements.

相關披露載於綜合財務報表附註3及9。

How our audit addressed the key audit matter 我們的審核如何處理關鍵審核事項

We assessed the competence, capabilities and objectivity of the external tax specialist engaged by management.

我們已評估管理層所委聘外部稅務專家之資質、能力及客觀性。

We involved our internal tax specialists to assist with the review of the calculation of tax provision. We also obtained and reviewed the latest correspondence with the IRD and the tax assessment report issued by the external tax specialist.

我們已安排內部稅務專家協助審閱稅項撥備之計算。我們亦已獲得並審閱與稅務局之最新通訊及外部稅務專家發出之稅務評估報告。

Independent Auditor's Report 獨立核數師報告書

Other information included in the Annual Report

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

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

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

Responsibilities of the directors for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

年度報告內的其他資料

貴公司董事需為其他資料負責。其他資料包括年度報告內的資料，但不包括綜合財務報表及相關核數師報告。

我們對綜合財務報表的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的鑒證結論。

審核綜合財務報表時，我們的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審核過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。於此方面，我們沒有任何報告。

董事對綜合財務報表之責任

貴公司董事之責任乃按國際財務報告準則及香港公司條例編製該等綜合財務報表，真實而公平地呈列其內容以及進行董事認為必要之內部監控，確保綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在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的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行監督貴集團的財務報告流程的責任。

Independent Auditor's Report

獨立核數師報告書

Auditor's responsibilities for the audit of the consolidated financial statements

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. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, 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 scepticism throughout the audit. We also:

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

核數師對審核綜合財務報表之責任

我們的目標乃對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們的報告依據百慕達一九八一年公司法第90條僅為全體股東編製，而並不可作其他目的。我們概不就本報告的內容對其他任何人士負責或承擔責任。

合理保證為高水平的保證，但不能保證按照香港審計準則進行的審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則被視為重大錯誤陳述。

根據香港審計準則進行審核時，我們運用專業判斷，於整個審核過程中保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，因應該等風險設計及執行審核程序，以及獲取充足及適當的審核憑證，作為我們提供意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計在有關情況下屬適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.

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 independent and where applicable, related safeguards.

核數師對審核綜合財務報表之責任(續)

- 總結董事採用持續經營會計基礎的適當性，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露)事項以及綜合財務報表是否公平反映相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。我們負責 貴集團審核的指導、監督及執行。我們為審核意見承擔全部責任。

我們與審核委員會溝通審核的計劃範圍及時間以及重大審核發現等，其中包括我們在審核中識別出內部控制的任何重大不足之處。

我們亦向審核委員會提交聲明，表明我們已符合有關獨立性的相關專業道德要求，並就所有被合理認為會影響我們獨立性的關係及其他事項以及相關的防範措施(如適用)與審核委員會溝通。

Independent Auditor's Report 獨立核數師報告書

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Ms. Chau Suet Fung, Dilys.

Ernst & Young

Certified Public Accountants

Hong Kong
26 March 2019

核數師對審核綜合財務報表之責任(續)

從與審核委員會溝通的事項中，我們決定哪些事項對本期間綜合財務報表的審核最為重要，因而構成關鍵審核事項。我們在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，若有合理預期於我們報告中註明某事項造成的負面後果將超過其產生的公眾利益，則本行決定不應在報告中註明該事項。

出具本獨立核數師報告的審核項目合夥人為周雪鳳女士。

安永會計師事務所

執業會計師

香港
二零一九年三月二十六日

Consolidated Statement of Profit or Loss

綜合損益表

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

		Note	Year ended 31 December 2018 截至 二零一八年 十二月三十一 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一 止八個月 US\$'000 千美元
REVENUE	收益	5	107,513	78,527
Cost of sales	銷售成本		(79,799)	(60,282)
Gross profit	毛利		27,714	18,245
Other income	其他收入	5	846	543
Selling and marketing expenses	銷售及市場推廣開支		(12,196)	(8,638)
General and administrative expenses	一般及行政開支		(20,845)	(14,931)
Gain on disposal of subsidiaries	出售附屬公司之收益	29	7	–
Gain on dissolution of a subsidiary	解散一家附屬公司之收益	30	8	–
Share of loss of a joint venture	應佔一家合營公司之虧損		(1)	(1)
Impairment losses on goodwill	商譽減值虧損	13	(66,496)	(73,098)
Impairment losses on other intangible assets	其他無形資產減值虧損	14	(21,747)	–
LOSS BEFORE TAX	除稅前虧損	6	(92,710)	(77,880)
Income tax credit	所得稅抵免	9	8,536	1,690
LOSS FOR THE YEAR/PERIOD	年度/期間虧損		(84,174)	(76,190)
ATTRIBUTABLE TO:	下列人士應佔：			
Owners of the Company	本公司擁有人		(84,160)	(76,187)
Non-controlling interests	非控股權益		(14)	(3)
			(84,174)	(76,190)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (expressed in US cents)	本公司普通股權益持有人 應佔每股虧損 (以美仙呈列)	10		
Basic	基本		(5.58)	(5.24)
Diluted	攤薄		(5.58)	(5.24)

Consolidated Statement of Comprehensive Income

綜合全面收益表

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Note 附註	Year ended 31 December 2018 截至 二零一八年 十二月三十一 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一 止八個月 US\$'000 千美元
LOSS FOR THE YEAR/PERIOD	年度／期間虧損		(84,174)	(76,190)
OTHER COMPREHENSIVE (LOSS)/INCOME	其他全面(虧損)／收入			
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:	於其後期間可能會重新分類至損益之其他全面(虧損)／收入：			
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額		(2,969)	6,740
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	於其後期間可能會重新分類至損益之其他全面(虧損)／收入		(2,969)	6,740
Other comprehensive income that will not be classified to profit or loss in subsequent periods:	於其後期間不會分類至損益之其他全面收入：			
Remeasurements from a defined benefit plan	定額福利計劃之重新計量	25(a)	50	20
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR/PERIOD	年度／期間其他全面(虧損)／收入		(2,919)	6,760
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD	年度／期間全面虧損總額		(87,093)	(69,430)
ATTRIBUTABLE TO:	下列人士應佔：			
Owners of the Company	本公司擁有人		(87,079)	(69,427)
Non-controlling interests	非控股權益		(14)	(3)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD	年度／期間全面虧損總額		(87,093)	(69,430)

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 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
	Note 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	12	物業、廠房及設備	716	595
Goodwill	13	商譽	-	68,531
Other intangible assets	14	其他無形資產	18,476	54,565
Available-for-sale financial asset	15	可供出售金融資產	-	229
Financial asset at fair value through profit or loss	15	按公平值計入損益之金融資產	270	-
Investment in a joint venture	16	於一家合營公司之投資	8	9
Deposits	20	按金	349	349
Deferred tax asset	17	遞延稅項資產	4	12
Total non-current assets		非流動資產總值	19,823	124,290
CURRENT ASSETS		流動資產		
Inventories	18	存貨	262	55
Available-for-sale financial asset	15	可供出售金融資產	-	765
Trade receivables	19	應收貿易賬款	8,774	8,578
Prepayments, deposits and other receivables	20	預付款項、按金及其他應收款項	4,416	4,653
Cash and cash equivalents	21	現金及現金等值項目	17,192	13,278
Total current assets		流動資產總值	30,644	27,329
CURRENT LIABILITIES		流動負債		
Trade payables	22	應付貿易賬款	3,799	5,384
Accruals, provisions and other payables	23	應計費用、撥備及其他應付款項	7,792	11,691
Deferred revenue		遞延收益	-	1,172
Contract liabilities	24	合約負債	1,521	-
Loan from a former director	34(b)	來自一名前董事貸款	3,856	-
Tax payable		應付稅項	2,446	2,487
Total current liabilities		流動負債總額	19,414	20,734
NET CURRENT ASSETS		流動資產淨值	11,230	6,595
TOTAL ASSETS LESS CURRENT LIABILITIES		資產總值減流動負債	31,053	130,885

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

		Note 附註	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
NON-CURRENT LIABILITIES	非流動負債			
Deferred tax liabilities	遞延稅項負債	17	4,632	13,659
Loan from a former director	來自一名前董事貸款	34(b)	-	3,856
Post-employment benefits	僱員退休福利	25	414	474
Provisions	撥備	23	1,405	1,405
Total non-current liabilities	非流動負債總額		6,451	19,394
NET ASSETS	資產淨值		24,602	111,491
EQUITY	權益			
Share capital	股本	26	20,128	20,128
Reserves	儲備		4,409	91,371
Equity attributable to owners of the Company	本公司擁有人應佔權益		24,537	111,499
Non-controlling interests	非控股權益		65	(8)
TOTAL EQUITY	權益總額		24,602	111,491

HO Chi Kin 何致堅
Director 董事

WONG Hing Lin, Dennis 黃慶年
Director 董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Share option reserve	Special reserve [#]	Capital redemption reserve	Available-for-sale financial asset revaluation reserve	Exchange fluctuation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
At 1 January 2018	於二零一八年一月一日	20,128	153,409*	306*	184*	48*	109*	6,598*	(69,283)*	111,499	(8)	111,491
Adjustment on adoption of HKFRS 9	採納香港財務報告準則第9號之調整	-	-	-	-	-	(109)	-	109	-	-	-
Restated balance at 1 January 2018	於二零一八年一月一日之重列餘額	20,128	153,409	306	184	48	-	6,598	(69,174)	111,499	(8)	111,491
Loss for the year	年度虧損	-	-	-	-	-	-	-	(84,160)	(84,160)	(14)	(84,174)
Other comprehensive (loss)/income for the year:	年度其他全面(虧損)/收入:											
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	-	-	(2,969)	-	(2,969)	-	(2,969)
Remeasurements from a defined benefit plan	定額福利計劃之重新計量	-	-	-	-	-	-	-	50	50	-	50
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	-	-	-	(2,969)	(84,110)	(87,079)	(14)	(87,093)
Equity-settled share option arrangement	以股權支付之購股權安排	27	-	117	-	-	-	-	-	117	-	117
Share options lapsed during the year	年內已失效之購股權	27	-	(423)	-	-	-	-	423	-	-	-
Set-up of a new subsidiary	成立一家新附屬公司	-	-	-	-	-	-	-	-	-	74	74
Disposal of subsidiaries	出售附屬公司	29	-	-	-	-	-	-	-	-	5	5
Dissolution of a subsidiary	解散一家附屬公司	30	-	-	-	-	-	-	-	-	8	8
At 31 December 2018	於二零一八年十二月三十一日	20,128	153,409*	-	184*	48*	-	3,629*	(152,861)*	24,537	65	24,602

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Share option reserve	Special reserve [#]	Capital redemption reserve	Available-for-sale financial asset revaluation reserve	Exchange fluctuation reserve	Retained earnings/(Accumulated loss)	Total	Non-controlling interests	Total equity	
		股本	股份溢價	購股權儲備	特別儲備 [#]	資本贖回儲備	金融資產重估儲備	匯兌波動儲備	保留盈利/(累計虧損)	總計	非控股權益	權益總額	
		Note	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
		附註	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	
At 1 May 2017	於二零一七年五月一日		14,128	19,242	212	184	48	109	(142)	6,884	40,665	(5)	40,660
Loss for the period	期間虧損		-	-	-	-	-	-	(76,187)	(76,187)	(3)	(76,190)	
Other comprehensive income for the period:	期間其他全面收入：												
Exchange difference on translation of foreign operations	換算海外業務之匯兌差額		-	-	-	-	-	6,740	-	6,740	-	6,740	
Remeasurements from a defined benefit plan	定額福利計劃之重新計量	25(a)	-	-	-	-	-	-	20	20	-	20	
Total comprehensive income/(loss) for the period	期間全面收入/(虧損)總額		-	-	-	-	-	6,740	(76,167)	(69,427)	(3)	(69,430)	
Acquisition of subsidiaries	收購附屬公司	26(a)	6,000	134,167	-	-	-	-	-	140,167	-	140,167	
Equity-settled share option arrangement	以股權支付之購股權安排	27	-	-	94	-	-	-	-	94	-	94	
At 31 December 2017	於二零一七年十二月三十一日		20,128	153,409*	306*	184*	48*	109*	6,598*	(69,283)*	111,499	(8)	111,491

[#] Special reserve represents the difference between the nominal value of share capital of the Company issued and the aggregate amount of nominal value of share capital of subsidiaries acquired by the Company through an exchange of shares.

[#] 特別儲備相當於本公司已發行股本面值與本公司透過以交換股份方式收購之附屬公司股本面值總額之差額。

* These reserve amounts comprise the consolidated reserves of US\$4,409,000 (31 December 2017: US\$91,371,000) in the consolidated statement of financial position.

* 該等儲備金額包括綜合財務狀況表中的綜合儲備4,409,000美元(二零一七年十二月三十一日：91,371,000美元)。

Consolidated Statement of Cash Flows

綜合現金流量表

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

			Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
		Note 附註		
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得之現金流量			
Loss before tax:	除稅前虧損：		(92,710)	(77,880)
Adjustments for:	經調整：			
Share of loss of a joint venture	應佔一家合營公司虧損		1	1
Bank interest income	銀行利息收入	5	(30)	(9)
Fair value gain on a financial asset at fair value through profit or loss	一項按公平值計入損益之金融資產之公平值收益	5	(41)	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	6	(19)	(22)
Gain on disposal of subsidiaries	出售附屬公司之收益	6	(7)	-
Gain on dissolution of a subsidiary	解散一家附屬公司之收益	6	(8)	-
Depreciation	折舊	6	343	209
Amortisation of other intangible assets	其他無形資產攤銷	6	13,266	7,641
Impairment losses on goodwill	商譽減值虧損	6, 13	66,496	73,098
Impairment losses on other intangible assets	其他無形資產減值虧損	6, 14	21,747	-
Impairment of trade receivables	應收貿易賬款減值	6	54	171
Write-down of inventories	存貨撇減	6	62	78
Equity-settled share option expenses	以股權支付之購股權費用	6	117	94
			9,271	3,381
Increase in inventories	存貨增加		(270)	(81)
Decrease in loan receivable	應收貸款減少		-	6,000
Increase in trade receivables	應收貿易賬款增加		(250)	(2,722)
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少/(增加)		483	(1,273)
(Decrease)/increase in trade payables	應付貿易賬款(減少)/增加		(1,585)	725
Decrease in accruals, provisions, other payables, deferred revenue and contract liabilities	應計費用、撥備、其他應付款項、遞延收益及合約負債減少		(3,679)	(970)
Increase/(decrease) in post-employment benefits	僱員退休福利增加/(減少)		5	(63)
Cash generated from operations	經營業務所得現金		3,975	4,997
Tax paid	已付稅項		(252)	(196)
Net cash flows from operating activities	經營活動所得現金淨額		3,723	4,801

Consolidated Statement of Cash Flows

綜合現金流量表

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

			Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
		Note 附註		
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量			
Bank interest received	已收銀行利息		30	9
Purchases of property, plant and equipment	購買物業、廠房及設備	12	(482)	(419)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		25	25
Acquisitions of subsidiaries	收購附屬公司	28	-	(8,974)
Disposal of subsidiaries	出售附屬公司	29	(1)	-
Purchase of available-for-sale financial assets	購買可供出售金融資產		(17,634)	(2,180)
Proceeds from redemption of available-for-sale financial assets	贖回可供出售金融資產所得款項		18,390	1,433
Net cash flows from/(used in) investing activities	投資活動所得/(所耗)現金淨額		328	(10,106)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量			
Loan from a former director	來自一名前董事貸款		-	3,856
Net cash flows from financing activities	融資活動所得現金流量淨額		-	3,856
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加/(減少)淨額		4,051	(1,449)
Cash and cash equivalents at beginning of year/period	年初/期初之現金及現金等值項目		13,278	14,797
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額		(137)	(70)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	年終/期終之現金及現金等值項目		17,192	13,278
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等值項目之結餘分析			
Cash and cash equivalents	現金及現金等值項目		17,192	13,278

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

1. CORPORATE INFORMATION

Daohe Global Group Limited (the “**Company**”) is an investment holding company and its subsidiaries (together with the Company are collectively referred to as the “**Group**”) are principally engaged in the trading and supply chain management services, and operation of online social platforms.

The Company was incorporated in Bermuda on 25 January 2002 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 10 May 2002. The directors regard Sino Remittance Holding Limited, which was incorporated in Seychelles, as the controlling shareholder of the Company and Daohe Global Investment Holding Limited, which was incorporated in Seychelles, as the ultimate controlling shareholder of the Company as at 31 December 2018.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for available-for-sale financial assets and a financial asset at fair value through profit or loss which have been measured at fair value. These financial statements are presented in United States dollars (“**US\$**”) and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司資料

Daohe Global Group Limited 道和環球集團有限公司(「**本公司**」)為投資控股公司，其附屬公司(與本公司合稱為「**本集團**」)主要從事貿易及供應鏈管理服務及經營網上社交平台。

本公司於二零零二年一月二十五日根據百慕達一九八一年公司法在百慕達註冊成立為受豁免有限責任公司。本公司之註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。本公司股份於二零零二年五月十日在香港聯合交易所有限公司(「**聯交所**」)主板上市。於二零一八年十二月三十一日，董事視華匯控股有限公司(於塞舌爾註冊成立)為本公司控股股東，並將道和環球投資控股有限公司(於塞舌爾註冊成立)視為本公司的最終控股股東。

2.1 編製基準

此等財務報表乃根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)(當中包括所有香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋)、香港公認會計原則以及香港公司條例之披露規定編製。除可供出售金融資產及按公平值計入損益之金融資產採用公平值計量外，此等財務報表乃根據歷史成本法編製。此等財務報表乃以美元(「**美元**」)呈列，除另有指明外，所有價值均調整至最接近之千位數。

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

2.1 BASIS OF PREPARATION (continued)

Change of financial year end date

Pursuant to the resolution of directors of the Company dated 21 September 2017, the Group's financial year end date has been changed from 30 April to 31 December commencing from the financial period ended 31 December 2017. Accordingly, the consolidated financial statements and the related notes presented for the current year covered a twelve-month period from 1 January 2018 to 31 December 2018 while the corresponding comparative amounts shown for these financial statements and the related notes covered an eight-month period from 1 May 2017 to 31 December 2017, and as a result, may not be comparable with amounts shown for the current year.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2018. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

2.1 編製基準(續)

更改財政年度年結日

根據本公司日期為二零一七年九月二十一日之董事決議案，本集團之財政年度年結日由截至二零一七年十二月三十一日止財政期間起由四月三十日更改為十二月三十一日。因此，所呈列之本年度綜合財務報表及有關附註涵蓋由二零一八年一月一日至二零一八年十二月三十一日止十二個月期間，而財務報表及有關附註所示相應比較數字則涵蓋由二零一七年五月一日至二零一七年十二月三十一日止八個月期間，導致可能無法與本年度所示金額作比較。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一八年十二月三十一日止年度之財務報表。附屬公司指由本公司直接或間接控制的實體(包括結構性實體)。倘本集團透過參與被投資方業務獲得或有權獲得被投資方的可變回報，且可行使在被投資方的權力而影響有關回報時(即現時賦予本集團主導被投資方相關活動的能力)，則視為擁有控制權。

倘本公司直接或間接擁有的被投資方投票權或類似權利少於多數，則本集團評估其對被投資方是否擁有權力時，會考慮所有相關事實及情況，包括：

- (a) 與被投資方之其他投票權擁有人的合約安排；
- (b) 根據其他合約安排所享有的權利；及
- (c) 本集團的投票權及潛在投票權。

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

附屬公司之財務報表之報告期間與本公司相同，並按一致之會計政策編製。附屬公司之業績自本集團獲得控制權之日起予以綜合，並持續綜合直至該控制權終止之日為止。

損益及其他全面收入之各部分計入本集團母公司擁有人及非控股權益，儘管非控股權益將因此而出現虧損結餘。所有與本集團成員間之交易相關之集團內公司間之資產及負債、權益、收入、開支及現金流量均於綜合時悉數對銷。

倘事實及情況顯示上文所述的三項控制因素之一項或多項出現變動，本集團會重新評估其是否控制被投資方。倘於一家附屬公司之擁有權權益發生變動但並未失去控制權，則按權益交易方式入賬。

倘本集團失去對一家附屬公司之控制權，須取消確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計匯兌差額；並須確認(i)所收取之代價之公平值；(ii)所保留之任何投資之公平值及(iii)任何因此產生之損益賬內之盈餘或虧絀。以往本集團於其他全面收入中確認之部分須按本集團直接出售相關資產或負債所規定之同一基準重新歸類為損益或保留溢利(倘適用)。

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and amendments to HKFRSs for the first time for the preparation of the Group's current year's financial statements.

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i>
HKFRS 9	<i>Financial Instruments</i>
HKFRS 15	<i>Revenue from Contracts with Customers</i>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i>
HK (IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
Annual Improvements 2014–2016 Cycle	Amendments to HKFRS 1 and HKAS 28

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

- (a) HKFRS 9 *Financial Instruments* 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 namely: classification and measurement, impairment and hedge accounting. With the exception of hedge accounting, which the Group applied prospectively, the Group has recognised the transition adjustments against the applicable opening balances in equity on 1 January 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 39.

2.2 會計政策及披露之變動

本集團已首次採納以下新訂及經修訂香港財務報告準則，以編製本集團於本年度的財務報表：

香港財務報告準則第2號之修訂	以股份為基礎付款交易之分類及計量
香港財務報告準則第4號之修訂	應用香港財務報告準則第9號金融工具及香港財務報告準則第4號保險合約
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	與客戶的合約收益
香港財務報告準則第15號之修訂	澄清香港財務報告準則第15號與客戶的合約收益
香港(國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及預付對價
二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號及香港會計準則第28號之修訂

除下文所闡述有關香港財務報告準則第9號及香港財務報告準則第15號的影響外，採納上述新訂及經修訂準則對該等財務報表並無重大財務影響。

- (a) 就二零一八年一月一日或之後開始的年度期間，香港財務報告準則第9號金融工具替代香港會計準則第39號金融工具：確認及計量，合併金融工具會計的所有三個方面：分類及計量、減值及對沖會計。除本集團已按未來適用法應用的對沖會計外，本集團已對二零一八年一月一日之適用期初結餘作出過渡調整。因此，比較資料並無重列並繼續根據香港會計準則第39號呈報。

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財務報表附註

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二零一八年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

Classification and measurement

The following information sets out the impacts of adopting HKFRS 9 on the statement of financial position, including the effect of replacing HKAS 39's incurred credit loss calculations with HKFRS 9's expected credit losses ("ECLs").

A reconciliation between the carrying amounts under HKAS 39 and the balances reported under HKFRS 9 as at 1 January 2018 is as follows:

2.2 會計政策及披露之變動(續)

(a) (續)

分類及計量

以下資料載列採納香港財務報告準則第9號對財務狀況表的影響，包括以香港財務報告準則第9號的預期信貸虧損(「預期信貸虧損」)取代香港會計準則第39號的已產生信貸虧損計算的影響。

於二零一八年一月一日，香港會計準則第39號項下的賬面值與香港財務報告準則第9號項下的已呈報結餘之對賬如下：

		HKAS 39 measurement		Re-classification	Expected credit loss	HKFRS 9 measurement	
		Category	Amount			Amount	Category
		香港會計準則第39號計量類別	金額	重新分類	預期信貸虧損	香港財務報告準則第9號計量金額	類別
		Note	US\$'000	US\$'000	US\$'000	US\$'000	
		附註	千美元	千美元	千美元	千美元	
Financial assets	金融資產						
Available-for-sale financial assets	可供出售金融資產	(i)	AFS ¹ 994	(994)	-	-	N/A 不適用
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	(i)	N/A 不適用 -	994	-	994	FVPL ⁴
Trade receivables	應收貿易賬款	(ii)	L&R ² 8,578	-	-	8,578	AC ³
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產		L&R ² 4,531	-	-	4,531	AC ³
Cash and cash equivalents	現金及現金等值項目		L&R ² 13,278	-	-	13,278	AC ³
			27,381	-	-	27,381	

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

Classification and measurement (continued)

2.2 會計政策及披露之變動(續)

(a) (續)

分類及計量(續)

		HKAS 39			Expected	HKFRS 9	
		measurement		Re-	credit	measurement	
		Category	Amount	classification	loss	Amount	Category
		香港會計準則第39號計量			預期	香港財務報告準則第9號計量	
		類別	金額	重新分類	信貸虧損	金額	類別
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
		千美元	千美元	千美元	千美元	千美元	
Financial liabilities	金融負債						
Trade payables	應付貿易賬款	AC ³	5,384	-	-	5,384	AC ³
Loan from a former director	前任董事貸款	AC ³	3,856	-	-	3,856	AC ³
Financial liabilities included in accruals, provisions and other payables	計入應計費用、撥備及其他應付款項的金融負債	AC ³	6,591	-	-	6,591	AC ³
			15,831	-	-	15,831	

¹AFS: Available-for-sale financial assets

²L&R: Loans and receivables

³AC: Financial assets or financial liabilities at amortised cost

⁴FVPL: Financial assets at fair value through profit or loss

Notes:

- (i) Club membership and unlisted wealth management products of US\$994,000 were previously classified as available-for-sale financial assets under HKAS 39. Under HKFRS 9, they have been reclassified and measured as FVPL. Accordingly, the accumulated available-for-sale financial asset revaluation reserve recognised as at 1 January 2018 was also reclassified to accumulated losses.
- (ii) The gross carrying amount of the trade receivables under the column "HKAS 39 measurement – Amount" represents the amount after adjustments for the adoption of HKFRS 15 but before the measurement of ECLs.

