



中國新高教集團有限公司

China New Higher Education Group Limited

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with Limited Liability)
股份代號 Stock Code : 2001



Annual Report 2018 年報

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董事會

執行董事

李孝軒先生 (董事會主席)
趙帥先生
丁瑜先生

非執行董事

陳燦先生

獨立非執行董事

黃文宗先生
胡建波先生
鄺偉信先生

審核委員會

黃文宗先生 (主席)
胡建波先生
鄺偉信先生

薪酬委員會

鄺偉信先生 (主席)
胡建波先生
李孝軒先生

提名委員會

李孝軒先生 (主席)
黃文宗先生
鄺偉信先生

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Li Xiaoxuan (Chairman of the Board)
Mr. Zhao Shuai
Mr. Ding Yu

NON-EXECUTIVE DIRECTOR

Mr. Chen Shuo

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Man Chung Francis
Mr. Hu Jianbo
Mr. Kwong Wai Sun Wilson

AUDIT COMMITTEE

Mr. Wong Man Chung Francis (Chairman)
Mr. Hu Jianbo
Mr. Kwong Wai Sun Wilson

REMUNERATION COMMITTEE

Mr. Kwong Wai Sun Wilson (Chairman)
Mr. Hu Jianbo
Mr. Li Xiaoxuan

NOMINATION COMMITTEE

Mr. Li Xiaoxuan (Chairman)
Mr. Wong Man Chung Francis
Mr. Kwong Wai Sun Wilson

授權代表

丁瑜先生
趙帥先生

公司秘書

黃慧玲女士

香港法律顧問

陸繼鏘律師事務所
與摩根路易斯律師事務所聯營
香港
中環皇后大道中15號
置地廣場
公爵大廈
19樓1902-09室

核數師

安永會計師事務所
執業會計師
香港
中環
添美道1號
中信大廈22樓

合規顧問

海通國際資本有限公司
香港
德輔道中189號
李寶椿大廈8樓

AUTHORISED REPRESENTATIVES

Mr. Ding Yu
Mr. Zhao Shuai

COMPANY SECRETARY

Ms. Wong Wai Ling

LEGAL ADVISORS AS TO HONG KONG LAWS

Luk & Partners
In association with Morgan, Lewis & Bockius
Suites 1902-09, 19th Floor
Edinburgh Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

AUDITORS

Ernst & Young
Certified Public Accountant
22/F, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

COMPLIANCE ADVISER

Haitong International Capital Limited
8/F Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

註冊辦事處

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

總部及中國主要營業地點

中國北京市東城區
北三環東路36號
環球貿易中心A座25樓

香港主要營業地點

香港
灣仔皇后大道東248號
陽光中心40樓

開曼群島股份過戶登記處

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

香港股份過戶登記處

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

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

25F, Tower A, Global Trade Center,
No. 36 North 3rd Ring East Road, Dongcheng District,
Beijing, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Sunlight Tower
No.248 Queen's Road East, Wan Chai
Hong Kong

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG SHARE REGISTRAR

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

主要往來銀行

中國民生銀行
花旗銀行
恒生銀行
昆明官渡農村合作銀行
中國工商銀行

投資者關係

投資者關係部
電郵：ir@xingaojiao.com
地址：中國北京市東城區
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環球貿易中心A座25樓

公司網站

<http://www.xingaojiao.com>

股份代號

2001

上市日期

2017年4月19日

PRINCIPAL BANKS

China Minsheng Bank
Citibank
Hang Seng Bank
Kunming Guandu Rural Cooperative Bank
Industrial and Commercial Bank of China

INVESTOR RELATIONS

Investor Relations Department
Email: ir@xingaojiao.com
Address: 25F, Tower A, Global Trade Center,
No. 36 North 3rd Ring East Road, Dongcheng District,
Beijing, the PRC

COMPANY'S WEBSITE

<http://www.xingaojiao.com>

STOCK CODE

2001

DATE OF LISTING

19 April 2017

1999

Established Yunnan Einsun Computer Vocational Training Station and is engaged in computer basic knowledge training and education, and entered into the private education industry