¹AFS: 可供出售金融資產

²L&R: 貸款及應收款項

³AC: 按攤銷成本計量的金融資產或金融負債

⁴FVPL: 按公平值計入損益之金融資產

附註：

- (i) 根據香港會計準則第39號，為數994,000美元之會所會籍及非上市理財產品先前獲分類為可供出售金融資產。根據香港財務報告準則第9號，有關會所會籍及非上市理財產品已重新分類並按公平值計入損益計量。因此，於二零一八年一月一日確認之累計可供出售金融資產重估儲備亦已重新分類至累計虧損。
- (ii) 「香港會計準則第39號計量 – 金額」一欄項下的應收貿易賬款的賬面總值指就採納香港財務報告準則第15號作出調整後但於計量預期信貸虧損前的金額。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

Impairment

The following table reconciles the aggregate opening impairment allowances under HKAS 39 to the expected credit loss allowances under HKFRS 9.

2.2 會計政策及披露之變動(續)

(a) (續)

減值

下表為香港會計準則第39號項下的期初減值撥備總額與香港財務報告準則第9號項下的預期信貸虧損之對賬。

		Impairment allowances under HKAS 39 at 31 December 2017	Re-measurement	Expected credit loss allowances under HKFRS 9 at 1 January 2018
		於二零一七年十二月三十一日香港會計準則第39號項下的減值撥備 US\$'000 千美元	重新計量 US\$'000 千美元	於二零一八年一月一日香港財務報告準則第9號項下的預期信貸虧損撥備 US\$'000 千美元
Trade receivables	應收貿易賬款	552	—	552

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

Impact on reserves and accumulated losses

The impact of transition to HKFRS 9 on reserves and accumulated losses is as follows:

2.2 會計政策及披露之變動(續)

(a) (續)

儲備及累計虧損之影響

以下載列因過渡至香港財務報告準則第9號而對儲備及累計虧損造成之影響：

		Available- for-sale financial asset revaluation reserve 可供出售 金融資產 重估儲備 US\$'000 千美元	Accumulated losses 累計虧損 US\$'000 千美元
At 1 January 2018 under HKAS 39	於二零一八年一月一日 香港財務報告準則第39號 項下	109	(69,283)
Reclassify accumulated fair value gain from available-for-sale financial asset revaluation reserve to accumulated losses	累計公平值收益由可供 出售金融資產重估儲備 重新分類至累計虧損	(109)	109
Restated balance at 1 January 2018 under HKFRS 9	於二零一八年一月一日 香港財務報告準則第9號 項下之經重列結餘	–	(69,174)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) HKFRS 15 and its amendments replace HKAS 11 *Construction Contracts*, HKAS 18 *Revenue and related interpretations* and it applies, with limited exceptions, to all revenue arising from contracts with customers. HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates.

The Group adopted HKFRS 15 using the modified retrospective method of adoption. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group has elected to apply the standard to contracts that are not completed as at 1 January 2018.

Set out below are the amounts by which each financial statement line item was affected as at 1 January 2018 as a result of the adoption of HKFRS 15:

2.2 會計政策及披露之變動(續)

(b) 香港財務報告準則第15號及其修訂取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋，而其應用(訂有有限的例外情況)於客戶合約的所有收益。香港財務報告準則第15號訂立全新五步模式，用於計算來自客戶的合約收益。根據香港財務報告準則第15號，收益按能反映實體預期有權就向客戶轉移貨物或服務而有權在交換中獲取的代價金額進行確認。香港財務報告準則第15號的原則為計量及確認收益提供更具結構的方法。該準則亦引入廣泛的定性及定量披露規定，包括分類收益總額、關於履約責任的資料、合約資產及負債賬目結餘於各期間的變動以及主要判斷及估計。

本集團採用經修訂之追溯採納法採納香港財務報告準則第15號。根據此方法，該準則既可應用於初始應用日期的所有合約，亦可只應用於此日未完成之合約。本集團已選擇應用該準則於二零一八年一月一日尚未完成的合約。

以下載列於二零一八年一月一日因採納香港財務報告準則第15號而對各財務報表之項目造成影響之金額：

		Note	Increase/ (decrease) 增加/(減少) US\$'000 千美元
Liabilities	負債	附註	
Accruals, provisions and other payables	應計費用、撥備及其他應付款項	(i)	(101)
Deferred revenue	遞延收益	(ii)	(1,172)
Contract liabilities	合約負債	(i),(ii)	1,273

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財務報表附註

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) (continued)

Set out below are the amounts by which each financial statement line item was affected as at 31 December 2018 as a result of the adoption of HKFRS 15. The adoption of HKFRS 15 has had no impact on consolidated statement of profit or loss and other comprehensive income or on the Group's operating, investing and financing cash flows. The first column shows the amounts recorded under HKFRS 15 and the second column shows what the amounts would have been had HKFRS 15 not been adopted:

2.2 會計政策及披露之變動(續)

(b) (續)

以下載列於二零一八年十二月三十一日因採納香港財務報告準則第15號而對的各財務報表之項目所造成影響之金額。採納香港財務報告準則第15號對綜合損益表或其他全面收益或本集團的經營、投資及融資現金流量並無影響。第一欄顯示根據香港財務報告準則第15號入賬的金額，而第二欄顯示倘若並無採納香港財務報告準則第15號時入賬的金額：

Liabilities	負債	Note 附註	Amounts prepared under 根據以下編製的金額		
			HKFRS 15 香港財務 報告準則 第15號 US\$'000 千美元	Previous HKFRS 先前 香港財務 報告準則 US\$'000 千美元	Increase/ (decrease) 增加/(減少) US\$'000 千美元
Accruals, provisions and other payables	應計費用、撥備及其他應付款項	(i)	7,792	8,068	(276)
Deferred revenue	遞延收益	(ii)	-	1,245	(1,245)
Contract liabilities	合約負債	(i),(ii)	1,521	-	1,521

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) (continued)

The nature of the adjustments as at 1 January 2018 and the reasons for the changes in the statement of financial position as at 31 December 2018 are described below:

(i) *Consideration received from customers in advance*

Before the adoption of HKFRS 15, the Group recognised consideration received from customers in advance under accruals, provisions and other payables. Under HKFRS 15, the amount is classified as contract liabilities. Therefore, upon adoption of HKFRS 15, the Group reclassified US\$101,000 from accruals, provisions and other payables to contract liabilities as at 1 January 2018 in relation to the consideration received from customers in advance as at 1 January 2018.

As at 31 December 2018, the adoption of HKFRS 15 resulted in an increase in contract liabilities by US\$276,000 and a decrease in accruals, provisions and other payables by US\$276,000.

(ii) *Deferred revenue*

Before the adoption of HKFRS 15, the Group presented sales proceeds received from customers in connection with the unconsumed virtual currency or unconsumed durable virtual items as deferred revenue in the consolidated statement of financial position. Under HKFRS 15, the amount is classified as contract liabilities. Therefore, upon adoption of HKFRS 15, the Group reclassified US\$1,172,000 from deferred revenue to contract liabilities as at 1 January 2018 in relation to the unconsumed virtual currency or unconsumed durable virtual items as at 1 January 2018.

As at 31 December 2018, the adoption of HKFRS 15 resulted in an increase in contract liabilities by US\$1,245,000 and a decrease in deferred revenue by US\$1,245,000.

2.2 會計政策及披露之變動(續)

(b) (續)

於二零一八年一月一日的調整性質以及於二零一八年十二月三十一日的財務狀況表變動的原因如下：

(i) *預收客戶代價*

於採納香港財務報告準則第15號前，本集團確認預收客戶代價為應計費用、撥備及其他應付款項。根據香港財務報告準則第15號，該金額分類為合約負債。因此，於採納香港財務報告準則第15號後，本集團於二零一八年一月一日就於二零一八年一月一日的預收客戶代價101,000美元由應計費用、撥備及其他應付款項重新分類至合約負債。

於二零一八年十二月三十一日，採納香港財務報告準則第15號導致合約負債增加276,000美元，而應計費用、撥備及其他應付款項減少276,000美元。

(ii) *遞延收益*

於採納香港財務報告準則第15號前，本集團將自客戶收取有關未使用虛擬貨幣及未使用可持續虛擬道具之銷售所得款項於綜合財務狀況表呈列為遞延收益。根據香港財務報告準則第15號，該金額分類為合約負債。因此，於採納香港財務報告準則第15號後，本集團於二零一八年一月一日就於二零一八年一月一日的未使用虛擬貨幣及未使用可持續虛擬道具1,172,000美元由遞延收益重新分類至合約負債。

於二零一八年十二月三十一日，採納香港財務報告準則第15號導致合約負債增加1,245,000美元及遞延收益減少1,245,000美元。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i> ²
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 16	<i>Leases</i> ¹
HKFRS 17	<i>Insurance Contracts</i> ³
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> ²
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i> ¹
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> ¹
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> ¹
Annual Improvements 2015–2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 ¹

¹ Effective for annual periods beginning on or after 1 January 2019
² Effective for annual periods beginning on or after 1 January 2020
³ Effective for annual periods beginning on or after 1 January 2021
⁴ No mandatory effective date yet determined but available for adoption

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並未於此等財務報表內應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	業務的定義 ²
香港財務報告準則第9號之修訂	具有負補償的提前還款特性 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂(二零一一年)	投資者與其聯營公司或合營公司之間出售或注入資產 ⁴
香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
香港會計準則第1號及香港會計準則第8號之修訂	重大的定義 ²
香港會計準則第19號之修訂	計劃修訂、縮減或結清 ¹
香港會計準則第28號之修訂	於聯營公司及合營公司的長期權益 ¹
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 ¹
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、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂 ¹

¹ 於二零一九年一月一日或之後開始的年度期間生效
² 於二零二零年一月一日或之後開始的年度期間生效
³ 於二零二一年一月一日或之後開始的年度期間生效
⁴ 強制生效日期尚未釐定，但可供採納

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

HKFRS 16 will be applicable for the Group's financial year ending 31 December 2019. HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases-Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees—leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第16號將適用於本集團截至二零一九年十二月三十一日止年度財政年度。香港財務報告準則第16號取代香港會計準則第17號「租賃」、香港(國際財務報告詮釋委員會)–詮釋第4號「釐定安排是否包括租賃」、香港(常務詮釋委員會)–詮釋第15號「經營租賃 – 優惠」及香港(常務詮釋委員會)–詮釋第27號「評估涉及租賃法律形式交易的內容」。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項可選擇的租賃確認豁免 – 低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃期作出租賃付款為負債(即租賃負債)及代表可使用相關資產的權利為資產(即有使用權資產)。除非有使用權資產符合香港會計準則第40號投資物業的定義，或與應用重估模型之一類物業、廠房及設備有關，否則有使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因租賃付款而減少。承租人將須分別確認租賃負債的利息開支及有使用權資產的折舊開支。承租人將亦須於若干事件發生時重新計量租賃負債，例如由於租賃期變更或用於釐定該等付款的一項指數或比率變更而引致未來租賃付款變更。承租人一般將重新計量租賃負債的數額確認為有使用權資產的調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人將繼續使用與香港會計準則第17號相同的分類原則對所有租賃進行分類，並將之分為經營租賃

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

classification principle as in HKAS 17 and distinguish between operating leases and finance leases. HKFRS 16 requires lessees and lessors to make more extensive disclosures than under HKAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group will adopt HKFRS 16 from 1 January 2019. The Group plans to adopt the transitional provisions in HKFRS 16 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019 and will not restate the comparatives. In addition, the Group plans to apply the new requirements to contracts that were previously identified as leases applying HKAS 17 and measure the lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application. The right-of-use asset will be measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before the date of initial application. The Group plans to use the exemptions allowed by the standard on lease contracts whose lease terms end within 12 months as of the date of initial application. The Group is currently assessing the impact of HKFRS 16 upon adoption and the amount of right-of-use assets and lease liabilities to be recognised.

Save as discussed above, all other HKFRSs issued but not effective are not likely to have a significant impact on the consolidated financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

及融資租賃。香港財務報告準則第16號要求承租人及出租人作出較香港會計準則第17號所規定之更多披露。承租人可選擇使用全面回溯性或經修改回溯性方法應用該標準。本集團將自二零一九年一月一日起採納香港財務報告準則第16號。本集團計劃採納香港財務報告準則第16號的過渡性條文，以確認首次採納的累積影響，作為對二零一九年一月一日保留盈利的年初結餘的一項調整，且將不會重列比較數據。此外，本集團計劃僅對過往應用香港會計準則第17號識別為租賃的合約應用新規定，並按餘下租賃付款現值計量租賃負債(使用於首次應用日期本集團增量借貸利率貼現)。使用權資產將按租賃負債金額計量，並按任何緊接首次應用日期前於財務狀況表確認的租賃相關的預付或應計租賃付款金額進行調整。本集團計劃就租期於截至首次應用日期十二個月內終止的租賃合約採用相關標準允許的豁免。本集團現正評估採納香港財務報告準則第16號之影響及須予確認的使用權資產及租賃負債金額。

除上文所討論，所有其他已頒佈但未生效之香港財務報告準則不太可能對綜合財務報表產生重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control, is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in a joint venture is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of a joint venture are included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint venture are eliminated to the extent of the Group's investment in the joint venture, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of joint venture is included as part of the Group's investment in joint venture.

2.4 主要會計政策概要

合營公司

合營公司指對安排擁有共同控制權的各方對合營公司資產淨值享有權利的一類合營安排。共同控制是指按照合約同意對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

本集團於一家合營公司的投資以權益會計法按本集團應佔資產淨值減任何減值虧損於綜合財務狀況表列賬。

會計政策如有差異則作出調整使之一致。

本集團應佔合營公司收購後業績及其他全面收入應分別於綜合損益表及綜合其他全面收入列賬。此外，倘直接於合營公司的權益確認一項變動，則本集團會視乎情況於綜合權益變動表確認應佔任何變動。本集團與合營公司之間交易產生的未變現收益及虧損均按本集團所佔合營公司的投資比例撇銷，惟如有證據顯示未變現虧損是由於所轉讓資產出現減值則除外。收購合營公司所產生的商譽計入本集團於一家合營公司的部分投資。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2.4 主要會計政策概要(續)

業務合併及商譽

業務合併乃以收購法入賬。轉讓之代價乃以收購日之公平值計量。該公平值為於收購日本集團轉讓之資產之公平值、本集團承擔被收購方之前度擁有人之負債，及本集團發行以換取被收購方控制權之股本權益之總和。於每項業務合併中，本集團選擇是否以公平值或被收購方之可識別資產淨值之應佔比例，計算於被收購方屬現時擁有人權益並賦予擁有人權利於清盤時按比例分佔實體之資產淨值之非控股權益。非控股權益之所有其他部分乃按公平值計量。收購相關成本於產生時列為支出。

當本集團收購一項業務時，會根據合約條款、於收購日期之經濟環境及相關條件，評估將承接之金融資產及負債，以作出適合之分類及標示，當中包括將被收購方主合約中之嵌入式衍生工具進行分離。

倘業務合併為分階段進行，已持有之股權須按收購日之公平值重新計量，由此產生的任何收益或虧損於損益確認。

由收購方將予轉讓之任何或然代價須於收購日按公平值確認。歸類為資產或負債之或然代價按公平值計量，公平值變動於損益確認。歸類為權益之或然代價毋須重新計量。其後結算在權益中入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at period end. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

商譽最初按成本計量，即已轉讓總代價、已確認非控股權益金額及本集團已持有之被收購方股權之公平值三者之總和，超逾所收購可識別資產淨值及所承擔負債之差額。倘該代價及其他項目之總和低於所收購資產淨值之公平值，於評估後其差額將於損益中確認為議價收購收益。

首次確認後，商譽按成本值減任何累積減值虧損計值。商譽每年均作減值測試，倘有事件或情況變動顯示商譽之賬面值可能出現減值，該項檢討或更頻繁地進行。本集團於期末作出年度商譽減值測試。就減值測試而言，因業務合併而購入之商譽自收購日期起分配至預期可從合併產生之協同效益中獲益之本集團各個現金產生單位或現金產生單位組別，而無論本集團之其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關之現金產生單位(或現金產生單位組別)之可收回金額來確定。凡現金產生單位(或現金產生單位組別)之可收回金額低於其賬面值，即確認減值虧損。已確認之商譽減值虧損不可在之後期間撥回。

倘商譽分配至現金產生單位(或現金產生單位組別)而該單位之部分業務已出售，則在釐定所出售業務之收益或虧損時，與所出售業務相關之商譽計入該業務賬面值。在該情況下出售之商譽根據所出售業務之相對價值和現金產生單位之保留份額進行計值。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

The Group measures its available-for-sale financial asset and financial asset at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策概要(續)

公平值計量

本集團於各報告期末按公平值計量其可供出售金融資產及按公平值計入損益之金融資產。公平值指於計量日市場參與者之間的有序交易中，就出售資產所收取之價格或轉讓負債所支付之價格。計量公平值時假設出售資產或轉讓負債之交易於資產或負債的主要市場或(在未有主要市場的情況下)最有利市場進行。主要或最有利市場須為本集團能參與的市場。假設市場參與者基於最佳經濟利益行事，資產或負債的公平值使用市場參與者為資產或負債定價所用假設計量。

非金融資產之公平值計量計及市場參與者將資產用於最高增值及最佳用途或將資產售予用於最高增值及最佳用途之另一名市場參與者而創造經濟利益的能力。

本集團針對不同情況使用不同估值方法，確保有足夠數據計量公平值，並盡量利用相關可觀察輸入數據，減少使用不可觀察數據。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要(續)

公平值計量(續)

公平值於財務報表計量或披露之所有資產及負債，均基於對計量公平值整體而言屬重要之最低層輸入數據按下述公平值層級分類：

- 第一層 – 按同等資產或負債於活躍市場之報價(未經調整)計算
- 第二層 – 按估值技巧計算(對公平值計量而言屬重大之最低層輸入值直接或間接為可觀察數據)
- 第三層 – 按估值技巧計算(對公平值計量而言屬重大之最低層輸入值為不可觀察數據)

對於按經常性基準於財務報表確認之資產及負債，本集團於各報告期末重新評估分類(基於對計量公平值整體而言屬重大之最低層輸入數據)，確定有否在不同層級之間轉移。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than deferred tax assets, financial assets and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 主要會計政策概要(續)

非金融資產之減值

倘資產存在減值跡象或須進行年度減值測試(除遞延稅項資產、金融資產及商譽外)，會就該項資產之可收回數額作出估計。資產之可收回數額按資產或現金產生單位之可使用價值及其公平值扣除銷售成本兩者中之較高金額計算，並將其釐定為個別資產，除非該項資產產生之現金流入不能大致獨立於其他資產或資產組別所產生之現金流入，在此情況下，可收回數額以該項資產所屬之現金產生單位釐定。

資產之賬面值超逾其可收回數額時，減值虧損方予以確認。於評估可使用價值時，估計未來現金流量將以稅前貼現率貼現至現值，以反映現金價值之現時市場評估及該項資產之特定風險。減值虧損將於其發生期間於損益表中從與已減值資產功能一致的支出類別扣除。

於各個報告期末會評估是否有跡象顯示資產於先前確認之減值虧損可能不再存在或可能已減少。如存在有關跡象，則會就有關可收回數額作出估計。僅於釐定該項資產之可收回數額之估計出現變動時，先前確認之資產(商譽除外)之減值虧損方可撥回；惟在假設於過往年度並無就該項資產確認減值虧損，高出於此情況下所釐定之賬面值之數額(扣除任何折舊／攤銷)則不得撥回。該減值虧損之撥回於其發生期間計入損益表內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

- (a) the party is a person or a close member of that person's family and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group 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 employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (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.

2.4 主要會計政策概要(續)

關連人士

在下列情況下，有關人士將為本集團之關連人士：

- (a) 有關方為任何個人或其近親，而此人：
 - (i) 對本集團擁有控制權或與他人共同擁有控制權；
 - (ii) 可對本集團發揮重大影響力；或
 - (iii) 為本集團或其母公司之主要管理人員；

或

- (b) 有關方為下列任何情況適用之實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一間實體之聯營公司或合營公司(或另一間實體之母公司、附屬公司或同系附屬公司)；
 - (iii) 該實體與本集團為同一第三方之合營公司；
 - (iv) 一間實體為第三方實體之合營公司及另一方實體為該第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關連之任何實體就僱員福利而設立之僱員退休福利計劃；
 - (vi) 該實體受(a)定義之人士控制或與他人共同控制；
 - (vii) (a)(i)定義之人士對該實體有重大影響力或屬該實體(或該實體之母公司)之主要管理人員；及
 - (viii) 實體或該集團之成員公司向本集團或本集團之母公司提供主要管理人員服務。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the shorter of 5 years or the lease terms
Furniture and equipment	3 to 5 years
Motor vehicles	5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊

物業、廠房及設備乃按成本值減累計折舊及任何減值虧損列賬。物業、廠房及設備項目之成本包括其購入價及將資產達至運作狀況及運送至使用位置以作其計劃用途所產生之任何直接應計成本。物業、廠房及設備項目開始運作後所產生之支出，如保養維修費用，一般於產生期間在損益表中扣除。滿足確認條件之重大檢修支出將撥充資本計入資產賬面值作為重置處理。物業、廠房及設備之重要部分需按階段重置，本集團將有關部分確認為具有特定可使用年期之個別資產並相應計算折舊。

折舊乃就每項物業、廠房及設備項目之估計可使用年期以直線法撇銷其成本至其剩餘價值。就此目的所用之主要年率如下：

租賃物業裝修	五年或租約年期 (以較短者為準)
傢俬及設備	三至五年
汽車	五年

倘物業、廠房及設備項目不同部分之可使用年期不同，則該項目之成本按合理基準分配至不同部分，而各部分個別折舊。

剩餘價值、可使用年期及折舊方法會至少於各財政年度末進行檢討及調整(如適用)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the period the asset is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant asset.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Technology platform

Technology platform is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful lives of 5 years.

Computer software and non-compete agreement

The computer software and non-compete agreement are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 3 years.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊(續)

物業、廠房及設備項目(包括首次確認的任何重要部分),於出售時或當預期使用或出售該項目將不會帶來未來經濟利益時取消確認。於資產取消確認之期間於損益表確認之任何出售或報廢損益,為銷售所得款項淨額與相關資產賬面值之差額。

無形資產(商譽除外)

單獨收購之無形資產於首次確認時按成本計量。於業務合併中收購之無形資產之成本為其於收購日期之公平值。無形資產之可使用年期可評估為有限期或無限期。年期有限之無形資產其後於可使用經濟年期內攤銷,並於該無形資產出現可能減值跡象時進行減值評估。可使用年期有限之無形資產之攤銷期及攤銷方法至少須於各財政年度末檢討一次。

技術平台

技術平台按成本減任何減值虧損列賬,並以直線法於其估計可使用年期5年內攤銷。

電腦軟件及不競爭協議

電腦軟件及不競爭協議按成本減任何減值虧損列賬,並以直線法於其估計可使用年期3年內攤銷。

研發成本

所有研究成本於產生時自損益表扣除。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Investments and other financial assets (applicable from 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

2.4 主要會計政策概要(續)

經營租約

出租人保留資產所有權之大部分回報與風險之租約被視作經營租約。如本集團為承租方，以經營租約承租所支付之租金扣除自出租人收取的任何獎勵按租約之期限以直線法於損益表中扣除。

投資及其他金融資產(自二零一八年一月一日起適用)

首次確認及計量

首次確認時，金融資產分類為其後按攤銷成本、按公平值計入其他全面收益及按公平值計入損益計量。

於首次確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等金融資產的業務模式。除並無重大融資成分或本集團已應用可行權宜方法並未對重大融資成分的影響作出調整的應收貿易賬款外，本集團初步按公平值加上(倘金融資產並非按公平值計入損益)交易成本計量金融資產。並無重大融資成分或本集團已應用可行權宜方法的應收貿易賬款根據下文「收益確認」所載政策按香港財務報告準則第15號釐定的交易價格計量。

為使金融資產按攤銷成本或按公平值計入其他全面收益進行分類及計量，其需產生純粹為支付本金及未償還本金利息(「純粹為支付本金及利息」)的現金流量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (applicable from 1 January 2018) (continued)

Initial recognition and measurement (continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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 marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 主要會計政策概要(續)

投資及其他金融資產(自二零一八年一月一日起適用)(續)

首次確認及計量(續)

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式釐定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。

金融資產的所有常規買賣於交易日期(即本集團承諾買入或出售資產之日)確認。常規買賣指須於法規或市場慣例一般設定的期間內交收資產的金融資產買賣。

其後計量

金融資產其後視乎以下分類而進行計量：

按攤銷成本入賬的金融資產(債務工具)

倘滿足以下兩個條件，則本集團按攤銷成本計量金融資產：

- 於旨在持有金融資產以收取合約現金流量的業務模式中持有的金融資產。
- 金融資產的合約條款於特定日期產生的現金流量純粹為支付本金及未償還本金的利息。

按攤銷成本計量的金融資產其後使用實際利率法計量，並可能受減值影響。當資產終止確認、修訂或減值時，收益及虧損於損益表中確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (applicable from 1 January 2018) (continued)

Subsequent measurement (continued)

Financial assets at fair value through other comprehensive income (debt instruments)

The Group measures debt investments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

2.4 主要會計政策概要(續)

投資及其他金融資產(自二零一八年一月一日起適用)(續)

其後計量(續)

按公平值計入其他全面收益之金融資產(債務工具)

倘符合以下兩項條件，則本集團會按公平值計入其他全面收益計量債務投資：

- 金融資產乃於以持有作收取合約現金流量及出售為目標的業務模式內持有。
- 金融資產合約條款訂明於指定日期的現金流量僅可用作償還本金及未償還本金利息。

就按公平值計入其他全面收益的債務投資而言，利息收入、外匯重估及減值虧損或回撥乃於損益表確認，計算方式與計算按攤銷成本計量之金融資產者相同。餘下公平值變動於其他全面收益確認。於終止確認後，於其他全面收益確認之累計公平值變動回流至損益表。

按公平值計入其他全面收益之金融資產(股權投資)

於初步確認後，倘股權投資符合香港會計準則第32號「金融工具：呈列」項下之股權定義，且並非持作買賣，本集團可選擇不可撤回地將該股權投資分類為指定按公平值計入其他全面收益之股權投資。分類乃按個別工具基準而釐定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (applicable from 1 January 2018) (continued)

Subsequent measurement (continued)

Financial assets designated at fair value through other comprehensive income (equity investments) (continued)

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

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 SPPI 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.

2.4 主要會計政策概要(續)

投資及其他金融資產(自二零一八年一月一日起適用)(續)

其後計量(續)

按公平值計入其他全面收益之金融資產(股權投資)(續)

該等金融資產之收益及虧損永不回流損益表。倘股息付款權已確立，而股息相關經濟利益很可能流向本集團，且股息金額能可靠計量，則股息會於損益表確認為其他收入，惟倘本集團受惠於該等所得款項作為收回部分金融資產成本則作別論，在此情況下，有關收益會入賬為其他全面收益。指定按公平值計入其他全面收益之股權投資無須進行減值評估。

按公平值計入損益之金融資產

按公平值計入損益之金融資產包括持作買賣金融資產、於初步確認後指定按公平值計入損益之金融資產，或需要強制按公平值計量之金融資產。倘金融資產乃為於近期進行出售或購置而收購，則金融資產會分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非衍生工具指定為實際對沖工具，則作別論。現金流量並非僅可用作償還本金及未償還本金利息之金融資產分類為按公平值計入損益計量，而不論業務模式。儘管如上文所述債務工具可分類為按攤銷成本或按公平值計入其他全面收益，倘能夠消除或顯著減少會計錯配，則債務工具或會於初步確認時指定為按公平值計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (applicable from 1 January 2018) (continued)

Subsequent measurement (continued)

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

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 主要會計政策概要(續)

投資及其他金融資產(自二零一八年一月一日起適用)(續)

其後計量(續)

按公平值計入損益之金融資產(續)

按公平值計入損益之金融資產按公平值於財務狀況表列賬，而公平值變動淨額於損益表確認。

該類別包括本集團不可撤回地選擇按公平值計入其他全面收益進行分類的衍生工具及股本投資。分類為按公平值計入損益之金融資產的股本投資的股息亦在支付權確立時於損益表確認為其他收入，與股息有關的經濟利益很大機會流入本集團，且能夠可靠計量股息金額。

當嵌入混合合約(包括金融負債及非金融主體)的衍生工具具備與主體不緊密相關的經濟特徵及風險；具備與嵌入式衍生工具相同條款的單獨工具符合衍生工具的定義；且混合合約並非按公平值計入損益計量，則該衍生工具與主體分開並作為單獨衍生工具列賬。嵌入式衍生工具按公平值計量，且其變動於損益表確認。僅當合約條款出現變動，以致大幅改變其他情況下所須現金流量時或當原分類至按公平值計入損益之金融資產獲重新分類時，方進行重新評估。

嵌入式混合合約(包括金融資產主體)的衍生工具不得單獨列賬。金融資產主體連同嵌入式衍生工具須整體分類為按公平值計入損益之金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (applicable before 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

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 marketplace.

The Group's financial assets include available-for-sale financial assets, cash and cash equivalents, loan receivable, trade receivables and deposits and other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in finance costs for loans and in other expenses for receivables.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前應用)

首次確認及計量

金融資產於首次確認時歸類為按公平值計入損益之金融資產、貸款及應收款項及可供出售金融投資，或在有效對沖中歸類為指定屬對沖工具之衍生工具(視適用情況而定)。金融資產於首次確認時按公平值加歸屬於收購金融資產的交易成本計量，惟按公平值計入損益之金融資產除外。

所有正常情況下買賣之金融資產於交易日(即本集團承諾買賣資產之日)確認。正常情況下買賣指於一般按規例或市場慣例設定之期間內交付資產之金融資產之買賣。

本集團之金融資產包括可供出售金融資產、現金及現金等值項目、應收貸款、應收貿易賬款及按金及其他應收款項。

其後計量

金融資產其後視乎以下分類而進行計量：

貸款及應收款項

貸款及應收款項指固定或可釐定付款金額而活躍市場中並無報價之非衍生金融資產。於首次計量後，該等資產其後以實際利率法按攤銷成本減任何減值撥備計量。攤銷成本之計算乃考慮到任何收購折讓或溢價，並計入屬實際利率不可分割部分之費用或成本。實際利率攤銷在損益表中計入其他收入。減值虧損在損益表中貸款之財務費用及應收款項之其他開支確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (applicable before 1 January 2018) (continued)

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss as other income.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前應用)(續)

可供出售金融投資

可供出售金融投資是上市及非上市股本投資及債務證券中之非衍生金融資產。凡未被列為持作交易或並非指定按公平值計入損益之股本投資，均分類為可供出售股本投資。有意無限期持有並可因應流動資金需求或市況變化出售之債務證券，亦歸入此類別。

經首次確認後，可供出售金融投資其後按公平值計量，其未變現盈虧將作為其他全面收入，在可供出售投資重估儲備中確認，直至該投資被取消確認(屆時累積盈虧確認為損益表上之其他收入)，或直至該投資被認定出現減值(屆時累積盈虧由可供出售投資重估儲備重新分類至損益表內之其他盈利或虧損)。持有可供出售金融投資期間所賺取之利息及股息將分別作為利息收入及股息收入列報，並在損益表中確認為其他收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (applicable before 1 January 2018) (continued)

Available-for-sale financial investments (continued)

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets, if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前應用)(續)

可供出售金融投資(續)

當非上市股本投資之公平值，由於(a)合理公平值估計範圍變動就該投資而言屬重大或(b)上述範圍內各種估計值之概率不能合理地確定及用於估計公平值，因而導致無法可靠計量時，該等投資會按成本減任何減值虧損列賬。

本集團評估於近期出售其可供出售金融資產之能力及其出售意圖是否仍然恰當。倘在罕見情況下，因市場不活躍而導致本集團未能買賣該等金融資產，倘管理層有能力及有意於可預見未來持有該等資產或持有該等資產直至屆滿日，則本集團將會選擇將該等金融資產重新分類。

對於從可供出售類別重新分類之金融資產，於重新分類當日之公平值賬面金額成為其新攤銷成本，而已於權益內確認資產之任何過往盈虧將使用實際利率法按餘下投資年期於損益內攤銷。新攤銷成本與到期金額之間的任何差額亦使用實際利率法按該項資產之剩餘年期攤銷。倘該資產隨後確定出現減值，則權益內計入之金額將重新分類至損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

取消確認金融資產

金融資產(或(如適用)一項金融資產之一部分或一組同類金融資產之一部分)主要於下列情況下將取消確認(即將其從本集團的綜合財務狀況表中移除):

- 收取該項資產所得現金流量之權利經已屆滿;或
- 本集團已轉讓收取該項資產所得現金流量之權利,或根據一項「轉付」安排,在未有嚴重延緩之情況下,已全數承擔向第三者支付所收取現金流量之責任;並(a)已轉讓該項資產之絕大部分風險及回報,或(b)並無轉讓或保留該項資產絕大部分風險及回報,但已轉讓該項資產之控制權。

倘本集團已轉讓其收取一項資產所得現金流量之權利或已訂立一項轉付安排,會評估其有否保留該資產擁有權之風險及回報,以及其程度。當本集團並無轉讓或保留該項資產之絕大部分風險及回報,亦無轉讓該項資產之控制權時,則已轉讓資產將以本集團持續參與該項資產為限而繼續確認入賬。在此情況下,本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團已保留的權利及責任之基準而計量。

持續參與採取就已轉讓資產提供擔保的形式,按資產原賬面值與本集團可能須償還的代價之最高數額兩者中之較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (applicable from 1 January 2018)

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month expected credit loss). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

2.4 主要會計政策概要(續)

金融資產減值(自二零一八年一月一日起適用)

本集團確認對並非按公平值計入損益持有的所有債務工具預期信貸虧損的撥備。預期信貸虧損乃基於根據合約到期的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而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信貸提升措施。

一般方法

預期信貸虧損分兩個階段確認。就自首次確認起未有顯著增加的信貸風險而言，預期信貸虧損為未來12個月內可能發生違約事件而導致的信貸虧損(12個月預期信貸虧損)計提撥備。就自初始確認起經已顯著增加的信貸風險而言，不論何時發生違約，於餘下風險年期內的信貸虧損均須計提虧損撥備(全期預期信貸虧損)。

於各報告日期，本集團評估財務工具的信貸風險自首次確認以來是否大幅增加。進行評估時，本集團會比較報告日期就財務工具產生的違約風險與於首次確認日期就財務工具產生的違約風險，並會考慮合理及有理據且毋須花費過度成本或精力即可獲得的資料，包括過往經驗及前瞻性資料。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (applicable from 1 January 2018) (continued)

General approach (continued)

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

2.4 主要會計政策概要(續)

金融資產減值(自二零一八年一月一日起適用)(續)

一般方法(續)

就按公平值計入其他全面收益的債務投資而言，本集團應用低信貸風險簡化方法。於各報告日期，本集團使用所有合理及有據且毋須花費過度成本或精力即可獲得的資料，評估債務投資是否被視為具有低信貸風險。進行評估時，本集團會重新計估債務投資的外部信貸評級。此外，本集團認為，倘合約付款已逾期超過30日，則信貸風險顯著增加。

倘合約付款已逾期90日，則本集團認為金融資產違約。然而，在若干情況下，倘內部或外部資料顯示，在沒有計及本集團所持有的任何信貸提升措施前，本集團不大可能悉數收到未償還合約款項，則本集團亦可認為金融資產違約。倘無法合理預期收回合約現金流量，則撇銷金融資產。

按公平值計入其他全面收益的債務投資及按攤銷成本入賬的金融資產按一般方法進行減值，並就計量預期信貸虧損分類為下列階段，惟下文所詳述應用簡化方法入賬的應收貿易賬款除外。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (applicable from 1 January 2018) (continued)

General approach (continued)

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要(續)

金融資產減值(自二零一八年一月一日起適用)(續)

一般方法(續)

- 階段1 – 金融資產的信貸風險自首次確認以後並無顯著增加，其虧損撥備按等同12個月預期信貸虧損的金額計量
- 階段2 – 信貸風險自首次確認以來顯著增加(惟並非信貸減值的金融資產)，其虧損撥備按等同全期預期信貸虧損的金額計量
- 階段3 – 於報告日期為信貸減值的金融資產(惟並非購買或發起的信貸減值金融資產)，其虧損撥備按等同全期預期信貸虧損的金額計量

簡化方法

就具有重大融資成分或本集團應用可行權宜方法並未對重大融資成分的影響作出調整的應收貿易賬款而言，本集團應用簡化方法計算預期信貸虧損。根據簡化方法，本集團並無追溯信貸風險變動，而是根據各報告日期的全期預期信貸虧損確認虧損撥備。本集團已設立根據其過往信貸虧損經驗計算之撥備矩陣，並按債務人的特定前瞻性因素及經濟環境作出調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (applicable before 1 January 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

2.4 主要會計政策概要(續)

金融資產減值(於二零一八年一月一日前應用)

本集團於各報告期末評估是否存在客觀證據顯示一項或一組金融資產出現減值。在首次確認後發生一個或多個事件致使某項金融資產或一組金融資產之預計未來現金流量受影響，並且該影響金額可以可靠預測時，則該資產出現減值。減值跡象可包括債務人或一組債務人出現重大財政困難、違約或拖欠利息或本金支付、有面臨破產之可能或進行其他財務重組以及有可觀察資料顯示其預計未來現金流量確已減少且可計量，例如與違約有相互關連之拖欠情況或經濟狀況改變。

以攤銷成本列賬之金融資產

對於以攤銷成本列賬之金融資產，本集團首先就單項金額重大的金融資產是否個別出現減值進行減值評估，或對單項金額不重大的金融資產按整體金融資產進行評估。對不存在客觀減值跡象之單項評估金融資產，無論其金額是否重大，其應當包括在具有類似信用風險特性之金融資產組合內進行整體減值評估。已單項評估減值或繼續確認減值虧損之資產，不應包括在整體減值評估中。

已識別的任何減值虧損的金額按該項資產賬面值與估計未來現金流量(不包括尚未產生之未來信貸虧損)現值之差額計量。估計未來現金流量現值是以金融資產的初始實際利率(即首次確認時計算之實際利率)貼現。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (applicable before 1 January 2018) (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of profit or loss.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that the asset is impaired. Objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

2.4 主要會計政策概要(續)

金融資產減值(於二零一八年一月一日前應用)(續)

以攤銷成本列賬之金融資產(續)

資產之賬面金額透過利用備抵賬而減少，而虧損於損益表中確認。利息收入繼續按減少後之賬面金額累計，並利用貼現未來現金流量所用利率計量減值虧損。倘未來收回無實際可能，且所有抵押品已變現或已轉讓予本集團，則貸款及應收款項連同任何相關撥備應一併撇銷。

倘於其後期間，在確認減值後發生致使估計之減值虧損金額增加或減少之事件，則通過調整備抵賬以增加或減少先前確認之減值虧損。倘撇銷之減值虧損其後收回，則收回金額計入損益表。

可供出售金融投資

對於可供出售金融投資，本集團於各報告期末評估是否有客觀證據顯示該資產出現減值。客觀證據將包括投資之公平值大幅度或長期跌至低於其成本值。

倘一項可供出售金融資產出現減值，其成本值(扣除任何本金付款及攤銷)與其現行公平值之差額減以往在損益表中確認之任何減值虧損之金額，會從其他全面收入中移除並在損益表內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (applicable before 1 January 2018) (continued)

Available-for-sale financial investments (continued)

Impairment losses are reversed through the statement of profit or loss if the subsequent increase in the fair value can be objectively related to an event occurring after the impairment loss was recognised in the statement of profit or loss.

“Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. The determination of what is “significant” or “prolonged” requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

The Group’s financial liabilities include trade payables, other payables and a loan from a former director.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

2.4 主要會計政策概要(續)

金融資產減值(於二零一八年一月一日前應用)(續)

可供出售金融投資(續)

倘其公平值其後增加客觀上與在損益表確認減值虧損後發生之事件相關，則其減值虧損部分透過損益表撥回。

「大幅度」乃針對投資的原始成本而評估，「長期」則針對公平值低於原始成本之期間而言。釐定何為「大幅度」及「長期」須作出判斷。於作出判斷時，本集團評估(其中包括)投資的公平值低於其成本的持續期間或程度。

金融負債

首次確認及計量

金融負債於首次確認時歸類為按公平值計入損益之金融負債、貸款及借貸、應付款項，或在有效對沖中歸類為指定屬對沖工具之衍生工具(視適用情況而定)。

所有金融負債最初按公平值確認，如屬貸款及借貸以及應付款項，則扣除直接歸屬之交易成本。

本集團之金融負債包括應付貿易賬款、其他應付款項及來自一名前董事貸款。

其後計量

金融負債其後視乎以下分類而進行計量：

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When 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 derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 主要會計政策概要(續)

金融負債(續)

貸款及借貸

於首次確認後，計息貸款及借貸其後使用實際利率法按攤銷成本計量，惟倘貼現影響屬非重大，則金融負債按成本列賬。有關盈利及虧損均於負債取消確認時，透過實際利率攤銷程序於損益表確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益表之財務費用內。

取消確認金融負債

當負債責任獲解除或註銷或屆滿時，即取消確認金融負債。

倘現有金融負債被來自同一出借方但不同條款之另一筆金融負債替代，或現有負債之條款被大幅修訂，此變動或修訂被視作取消確認原來負債並確認新負債，而各賬面金額間之差額則於損益表中確認。

抵銷金融工具

當現行有可予執行之法律權利以抵銷確認金額及有意按淨額基準償付，或變現資產與清還負債同時進行，方會抵銷金融資產及金融負債及於財務狀況表內呈報淨金額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling price less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

2.4 主要會計政策概要(續)

存貨

存貨按成本值與可變現淨值兩者中之較低者列賬。成本乃按加權平均基準釐定。可變現淨值乃基於估計售價減完成銷售及處置所產生之任何估計費用。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目指庫存現金及活期存款以及可隨時轉換為已知數額現金，受非重大價值變動風險影響並於購入後一般三個月內到期之短期及高流動性投資，再扣減須按要求償還並構成本集團現金管理之組成部分之銀行透支。

就綜合財務狀況表而言，現金及現金等值項目指庫存現金及銀行現金，包括無限制用途之定期存款及性質與現金類似的資產。

撥備

當由於過往事件導致現時須承擔法律或推定責任而未來可能須流失資源以履行責任，且能可靠估計責任之數額，則會確認撥備。

倘貼現影響重大，則所確認之撥備數額為預計履行責任所需之未來開支在報告期末之現值。隨時間流逝使貼現現值增加之款項計入損益表之財務費用。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。與於損益賬外確認之項目有關之所得稅，於損益賬外之其他全面收入或直接於權益確認。

即期稅項資產及負債，乃根據於報告期末已實施或已大致實施之稅率(及稅法)，並考慮本集團業務所在國家之現行詮釋及慣例，按預期自稅務當局退回或付予稅務當局之金額計算。

遞延稅項乃採用負債法，對於報告期末資產及負債之計稅基準與其賬面值之一切暫時性差額就財務申報作出撥備。

遞延稅項負債就一切應課稅暫時差額予以確認，惟以下情況除外：

- 首次確認商譽或於非業務合併交易中之資產或負債(於交易時並不影響會計溢利或應課稅溢利或虧損)所產生之遞延稅項負債；及
- 與於附屬公司及一家合營公司之投資有關之應課稅暫時差額，而撥回暫時差額之時間可以控制及暫時差額有可能於可見將來不會撥回者。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項資產乃就所有可予扣減暫時差額、未動用稅項抵免及任何未動用稅項虧損之結轉而確認，但以將有應課稅溢利以動用可扣稅暫時差額、未動用稅項抵免之結轉及未動用稅項虧損以作對銷為限，確認遞延稅項資產，惟以下情況除外：

- 首次於非業務合併交易中確認之資產或負債(於交易時並不影響會計溢利或應課稅溢利或虧損)所產生之可予扣減暫時差額之遞延稅項資產；及
- 就與附屬公司及一家合營公司之投資有關之可予扣減暫時差額，僅於暫時差額將會在可見將來撥回及將有應課稅溢利作為抵銷，以動用暫時差額之情況下，才確認遞延稅項資產。

遞延稅項資產之賬面值乃於各報告期末進行審閱，並予以相應扣減，直至不可能有足夠應課稅溢利以動用全部或部分遞延稅項資產為止。未確認之遞延稅項資產乃按已可能獲得足夠應課稅溢利以收回全部或部分遞延稅項資產之情況下於各報告期末再評估並予以確認。

遞延稅項資產及負債乃根據於報告期末已實施或已大致實施之稅率(及稅法)，按變現資產或清償負債之期間預期適用之稅率予以估量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or 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.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Revenue recognition (applicable from 1 January 2018)

Revenue from contracts 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.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.4 主要會計政策概要(續)

所得稅(續)

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應課稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同應課稅實體徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

政府補貼

倘可合理保證將獲得補貼及將符合所有附帶條件，則按公平值確認政府補貼。倘該補貼與一項開支項目有關，則於擬用作補償之成本支銷期間有系統地確認為收入。

收益確認(自二零一八年一月一日起適用)

與客戶的合約收益

與客戶的合約收益在貨品或服務的控制權轉讓至客戶時予以確認，其金額反映本集團預期就交換該等貨品或服務而有權獲得之代價。

當合約中的代價包含可變金額時，代價的金額於本集團向客戶就交換該等貨品或服務而有權獲得的代價估計。可變代價按合約開始時估計並受到約束，直至與可變代價相關的不確定因素其後獲解除時，所確認的累計收益金額極有可能不會發生重大收益撥回為止。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018) (continued)

Revenue from contracts with customers (continued)

For a contract where the period between the payment by the customer 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) *Sales of merchandise*

Revenue from the sale of merchandise is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

(b) *Commission income*

Commission income is recognised at the point in time when the control of the underlying goods procured by the Group are transferred.

(c) *Internet value-added services (“IVAS”) revenue*

Revenue from IVAS is generated from the Group’s online social platforms. Revenue is recognised when persuasive evidence of an arrangement exists, service has been rendered, the price is fixed or determinable and collection is reasonably assured. Revenue is deferred until these criteria are met as described below.

The Group operates a virtual currency system, under which, the users can directly purchase virtual currency on a mobile phone application (“APP”) via online payment systems provided by third parties including payments using mobile phones, internet debit/credit cards and other third party payment systems. The virtual currency can be used to purchase virtual items and virtual services on the APP.

2.4 主要會計政策概要(續)

收益確認(自二零一八年一月一日起適用)(續)

與客戶的合約收益(續)

對於客戶付款及轉讓協定產品或服務期間為一年或一年以下之合約，交易價格採用香港財務報告準則第15號中實際權宜之計，不會對重大融資部分之影響作出調整。

(a) *銷售商品*

銷售商品之收益於資產控制權轉移至客戶時予以確認，一般為該貨品之交付。

(b) *佣金收入*

佣金收入於本集團所採購相關貨品之控制權轉讓時確認。

(c) *互聯網增值服務(「互聯網增值服務」)收益*

互聯網增值服務收益源自本集團之網上社交平台。當存在安排之具說服力證據，已提供服務、售價已釐定或可釐定，以及可合理確保收取款項時，即確認收益。收益將予遞延，直到達成下文所述標準為止。

本集團經營虛擬貨幣系統，據此，用戶可透過流動電話應用程式(「應用程式」)經第三方所提供線上付款系統直接購買虛擬貨幣，包括使用流動電話、互聯網扣賬卡／信用卡及其他第三方付款系統進行付款。虛擬貨幣可用作於應用程式上購買虛擬物品及虛擬服務。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018) (continued)

Revenue from contracts with customers (continued)

(c) Internet value-added services ("IVAS") revenue (continued)

The Group creates and offers consumable and durable virtual items to be used by users on the Group's online social platforms and other services, which the Group operates and maintains. The virtual items are sold to users at different specified prices as predetermined by the Group. Users purchase virtual items from the Group and present them to other users for appreciation or consumption by themselves, which provide users with recognised status, such as priority speaking rights or special symbols over a certain period of time on the APP.

Upon the sales of the virtual currency, the Group typically has an implied obligation to provide services to enable the virtual currency to be consumed in the APP through the virtual items and virtual services in the APP. As a result, the proceeds received from sales of the virtual currency are initially recorded as deferred revenue. The attributable portion of the deferred revenue relating to values of the virtual currency consumed is immediately or ratably recognised as revenue only when the services are rendered to the respective users.

For the purposes of determining when services have been provided to the respective users, the Group has determined that consumable virtual items represent items that are extinguished after being consumed by the users, upon which revenue is recognised (as a release from deferred revenue). The Group has determined that durable virtual items are distinguished over the time when the durable virtual items are consumed by the users (e.g. when the special symbols are displayed as the users' APP). Accordingly, the related revenue is recognised over such consumption or display period.