成立雲南愛因森計算機職業培訓站，從事計算機基礎知識培訓教育，開始進入民辦教育行業



2010

Ping An invested in the Group
平安參股



2005

Established Yunnan School and was upgraded from junior college to undergraduate school in 2011

雲南學校成立，並於2011年從專科升格為本科院校



2012

Group headquarter moved to Beijing from Yunnan
集團總部由雲南遷至北京

Established Guizhou School offering a three-year junior college program

貴州學校成立，提供三年制專科課程



2015

Invested in Central China School And finished the construction of its new campus in 2016
投資華中學校並於2016年建成新校園



2017

Listed on the main board of SEHK
香港聯交所主板上市

Included as a constituent stock of the Hang Seng Composite Small Cap Index, Hang Seng Consumer Goods & Services Index and MSCI China Small Cap Index for the first time

首次獲納入恒生綜合小型股指數及恒生消費品製造、服務業指數成份股及MSCI明晟中國小型指數成份股



2016

Invested in Northeast School
投資東北學校



2018

Invested in Henan School
投資河南學校

Included as a constituent stock of Hang Seng Stock Connect Hong Kong Index, with effect on 5 March 2018
獲納入恒生港股通指數成份股，於2018年3月5日生效

Cooperation in relation to the Gansu College And planned the construction of its new campus
合作舉辦甘肅學院並籌建新校園

Invested in Guangxi Schools
投資廣西學校

1月
January

Entered into the land use right transfer agreement to acquire the State-owned land situated within Lanzhou New Development Zone, Gansu Province, with a total site area of approximately 390,605 sq. m. the establishment of the Gansu College Campus. The Group plans to construct certain school buildings on the Land for the establishment of the new campus of Gansu College

訂立土地使用權出讓合同，成功競標收購一幅位於甘肅省蘭州新區之國有土地，總佔地面積約為390,605 平方米。本集團計劃於該地塊上建造若干學校樓宇，以興建甘肅學院新校園

Invested in Henan School

投資河南學校

2月
February

Entered into a facility agreement with a consortium of three banks to obtain a 5-year term loan facility in the initial principal amount of HK\$500 million, being the 1st Hong Kong listed higher education company successfully obtain syndicated loan

與三間銀行組成的財團簽定初步本金額為5億港元的5年期貸款融資，為首家成功組成香港銀團之香港上市高等教育公司

3月
March

Included as a constituent stock of Hang Seng Stock Connect Hong Kong Index, with effect on 5 March 2018

獲納入恒生港股通指數成份股，於2018年3月5日生效

5月
May

Received the approval from MOE for the change of school sponsor of the Northeast School

取得教育部批准將東北學校之學校舉辦者變更

6月
June

Entered into a five-year term strategic cooperation agreements, with several construction companies, which agreed to offer relatively more preferential commercial terms so that the Group's investment at the early stage of the constructions would decrease

與多家建築公司訂立為期五年策略合作協議，建築公司各自同意提供相對更優惠的商業條款，從而令本集團於建設初期的投資與之前相比可減少

Received the approval from the Department of Education in Henan Province for the change of school sponsor of the Henan School

取得河南省教育廳批准將河南學校之學校舉辦者變更

7月
July

Cooperation in relation to the Gansu College
合作舉辦甘肅學院

8月
August

The Draft Implementation Rules for Laws for Promoting Private Education of the PRC was published by Ministry of Justice of the PRC for public consultation
司法部發布《中華人民共和國民辦教育促進法》的實施細則（送審稿）以供公眾諮詢

9月
September

Invested in Guangxi Schools
投資廣西學校

10月
October

Henan School Acquisition Closing
河南學校交易完成

Announced the total number of enrolled students of the Schools increased to 93,548 in the 2018/2019 academic year, representing an increase of approximately 72% as compared to 54,290 in the 2017/2018 academic year. Average tuition fees are expected to reach RMB9,947, an increase of approximately 5% as compared to RMB9,492 in last academic year
公佈2018/19學年的總在校生人數增加至93,548人，較2017/2018學年的54,290人增加約72%，平均學費預期為人民幣9,947元，較上一學年的人民幣9,492元增加約5%