2.4 主要會計政策概要(續)

收益確認(自二零一八年一月一日起適用)(續)

與客戶的合約收益(續)

(c) 互聯網增值服務(「互聯網增值服務」)收益(續)

本集團創建及提供消耗性及持久性虛擬物品，供用戶於本集團所經營及維護之網上社交平台及其他服務使用。虛擬物品按本集團預設之不同指定價格售予用戶。用戶向本集團購買虛擬物品，並轉贈其他用戶以表謝意或自用，此舉可提升客戶等級，例如於一段時間內在應用程式上享有優先發言權或特殊符號。

銷售虛擬貨幣後，本集團通常有隱含義務提供服務，以便透過應用程式以虛擬貨幣消費虛擬物品及虛擬服務。因此，銷售虛擬貨幣所得款項最初記錄為遞延收益。與所消費虛擬貨幣價值有關之遞延收益可歸屬部分僅於提供服務予相應用戶時即時或按比例確認為收益。

為確定向相應用戶提供服務之時間，本集團將消耗性虛擬物品界定為用戶消費後撤銷之項目，並即時確認收益(從遞延收益中解除)。本集團釐定持久性虛擬物品將於用戶消費持久性虛擬物品期間(例如當特殊符號顯示於用戶應用程式時)隨時間區分。因此，相關收益於上述消費或顯示期內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018) (continued)

Revenue from contracts with customers (continued)

(d) Advertising and other services income

Income from rendering of services and advertising income are recognised at the point in time when the services are rendered.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

Reimbursement income from customers, handling fee income, inspection and laboratory test income are recognised when the services are rendered.

Revenue recognition (applicable before 1 January 2018)

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

- (a) Sales of merchandise is recognised when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.
- (b) Commission income from procurement services is recognised when the underlying goods procured by the Group are shipped.
- (c) Income from the rendering of services, reimbursement income from customers, handling fee income, inspection and laboratory testing income and advertising income are recognised when the services are rendered.

2.4 主要會計政策概要(續)

收益確認(自二零一八年一月一日起適用)(續)

與客戶的合約收益(續)

(d) 廣告及其他服務收入

提供服務及廣告收入之收入於提供服務時確認。

其他收入

利息收入按金融工具之估計年期以實際利率法將估計未來現金收入精確貼現至金融資產賬面淨值而累計。

來自客戶之償付收入、手續費收入、檢驗及實驗室測試收入於提供服務時確認。

收益確認(於二零一八年一月一日前應用)

當經濟利益可能流入本集團及當收益能以可靠方式計算時，收益方會以下列方式確認：

- (a) 商品銷售所得收益於所有權之重大風險及回報已轉撥予買方時確認，惟本集團須對該等項目已沒有任何涉及所有權之管理，亦對已售出貨品無任何有效控制權。
- (b) 採購服務所得佣金收入於本集團採購之相關貨品已付運時確認。
- (c) 提供服務收入、來自客戶的償付收入、手續費收入、檢驗及實驗室測試收入和廣告收入於提供有關服務時確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable before 1 January 2018) (continued)

(d) IVAS revenue

The Group generates revenue from IVAS. Revenue from IVAS is generated from the Group's online social platforms. Revenue is recognised when persuasive evidence of an arrangement exists, service has been rendered, the price is fixed or determinable and collection is reasonably assured. Revenue is deferred until these criteria are met as described below.

The Group operates a virtual currency system, under which, the users can directly purchase virtual currency on a APP via online payment systems provided by third parties including payments using mobile phones, internet debit/credit cards and other third party payment systems. The virtual currency can be used to purchase virtual items and virtual services on the APP.

The Group creates and offers consumable and durable virtual items to be used by users on the Group's online social platforms and other services, which the Group operates and maintains. The virtual items are sold to users at different specified prices as predetermined by the Group. Users purchase virtual items from the Group and present them to other users for appreciation or consumption by themselves, which provide users with recognised status, such as priority speaking rights or special symbols over a certain period of time on the APP.

Upon the sales of the virtual currency, the Group typically has an implied obligation to provide services to enable the virtual currency to be consumed in the APP through the virtual items and virtual services in the APP. As a result, the proceeds received from sales of the virtual currency are initially recorded as deferred revenue. The attributable portion of the deferred revenue relating to values of the virtual currency consumed is immediately or ratably recognised as revenue only when the services are rendered to the respective users.

2.4 主要會計政策概要(續)

收益確認(於二零一八年一月一日前應用)(續)

(d) 互聯網增值服務收益

本集團透過互聯網增值服務賺取收益。互聯網增值服務收益源自本集團之網上社交平台。當存在安排之具說服力證據、已提供服務、售價已釐定或可釐定，以及可合理確保收取款項時，即確認收益。收益將予遞延，直到達成下文所述標準為止。

本集團經營虛擬貨幣系統，據此，用戶可透過應用程式經第三方所提供線上付款系統直接購買虛擬貨幣，包括使用流動電話、互聯網扣賬卡／信用卡及其他第三方付款系統進行付款。虛擬貨幣可用作於應用程式上購買虛擬物品及虛擬服務。

本集團創建及提供消耗性及持久性虛擬物品，供用戶於本集團所經營及維護之網上社交平台及其他服務使用。虛擬物品按本集團預設之不同指定價格售予用戶。用戶向本集團購買虛擬物品，並轉贈其他用戶以表謝意或自用，此舉可提升客戶等級，例如於一段時間內在應用程式上享有優先發言權或特殊符號。

銷售虛擬貨幣後，本集團通常有隱含義務提供服務，以便透過應用程式以虛擬貨幣消費虛擬物品及虛擬服務。因此，銷售虛擬貨幣所得款項最初記錄為遞延收益。與所消費虛擬貨幣價值有關之遞延收益可歸屬部分僅於提供服務予相應用戶時即時或按比例確認為收益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable before 1 January 2018) (continued)

(d) IVAS revenue (continued)

For the purposes of determining when services have been provided to the respective users, the Group has determined that consumable virtual items represent items that are extinguished after being consumed by the users, upon which revenue is recognised (as a release from deferred revenue). The Group has determined that durable virtual items are distinguished over the time when the durable virtual items are consumed by the users (e.g. when the special symbols are displayed as the users' APP). Accordingly, the related revenue is recognised over such consumption or display period.

- (e) Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

Contract liabilities (applicable from 1 January 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Share-based payments

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

2.4 主要會計政策概要(續)

收益確認(於二零一八年一月一日前應用)(續)

(d) 互聯網增值服務收益(續)

為確定向相應用戶提供服務之時間，本集團將消耗性虛擬物品界定為用戶消費後撇銷之項目，並即時確認收益(從遞延收益中解除)。本集團釐定持久性虛擬物品將於用戶消費持久性虛擬物品期間(例如當特殊符號顯示於用戶應用程式時)隨時間區分。因此，相關收益於上述消費或顯示期內確認。

- (e) 利息收入按金融工具之估計年期以實際利率法將估計未來現金收入精確貼現至金融資產賬面淨值而累計。

合約負債(自二零一八年一月一日起適用)

合約負債指本集團已收取代價(或代價金額已到期應付)而須向客戶轉讓貨品或服務的責任。倘客戶於本集團轉讓貨品或服務予客戶前支付代價，則於支付款項或到期應付款項時(以較早者為準)確認合約負債。當本集團履約時，合約負債確認為收益。

以股份支付

本公司設有購股權計劃，以獎勵及酬謝為本集團業務取得成功作出貢獻之合資格參與者。本集團之僱員(包括董事)會收取以股份支付形式付出之酬金，而僱員會提供服務作為換取股本工具之代價(「以股權支付交易」)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

The cost of equity-settled transactions with employees for grants after 29 August 2011 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes model, further details of which are given in Note 27 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

2.4 主要會計政策概要(續)

以股份支付(續)

就二零一一年八月二十九日後之授出而與僱員進行以股權支付交易之成本乃參考授出當日之公平值計算。公平值由外聘估值師採用柏力克—舒爾斯模式釐定，進一步詳情載於財務報表附註27。

以股權支付交易之成本(連同股本之相應增加)會於達到表現及/或服務條件之期間於僱員福利開支確認。由各報告期末至歸屬日期間就以股權支付交易確認之累計開支，反映歸屬期屆滿時之程度，以及本集團對最終歸屬股本工具數目之最佳估計。期內於損益表扣除或計入之數額，乃期初與期終確認之累計開支之變動。

服務及非市場表現條件非考慮授出獎勵當日公平值之考慮因素，但能否滿足該等條件之可能性則構成本集團對最終歸屬之權益工具數量之最佳估計一部分。市場表現條件已反映於授出權利當日之公平值。任何與獎勵相關之其他條件，但不屬於相關服務必要條件，均考慮作非歸屬條件。除非附帶服務及/或表現條件，非歸屬條件已反映於獎勵之公平值而該獎勵立即計入開支內。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

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

2.4 主要會計政策概要(續)

以股份支付(續)

由於非市場表現及／或服務條件未能獲滿足，未最終歸屬之獎勵不會確認為開支。當獎勵包括一個市場或非歸屬條件時，於所有其他表現及／或服務條件獲滿足之前提下，無論市場或非歸屬條件是否獲滿足，有關交易均被視為已歸屬。

當以股權支付報酬之條款作出修訂時，如已符合報酬之原先條款，則會確認最少之開支，猶如條款未曾作出任何修訂。此外，修訂如會導致任何以股份支付之總公平值增加或按修訂日計量對僱員有利，則會就任何有關修訂確認開支。

當以股權支付報酬註銷時，會視作報酬已於註銷當日經已歸屬，而報酬尚未確認之任何開支會即時予以確認。此包括屬本集團或僱員控制範圍內之非歸屬條件並無達到之任何報酬。然而，倘註銷之報酬有任何替代新報酬，並指定為授出當日之替代報酬，則該項註銷及新報酬會如上段所述被視為原有報酬之修訂般處理。

未行使購股權之攤薄影響在計算每股盈利時反映為額外股份攤薄。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits

(i) Pension schemes

Defined contribution pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance, for those employees 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 the statement of 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 Mainland China and other overseas countries are required to participate in the pension scheme operated by the local municipal government. Contributions are made based on the requirements of the respective local municipal government, the contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 主要會計政策概要(續)

其他僱員福利

(i) 退休金計劃

定額供款退休金計劃

本集團根據強制性公積金計劃條例實行定額供款強制性公積金退休福利計劃(「強積金計劃」)，對象為合資格參與強積金計劃之僱員。供款乃按僱員之基本薪金百分比計算，並按強積金計劃之規則於應付時自損益表中扣除。強積金計劃之資產與本集團資產分開持有，另由獨立運作之基金管理。本集團就強積金計劃所作之僱主供款，於供款時即全數歸僱員所有。

本集團於中國內地及其他海外國家經營之附屬公司之僱員須參加當地市政府運作之退休金計劃。供款乃根據各地方市政府之要求而作出，該供款乃根據中央退休金計劃之規則於應付時自損益表中扣除。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits (continued)

(i) Pension schemes (continued)

Defined benefit pension scheme

The Group operates a defined benefit pension plan, which requires contributions to be made to a separately administered fund, for those employees who are eligible to participate in the scheme. The cost of providing benefits under the defined benefit plan is determined separately using the projected unit credit valuation method.

Remeasurements arising from the defined benefit pension plan, comprising actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained profits through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises restructuring-related costs.

2.4 主要會計政策概要(續)

其他僱員福利(續)

(i) 退休金計劃(續)

定額福利退休金計劃

本集團實行一項定額福利退休金計劃，該計劃要求本集團為合資格參與該計劃之僱員向獨立運作之基金作出供款。根據該等定額福利計劃提供福利之成本乃按預測單位信貸估值法單獨釐定。

因定額福利退休金計劃而產生之重新計量，包括精算收益及虧損、資產上限之影響(不包括計入定額福利負債淨額之利息淨額的款項)以及計劃資產之回報(不包括計入定額福利負債淨額之利息淨額的款項)，即時於綜合財務狀況表中確認，並透過其產生期間之其他全面收入於保留溢利內相應記入借方或記入貸方。重新計量於隨後期間不會重新分類至損益。

過往服務成本按下列較早者於損益內確認：

- 計劃修訂或縮減之日期；及
- 本集團確認重組相關成本之日期。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits (continued)

(i) Pension schemes (continued)

Defined benefit pension scheme (continued)

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under "General and administrative expenses" in the consolidated statement of profit or loss by function:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- net interest expense or income.

(ii) Employee leave entitlements

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the end of the reporting period is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the end of the reporting period for the expected future cost of such paid leave earned during the year by the employees and carried forward.

(iii) Termination benefits

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

2.4 主要會計政策概要(續)

其他僱員福利(續)

(i) 退休金計劃(續)

定額福利退休金計劃(續)

利息淨額乃採用貼現率將定額福利負債或資產淨值進行貼現計算。本集團在綜合損益表「一般及行政開支」中按功能確認定額福利責任淨值之下列變動：

- 服務成本(包括當期服務成本、過往服務成本、縮減及不定期結算之收益及虧損)
- 利息開支或收入淨額。

(ii) 僱員休假權利

本集團根據僱員合約按曆年基準向其僱員提供有薪年假。於若干情況下，於報告期末仍未支取之年假容許結轉，留待有關僱員於來年享用。於本年度由僱員享有及結轉之有薪假期之預期日後成本於報告期末累計。

(iii) 離職福利

離職福利於本集團不再能夠撤回該等福利之提供時及本集團確認涉及支付離職福利之重組成本時(以較早者為準)確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and association and bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in US\$, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

2.4 主要會計政策概要(續)

股息

末期股息於股東在股東大會上批准時確認為負債。建議末期股息於財務報表附註內披露。

由於本公司之組織章程大綱及細則以及公司細則授予董事宣派中期股息之權力，故中期股息同時予以建議及宣派。因此，中期股息於建議及宣派時即時確認為負債。

外幣

本財務報表乃以美元(即本公司之功能貨幣)呈列。本集團內各實體自行釐定其功能貨幣，計入各實體財務報表之項目乃以該功能貨幣計量。本集團屬下實體所記錄之外幣交易按交易當日適用相應功能貨幣匯率首次入賬。以外幣列賬之貨幣資產及負債按報告期末適用之功能貨幣匯率換算。結算或換算貨幣項目產生之差額於損益表確認。

結算或換算貨幣項目產生之差額於損益表確認，惟指定為本集團對沖海外業務淨投資其中一部分之貨幣項目除外，有關貨幣項目於其他全面收入確認，直至出售有關淨投資為止，屆時累計金額重新分類至損益表。該等貨幣項目之匯兌差額所產生稅項支出及抵免亦記入其他全面收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries and a joint venture are currencies other than the US\$. As at the end of the reporting period, the assets and liabilities of these entities are translated into US\$ at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into US\$ at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into US\$ at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into US\$ at the weighted average exchange rates for the year.

2.4 主要會計政策概要(續)

外幣(續)

以外幣歷史成本計算之非貨幣項目按首次交易當日之匯率換算。以外幣公平值計算之非貨幣項目則採用計量公平值當日之匯率換算。換算按公平值計量之非貨幣項目產生之收益或虧損按與確認項目公平值變動之收益或虧損一致之方式處理(即公平值收益或虧損於其他全面收入或損益中確認之項目之匯兌差額亦分別於其他全面收入或損益中確認)。

若干海外附屬公司及合營公司以美元以外之貨幣作為功能貨幣。於報告期末，該等實體之資產及負債已按報告期末適用之匯率換算為美元，而其損益表已按年內加權平均匯率換算為美元。

由此產生之匯兌差額在其他全面收入中確認，並在外匯波動儲備中累計。出售海外業務時，其他全面收入中有關該項特定海外業務之成份於損益表中確認。

因收購海外業務而產生之任何商譽及對收購所產生資產及負債賬面值之公平值調整作為海外業務之資產及負債處理，並按收市匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期之適用匯率換算為美元。海外附屬公司於整年持續產生之經常性現金流量按年內加權平均匯率換算為美元。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Accounting for companies governed under contractual arrangements as subsidiaries

The Group's operation of online social platforms business is carried out through a domestic company, established under the laws of the People's Republic of China (the "PRC"), namely Loovee Science and Technology Development Co. Ltd.* (深圳市樂唯科技開發有限公司) ("Loovee Development"). Loovee Development holds the necessary licenses and approvals to operate internet-related businesses in the PRC.

The Company does not have any equity interest in Loovee Development. The directors of the Company assessed whether or not the Group has control over Loovee Development based on whether the Group has the power over Loovee Development, has rights to variable returns from its involvement with Loovee Development and has the ability to affect those returns through its power over Loovee Development. After assessment, the directors of the Company concluded that the Group has control over Loovee Development as a result of the contractual arrangements as detailed in note 40 and other measures. Accordingly, the Group has consolidated the financial information of Loovee Development and its subsidiaries in the consolidated financial statements during the year.

* For identification purpose only

3. 主要會計判斷及估計

編製本集團財務報表需要管理層作出判斷、估計及假設，此等判斷、估計及假設會影響收益、開支、資產及負債之呈報金額及附帶披露事項以及或然負債之披露。該等假設及估計之不確定因素可能導致未來須對受影響資產或負債之賬面值作出重大調整。

判斷

於應用本集團會計政策之過程中，除涉及估計之判斷外，管理層已作出以下對財務報表已確認金額構成重大影響之判斷：

受合約安排規管之公司作為附屬公司入賬

本集團透過深圳市樂唯科技開發有限公司(「樂唯開發」)(根據中華人民共和國(「中國」)法律成立之國內公司)進行經營網上社交平台業務。樂唯開發持有於中國經營互聯網相關業務之必要牌照及批准。

本公司於樂唯開發並無任何股權。本公司董事評估本集團是否於樂唯開發擁有控制權時，乃基於本集團是否於樂唯開發擁有權力、是否享有參與樂唯開發業務所得可變回報之權利，以及能否運用對樂唯開發之權力影響該等回報。於評估後，本公司董事認為，基於附註40所詳述合約安排及其他措施，本集團於樂唯開發擁有控制權。因此，本集團將本年度樂唯開發及其附屬公司之財務資料於綜合財務報表綜合計算。

* 僅供識別

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

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

Impairment of goodwill and other intangible assets

The Group determines whether goodwill and other intangible assets are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill and other intangible assets are allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of goodwill and other intangible assets at 31 December 2018 were Nil (31 December 2017: US\$68,531,000) and US\$18,476,000 (31 December 2017: US\$54,565,000) respectively. More details are given in Notes 13 and 14 to the financial statements.

Provision for ECLs on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

3. 主要會計判斷及估計(續)

估計之不確定性

下文討論於報告期末極可能導致資產及負債賬面值須於下一財政年度內作出重大調整之未來重要假設及估計不確定性之其他重要來源。

商譽及其他無形資產減值

本集團至少每年釐定商譽及其他無形資產是否出現減值。此舉要求估計已獲分配商譽及其他無形資產之現金產生單位之使用價值。估計使用價值要求本集團對來自現金產生單位之預期未來現金流量作出估計，亦須選擇合適貼現率計算該等現金流量之現值。於二零一八年十二月三十一日，商譽及其他無形資產之賬面值分別為零(二零一七年十二月三十一日：68,531,000美元)及18,476,000美元(二零一七年十二月三十一日：54,565,000美元)。進一步詳情載於財務報表附註13及14。

應收貿易賬款之預期信貸虧損撥備

本集團以撥備矩陣計算應收貿易賬款的預期信貸虧損。撥備率乃以各個具有類似虧損模式的客戶分部分組的逾期日數為基準。

撥備矩陣初步按本集團過往觀察到的違約率計算得出。本集團將調整矩陣以調整過往信貸虧損經驗與前瞻性資料。於各報告日期，過往觀察到的違約率將予更新，並分析未來其可能發生的變化。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Provision for ECLs on trade receivables (continued)

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 19 to the financial statements.

Income tax and deferred tax

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining the amount of the provision for tax and the timing of payment of the related taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group also received tax queries from the Inland Revenue Department in Hong Kong (the "IRD"). The related uncertain tax provision is further explained in Note 9. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and deferred tax provisions in the periods in which such determination is made. The carrying amount of deferred tax asset and liabilities as at 31 December 2018 was US\$4,000 (31 December 2017: US\$12,000) and US\$4,632,000 (31 December 2017: US\$13,659,000) respectively. The carrying amount of tax payable as at 31 December 2018 was US\$2,446,000 (31 December 2017: US\$2,487,000).

3. 主要會計判斷及估計(續)

估計之不確定性(續)

應收貿易賬款之預期信貸虧損撥備(續)

對過往觀察到的違約率、預測經濟狀況及預期信貸虧損之間的相關性評估為一項重要估計。預期信貸虧損的金額易受環境變化及預測經濟狀況所影響。本集團的過往信貸虧損經驗及經濟狀況預測亦可能無法代表未來客戶的實際違約。有關預期信貸虧損對本集團應收貿易賬款的資料披露於財務報表附註19。

所得稅及遞延稅項

本集團須繳納多個司法權區之所得稅。於釐定稅項撥備金額及支付有關稅項之時間時須作出重大判斷。日常業務過程中多項交易及計算方式導致不能明確釐定最終稅項。本集團亦接獲香港稅務局(「稅務局」)之稅務查詢，有關不確定稅項撥備於附註9進一步闡釋。倘該等事宜之最終結果與最初記錄金額不同，該差額將影響有關釐定期間之所得稅及遞延稅項撥備。於二零一八年十二月三十一日，遞延稅項資產及負債之賬面值分別為4,000美元(二零一七年十二月三十一日：12,000美元)及4,632,000美元(二零一七年十二月三十一日：13,659,000美元)。於二零一八年十二月三十一日，應付稅項之賬面值為2,446,000美元(二零一七年十二月三十一日：2,487,000美元)。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Income tax and deferred tax (continued)

Deferred tax assets are recognised for unused tax losses carried forward to the extent that it is probable (i.e., more likely than not) that future taxable profits will be available against which the unused tax losses can be utilised, based on all available evidence. Recognition primarily involves judgement regarding the future performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portions or all of the deferred tax assets will ultimately be realised, such as the existence of taxable temporary differences, tax planning strategies and the periods in which estimated tax losses can be utilised. The carrying amount of deferred tax assets and related financial models and budgets are reviewed at the end of each reporting period and to the extent that there is insufficient convincing evidence that sufficient taxable profits will be available within the utilisation periods to allow utilisation of the tax losses carried forward, the asset balance will be reduced and charged to the statement of profit or loss.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their nature of business and has three reportable operating segments as follows:

- (a) trading and supply chain management services;
- (b) operation of online social platforms; and
- (c) money lending business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment loss, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that interest income, gain on disposal of subsidiaries, gain on dissolution of a subsidiary, share of loss of a joint venture as well as corporate and other unallocated expenses are excluded from such measurement.

3. 主要會計判斷及估計(續)

估計之不確定性(續)

所得稅及遞延稅項(續)

遞延稅項資產乃就結轉未動用稅項虧損確認，惟只限於所有可得憑證顯示可能(即可能性大於不出現)有未來應課稅溢利可以未動用稅項虧損抵銷。確認主要涉及之判斷與確認遞延稅項資產之特定法律實體或稅務組別之未來表現有關。考慮有否可信服憑證顯示可能有部分或全部遞延稅項資產最終將獲變現時亦會評估多項其他因素，例如是否存在應課稅暫時差額、稅務規劃策略及可動用估計稅項虧損之期間。於各報告期末檢討遞延稅項資產之賬面金額及相關財務模型與預算，倘缺乏充份可信服憑證顯示於動用期內將有足夠應課稅溢利以容許動用結轉稅項虧損，則資產結餘將予減少並於綜合損益表內扣除。

4. 經營分類資料

就管理而言，本集團按業務性質劃分其業務單位，並有以下三個可呈報之經營分類：

- (a) 貿易及供應鏈管理服務；
- (b) 經營網上社交平台；及
- (c) 貸款業務。

管理層分開監察本集團經營分類之業績，以就資源分配及表現評估方面作出決定。分類表現乃根據經調整除稅前虧損而計量之可呈報分類虧損作出評估。經調整除稅前虧損之計量方法與本集團除稅前虧損一致，惟利息收入、出售附屬公司之收益、解散一家附屬公司之收益、應佔一家合營公司之虧損以及企業及其他未分配開支則不包括於該計量中。

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4. OPERATING SEGMENT INFORMATION

(continued)

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 經營分類資料(續)

內部間之銷售及轉讓乃根據以當時市價向第三方進行銷售之售價作交易。

		Trading and supply chain management services 貿易及供應 鏈管理服務 US\$'000 千美元	Operation of online social platforms 經營網上 社交平台 US\$'000 千美元	Money lending business 貸款業務 US\$'000 千美元	Total 合計 US\$'000 千美元
Year ended	截至二零一八年				
31 December 2018	十二月三十一日止年度				
Segment revenue:	分類收益：				
Revenue from external customers	來自外界客戶 之收益	63,968	43,545	-	107,513
Segment results	分類業績	(10,814)	(79,702)	(7)	(90,523)
Bank interest income	銀行利息收入				30
Gain on disposal of subsidiaries	出售附屬公司之收益				7
Gain on dissolution of a subsidiary	解散一家附屬公司 之收益				8
Share of loss of a joint venture	應佔一家合營公司之虧損				(1)
Corporate and other unallocated expenses	企業及其他未分配 開支				(2,231)
Loss before tax	除稅前虧損				(92,710)
Income tax credit	所得稅抵免				8,536
Loss for the year	年度虧損				(84,174)
Other segment information:	其他分類資料：				
Impairment losses on goodwill	商譽減值虧損	12,733	53,763	-	66,496
Impairment losses on other intangible assets	其他無形資產 減值虧損	-	21,747	-	21,747
Amortisation of other intangible assets	其他無形資產攤銷	-	13,266	-	13,266
Depreciation	折舊	150	193	-	343
Capital expenditures	資本開支	68	414	-	482
Impairment of trade receivables	應收貿易賬款減值	54	-	-	54

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4. OPERATING SEGMENT INFORMATION

(continued)

4. 經營分類資料(續)

	Trading and supply chain management services 貿易及供應 鏈管理服務 US\$'000 千美元	Operation of online social platforms 經營網上 社交平台 US\$'000 千美元	Money lending business 貸款業務 US\$'000 千美元	Total 合計 US\$'000 千美元	
Eight months ended 31 December 2017	截至二零一七年 十二月三十一日止八個月				
Segment revenue:	分類收益：				
Revenue from external customers	來自外界客戶之 收益	63,682	14,750	95	78,527
Segment results	分類業績	(9,927)	(65,981)	32	(75,876)
Bank interest income	銀行利息收入				9
Share of loss of a joint venture	應佔一家合營公司之虧損				(1)
Corporate and other unallocated expenses	企業及其他未分配 開支				(2,012)
Loss before tax	除稅前虧損				(77,880)
Income tax credit	所得稅抵免				1,690
Loss for the period	期間虧損				(76,190)
Other segment information:	其他分類資料：				
Impairment losses on goodwill	商譽減值虧損	13,600	59,458	40	73,098
Amortisation of other intangible assets	其他無形資產攤銷	-	7,641	-	7,641
Depreciation	折舊	111	98	-	209
Capital expenditures	資本開支	152	267	-	419
Impairment of trade receivables	應收貿易賬款減值	171	-	-	171

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4. OPERATING SEGMENT INFORMATION

(continued)

Geographical information

(a) Revenue from external customers

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
PRC	中國	47,008	17,350
Australia	澳洲	18,546	25,296
North America	北美洲	18,113	19,183
Africa	非洲	14,514	10,383
Europe	歐洲	7,592	5,109
Others	其他	1,740	1,206
		107,513	78,527

The revenue information above is based on the location of the customers.

上述收益資料乃根據客戶所在地呈列。

(b) Non-current assets

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
PRC	中國	18,888	110,499
Hong Kong	香港	614	13,467
Others	其他	47	83
		19,549	124,049

The non-current assets information above is based on the location of assets and excludes an available-for-sale financial asset, a financial asset at fair value through profit or loss and a deferred tax asset.

上述非流動資產資料乃根據資產所在地呈列，並不包括一項可供出售金融資產、一項按公平值計入損益之金融資產及遞延稅項資產。

4. 經營分類資料(續)

地域資料

(a) 來自外界客戶之收益

(b) 非流動資產

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4. OPERATING SEGMENT INFORMATION

(continued)

Information about major customers

Revenue from major customers, which individually amounted to 10% or more of the Group's revenue, is set out below:

	Operating segment	Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
	經營分類		
Customer A	Trading and supply chain management services	17,598	24,298
客戶 A	貿易及供應鏈管理服務		
Customer B	Trading and supply chain management services	14,514	13,696
客戶 B	貿易及供應鏈管理服務		
Customer C	Trading and supply chain management service	N/A*	10,383
客戶 C	貿易及供應鏈管理服務		
		32,112	48,377

* Smaller than 10%

* 少於10%

4. 經營分類資料(續)

有關主要客戶之資料

來自主要客戶(每名該等客戶佔本集團收益10%或以上)之收益載列如下:

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5. REVENUE AND OTHER INCOME

An analysis of the revenue is as follows:

5. 收益及其他收入

收益之分析如下：

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
Revenue from contracts with customers	與客戶的合約收益	107,513	–
Sales of merchandise	商品銷售	–	55,206
Commission income	佣金收入	–	8,474
IVAS revenue	互聯網增值服務收益	–	10,395
Advertising and other services income	廣告及其他服務收入	–	4,357
Interest income from money lending business	貸款業務之利息收入	–	95
		107,513	78,527

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5. REVENUE AND OTHER INCOME (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

5. 收益及其他收入(續)

與客戶的合約收益

(i) 收益分拆資料

		Trading and supply chain management services 貿易及供應鏈管理服務 US\$'000 千美元	Operation of online social platforms 經營網上社交平台 US\$'000 千美元	Total 合計 US\$'000 千美元
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度			
Type of goods or services	貨品或服務類型			
Sales of merchandise	商品銷售	51,884	–	51,884
Commission income	佣金收入	12,084	–	12,084
IVAS revenue	互聯網增值服務收益	–	32,801	32,801
Advertising and other services income	廣告及其他服務收入	–	10,744	10,744
Total revenue from contracts with customers	與客戶的合約收益總額	63,968	43,545	107,513
Geographical markets	地區市場			
PRC	中國	3,463	43,545	47,008
Australia	澳洲	18,546	–	18,546
North America	北美洲	18,113	–	18,113
Africa	非洲	14,514	–	14,514
Europe	歐洲	7,592	–	7,592
Others	其他	1,740	–	1,740
Total revenue from contracts with customers	與客戶的合約收益總額	63,968	43,545	107,513
Timing of revenue recognition	收益確認之時間			
Goods/services transferred at a point in time	於某一時點轉移貨品/服務	63,968	43,545	107,513

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5. REVENUE AND OTHER INCOME (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元
Sales of merchandise	商品銷售	101
IVAS revenue	互聯網增值服務收益	1,172
		1,273

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of merchandise

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

Commission income

The performance obligation is satisfied upon delivery of the underlying goods procured by the Group and payment is generally due within 30 to 60 days from the invoice date.

5. 收益及其他收入(續)

與客戶的合約收益(續)

(i) 收益分拆資料(續)

下表顯示於報告期初包含在合約負債中並於本報告期內確認的收益金額：

(ii) 履約責任

本集團履約責任的資料概述如下：

商品銷售

履約責任在交付貨品時履行，付款通常於交付後起計30至90天內到期，惟新客戶一般會被要求預付款項。

佣金收入

履約責任在交付本集團採購之相關貨品時履行，付款通常自發票日期起計30至60天內到期。

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5. REVENUE AND OTHER INCOME (continued)

Revenue from contracts with customers (continued)

(ii) Performance obligations (continued)

IVAS revenue

The performance obligation is satisfied when persuasive evidence of an arrangement exists, service has been rendered, the price is fixed or determinable and collection is reasonably assured. Revenue is deferred until these criteria are met. Details of IVAS revenue and its recognition are set out in Note 2.4.

Advertising and other service income

The performance obligation is satisfied when the services are rendered and payment is generally due within 30 days from the invoice date.

5. 收益及其他收入(續)

與客戶的合約收益(續)

(ii) 履約責任(續)

互聯網增值服務收益

履約責任在當具說服力證據之安排出現，已提供服務、售價已釐定或可釐定，以及可合理確保收取款項時履行。收益將予遞延，直到達成有關標準為止，有關互聯網增值服務收益及其確認的詳情載於附註2.4。

廣告及其他服務收入

履約責任在提供服務時履行，付款通常自發票日期起計30天內到期。

An analysis of the Group's other income is as follows:

本集團之其他收入之分析如下：

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
Other income	其他收入		
Bank interest income	銀行利息收入	30	9
Reimbursement income from customers	來自客戶之償付收入	1	1
Handling fee income	手續費收入	105	81
Inspection and laboratory test income	檢驗及實驗室測試收入	61	72
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益之金融資產 之公平值收益	41	-
Others	其他	608	380
		846	543

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6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/
(crediting):

6. 除稅前虧損

本集團之除稅前虧損乃經扣除／(計入)以下各項：

			Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十日 止八個月 US\$'000 千美元
		Note 附註		
Cost of inventories sold*	已售存貨之成本*		45,475	48,416
Cost of services provided*	已提供服務之成本*		34,324	11,866
Depreciation	折舊	12	343	209
Amortisation of other intangible assets*	其他無形資產攤銷*	14	13,266	7,641
Research and development costs*:	研發成本*:			
Current year expenditure	本年度開支		1,183	1,149
Minimum lease payments under operating leases:	經營租賃下 最低租金付款:			
Furniture and equipment	傢俬及設備		75	372
Office premises and staff quarters	辦公室單位及員工宿舍		1,919	1,595
			1,994	1,967
Auditor's remuneration	核數師酬金		317	457
Employee benefit expense (including directors' remuneration – Note 7):	僱員福利開支 (包括董事薪酬 (附註7):			
Salaries, bonuses and allowances	薪金、花紅及津貼		13,366	9,501
Staff welfare and benefits	員工福利及福祉		1,541	1,024
Pension scheme contributions^	退休金計劃供款^			
– defined contribution scheme	– 定額供款計劃		427	229
– defined benefit plans	– 定額福利計劃	25(a)	10	12
			15,344	10,766
Equity-settled share option expense	以股權支付之購股權費用	27	117	94
Foreign exchange differences, net	匯兌差額淨額		(55)	(173)
Impairment losses on goodwill	商譽減值虧損	13	66,496	73,098
Impairment losses on other intangible assets	其他無形資產減值 虧損	14	21,747	–
Impairment of trade receivables	應收貿易賬款減值	19	54	171
Write-down of inventories	存貨撇減		62	78
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益之 金融資產之公平值收益	15(a)	(41)	–
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備之收益		(19)	(22)
Gain on disposal of subsidiaries	出售附屬公司之收益	29	(7)	–
Gain on dissolution of a subsidiary	解散一家附屬公司之收益	30	(8)	–

* Included in cost of sales in the consolidated statement of profit or loss.

* 計入綜合損益表之銷售成本內。

^ At 31 December 2018, the Group had no material forfeited contributions available to reduce its contributions to the pension schemes in future years (2017: Nil).

^ 於二零一八年十二月三十一日，本集團並無重大已沒收退休金計劃供款可供抵銷未來供款(二零一七年：無)。

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7. DIRECTORS' REMUNERATION

Directors' remuneration for the year/period, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

7. 董事薪酬

本年度／期間根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部須予披露之董事薪酬如下：

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十日 止八個月 US\$'000 千美元
Fees	袍金	262	176
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,368	910
Pension scheme contributions	退休金計劃供款	67	49
		1,435	959
Total	總計	1,697	1,135

Notes to the Financial Statements

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7. DIRECTORS' REMUNERATION (continued)

The emoluments of each director are set out below:

7. 董事薪酬(續)

每名董事之酬金載列如下：

Year ended	截至二零一八年	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
31 December 2018	十二月三十一日止年度	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		千美元	薪金、津貼及實物利益	表現掛鈎花紅	退休金計劃供款	總薪酬
		千美元	千美元	千美元	千美元	千美元
Executive Directors:	執行董事：					
YU Lei (i)	余磊 (i)	-	200	-	2	202
WONG Hing Lin, Dennis	黃慶年	-	615	280	62	957
HO Chi Kin (ii)	何致堅 (ii)	-	154	13	2	169
TSANG Chun Ho Anthony (also known as Zichen) (iii)	曾俊豪 (亦稱為子辰) (iii)	-	106	-	1	107
Non-executive Director:	非執行董事：					
ZHOU Xijian	周希儉	154	-	-	-	154
Independent non-executive Directors:	獨立非執行董事：					
WANG Arthur Minshiang	王敏祥	46	-	-	-	46
LAU Shu Yan	劉樹人	31	-	-	-	31
ZHANG Huijun	張會軍	31	-	-	-	31
		262	1,075	293	67	1,697

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7. DIRECTORS' REMUNERATION (continued)

7. 董事薪酬(續)

Eight months ended 31 December 2017	截至二零一七年 十二月三十一日止八個月	Fees 袍金 US\$'000 千美元	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration	
			薪金、津貼及 實物利益 US\$'000 千美元	表現掛鈎 花紅 US\$'000 千美元	退休金 計劃供款 US\$'000 千美元	總薪酬 US\$'000 千美元	
Executive Directors:		執行董事：					
	ZHANG Qi	張琦	-	125	-	10	135
	WONG Hing Lin, Dennis	黃慶年	-	386	320	39	745
	ZHANG Jifeng (iv)	張繼峰(iv)	-	57	-	-	57
	TSANG Chun Ho Anthony (also known as Zichen) (iii)	曾俊豪 (亦稱為子辰)(iii)	-	22	-	-	22
Non-executive Director:		非執行董事：					
	ZHOU Xijian	周希儉	103	-	-	-	103
Independent non-executive Directors:		獨立非執行董事：					
	WANG Arthur Minshiang	王敏祥	31	-	-	-	31
	LAU Shu Yan	劉樹人	21	-	-	-	21
	ZHANG Huijun	張會軍	21	-	-	-	21
			176	590	320	49	1,135

Notes:

- (i) Appointed with effect from 1 January 2018 and resigned with effect from 1 January 2019.
- (ii) Appointed with effect from 13 February 2018. The amount above includes only his remuneration during his tenure as a director.
- (iii) Resigned with effect from 23 March 2018. The amount above includes only his remuneration from 1 January 2018 to date of resignation.
- (iv) Appointed with effect from 11 January 2017 and resigned with effect from 14 December 2017. The amount above includes only his remuneration during his tenure as a director.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (eight months ended 31 December 2017: Nil).

During the year ended 31 December 2018, no emolument was paid to or receivable by any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office as a director of any member of the Group or of any other office in connection with the management of the Group (eight months ended 31 December 2017: Nil).

附註：

- (i) 自二零一八年一月一日起獲委任，並自二零一九年一月一日起辭任。
- (ii) 自二零一八年二月十三日起獲委任。上述金額僅包括彼擔任董事期間之薪酬。
- (iii) 自二零一八年三月二十三日起辭任。上述金額僅包括自二零一八年一月一日起至辭任日期之薪酬。
- (iv) 自二零一七年一月十一日起獲委任，並自二零一七年十二月十四日起辭任。上述金額僅包括彼擔任董事期間之薪酬。

年內概無董事放棄或同意放棄任何酬金之安排(截至二零一七年十二月三十一日止八個月：無)。

於截至二零一八年十二月三十一日止年度，並無向任何董事支付或應付酬金作為其加盟或於加盟本集團時之獎勵，或作為本集團任何成員公司之董事或有關本集團管理層之任何其他職位之離職補償(截至二零一七年十二月三十一日止八個月：無)。

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8. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (eight months ended 31 December 2017: one) directors, details of whose remuneration are set out in Note 7 above. Details of the remuneration for the year of the remaining three (eight months ended 31 December 2017: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

8. 五位最高薪酬僱員

年內五位最高薪酬僱員包括兩位(截至二零一七年十二月三十一日止八個月：一位)董事，其薪酬詳情載於上文附註7。年內，其餘三位(截至二零一七年十二月三十一日止八個月：四位)非本公司董事或行政總裁之最高薪酬僱員之薪酬詳情如下：

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	743	628
Performance related bonus	表現掛鈎花紅	51	41
Pension scheme contributions	退休金計劃供款	17	8
		811	677

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8. FIVE HIGHEST PAID EMPLOYEES (continued)

The number of non-director and non chief executive highest paid employees whose remuneration fell within the following bands presented in Hong Kong dollars ("HK\$") is as follows:

8. 五位最高薪酬僱員(續)

非董事及非行政總裁之最高薪酬僱員以港元(「港元」)呈列之薪酬屬以下範圍之人數如下：

		Number of employees 僱員人數	
		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
HK\$1,000,001 to HK\$1,500,000 (equivalent to US\$128,535 to US\$192,801)	1,000,001 港元至 1,500,000 港元 (相等於 128,535 美元至 192,801 美元)	-	3
HK\$1,500,001 to HK\$2,000,000 (equivalent to US\$192,802 to US\$257,069)	1,500,001 港元至 2,000,000 港元 (相等於 192,802 美元至 257,069 美元)	1	1
HK\$2,000,001 to HK\$3,000,000 (equivalent to US\$257,070 to US\$385,604)	2,000,001 港元至 3,000,000 港元 (相等於 257,070 美元至 385,604 美元)	2	-
		3	4

During the year ended 31 December 2018, no emolument was paid to or received by any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office in connection with the management of the affairs of the Group (eight months ended 31 December 2017: Nil).

截至二零一八年十二月三十一日止年度，概無向任何五位最高薪酬僱員支付或由彼等收取任何酬金作為加盟或於加盟本集團時之獎勵，或作為有關本集團事務管理職位之離職補償(截至二零一七年十二月三十一日止八個月：無)。

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9. INCOME TAX CREDIT

Hong Kong profits tax has been provided at the rate of 16.5% (eight months ended 31 December 2017: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable outside Hong Kong have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

9. 所得稅抵免

香港利得稅乃根據年內於香港產生之估計應課稅溢利按16.5% (截至二零一七年十二月三十一日止八個月：16.5%) 之稅率計算撥備。香港以外地區之應課稅溢利稅項則根據本集團營運所在司法權區之現行稅率計算。

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
Current	即期		
– Hong Kong	– 香港	155	190
– Outside Hong Kong	– 香港以外地區	86	50
Net overprovision in prior years/period	過往年度/期間超額撥備淨額	(28)	(37)
Deferred (Note 17)	遞延(附註17)	(8,749)	(1,893)
Total tax credit for the year/period	年度/期間稅項抵免總額	(8,536)	(1,690)

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9. INCOME TAX CREDIT (continued)

A reconciliation of the tax credit applicable to loss before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax credit at the effective tax rates is as follows:

9. 所得稅抵免(續)

適用於按本公司及其大多數附屬公司所在司法權區法定稅率計算之除稅前虧損之稅項抵免與按實際稅率計算之稅項抵免之對賬如下：

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
Loss before tax	除稅前虧損	(92,710)	(77,880)
Tax at the statutory tax rates	按法定稅率計算之稅項	(15,301)	(12,718)
Adjustments in respect of current tax of previous periods	過往期間即期稅項之調整	(28)	(37)
Effect of different rates for companies operating in other jurisdictions	於其他司法權區所經營公司適用不同稅率之影響	(2,159)	(585)
Income not subject to tax	毋須課稅收入	(3,781)	(1,117)
Expenses not deductible for tax	不可扣稅開支	12,664	12,558
Tax losses utilised from previous periods	動用過往期間之稅項虧損	(9)	(23)
Tax losses not recognised	未確認之稅項虧損	51	228
Others	其他	27	4
Tax credit for the year/period	年度/期間稅項抵免	(8,536)	(1,690)

At the date of this report, the Group received protective assessments amounting to approximately HK\$197,000,000 (equivalent to US\$25,321,000) from the IRD in respect of queries on the modus operandi of the Group and the chargeability of the profits for the years of assessment from 2003/2004 to 2012/2013 (the "Case"). The Group has lodged objections against the protective assessments. In addition, Tax Reserve Certificates amounting to HK\$5,250,000 (equivalent to US\$675,000) have been purchased by two subsidiaries of the Company in pursuit of the holdover of tax demanded under the protective assessments for these years.

於本報告日期，本集團已就有關本集團於二零零三／二零零四年至二零一二／二零一三年評稅年度營運模式及溢利之申報繳稅查詢(「案件」)接獲稅務局保障性評稅約197,000,000港元(相等於25,321,000美元)。本集團已就保障性評稅提出反對。此外，本公司兩家附屬公司已就暫緩繳納此等年度保障性評稅所需支付之稅款購買價值5,250,000港元(相等於675,000美元)之儲稅券。

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9. INCOME TAX CREDIT (continued)

The Group has submitted a settlement proposal as part of a negotiation with the IRD in relation to the Case in April 2015. Subsequent to the submission to the IRD with the assistance of an external tax specialist, the Group kept a close dialogue with the IRD and understood that the IRD required additional evidence from the Group to further assess the tax position. As at the date of these financial statements, the Case was still under negotiation with the IRD. Despite the unknown outcome, the Group is of the view that sufficient tax provisions have been made in the financial statements based on the information available.

10. LOSS PER SHARE

The calculation of the basic loss per share amount is based on the loss for the year/period attributable to owners of the Company, and the weighted average number of ordinary shares in issue during the year/period, after taking into account the Share Subdivision (as defined in note 26(b)) of the Company.

The Group had no dilutive potential ordinary shares in issue for the year/period.

The calculations of the basic and diluted loss per share are based on:

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月
Loss	虧損		
Loss attributable to owners of the Company (US\$'000)	本公司擁有人應佔虧損 (千美元)	(84,160)	(76,187)
Weighted average number of ordinary shares	普通股之加權平均數		
Weighted average number of ordinary shares in issue during the year/period ('000)	年/期內已發行普通股之加權平均數 (千股)	1,509,593	1,452,654

11. DIVIDENDS

The directors do not recommend the payment of any final dividend for the year ended 31 December 2018 (eight months ended 31 December 2017: Nil).

9. 所得稅抵免(續)

於二零一五年四月，本集團就案件向稅務局提交一項和解方案作為與稅務局磋商之一部分。向稅務局提交方案後，本集團在外部稅務專家之協助下與稅務局保持密切對話，並了解到稅務局需要從本集團獲得更多證據以進一步評估稅務狀況。於本財務報表日期，案件仍在與稅務局磋商中。儘管其結果仍未知，惟本集團認為已根據所得資料於財務報表內作出充足稅項撥備。

10. 每股虧損

每股基本虧損乃根據本公司擁有人應佔年度/期間虧損及年/期內已發行普通股之加權平均數計算，並已計及本公司之股份拆細(定義見附註26(b))。

年/期內，本集團並無已發行具攤薄潛力普通股。

每股基本及攤薄虧損乃根據以下數據計算：

11. 股息

董事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(截至二零一七年十二月三十一日止八個月：無)。

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12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 US\$'000 千美元	Furniture and equipment 傢俬及設備 US\$'000 千美元	Motor vehicles 汽車 US\$'000 千美元	Total 合計 US\$'000 千美元
31 December 2018	二零一八年十二月三十一日				
At 1 January 2018:	於二零一八年一月一日				
Cost	成本	2,121	2,258	434	4,813
Accumulated depreciation	累計折舊	(1,937)	(1,946)	(335)	(4,218)
Net carrying amount	賬面淨值	184	312	99	595
At 1 January 2018, net of accumulated depreciation	於二零一八年一月一日，扣除累計折舊	184	312	99	595
Additions	添置	48	380	54	482
Disposals	出售	-	(6)	-	(6)
Depreciation provided during the year	年度撥備折舊	(91)	(213)	(39)	(343)
Exchange realignment	匯兌調整	-	(10)	(2)	(12)
At 31 December 2018, net of accumulated depreciation	於二零一八年十二月三十一日，扣除累計折舊	141	463	112	716
At 31 December 2018:	於二零一八年十二月三十一日：				
Cost	成本	2,153	2,541	412	5,106
Accumulated depreciation	累計折舊	(2,012)	(2,078)	(300)	(4,390)
Net carrying amount	賬面淨值	141	463	112	716
31 December 2017	二零一七年十二月三十一日				
At 1 May 2017:	於二零一七年五月一日				
Cost	成本	1,876	2,191	364	4,431
Accumulated depreciation	累計折舊	(1,862)	(1,936)	(364)	(4,162)
Net carrying amount	賬面淨值	14	255	-	269
At 1 May 2017, net of accumulated depreciation	於二零一七年五月一日，扣除累計折舊	14	255	-	269
Acquisition of subsidiaries (Note 28)	收購附屬公司(附註28)	16	66	29	111
Additions	添置	222	107	90	419
Disposals	出售	-	(3)	-	(3)
Depreciation provided during the period	期間撥備折舊	(70)	(118)	(21)	(209)
Exchange realignment	匯兌調整	2	5	1	8
At 31 December 2017, net of accumulated depreciation	於二零一七年十二月三十一日，扣除累計折舊	184	312	99	595
At 31 December 2017:	於二零一七年十二月三十一日：				
Cost	成本	2,121	2,258	434	4,813
Accumulated depreciation	累計折舊	(1,937)	(1,946)	(335)	(4,218)
Net carrying amount	賬面淨值	184	312	99	595

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13. GOODWILL

13. 商譽

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At 1 January/1 May, net of accumulated impairment	於一月一日/五月一日，扣除累計減值	68,531	26,373
Acquisitions of subsidiaries (Note 28)	收購附屬公司(附註28)	-	110,297
Impairment during the year/period (Note 6)	年度/期間減值(附註6)	(66,496)	(73,098)
Exchange realignment	匯兌調整	(2,035)	4,959
At 31 December, net of accumulated impairment	於十二月三十一日，扣除累計減值	-	68,531
At 31 December:	於十二月三十一日：		
Cost	成本	147,553	150,123
Accumulated impairment	累計減值	(147,553)	(81,592)
Net carrying amount	賬面淨值	-	68,531

Impairment testing of goodwill

Goodwill has been allocated to the following cash-generating units for impairment testing:

- Trading and supply chain management services;
- Operation of online social platforms; and
- Others.