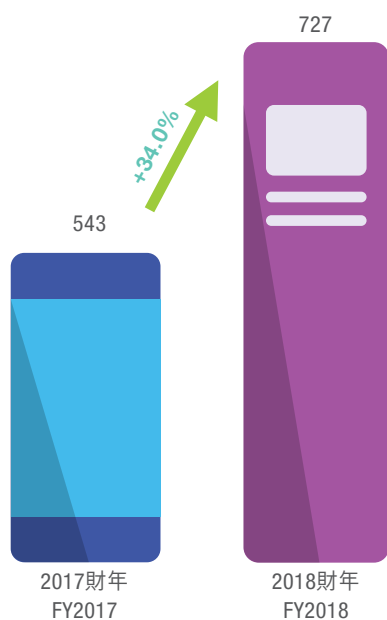
12月
December

Northeast School Acquisition Closing
東北學校交易完成

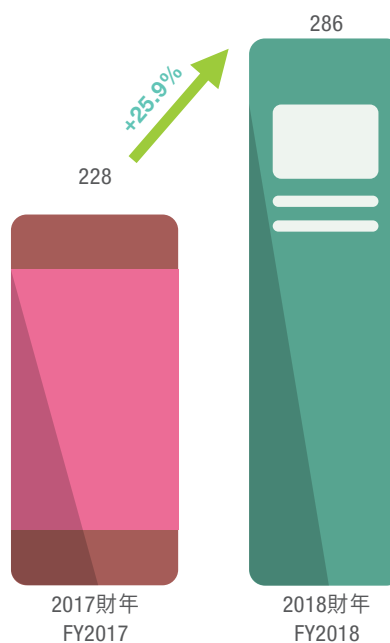
主要損益表項目

MAJOR STATEMENT OF PROFIT OR LOSS ITEMS

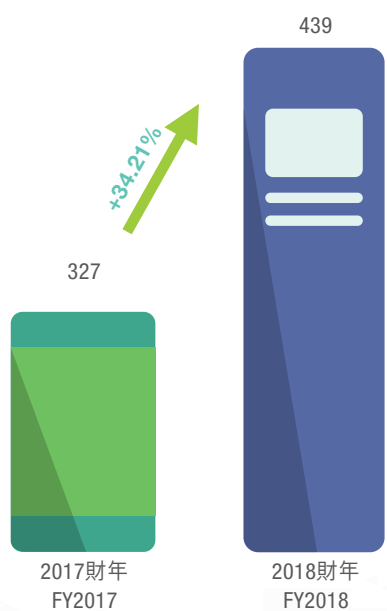
總收入及其他收益及增益
Total Revenue and Other income and gains
(百萬元人民幣)
(RMB million)



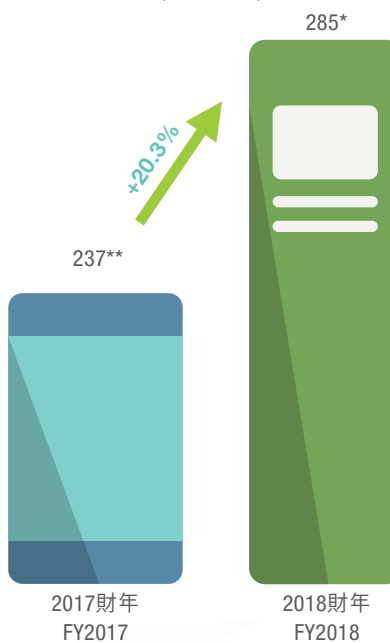
毛利潤
Gross Profit
(百萬元人民幣)
(RMB million)



稅息折舊及攤銷前利潤*
EBITDA*
(百萬元人民幣)
(RMB million)



經調整淨利
Adjusted net profit
(百萬元人民幣)
(RMB million)