商譽減值測試

商譽已分配至下列現金產生單位作減值測試：

- 貿易及供應鏈管理服務；
- 經營網上社交平台；及
- 其他。

13. GOODWILL (continued)

Impairment testing of goodwill (continued)

The recoverable amounts of the cash-generating unit have been determined based on value in use calculation using cash flow projections based on financial budgets approved by senior management. There are a number of assumptions and estimates involved in the preparation of cash flow projections for the period covered by the approved budget. Key assumptions include the expected growth in revenues and gross margin, timing of future capital expenditures, long term growth rates and selection of discount rates. Management prepares the financial budgets reflecting actual and prior year performance and market development expectations. Judgement is required to determine the key assumptions adopted in the cash flow projections and changes to key assumptions can significantly affect these cash flow projections. The discount rates applied to the cash flow projections for trading and supply chain management services, and operation of online social platforms are 8% (2017: 12%) and 27% (2017: 28%) respectively. The discount rate applied to others was 10% as at 31 December 2017. The estimated growth rates used to extrapolate the cash flows projections for trading and supply chain management services, and operation of online social platforms beyond the five-year period are 0% (2017: 0%) and 3% (2017: 2.6%) respectively. The estimated growth rate used to extrapolate the cash flows projections for others beyond the five-year period was 0% as at 31 December 2017.

During the year ended 31 December 2018, the Group recognised impairment losses of US\$12,733,000 and US\$53,763,000 in connection with goodwill allocated to the cash-generating units of trading and supply chain management services and operation of online social platforms, respectively (eight months ended 31 December 2017: impairment losses of US\$13,600,000, US\$59,458,000 and US\$40,000 in connection with the goodwill allocated to trading and supply chain management services, operation of online social platforms and others, respectively), since the values in use of the cash-generating units were below their respective carrying amounts. The impairment losses were recognised based on the results of impairment tests for the goodwill using their values in use in accordance with HKAS 36.

13. 商譽 (續)

商譽減值測試 (續)

現金產生單位的可收回金額乃根據其使用價值釐定，使用價值則以高級管理層批准的財務預算為基準作出的現金流量預測計算。在編製經批准預算適用期間之現金流量預測時涉及大量假設及估計。主要假設包括收益及毛利率之預期增長、未來資本開支之時間性、長期增長率及貼現率之選擇。管理層編製可反映實際及以往年度表現及市場發展預期之財政預算。於釐定現金流量預測所採用之主要假設時需要作出判斷，而主要假設的變動對該等現金流量預測有重大影響。貿易及供應鏈管理服務及經營網上社交平台的現金流量預測採用的貼現率分別為8% (二零一七年：12%)及27% (二零一七年：28%)。於二零一七年十二月三十一日，其他採用的貼現率為10%。推測五年期以外貿易及供應鏈管理服務及經營網上社交平台的現金流量預測所用估計增長率分別為0% (二零一七年：0%)及3% (二零一七年：2.6%)。於二零一七年十二月三十一日，推測五年期以外其他的現金流量預測所用估計增長率為0%。

截至二零一八年十二月三十一日止年度，本集團就分配至貿易及供應鏈管理服務及經營網上社交平台現金產生單位之商譽確認減值虧損分別12,733,000美元及53,763,000美元 (截至二零一七年十二月三十一日止八個月：分配至貿易及供應鏈管理服務、經營網上社交平台及其他現金產生單位之商譽之減值虧損分別為13,600,000美元、59,458,000美元及40,000美元)。此乃由於現金產生單位的使用價值低於其各自賬面值。減值虧損乃根據香港會計準則第36號所採用使用價值計算之商譽減值測試結果確認。

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13. GOODWILL (continued)

The impairment loss of US\$12,733,000 in connection with the goodwill arising from the trading and supply chain management services was mainly a result of an expected future decline in revenue due to a challenging business environment and the fact that the businesses of certain of the Group's customers were also adversely affected by the China-US trade dispute.

The impairment loss of US\$53,763,000 in connection with the goodwill arising from the operation of online social platforms was due to the increasingly challenging and competitive business environment and tightening government policy, and the growth in this segment is expected to be slowing down.

The carrying amounts of goodwill allocated to each of the cash-generating units are as follows:

13. 商譽(續)

與貿易及供應鏈管理服務所產生商譽有關的減值虧損12,733,000美元乃主要由於營商環境充滿挑戰而本集團若干客戶業務亦受到中美貿易爭端的不利影響，導致預期未來收益減少。

與經營網上社交平台所產生有關的商譽減值虧損53,763,000美元乃由於該業務的經營環境挑戰日增及競爭加劇，且政府不斷收緊對該行業的政策，預期該分部的增長將會放緩。

分配至各現金產生單位之商譽的賬面值如下：

		Trading and supply chain management services 貿易及供應鏈管理服務		Operation of online social platforms 經營網上社交平台		Others 其他		Total 總計	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Goodwill	商譽	-	12,733	-	55,798	-	-	-	68,531

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14. OTHER INTANGIBLE ASSETS

14. 其他無形資產

		Technology platform 技術平台 US\$'000 千美元	Non-compete agreement 不競爭協議 US\$'000 千美元	Computer software 電腦軟件 US\$'000 千美元	Total 合計 US\$'000 千美元
31 December 2018	二零一八年十二月三十一日				
At 1 January 2018, net of accumulated amortisation	於二零一八年一月一日，扣除累計攤銷	48,856	5,634	75	54,565
Amortisation provided during the year	年度撥備攤銷	(10,931)	(2,304)	(31)	(13,266)
Impairment during the year	年度減值	(19,978)	(1,746)	(23)	(21,747)
Exchange realignment	匯兌調整	(974)	(101)	(1)	(1,076)
At 31 December 2018	於二零一八年十二月三十一日	16,973	1,483	20	18,476
At 31 December 2018:	於二零一八年十二月三十一日				
Cost	成本	54,076	6,838	91	61,005
Accumulated amortisation and impairment	累計攤銷及減值	(37,103)	(5,355)	(71)	(42,529)
Net carrying amount	賬面淨值	16,973	1,483	20	18,476
31 December 2017	二零一七年十二月三十一日				
Acquisitions of subsidiaries (Note 28)	收購附屬公司(附註28)	52,900	6,700	89	59,689
Amortisation provided during the period	期間撥備攤銷	(6,296)	(1,327)	(18)	(7,641)
Exchange realignment	匯兌調整	2,252	261	4	2,517
At 31 December 2017	於二零一七年十二月三十一日	48,856	5,634	75	54,565
At 31 December 2017:	於二零一七年十二月三十一日				
Cost	成本	55,152	6,961	93	62,206
Accumulated amortisation	累計攤銷	(6,296)	(1,327)	(18)	(7,641)
Net carrying amount	賬面淨值	48,856	5,634	75	54,565

During the year ended 31 December 2018, the Group recognised impairment losses of US\$21,747,000. The impairment was assessed together with the goodwill under the same cash-generating unit of the operation of online social platforms in accordance with HKAS 36, which was disclosed in Note 13.

截至二零一八年十二月三十一日止年度，本集團確認減值虧損21,747,000美元。誠如附註13所披露，該等減值乃根據香港會計準則36號與經營網上社交平台同一現金產生單位項下之商譽一併評估。

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15. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS/AVAILABLE-FOR-SALE FINANCIAL ASSETS

15. 按公平值計入損益之金融資產／可供出售金融資產

	Note	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Financial asset at fair value through profit or loss			
Club membership, at fair value	(a)	270	-
Available-for-sale financial assets			
Non-current:			
Club membership, at fair value	(a)	-	229
Current:			
Unlisted wealth management products, at fair value	(b)	-	765
		-	994

Notes:

附註：

(a) The fair value of the club membership is determined with reference to the market price quoted for the relevant club. The club membership was reclassified from available-for-sale financial asset to financial asset at fair value through profit or loss in accordance with HKFRS 9 at 1 January 2018.

(a) 會所會籍之公平值參照相關會所之市場報價而釐定。於二零一八年一月一日，會所會籍根據香港財務報告準則第9號由可供出售金融資產重新分類至按公平值計入損益之金融資產。

	Note	2018 二零一八年 US\$'000 千美元
At 1 January 2018		-
Reclassified from an available-for-sale financial asset		229
Restated balance at 1 January 2018		229
Fair value gain	6	41
At 31 December 2018		270

(b) The wealth management products were denominated in Renminbi ("RMB") and were fully redeemed by the Group during the year ended 31 December 2018 without any gain.

(b) 理財產品以人民幣(「人民幣」)計值，並已由本集團於截至二零一八年十二月三十一日止年度悉數贖回，並無產生任何收益。

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16. INVESTMENT IN A JOINT VENTURE

16. 於一家合營公司之投資

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Share of net assets	應佔資產淨值	8	9
		8	9

Particulars of the Group's joint venture are as follows:

本集團合營公司之詳情如下：

Name 名稱	Particulars of issued shares held 持有已發行股份之詳情	Place of registration and business 註冊及業務地點	Percentage of 應佔百分比			Principal activities 主要業務
			Ownership interest 所有權	Voting power 投票權	Profit sharing 溢利分享	
CSC Consultancy Co., Ltd. 北京坤格諮詢有限公司	Registered capital of RMB1,500,000 註冊資本人民幣 1,500,000元	People's Republic of China 中華人民共和國	50	50	50	Dormant 暫無業務

The investment in a joint venture is indirectly held by the Company.

於一家合營公司之投資乃由本公司間接持有。

The following table illustrates the financial information of the Group's joint venture which is not material.

下表闡述不屬重大之本集團合營公司之財務資料。

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Share of the joint venture's loss for the year/period and total comprehensive loss for the year/period	應佔合營公司年度／期間虧損 及年度／期間全面虧損總額	(1)	(1)
Carrying amount of the Group's investment in the joint venture	本集團於合營公司之投資之 賬面值	8	9

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17. DEFERRED TAX

Deferred tax asset

The movement in deferred tax asset during the year/period is as follows:

17. 遞延稅項

遞延稅項資產

年/期內遞延稅項資產之變動如下：

		Decelerated tax depreciation allowances 減速稅項 折舊撥備 2018 二零一八年 US\$'000 千美元	Decelerated tax depreciation allowances 減速稅項 折舊撥備 2017 二零一七年 US\$'000 千美元
At beginning of year/period	於年/期初	(12)	(12)
Deferred tax charged to the statement of profit or loss during the year/period (Note 9)	年度/期間於損益表中扣除之遞延稅項(附註9)	8	-
Deferred tax asset at end of year/period	於年/期終之遞延稅項資產	(4)	(12)

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17. DEFERRED TAX (continued)

Deferred tax liabilities

The movements in deferred tax liabilities during the year/period are as follows:

17. 遞延稅項(續)

遞延稅項負債

年/期內遞延稅項負債之變動如下：

		Accelerated tax depreciation allowances	Fair value adjustments arising from acquisition of subsidiaries	Total
		加速稅項 折舊撥備 US\$'000 千美元	收購附屬 公司產生之 公平值調整 US\$'000 千美元	總計 US\$'000 千美元
31 December 2018	二零一八年十二月三十一日			
At beginning of year	於年初	17	13,642	13,659
Deferred tax credited to the statement of profit or loss during the year (Note 9)	年度於損益表中計入之遞延稅項(附註9)	(4)	(8,753)	(8,757)
Exchange differences	匯兌差額	-	(270)	(270)
Deferred tax liabilities at end of year	於年終之遞延稅項負債	13	4,619	4,632
31 December 2017	二零一七年十二月三十一日			
Acquisition of subsidiaries (Note 28)	收購附屬公司(附註28)	-	14,923	14,923
Deferred tax (credited)/charged to the statement of profit or loss during the period (Note 9)	期間於損益表中(計入)/扣除之遞延稅項(附註9)	17	(1,910)	(1,893)
Exchange differences	匯兌差額	-	629	629
Deferred tax liabilities at end of period	於期終之遞延稅項負債	17	13,642	13,659

At 31 December 2018, the Group had tax losses arising in Mainland China of US\$1,031,000 (equivalent to RMB6,885,000) (2017: US\$1,475,000 (equivalent to RMB9,477,000)) that will expire in five years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

There are no income tax consequences attaching to the payments of dividends by the Company to its shareholders.

於二零一八年十二月三十一日，本集團源自中國內地之稅項虧損1,031,000美元(相等於人民幣6,885,000元)(二零一七年：1,475,000美元(相等於人民幣9,477,000元))將於五年內到期，可供抵銷產生虧損公司之未來應課稅溢利。由於被視為不大可能有應課稅溢利可用以抵銷稅項虧損，故未有就有關虧損確認遞延稅項資產。

本公司向其股東派付股息並無附帶所得稅後果。

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18. INVENTORIES

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Finished goods	製成品	262	55

18. 存貨

19. TRADE RECEIVABLES

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Trade receivables	應收貿易賬款	9,342	9,130
Impairment	減值	(568)	(552)
At end of year/period	於年／期末	8,774	8,578

19. 應收貿易賬款

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest-bearing. The carrying amount of the trade receivables approximates to its fair value.

本集團與客戶之貿易條款主要以信貸方式進行，惟新客戶一般會被要求預付款項。信貸期一般為30至90天。每個客戶均有最高信貸限額。本集團務求對尚未收回之應收款項維持嚴格控制，並設有信貸監控部門，以盡量減低信貸風險。高級管理層定期檢討逾期未收之餘額。本集團並無就其應收貿易賬款結餘持有任何抵押品或實施其他加強信貸措施。應收貿易賬款乃不計利息。應收貿易賬款之賬面值與其公平值相若。

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19. TRADE RECEIVABLES (continued)

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, and net of loss allowance, is as follows:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Within 30 days	30天以內	5,521	4,704
31 to 60 days	31至60天	2,158	2,501
61 to 90 days	61至90天	409	343
91 to 365 days	91至365天	686	1,029
Over 1 year	超過一年	–	1
		8,774	8,578

The movements in the loss allowance for impairment of trade receivables are as follows:

19. 應收貿易賬款(續)

於報告期末，應收貿易賬款按發票日期(扣除虧損撥備)之賬齡分析如下：

應收貿易賬款之減值撥備變動如下：

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At beginning of year/period	於年/期初	552	380
Impairment losses recognised (Note 6)	已確認減值虧損(附註6)	54	171
Amount written off as uncollectible	撇銷為不可收回之款項	(38)	(4)
Exchange differences	匯兌差額	–	5
At end of year/period	於年/期終	568	552

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19. TRADE RECEIVABLES (continued)

Impairment under HKFRS 9 for the year ended 31 December 2018

An impairment analysis is performed at the reporting date using a provision matrix to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

		Past due 逾期					Total 總計
		Non pass due 未逾期	Less than 3 months 少於3個月	3 to 6 months 3至6個月	6 to 12 months 6至12個月	Over 12 months 超過12個月	
As at 31 December 2018	於二零一八年十二月三十一日						
Expected credit loss rate	預期信貸虧損率	0.1%	1.5%	13.4%	90.5%	100.0%	6.1%
Gross carrying amount (US\$'000)	賬面總值(千美元)	6,039	2,362	447	284	210	9,342
ECLs (US\$'000)	預期信貸虧損(千美元)	6	35	60	257	210	568

Impairment under HKAS 39 for the eight months ended 31 December 2017

The individually impaired trade receivables as at 31 December 2017 related to customers that were in financial difficulties or were in default of payments and the receivables were not expected to be recovered.

19. 應收貿易賬款(續)

截至二零一八年十二月三十一日止年度根據香港財務報告準則第9號減值

於報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分部組別的逾期日數釐定。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前狀況及未來經濟條件預測的合理及可靠資料。一般而言，應收貿易賬款如逾期超過一年及毋須受限於強制執行活動則予以撇銷。

以下載列有關使用撥備矩陣對本集團應收貿易賬款信貸風險的資料：

截至二零一七年十二月三十一日止八個月根據香港會計準則第39號減值

於二零一七年十二月三十一日，個別已減值應收貿易賬款乃與遭遇財務困難或無法償還款項之客戶有關，該等應收款項預期不可收回。

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19. TRADE RECEIVABLES (continued)

Impairment under HKAS 39 for the eight months ended 31 December 2017 (continued)

The ageing analysis of the trade receivables as at 31 December 2017 that were not individually nor collectively considered to be impaired under HKAS 39 is as follows:

		2017 二零一七年 US\$'000 千美元
Neither past due nor impaired	並無逾期或減值	6,130
Less than 3 months past due	逾期少於三個月	1,918
3 to 6 months past due	逾期三至六個月	530
		8,578

Receivables that were neither past due nor impaired related to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience, the directors of the Group were of the opinion that no provision for impairment under HKAS 39 was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

19. 應收貿易賬款(續)

截至二零一七年十二月三十一日止八個月根據香港會計準則第39號減值(續)

於二零一七年十二月三十一日根據香港會計準則第39號個別或共同未被視為已減值之應收貿易賬款之賬齡分析如下：

並無逾期或減值之應收款項涉及大量不同客戶，該等客戶近期並無違約記錄。

已逾期但並未減值之應收款項與一批於本集團有良好往績記錄之獨立客戶有關。根據過往經驗，本集團董事認為毋須根據香港會計準則第39號就有關結餘作出減值撥備，因為信貸質素並無重大變動，以及認為該等結餘仍可全數收回。

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20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Prepayments	預付款項	1,608	863
Deposits	按金	403	471
Other receivables	其他應收款項	2,754	3,668
		4,765	5,002
Non-current: deposits	非流動：按金	(349)	(349)
		4,416	4,653

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default. The ECLs are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. No loss allowance was provided because management estimated that the ECLs as at 31 December 2018 were not significant.

20. 預付款項、按金及其他應收款項

以上資產並無逾期或減值。計入上述結餘之金融資產均與無近期違約記錄之應收款項有關。ECL乃參考本集團的歷史虧損記錄採用虧損率法估計。虧損率將於適當時候作出調整以反映現況及未來經濟情況預測。由於管理層估計二零一八年十二月三十一日的預期信貸虧損不重大，故並無計提虧損撥備。

21. CASH AND CASH EQUIVALENTS

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Cash and cash equivalents	現金及現金等值項目	17,192	13,278

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately US\$10,246,000 (2017: US\$3,890,000). RMB is not freely convertible into other currencies. However, under the People's Republic of China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

21. 現金及現金等值項目

於報告期末，本集團以人民幣列值之現金及銀行結餘約為10,246,000美元(二零一七年：3,890,000美元)。人民幣不可自由轉換為其他貨幣。然而，根據中華人民共和國之外匯管理條例及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外幣兌換業務之銀行將人民幣兌換為其他貨幣。

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21. CASH AND CASH EQUIVALENTS (continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

22. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Within 30 days	30天以內	2,691	4,329
31 to 60 days	31至60天	898	826
61 to 90 days	61至90天	26	112
91 to 365 days	91至365天	127	47
Over 1 year	超過一年	57	70
		3,799	5,384

The trade payables are non-interest-bearing and are normally settled on 30 to 60 day terms.

21. 現金及現金等值項目 (續)

銀行存款按每日銀行存款利率計算之浮動利率計息。短期定期存款之存款期由一天至三個月不等，視乎本集團之即時現金需要而定，按各短期定期存款之利率計息。銀行結餘乃存放於無近期違約記錄之信譽良好銀行。

22. 應付貿易賬款

於報告期末，應付貿易賬款按發票期之賬齡分析如下：

該等應付貿易賬款乃不計息，並一般按30至60天期限清償。

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23. ACCRUALS, PROVISIONS AND OTHER PAYABLES

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Accrued expenses and provisions	應計費用及撥備	4,562	6,505
Other payables	其他應付款項	4,635	6,591
		9,197	13,096
Non-current: provision	非流動：撥備	(1,405)	(1,405)
		7,792	11,691

Other payables are non-interest-bearing and have an average term of two months.

23. 應計費用、撥備及其他應付款項

其他應付款項乃不計息，平均期限為兩個月。

24. CONTRACT LIABILITIES

Details of contract liabilities as at 31 December 2018 and 1 January 2018 are as follows:

		31 December 2018 二零一八年 十二月三十一日 US\$'000 千美元	1 January 2018 二零一八年 一月一日 US\$'000 千美元
Deferred revenue	遞延收益	1,245	1,172
Consideration received from customers in advance	預收客戶代價	276	101
		1,521	1,273

Contract liabilities include the sales proceeds received from customers in connection with the unconsumed virtual currency or unconsumed durable virtual items as deferred revenue and short-term advances received from customers to deliver merchandise. The increase in contract liabilities in 2018 was mainly due to the increase in consideration received from customers in advance at the end of the year.

24. 合約負債

於二零一八年十二月三十一日及二零一八年一月一日的合約負債詳情如下：

合約負債包括自客戶收取有關未使用虛擬貨幣及未使用可持續虛擬道具之銷售所得款項，作為遞延收益及為交付商品而向客人收取的短期墊款。二零一八年合約負債增加乃主要由於年底預收客戶代價增加所致。

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25. POST-EMPLOYMENT BENEFITS

25. 僱員退休福利

		Note	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
		附註		
Defined benefit plan	定額福利計劃	(a)	277	338
Other long term post-employment benefits	其他長期僱員退休福利	(b)	137	136
			414	474

Notes:

(a) Defined benefit plan

The Group operates an unfunded defined benefit plan for all its qualifying employees in Taiwan. Under the plan, the employees are entitled to retirement benefits at 3% of their final salary on attainment of a retirement age of 55.

According to the laws and regulations in Taiwan, the Group is obliged to pay its employees in Taiwan, upon retirement, disability or death, post-employment benefits based on the number of years of services and final average salary. The Group carried out an actuarial valuation as at 31 December 2018 of its obligation for post-employment benefits payable to its employees in Taiwan.

The trustees review the level of funding in the plan by the end of each reporting period. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The trustees decide the contribution based on the results of the annual review.

The plan is exposed to interest rate risk, the risk of changes in the life expectancy for pensioners and equity market risk.

The most recent actuarial valuations of the present value of the defined benefit obligations were carried out at 31 December 2018 by Hsu Mao-Chin Actuary, a qualified actuary, using the projected unit credit actuarial valuation method.

The principal actuarial assumptions used as at the end of the reporting period were as follows:

		2018 二零一八年 %	2017 二零一七年 %
Discount rate	貼現率	1.0	1.4
Expected rate of salary increase	預期薪金增長率	2.0	3.0

附註：

(a) 定額福利計劃

本集團為其所有合資格台灣僱員設立無供資定額福利計劃。根據該計劃，僱員年屆55歲退休之齡時有權享受最終薪金3%之退休福利。

根據台灣法律及法規，本集團須向其台灣僱員支付在退休、殘疾或身故所享有之福利，並按其台灣僱員服務年期及最終平均薪金支付退休福利。本集團於二零一八年十二月三十一日為台灣僱員退休福利責任進行一次精算估值。

受託人於各個報告期末審閱該計劃之資金水平。審閱包括資產負債配對策略及投資風險管理政策，包括運用年金及壽命掉期管理風險。受託人根據年度審閱結果決定供款。

該計劃受利率風險以及退休人士預期壽命及股票市場風險之變化影響。

定額福利責任現值之最近期精算估值由合資格精算師徐茂欽精算事務所於二零一八年十二月三十一日按預測單位信貸精算估值法進行。

於報告期末採用之主要精算假設如下：

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25. POST-EMPLOYMENT BENEFITS (continued)

Notes: (continued)

(a) Defined benefit plan (continued)

A quantitative sensitivity analysis for significant assumptions as at the end of the reporting period is shown below:

		Increase in rate	Increase/ (decrease) in net defined benefit obligations	Decrease in rate	Increase/ (decrease) in net defined benefit obligations
		利率增加 %	定額福利 責任淨額 增加/(減少) US\$'000 千美元	利率減少 %	定額福利 責任淨額 增加/(減少) US\$'000 千美元
2018	二零一八年				
Discount rate	貼現率	0.5	(23)	0.5	27
Future salary increase	未來薪金增長率	0.5	26	0.5	(23)
2017	二零一七年				
Discount rate	貼現率	0.5	(31)	0.5	34
Future salary increase	未來薪金增長率	0.5	33	0.5	(31)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

上述敏感度分析乃根據於報告期末重要假設中產生之合理變動所推斷定額福利責任淨額之影響之方式而釐定。

The total expenses recognised in the consolidated statement of profit or loss in respect of the plan are as follows:

於綜合損益表確認之計劃費用總額如下：

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元
Current service cost	現有服務成本	5	8
Net interest	利息淨額	5	4
Net benefit expenses recognised in general and administrative expenses	於一般及行政開支確認之福利開支淨額	10	12

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25. POST-EMPLOYMENT BENEFITS (continued)

Notes: (continued)

(a) Defined benefit plan (continued)

The movements in the defined benefit obligations and the fair value of plan assets are as follows:

		Pension cost charged to profit or loss 於攤益撥扣除之退休金成本				Remeasurement gains/(losses) in other comprehensive income 於其他全面收入重新計量收益/(虧損)							At end of year/ period
		At beginning of year/ period	Current service cost	Net interest	Sub-total included in profit or loss	Benefit paid	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in other comprehensive income	Contribution by employer	Exchange realignment	
		於年/期初 US\$'000 千美元	現有 服務成本 US\$'000 千美元	利息淨額 US\$'000 千美元	計入攤益撥 之小計 US\$'000 千美元	已付福利 US\$'000 千美元	人口統計假設 變動產生之 US\$'000 千美元	財務假設 變動產生之 US\$'000 千美元	經驗調整 US\$'000 千美元	計入其他 全面收入 之小計 US\$'000 千美元	僱主供款 US\$'000 千美元	匯兌調整 US\$'000 千美元	於年/期終 US\$'000 千美元
2018	二零一八年												
Defined benefit obligations	定額福利責任	593	5	8	13	(38)	-	(32)	(7)	(39)	-	(13)	516
Fair value of plan assets	計劃資產之公平值	(255)	-	(3)	(3)	38	-	-	(11)	(11)	(14)	6	(239)
Benefit liability	福利負債	338	5	5	10	-	-	(32)	(18)	(50)	(14)	(7)	277
2017	二零一七年												
Defined benefit obligations	定額福利責任	817	8	9	17	(229)	4	12	(41)	(25)	-	13	593
Fair value of plan assets	計劃資產之公平值	(450)	-	(5)	(5)	229	-	-	5	5	(27)	(7)	(255)
Benefit liability	福利負債	367	8	4	12	-	4	12	(36)	(20)	(27)	6	338

The defined benefit contributions in Taiwan are made to a fund administered by the government of Taiwan. The major categories of plan assets as a percentage of the fair value of the total plan assets of the centrally administered fund are as follows:

於台灣之定額福利供款乃向一項由台灣政府管理之基金作出。計劃資產主要類別佔該中央管理基金之計劃資產總值公平值之百分比如下：

		2018 二零一八年 %	2017 二零一七年 %
Equity instruments	股本工具	23	22
Debt instruments	債務工具	12	17
Deposits	存款	14	18
Delegated management	授權管理	51	43

The Group expects to contribute US\$11,000 to its defined benefit plan in 2019.

本集團預期於二零一九年之定額福利計劃供款為11,000美元。

The average duration of the defined benefit obligations at the end of the reporting period was 9.7 years (2017: 10.9 years).

於報告期末，定額福利責任平均為期9.7年(二零一七年：10.9年)。

(b) Other long term post-employment benefits

The balance represents the provision for long service payment as required by certain jurisdictions. Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

(b) 其他長期僱員退休福利

結餘指若干司法權區所要求之長期服務金撥備。終止福利於僱員屆正常退休日期前，或僱員接納自願離職以換取該等福利而終止受僱時須予支付。

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26. SHARE CAPITAL

26. 股本

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Authorised:	法定：		
3,000,000,000 (2017: 3,000,000,000) ordinary shares of one and one third US cents (2017: one and one third US cents) each	3,000,000,000 (二零一七年： 3,000,000,000) 股每股面值 一又三分之一美仙 (二零一七年： 一又三分之一美仙) 之普通股	40,000	40,000
Issued and fully paid:	已發行及繳足：		
1,509,592,701 (2017: 1,509,592,701) ordinary shares of one and one third US cents (2017: one and one third US cents) each	1,509,592,701 (二零一七年： 1,509,592,701) 股每股面值 一又三分之一美仙 (二零一七年： 一又三分之一美仙) 之普通股	20,128	20,128

The movements in share capital during the year/period are as follows: 年/期內股本之變動如下：

		Number of ordinary shares in issue 已發行 普通股數目	Share capital 股本 US\$'000 千美元
At 1 May 2017	於二零一七年五月一日	353,197,567	14,128
Acquisition of subsidiaries (Note (a))	收購附屬公司 (附註(a))	150,000,000	6,000
Share Subdivision (Note (b))	股份拆細 (附註(b))	1,006,395,134	-
At 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年十二月三十一日、 於二零一八年一月一日 及二零一八年十二月三十一日	1,509,592,701	20,128

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26. SHARE CAPITAL (continued)

Notes:

- (a) On 1 June 2017, a total of 150,000,000 shares of the Company were allotted and issued to vendors as consideration for the acquisition of the entire issued share capital of Loovee by a subsidiary of the Company. The fair value of the consideration shares at the acquisition date was US\$140,167,000.
- (b) On 9 August 2017, the shareholders of the Company approved to subdivide the then-existing issued and unissued shares of US\$0.04 each in the share capital of the Company into three subdivided shares of one and one third US cents each (the "Share Subdivision") and there will be no change to the board lot size after the Share Subdivision that became effective on 10 August 2017.

27. SHARE OPTION SCHEME

The movements in share options under the 2011 Share Option Scheme during the year/period were as follows:

		2018 二零一八年		2017 二零一七年	
		Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At beginning of year/period	於年/期初	3.33	7,500	3.33	7,500
Lapsed during the year/period (Note)	於年/期內已失效 (附註)	3.33	(7,500)	-	-
At end of year/period	於年/期終	-	-	3.33	7,500

Note:

The outstanding share options held by certain grantees to subscribe for a total of 7,500,000 shares were lapsed on 5 November 2018.

26. 股本(續)

附註：

- (a) 於二零一七年六月一日，合共 150,000,000 股本公司股份已配發及發行予賣方，作為本公司旗下一家附屬公司收購 Loovee 全部已發行股本之代價。代價股份於收購日期之公平值為 140,167,000 美元。
- (b) 於二零一七年八月九日，本公司股東批准將本公司股本中每一股面值 0.04 美元之當時現有已發行及未發行股份拆細為三股每股面值一又三分之一美仙之拆細股份（「股份拆細」），於二零一七年八月十日股份拆細生效後，每手買賣單位維持不變。

27. 購股權計劃

以下為年/期內二零一一年購股權計劃項下購股權之變動：

附註：

若干承授人所持可認購合共 7,500,000 股股份之尚未行使購股權於二零一八年十一月五日失效。

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27. SHARE OPTION SCHEME (continued)

During the year, no share option was granted (eight months ended 31 December 2017: Nil). The Group recognised an equity-settled share option expense of US\$117,000 (eight months ended 31 December 2017: US\$94,000) during the year ended 31 December 2018. 7,500,000 share options (eight months ended 31 December 2017: Nil) were lapsed during the year and share option reserve of US\$423,000 (eight months ended 31 December 2017: Nil) was transferred to accumulated losses accordingly.

28. ACQUISITIONS OF SUBSIDIARIES

On 21 February 2017, a wholly-owned subsidiary of the Company, Glory Sino Limited, entered into a share purchase agreement (the "SP Agreement") with independent third parties to acquire the entire issued share capital of Loozee at a consideration of HK\$800,500,000 (equivalent to US\$102,892,000).

Loozee, through its subsidiary, is principally engaged in the development and operation of online social platforms.

Pursuant to the SP Agreement, the consideration was satisfied by (i) the allotment and issuance of the 150,000,000 shares of the Company at an issue price of HK\$4.67 per consideration share; and (ii) a cash consideration of HK\$100,000,000 (equivalent to US\$12,853,000). For details of the acquisition, please refer to the announcements of the Company dated 21 February 2017 and 19 April 2017, and the circular of the Company dated 28 April 2017.

27. 購股權計劃(續)

年內概無授出購股權(截至二零一七年十二月三十一日止八個月: 無)。本集團於截至二零一八年十二月三十一日止年度確認以股權支付之購股權費用117,000美元(截至二零一七年十二月三十一日止八個月: 94,000美元)。年內7,500,000份購股權已失效(截至二零一七年十二月三十一日止八個月: 無), 因此, 購股權儲備423,000美元(截至二零一七年十二月三十一日止八個月: 無)已撥至累計虧損。

28. 收購附屬公司

於二零一七年二月二十一日, 本公司之全資附屬公司Glory Sino Limited與獨立第三方訂立購股協議(「購股協議」)以收購Loozee之全部已發行股本, 代價為800,500,000港元(相等於102,892,000美元)。

Loozee透過其附屬公司主要從事開發及經營網上社交平台。

根據購股協議, 代價按以下方式支付: (i) 按每股代價股份4.67港元之發行價配發及發行150,000,000股本公司股份; 及(ii) 現金代價100,000,000港元(相等於12,853,000美元)。有關收購事項之詳情, 請參閱本公司日期為二零一七年二月二十一日及二零一七年四月十九日之公佈以及本公司日期為二零一七年四月二十八日之通函。

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28. ACQUISITIONS OF SUBSIDIARIES (continued)

The acquisition was completed on 1 June 2017. The closing share price of the Company on the completion date increased to HK\$7.27 and the fair value of the purchase consideration for Loozee increased to approximately HK\$1,190,500,000 (equivalent to US\$153,020,000) accordingly.

The fair values of the identifiable assets and liabilities of Loozee as at the date of acquisition were as follows:

28. 收購附屬公司(續)

收購事項於二零一七年六月一日完成。本公司於完成日期之股份收市價升至7.27港元，購買Loozee代價之公平值因而增至約1,190,500,000港元(相等於153,020,000美元)。

Loozee於收購日期之可識別資產及負債之公平值如下：

		Note 附註	US\$'000 千美元
Property, plant and equipment	物業、廠房及設備	12	111
Technology platform	技術平台	14	52,900
Non-compete agreement	不競爭協議	14	6,700
Computer software	電腦軟件	14	89
Trade receivables	應收貿易賬款		637
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		66
Cash and cash equivalents	現金及現金等值項目		1,308
Accruals, provisions and other payables	應計費用、撥備及其他應付款項		(2,580)
Deferred revenue	遞延收益		(1,585)
Deferred tax liabilities	遞延稅項負債	17	(14,923)
Total identifiable net assets at fair value	按公平值計算可識別資產淨值總額		42,723
Fair value of purchase consideration:	購買代價公平值：		
Cash	現金		12,853
Consideration shares	代價股份		140,167
			153,020
Goodwill	商譽	13	110,297
An analysis of the net cash outflows in respect of the acquisition	有關收購事項之現金流出淨額分析		
Cash consideration	現金代價		12,853
Less: Deposit paid during the year ended 30 April 2017	減：截至二零一七年四月三十日止年度已付訂金		(2,571)
Cash and cash equivalents acquired	已收購現金及現金等值項目		(1,308)
Net cash outflows during the period	期內現金流出淨額		8,974

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28. ACQUISITIONS OF SUBSIDIARIES (continued)

Since the acquisition, Loovee had contributed US\$14,750,000 to the Group's revenue and US\$64,069,000 to the Group's loss for the eight months ended 31 December 2017.

Had the business combination taken place at the beginning of 1 May 2017, the revenue and the loss of the Group for the eight months ended 31 December 2017 would have been US\$80,093,000 and US\$76,357,000, respectively.

29. DISPOSAL OF SUBSIDIARIES

On 20 December 2018, Loovee (Overseas) Company Limited, an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Sandy Hook Ventures Limited for the disposal of its 60% shareholding interest in Kothaa Technology Limited ("Kothaa") and its subsidiary, Kothaa Technology BD Limited at a consideration of US\$180. Sandy Hook Ventures Limited was one of the shareholders of Kothaa who owned a 40% shareholding interest in Kothaa at the disposal date.

28. 收購附屬公司(續)

自收購事項以來，於截至二零一七年十二月三十一日止八個月，Loovee為本集團貢獻收益14,750,000美元，以及為本集團帶來虧損64,069,000美元。

倘業務合併於二零一七年五月一日初落實，本集團於截至二零一七年十二月三十一日止八個月之收益及虧損將分別為80,093,000美元及76,357,000美元。

29. 出售附屬公司

於二零一八年十二月二十日，本公司間接全資附屬公司樂唯海外有限公司與Sandy Hook Ventures Limited訂立買賣協議，以出售Kothaa Technology Limited (「Kothaa」)及其附屬公司Kothaa Technology BD Limited之60%股權，代價為180美元。Sandy Hook Ventures Limited為Kothaa之股東之一，於出售日期擁有Kothaa 40%股權。

		Note 附註	US\$'000 千美元
Net liabilities disposed of:	已出售負債淨額：		
Cash and cash equivalents	現金及現金等值項目		1
Accruals and other payables	應計費用及其他應付款		(13)
			(12)
Non-controlling interests	非控股權益		5
Gain on disposal of subsidiaries	出售附屬公司之收益	6	7
			-
Satisfied by:	以下列方式支付：		
Cash	現金		-
An analysis of the net cash outflow in respect of the disposal of a subsidiary	有關出售附屬公司之現金流出淨額分析		
Cash consideration received	已收現金代價		-
Less: Cash and cash equivalents disposed of	減：已出售現金及現金等值項目		(1)
			(1)

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30. DISSOLUTION OF A SUBSIDIARY

30. 解散一家附屬公司

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元
		Note 附註
Net liabilities of the subsidiary under dissolution	已解散附屬公司之負債淨值	(16)
Non-controlling interest	非控股權益	8
Gain on dissolution of a subsidiary	解散一家附屬公司之收益	6
		8

31. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

31. 綜合現金流量表附註

Change in a liability arising from a financing activity

融資活動產生之負債變動

		Loan from a former director 來自一名前董事貸款	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
At beginning of the year/period	於年／期初	3,856	-
Loan from a former director	來自一名前董事貸款	-	3,856
At end of the year/period	於年／期終	3,856	3,856

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32. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office premises, staff quarters, furniture and equipment under operating lease arrangements. The leases have varying terms, escalation clauses and renewal rights.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Office premises and staff quarters 辦公室單位及員工宿舍		Furniture and equipment 傢俬及設備	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Within one year	一年內	1,963	1,911	43	94
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	1,140	2,663	100	14
		3,103	4,574	143	108

32. 經營租賃安排

本集團根據經營租賃安排而租賃若干辦公室單位、員工宿舍、傢俬及設備。該等租賃之租期、調整租金之條款及續約權利各有不同。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃於下列到期日支付之未來最低租金款項如下：

33. COMMITMENTS

In addition to the operating lease commitments detailed in Note 32 above, the Group had the following capital commitments for the acquisition of property, plant and equipment at the end of the reporting period:

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Contracted, but not provided for	已訂約但未撥備	40	8
Authorised, but not contracted for	已授權但未訂約	-	3
		40	11

33. 承擔

除上文附註32所述之經營租賃承擔外，以下為本集團於報告期末對購置物業、廠房及設備之資本承擔：

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34. RELATED PARTY TRANSACTIONS

- (a) Save for the transactions detailed elsewhere in these financial statements, the Group had no significant transactions with related parties for the year ended 31 December 2018 and eight months ended 31 December 2017.
- (b) Loan from a former director
At 31 December 2018, the loan from a former director of the Company who resigned with effect from 1 January 2018, is unsecured, non-interest-bearing and repayable by 22 May 2019.
- (c) Compensation of key management personnel of the Group:

34. 有關連人士交易

- (a) 除本財務報表其他部分所述之交易外，本集團於截至二零一八年十二月三十一日止年度及截至二零一七年十二月三十一日止八個月概無重大有關連人士交易。
- (b) 來自一名前董事貸款
於二零一八年十二月三十一日，來自本公司一名前董事(自二零一八年一月一日起辭任)貸款為無抵押、不計利息及須於二零一九年五月二十二日前償還。
- (c) 本集團主要管理人員之薪酬：

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 US\$'000 千美元
Short term employee benefits	短期僱員福利	1,368	910
Post-employment benefits – defined contribution plans	僱員退休福利 – 定額供款計劃	67	49
Total compensation paid to key management personnel	支付予主要管理人員之 薪酬總額	1,435	959

Further details of directors' emoluments are included in Note 7 to the financial statements.

董事薪酬之進一步詳情載於財務報表附註7。

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35. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of Group's financial instruments as at the end of the reporting period are as follows:

2018

Financial assets

		Note	Financial assets at amortised cost 按攤銷成本計量之金融資產 US\$'000 千美元	Financial asset at fair value through profit or loss 按公平值計入損益之金融資產 US\$'000 千美元	Total 合計 US\$'000 千美元
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	15	-	270	270
Trade receivables	應收貿易賬款	19	8,774	-	8,774
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產	20	3,155	-	3,155
Cash and cash equivalents	現金及現金等值項目	21	17,192	-	17,192
			29,121	270	29,391

2017

Financial assets

		Note	Loans and receivables 貸款及應收款項 US\$'000 千美元	Available-for-sale financial assets 可供出售金融資產 US\$'000 千美元	Total 合計 US\$'000 千美元
Available-for-sale financial assets	可供出售金融資產	15	-	994	994
Trade receivables	應收貿易帳款	19	8,578	-	8,578
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產	20	4,531	-	4,531
Cash and cash equivalents	現金及現金等值項目	21	13,278	-	13,278
			26,387	994	27,381

35. 金融工具類別

本集團各類別金融工具於報告期末之賬面值如下：

二零一八年

金融資產

		Note	Financial assets at amortised cost 按攤銷成本計量之金融資產 US\$'000 千美元	Financial asset at fair value through profit or loss 按公平值計入損益之金融資產 US\$'000 千美元	Total 合計 US\$'000 千美元
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	15	-	270	270
Trade receivables	應收貿易賬款	19	8,774	-	8,774
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產	20	3,155	-	3,155
Cash and cash equivalents	現金及現金等值項目	21	17,192	-	17,192
			29,121	270	29,391

二零一七年

金融資產

		Note	Loans and receivables 貸款及應收款項 US\$'000 千美元	Available-for-sale financial assets 可供出售金融資產 US\$'000 千美元	Total 合計 US\$'000 千美元
Available-for-sale financial assets	可供出售金融資產	15	-	994	994
Trade receivables	應收貿易帳款	19	8,578	-	8,578
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產	20	4,531	-	4,531
Cash and cash equivalents	現金及現金等值項目	21	13,278	-	13,278
			26,387	994	27,381

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35. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial liabilities

			Financial liabilities at amortised cost 按攤銷成本列賬之金融負債	
		Note 附註	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Trade payables	應付貿易賬款	22	3,799	5,384
Loan from a former director	來自一名前董事貸款	34(b)	3,856	3,856
Financial liabilities included in accruals, provisions and other payables	計入應計費用、撥備及其他應付款項之金融負債	23	5,590	6,591
			13,245	15,831

35. 金融工具類別(續)

金融負債

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

36. 金融工具之公平值及公平值層級

本集團金融工具之賬面值及公平值(賬面值與其公平值合理相若者除外)如下:

Financial assets

金融資產

		Carrying amount 賬面值		Fair value 公平值	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Available-for-sale financial asset	可供出售金融資產	-	994	-	994
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	270	-	270	-
Total	合計	270	994	270	994

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36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Financial assets (continued)

Management has assessed that the fair values of cash and cash equivalents, trade receivables, financial assets included in prepayments, deposits and other receivables, trade payables, a loan from a former director and financial liabilities included in accruals, provisions and other payables approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial asset at fair value through profit or loss and available-for-sale financial assets are determined with reference to the observable transaction prices and the quoted market price.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair values:

2018

		Fair value measurement using 採用以下各項進行公平值計量			
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一層) US\$'000 千美元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) US\$'000 千美元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) US\$'000 千美元	Total 合計 US\$'000 千美元
Financial asset at fair value through profit or loss	按公平值計入損益之 金融資產	270	-	-	270

36. 金融工具之公平值及公平值層級(續)

金融資產(續)

管理層評估現金及現金等值項目、應收貿易賬款、計入預付款項、按金及其他應收款項之金融資產、應付貿易賬款、來自一名前董事貸款以及計入應計費用、撥備及其他應付款項之金融負債之公平值與其賬面值相若，主要由於該等工具之償還期偏短。

按公平值計入損益之金融資產及可供出售金融資產之公平值乃經參考可觀察交易價及市場報價後釐定。

公平值計量層級

下表載列本集團金融工具之公平值計量層級：

按公平值計量之資產：

二零一八年

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36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Financial assets (continued)
Fair value hierarchy (continued)
2017

36. 金融工具之公平值及公平值層級(續)

金融資產(續)
公平值計量層級(續)
二零一七年

		Fair value measurement using 採用以下各項進行公平值計量			
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一層) US\$'000 千美元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) US\$'000 千美元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) US\$'000 千美元	Total 合計 US\$'000 千美元
Available-for-sale financial assets	可供出售金融資產	229	765	-	994

During the year/period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2017: Nil).

The Group did not have any financial liabilities measured at fair value as at 31 December 2018 and 2017.

年/期內，第一層與第二層之間並無公平值計量之轉撥，亦無轉撥往或轉撥自第三層(二零一七年：無)。

於二零一八年及二零一七年十二月三十一日，本集團並無任何按公平值計量之金融負債。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Company's functional currency is the US\$ and the functional currencies of the majority of the subsidiaries are the US\$, HK\$ and RMB. The Group's transactions, trade receivables and trade payables are mainly denominated in these currencies.

As the exchange rate of the US\$ and HK\$ is pegged, management considers the foreign exchange risk in this respect is not significant.

37. 財務風險管理目標及政策

本集團主要金融工具包括現金及銀行結餘。該等金融工具之主要目的乃為本集團業務籌集資金。本集團亦有各種其他金融資產及負債，如直接由本集團營運產生之應收貿易賬款及應付貿易賬款等。於整個回顧年度內及一直以來，本集團之政策是不買賣金融工具。

本集團之金融工具所產生主要風險為外幣風險、信貸風險及流動資金風險。董事會檢討及議定管理各項該等風險之政策，茲概述如下。

外幣風險

本公司之功能貨幣為美元，而大部分附屬公司之功能貨幣為美元、港元及人民幣。本集團之交易、應收貿易賬款及應付貿易賬款主要以上述貨幣列值。

由於美元與港元匯率掛鉤，故管理層認為於此方面之外匯風險並不重大。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

The Group periodically reviews monetary assets and liabilities held in currencies other than the US\$ and HK\$ in particular RMB to ensure that net exposure is kept at an acceptable level, and will consider hedging significant foreign currency exposure should the need arise. The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in RMB exchange rate, with all other variables held constant, of the Group's loss before tax due to changes in the fair value of monetary assets and liabilities.

			2018 二零一八年	2017 二零一七年
		Increase/ (decrease) in foreign currency rate 外匯匯率 上升/(下跌) %	Increase/ (decrease) in loss before tax 除稅前虧損 增加/(減少) US\$'000 千美元	Increase/ (decrease) in loss before tax 除稅前虧損 增加/(減少) US\$'000 千美元
If US\$ weakens against RMB	倘美元兌 人民幣貶值	5	(472)	(41)
If US\$ strengthens against RMB	倘美元兌 人民幣升值	(5)	472	41

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. However, as the net foreign exchange exposure of the foreign operations is not significant, the Group does not actively hedge this foreign exchange exposure.

37. 財務風險管理目標及政策(續)

外幣風險(續)

本集團定期檢討以美元及港元以外貨幣持有之貨幣資產及負債(特別是人民幣)，確保承擔之淨風險維持於可接受水平，並在有需要時考慮對沖重大外幣風險。下表列示截至報告期末在所有其他可變因素維持不變之情況下，貨幣資產及負債公平值變動導致本集團除稅前虧損對人民幣匯率合理可能變動之敏感度。

本集團於海外業務擁有若干投資，而該等資產淨值需承擔外幣換算風險。然而，由於海外業務之淨外匯風險承擔並不重大，故本集團目前並無積極對沖此外匯風險。

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二零一八年十二月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging as at 31 December 2018

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2018. The amounts presented are gross carrying amounts for financial assets.

		12-month ECLs (Stage 1) 十二個月 預期信貸虧損 (第一階段) US\$'000 千美元	Lifetime ECLs (Simplified approach) 全期預期 信貸虧損 (簡化法) US\$'000 千美元	US\$'000 千美元
Trade receivables	應收貿易賬款	-	8,774	8,774
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產	3,155	-	3,155
Cash and cash equivalents	現金及現金等值項目	17,192	-	17,192
		20,347	8,774	29,121

37. 財務風險管理目標及政策(續)

信貸風險

本集團只會與經認可及信譽良好之第三方交易。本集團政策規定所有擬以信貸期交易之客戶須通過信用審核程序。此外，本集團持續監察應收款項結餘，故本集團承受之壞賬風險並不重大。

於二零一八年十二月三十一日最大風險及年末階段

下表載列基於本集團信貸政策(其乃主要基於逾期資料，除非其他資料毋需付出不必要的成本或努力即可取得)的信貸質素及信貸最大風險，以及於二零一八年十二月三十一日的年末階段分類。呈列的金額乃為金融資產的賬面總值。

**37. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES** (continued)

Credit risk (continued)

Maximum exposure as at 31 December 2017

The credit risk of the Group's financial assets, which comprise cash and cash equivalents, an available-for-sale financial asset, trade receivables, deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. At 31 December 2017, the Group had a certain concentration of credit risk on the Group's trade receivables, as the amounts due from the largest five debtors amounted to approximately US\$4,553,000, representing 53.1% of the Group's trade receivables. In order to minimise the credit risk, management continuously monitors the level of exposure to ensure that follow-up actions are taken promptly to reduce the risk exposure or to recover overdue balances.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in Note 19 to the financial statements.

37. 財務風險管理目標及政策 (續)

外幣風險 (續)

於二零一七年十二月三十一日最大風險

本集團金融資產(包括現金及現金等值項目、一項可供出售金融資產、應收貿易賬款、按金及其他應收款項)之信貸風險來自對方不能歸還之款項，而最大風險等同該等工具之賬面值。

由於本集團只會與經認可及信譽良好之第三方交易，故毋須提供抵押品。信貸風險集中情況由客戶／對方按地區及行業管理。於二零一七年十二月三十一日，本集團就應收貿易賬款面對若干信貸集中風險，原因為應收五大債務人款項約4,553,000美元佔本集團應收貿易賬款53.1%。為盡量減低信貸風險，管理層持續監察風險水平，以確保即時採取跟進行動減低風險承擔或追回逾期結欠。

有關本集團就應收貿易賬款所承受信貸風險之進一步量化資料於財務報表附註19披露。

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of banking facilities.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		Within one year 一年內	
		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Trade payables	應付貿易賬款	3,799	5,384
Loan from a former director	來自一名前董事貸款	3,856	3,856
Financial liabilities included in accruals, provision and other payables	計入應計費用、撥備及 其他應付款項之金融負債	5,590	5,186
		13,245	14,426

At 31 December 2018, the utilised banking facilities of US\$77,000 (2017: US\$741,000) granted to the subsidiaries subject to guarantees given to the banks by the Company are repayable on demand.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

37. 財務風險管理目標及政策(續)

流動資金風險

本集團之目標是要充分利用銀行信貸，在資金持續供應與靈活性之間維持平衡。

本集團於報告期末根據已訂約非貼現付款分析之金融負債到期情況如下：

於二零一八年十二月三十一日，授予附屬公司之已動用銀行信貸77,000美元(二零一七年：741,000美元)(本公司須就此向銀行提供擔保)須應要求償還。

資本管理

本集團資本管理之主要目標為確保本集團能夠持續營運及維持穩健資本比率，以支持其業務及盡量提高股東價值。

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2018 and the eight months ended 31 December 2017.

Capital of the Group comprises all components of shareholders' equity.

38. EVENTS AFTER THE REPORTING PERIOD Close of Money Lending Business

There has been no loan granted or no new borrower for the money lending business since July 2017. The Directors considered that it would be advantageous from the resource allocation perspective of the Group to close the non-core money lending business. The close of the money lending business would not have any material adverse effect on the business, operations or financial position of the Group.

Termination of Framework Agreement in relation to the Possible Investment in a TV Drama

Reference is made to the announcement of the Company on 24 December 2017 in relation to the framework agreement (the "**Framework Agreement**") entered into between Huoerguosi Hanbo Culture Industry Limited* (霍爾果斯瀚泊文化產業股份有限公司) (the "**Producer**") and the Group in relation to the possible cooperation in the production of a TV drama series.

The Group would focus on its two core business activities and would not proceed with the Framework Agreement. Both the Producer and the Group have been released from all obligations under the Framework Agreement. It would not have any material adverse effect on the business, operations or financial position of the Group.

* For identification purpose only

37. 財務風險管理目標及政策(續)

資本管理(續)

本集團因應經濟狀況變動管理及調整資本架構。為維持或調整資本架構，本集團可能調整對股東派付之股息、向股東退還資本或發行新股。有關管理資本之目標、政策或程序於截至二零一八年十二月三十一日止年度及截至二零一七年十二月三十一日止八個月概無變動。

本集團資本包括股東權益之所有成份。

38. 報告期後活動 結束貸款業務

自二零一七年七月起，貸款業務並無已授出之貸款或新借款人。董事認為，從資源分配的角度來看，本集團結束非核心貸款業務更為有利。結束貸款業務並不會對本集團的業務、營運或財務狀況造成任何重大不利影響。

終止有關可能投資電視劇的框架協議

茲提述本公司日期為二零一七年十二月二十四日之公佈，內容有關霍爾果斯瀚泊文化產業股份有限公司(「製片方」)與本集團訂立關於可能合作製作電視連續劇之框架協議(「框架協議」)。

本集團將專注於其兩個核心業務活動且不會繼續執行框架協議。製片方及本集團均毋須履行框架協議項下之所有義務。其不會對本集團的業務、營運或財務狀況造成任何重大不利影響。

* 僅供識別

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

39. 本公司之財務狀況表

		2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
NON-CURRENT ASSETS	非流動資產		
Interests in subsidiaries	於附屬公司之權益	20,026	130,429
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	32	2
Cash and cash equivalents	現金及現金等值項目	427	1,668
Due from a subsidiary	應收一間附屬公司	4,482	-
Total current assets	流動資產總值	4,941	1,670
CURRENT LIABILITIES	流動負債		
Accruals	應計費用	111	281
Loan from a former director	來自一名前董事貸款	3,856	-
Total current liabilities	流動負債總值	3,967	281
NET CURRENT ASSETS	流動資產淨額	974	1,389
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總額減流動負債	21,000	131,818
NON-CURRENT LIABILITY	非流動負債		
Loan from a former director	來自一名前董事貸款	-	3,856
NET ASSETS	資產淨值	21,000	127,962
EQUITY	權益		
Share capital	股本	20,128	20,128
Reserves (Note)	儲備(附註)	872	107,834
TOTAL EQUITY	權益總額	21,000	127,962

HO Chi Kin 何致堅
Director 董事

WONG Hing Lin, Dennis 黃慶年
Director 董事

Notes to the Financial Statements

財務報表附註

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二零一八年十二月三十一日

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of Company's reserves is as follows:

		Note	Share premium	Share option reserve	Capital redemption reserve	Contributed surplus [#]	Accumulated losses	Total
		附註	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
At 1 May 2017	於二零一七年五月一日		19,242	212	48	9,883	(400)	28,985
Total comprehensive loss for the period	期間全面虧損總額		-	-	-	-	(55,412)	(55,412)
Acquisitions of subsidiaries	收購附屬公司	28	134,167	-	-	-	-	134,167
Equity-settled share option arrangement	以股權支付之購股權安排	27	-	94	-	-	-	94
At 31 December 2017	於二零一七年十二月三十一日		153,409	306	48	9,883	(55,812)	107,834
At 1 January 2018	於二零一八年一月一日		153,409	306	48	9,883	(55,812)	107,834
Total comprehensive loss for the year	年度全面虧損總額		-	-	-	-	(107,079)	(107,079)
Equity-settled share option arrangement	以股權支付之購股權安排	27	-	117	-	-	-	117
Share options lapsed during the year	年內已失效購股權	27	-	(423)	-	-	423	-
At 31 December 2018	於二零一八年十二月三十一日		153,409	-	48	9,883	(162,468)	872

[#] The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the reorganisation, over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda, the contributed surplus account of the Company is distributable to equity holders. However, the Company cannot declare or pay a dividend or make a distribution out of contributed surplus if (i) it is, or would after the payment be unable to pay its liabilities as they become due or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

39. 本公司之財務狀況表(續)

附註：

本公司之儲備概要如下：

[#] 本公司之實繳盈餘指根據重組所收購附屬公司股份之公平值超逾本公司為交換而發行之股份面值之差額。根據百慕達一九八一年公司法，本公司之實繳盈餘賬目可供分派予權益持有人。然而，本公司在下列情況不得從實繳盈餘中宣派或派付股息或作出分派：(i) 派付後無法支付到期之負債或(ii) 其資產之可變現價值少於其負債及已發行股本以及股份溢價賬之總額。

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

40. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES

40. 主要附屬公司資料

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Nominal value of issued and fully paid ordinary share/ registered capital 已發行及繳足 普通股/ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Benchmark Profits Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$1 1美元	-	100	Investment holding 投資控股
Daohe Capital Limited 道和資本有限公司	Hong Kong 香港	HK\$1 1港元	100	-	Investment holding 投資控股
Daohe Management Limited 道和管理有限公司	Hong Kong 香港	HK\$1 1港元	100	-	Management services 管理服務
Ever Eagle Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$1 1美元	-	100	Investment holding 投資控股
Glory Sino Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$1 1美元	100	-	Investment holding 投資控股
Golden Rules Enterprises Limited 高律有限公司	Hong Kong 香港	HK\$1 1港元	-	100	Investment holding 投資控股
IGCS Group Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$1 1美元	-	100	Investment holding 投資控股
International Laboratory Services Limited 國際檢定服務有限公司	Hong Kong 香港	HK\$1 1港元	-	100	Provision of laboratory services 提供檢定服務
Leyi Science and Technology Co. Ltd.* ⁴ 深圳市樂宜科技有限公司 ⁴	People's Republic of China 中華人民共和國	RMB10,000,000 人民幣10,000,000元	-	100	Software and information technology services and development 軟件和信息技術服務與開發
Linmark Agency (BVI) Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$50,000 50,000美元	-	100	Investment holding 投資控股
Linmark Agency (Hong Kong) Limited	Hong Kong 香港	HK\$10,000 10,000港元	-	100	Procurement agent 採購代理
Linmark Development (BVI) Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	-	100	Procurement agent 採購代理
Linmark Holdings Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$1 1美元	100	-	Investment holding 投資控股
Linmark (HK) Limited 林麥(香港)有限公司	Hong Kong 香港	HK\$2 2港元	-	100	Investment holding, procurement agent and trading of merchandise 投資控股、採購代理及商品貿易
Linmark International (Bangladesh) Ltd. ⁴	Bangladesh 孟加拉	Taka4,120,000 4,120,000塔卡	-	100	Procurement agent 採購代理
Linmark International (Hong Kong) Limited 林麥國際(香港)有限公司	Hong Kong 香港	HK\$200,000 200,000港元	-	100	Investment holding and procurement agent 投資控股及採購代理

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財務報表附註

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40. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued)

40. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Nominal value of issued and fully paid ordinary share/ registered capital 已發行及繳足 普通股/ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Linmark Merchandise Consultancy (Shenzhen) Limited ^{*,1,4} 林麥商品信息諮詢(深圳)有限公司 ^{1,4}	People's Republic of China 中華人民共和國	RMB1,500,000 人民幣1,500,000元	-	100	Provision of marketing consultancy and product development services 提供市場推廣諮詢及產品開發服務
Linmark Westman Investments Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$11 11美元	-	100	Investment holding 投資控股
Loovee Holdings Inc. ⁴	Cayman Islands 開曼群島	US\$160 160美元	-	100	Investment holding 投資控股
Loovee (Hong Kong) Holdings Limited ⁴ 樂唯香港控股有限公司 ⁴	Hong Kong 香港	HK\$1 1港元	-	100	Investment holding 投資控股
Loovee Science and Technology Development Co. Ltd. ^{*,3,4} 深圳市樂唯科技開發有限公司 ^{3,4}	People's Republic of China 中華人民共和國	RMB12,500,000 人民幣12,500,000元	-	100	Investment holding and development and operation of online social platforms 投資控股及開發及經營網上社交平台
Loovee Science and Technology (Shenzhen) Co., Limited [*] ("Shenzhen Loovee") ^{1,4} 樂唯科技(深圳)有限公司 (「樂唯深圳」) ^{1,4}	People's Republic of China 中華人民共和國	RMB1,000,000 人民幣1,000,000元	-	100	Investment holding 投資控股
Power Path Limited ⁴ 騰黃有限公司 ⁴	Hong Kong 香港	HK\$1 1港元	100	-	Provision of secretarial and nominee services to the fellow subsidiaries 為同系附屬公司提供秘書及代理人服務
Shenzhen Leyi Cultural Communication Co. Ltd. ^{*,4} 深圳市樂宜文化傳播有限公司 ⁴	People's Republic of China 中華人民共和國	RMB1,000,000 人民幣1,000,000元	-	100	Production and distribution of film and television and related activities 製作及發行電影與電視劇等相關業務
Shenzhen Loovee Information Services Co. Ltd. ^{*,2} 深圳市樂唯信息服務有限公司 ²	People's Republic of China 中華人民共和國	RMB1,000,000 人民幣1,000,000元	-	51	Technology services and development, operation of Ecommerce business and advertising business 技術服務和開發、經營電子商務與廣告業務
Tamarind International Holdings Limited ⁴	British Virgin Islands 英屬維爾京群島	US\$1 1美元	-	100	Investment holding 投資控股
Tamarind International Limited	Hong Kong 香港	HK\$1 1港元	-	100	Investment holding and trading of merchandise 投資控股及商品貿易
Tamarind Trading (Shanghai) Limited ^{*,1,4} 天馬仕貿易(上海)有限公司 ^{1,4}	People's Republic of China 中華人民共和國	RMB5,500,000 人民幣5,500,000元	-	100	Procurement agent and trading of merchandise 採購代理及商品貿易

Notes to the Financial Statements

財務報表附註

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40. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued)

40. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Nominal value of issued and fully paid ordinary share/ registered capital 已發行及繳足 普通股/ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Tingo Consulting Company Limited 天高企業策劃有限公司	Hong Kong 香港	HK\$1 1港元	-	100	Money lending business 貸款業務
Trend Xpress, Inc. ⁴	British Virgin Islands 英屬維爾京群島	US\$1 1美元	-	100	Investment holding and provision of market trend consultancy services 投資控股及提供市場潮流 情報諮詢服務
Trend Xpress Limited 時尚快訊有限公司	Hong Kong 香港	HK\$2 2港元	-	100	Provision of market trend consultancy services 提供市場潮流情報諮詢服務
Westman Linmark (Thailand) Ltd.	Thailand 泰國	Ordinary shares Baht 5,880,000 and preference shares Baht 6,120,000 普通股 5,880,000泰銖 及優先股 6,120,000泰銖	-	100	Procurement agent 採購代理
Westman (Singapore) Private Limited	Singapore 新加坡	S\$200,000 200,000新加坡元	-	100	Procurement agent 採購代理
* For identification purpose only			* 僅供識別		
1	The companies were registered as wholly-foreign-owned enterprises under the laws of the PRC.		1		該等公司根據中國法律註冊為外商獨資企業。
2	The company was a newly incorporated liability company under the laws of the PRC on 7 September 2018.		2		該公司為於二零一八年九月七日根據中國法律新註冊成立之有限公司。
3	Loovee Development is a limited liability company established under the laws of the PRC and under the legal ownership of two independent third parties nominated by the Company (the "VIE Equity Owners"). Shenzhen Loovee, an indirect subsidiary of the Company, Loovee Development and the VIE Equity Owners entered into certain structured contracts namely, the Exclusive Technology Consulting and Services Agreement, the Business Operation Agreement, the Exclusive Call Option Agreement, the Equity Interest Pledge Agreements, the Powers of Attorney, the Commitment Letters and the Spousal Consent Letters (together, as "VIE Contracts"). The VIE Contracts provide the Group through Shenzhen Loovee with effective control over Loovee Development.		3		樂唯開發為根據中國法律成立之有限公司，由本公司提名之兩名獨立第三方合法擁有（「VIE股權擁有人」）。本公司之間接附屬公司樂唯深圳、樂唯開發及VIE股權擁有人已訂立若干結構合約，即獨家技術諮詢服務協議、業務經營協議、獨家購買權協議、股權質押協議、授權委託書、承諾函及配偶承諾函（統稱「VIE合約」）。VIE合約讓本公司透過樂唯深圳有效控制樂唯開發。
4	The companies were not audited by Ernst & Young Hong Kong or another member firm of the Ernst & Young global network.		4		該等公司未經香港安永會計師事務所或安永國際網絡其他成員公司審核。

Notes to the Financial Statements

財務報表附註

31 December 2018
二零一八年十二月三十一日

40. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (continued)

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.

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 March 2019.

40. 主要附屬公司資料(續)

上表載列董事認為主要影響本年度業績或構成本集團資產淨值重大部分之本公司旗下附屬公司。董事認為，倘詳列其他附屬公司之資料將會使有關資料過於冗長。

41. 批准財務報表

董事會已於二零一九年三月二十六日批准及授權發佈財務報表。

Five-Year Financial Summary

五年財務概要

RESULTS

業績

		Year ended 30 April 2015 截至 二零一五年 四月三十日 止年度 US\$'000 千美元 (Restated) (經重列)	Year ended 30 April 2016 截至 二零一六年 四月三十日 止年度 US\$'000 千美元 (Restated) (經重列)	Year ended 30 April 2017 截至 二零一七年 四月三十日 止年度 US\$'000 千美元 (Restated) (經重列)	Eight months ended 31 December 2017 截至 二零一七年 十二月三十一日 止八個月 US\$'000 千美元	Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 US\$'000 千美元
REVENUE	收益	97,872	94,053	90,470	78,527	107,513
Cost of sales	銷售成本	(72,879)	(71,024)	(68,851)	(60,282)	(79,799)
Gross profit	毛利	24,993	23,029	21,619	18,245	27,714
Other income	其他收入	977	639	272	534	816
Selling and marketing expenses	銷售及市場推廣開支	-	-	-	(8,638)	(12,196)
General and administrative expenses	一般及行政開支	(23,292)	(22,285)	(20,910)	(14,931)	(20,845)
Expenses in relation to a proposed acquisition	一項建議收購事項之 開支	-	-	(638)	-	-
Gain on disposal of subsidiaries	出售附屬公司之收益	-	-	62	-	7
Gain on dissolution of a subsidiary	解散一家附屬公司之收益	-	-	-	-	8
Loss on dissolution of a subsidiary	解散一家附屬公司之虧損	-	(5)	-	-	-
Impairment losses on goodwill	商譽減值虧損	-	(887)	-	(73,098)	(66,496)
Impairment losses on other intangible assets	其他無形資產減值虧損	-	-	-	-	(21,747)
Operating profit/(loss)	經營溢利/(虧損)	2,678	491	405	(77,888)	(92,739)
Bank interest income	銀行利息收入	7	14	16	9	30
Share of loss of a joint venture	應佔一家合營公司虧損	-	-	-	(1)	(1)
Profit/(loss) before tax	除稅前溢利/(虧損)	2,685	505	421	(77,880)	(92,710)
Income tax (expense)/credit	所得稅(開支)/抵免	(1,009)	(1,118)	(167)	1,690	8,536
Profit/(loss) for the year/period	年度/期間溢利/(虧損)	1,676	(613)	254	(76,190)	(84,174)
Profit/(loss) for the year/period attributable to:	下列人士應佔年度/ 期間溢利/(虧損):					
Owners of the Company	本公司擁有人	1,676	(560)	290	(76,187)	(84,160)
Non-controlling interests	非控股權益	-	(53)	(36)	(3)	(14)
Dividends	股息	1,069	681	626	-	-
Earnings/(loss) per share (US cents)	每股盈利/(虧損)(美仙)					
Basic*	基本*	0.16	(0.05)	0.03	(5.24)	(5.58)
Diluted*	攤薄*	0.16	(0.05)	0.03	(5.24)	(5.58)

* Earnings per share for the years ended 30 April 2015, 2016 and 2017 have been adjusted for the effect of the Share Subdivision of the Company with effect from 10 August 2017.

* 截至二零一五年、二零一六年及二零一七年四月三十日止年度之每股盈利已就本公司自二零一七年八月十日起生效之股份拆細的影響作出調整。

Five-Year Financial Summary 五年財務概要

ASSETS AND LIABILITIES

資產及負債

		At 30 April 於四月三十日			At 31 December 於十二月三十一日	
		2015 二零一五年 US\$'000 千美元	2016 二零一六年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元
Non-current assets	非流動資產	26,773	27,522	29,767	124,290	19,823
Current assets	流動資產	24,585	32,358	29,599	27,329	30,644
Total assets	資產總值	51,358	59,880	59,366	151,619	50,467
Current liabilities	流動負債	(17,961)	(18,424)	(16,925)	(20,734)	(19,414)
Non-current liabilities	非流動負債	(809)	(512)	(1,781)	(19,394)	(6,451)
Total liabilities	負債總額	(18,770)	(18,936)	(18,706)	(40,128)	(25,865)
Net assets	資產淨值	32,588	40,944	40,660	111,491	24,602

Corporate Information

公司資料

NON-EXECUTIVE DIRECTOR

ZHOU Xijian (Chairman)

EXECUTIVE DIRECTORS

WONG Hing Lin, Dennis (Chief Executive Officer and President)

HO Chi Kin (Chief Financial Officer)

INDEPENDENT NON-EXECUTIVE DIRECTORS

WANG Arthur Minshiang

LAU Shu Yan

ZHANG Huijun

EXECUTIVE COMMITTEE

WONG Hing Lin, Dennis (Chairman of the Committee)

HO Chi Kin

AUDIT COMMITTEE

LAU Shu Yan (Chairman of the Committee)

WANG Arthur Minshiang

ZHANG Huijun

REMUNERATION COMMITTEE

WANG Arthur Minshiang (Chairman of the Committee)

ZHOU Xijian

ZHANG Huijun

NOMINATION COMMITTEE

ZHOU Xijian (Chairman of the Committee)

WANG Arthur Minshiang

ZHANG Huijun

COMPANY SECRETARY

HO Chi Kin

非執行董事

周希儉 (主席)

執行董事

黃慶年 (行政總裁兼總裁)

何致堅 (財務總監)

獨立非執行董事

王敏祥

劉樹人

張會軍

執行委員會

黃慶年 (委員會主席)

何致堅

審核委員會

劉樹人 (委員會主席)

王敏祥

張會軍

薪酬委員會

王敏祥 (委員會主席)

周希儉

張會軍

提名委員會

周希儉 (委員會主席)

王敏祥

張會軍

公司秘書

何致堅

REGISTERED OFFICE

Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suites 1908–12, 19/F., Shui On Centre,
6–8 Harbour Road, Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITOR

Ernst & Young
22nd Floor, CITIC Tower, 1 Tim Mei Avenue,
Central, Hong Kong

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited
13th Floor, Standard Chartered Bank Building,
4–4A Des Voeux Road Central, Hong Kong

Citibank, N.A.
48th Floor, Citibank Tower, Citibank Plaza,
3 Garden Road, Central, Hong Kong

註冊辦事處

Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda

總辦事處及主要營業地點

香港灣仔港灣道6–8號
瑞安中心19樓1908–12室

股份過戶登記總處

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda

股份過戶登記處香港分處

卓佳標準有限公司
香港皇后大道東183號
合和中心22樓

核數師

安永會計師事務所
香港中環
添美道1號中信大廈22樓

主要往來銀行

渣打銀行(香港)有限公司
香港德輔道中4–4A號
渣打銀行大廈13樓

花旗銀行
香港中環花園道3號
花旗銀行廣場花旗銀行大廈48樓

Shareholder Information

股東資料

Listing : Listed on the Main Board of
The Stock Exchange of Hong Kong Limited
since 10 May 2002

Stock Code : 915

Board Lot : 1,000

Par Value : One and one third US cents

Trading Currency : HK\$

上市 : 自二零零二年五月十日起
於香港聯合交易所有限公司
主板上市

股份代號 : 915

買賣單位 : 1,000股

面值 : 一又三分之一美仙

交易貨幣 : 港元

FINANCIAL CALENDAR

Financial period ended 31 December 2018

Results announced 26 March 2019

Register of members closed
(for ascertaining shareholders' rights to
attend and vote at the AGM) 28-31 May 2019

AGM 31 May 2019

Interim results to be announced end of August 2019*

* subject to change

FINAL DIVIDEND

The Board does not recommend the payment of any final dividend in respect of the year ended 31 December 2018.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

For the purpose of ascertaining the shareholders' rights of attending and voting at the forthcoming AGM, the register of members of the Company will be closed from Tuesday, 28 May 2019 to Friday, 31 May 2019, both days inclusive. In order to be entitled to attend the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Standard Limited, not later than 4:30 p.m. on Monday, 27 May 2019.

SHAREHOLDER SERVICES

For enquiries about share transfer and registration, please contact the Company's Hong Kong branch share registrar:

Tricor Standard Limited
Level 22, Hopewell Centre,
183 Queen's Road East, Hong Kong
Telephone: (852) 2980 1768
Facsimile: (852) 2528 3158

Holders of the Company's shares should notify the Hong Kong branch share registrar promptly of any change of addresses.

INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:

Daohe Global Group Limited
Suites 1908-12, 19/F., Shui On Centre,
6-8 Harbour Road, Wanchai, Hong Kong
Telephone: (852) 3692 2988
Facsimile: (852) 3692 2931
Email: ir@daoheglobal.com.hk
Website: www.daoheglobal.com.hk

財務行事曆

財政期內結算日 二零一八年十二月三十一日

業績公佈 二零一九年三月二十六日

暫停辦理股份過戶登記手續
(以釐定股東出席股東週年
大會並於會上投票之權利) 二零一九年
五月二十八日至三十一日

股東週年大會 二零一九年五月三十一日

中期業績公佈 二零一九年八月底*

* 可予更改

末期股息

董事會不建議就截至二零一八年十二月三十一日止年度派發末期股息。

就股東週年大會暫停辦理股份過戶登記手續

為釐定股東出席應屆股東週年大會並於會上投票之權利，本公司將於二零一九年五月二十八日(星期二)至二零一九年五月三十一日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續。為符合資格出席股東週年大會，所有填妥之股份過戶表格連同有關股票，須於二零一九年五月二十七日(星期一)下午四時三十分前交回本公司之股份過戶登記處香港分處卓佳標準有限公司。

股東服務

任何有關股份過戶及登記之查詢，請聯絡本公司之股份過戶登記處香港分處：

卓佳標準有限公司
香港皇后大道東183號
合和中心22樓
電話：(852) 2980 1768
傳真：(852) 2528 3158

本公司股份持有人若更改地址，請盡快通知本公司之股份過戶登記處香港分處。

投資者關係

任何有關投資者關係之查詢，請聯絡：

道和環球集團有限公司
香港灣仔港灣道6-8號
瑞安中心19樓1908-12室
電話：(852) 3692 2988
傳真：(852) 3692 2931
電郵：ir@daoheglobal.com.hk
網站：www.daoheglobal.com.hk



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道和環球集團有限公司

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