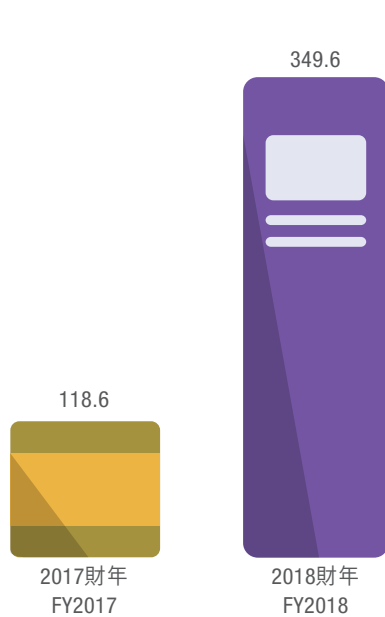


* 不含其他非流動資產的預付款項計提減值撥備
Excluding the impairment allowance made for prepayment included in other non-current assets

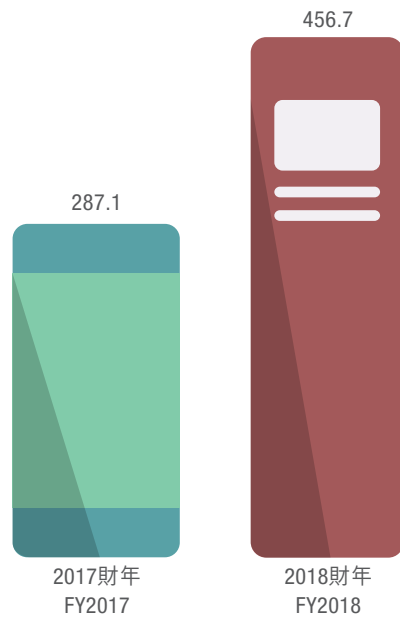
** 扣除上市費用及匯兌收益影響
Excluding listing expenses and foreign exchange gain

主要財務狀況表項目 MAJOR STATEMENT OF FINANCIAL POSITION ITEMS

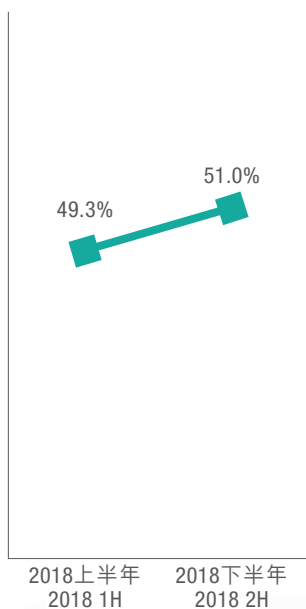
現金
Cash
(百萬元人民幣)
(RMB million)



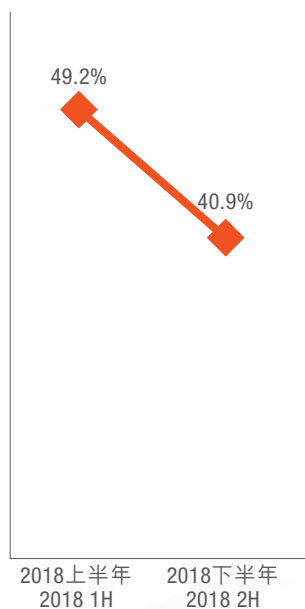
經營性現金淨流入
Operating cash inflows
(百萬元人民幣)
(RMB million)



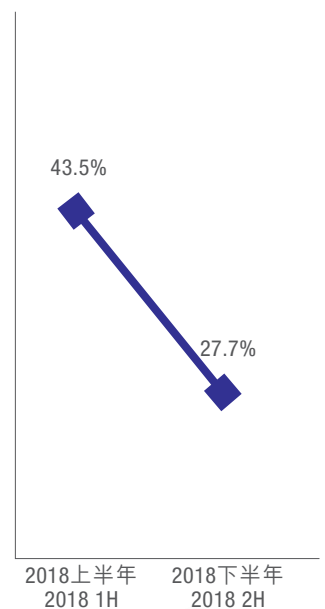
資產負債率
Debt asset ratio
總負債／總資產
Total liabilities/Total assets



資產負債率(經調整)
Gearing ratio (adjusted)
(總負債－預收款)／總資產
(Total liabilities – receipts in advance)/Total assets



有息負債／總資產比率
Ratio of interest bearing liabilities/
Total assets
有息負債／總資產
Interest bearing liabilities/Total assets







1

雲南工商學院（雲南學校）
Yunnan Technology and
Business University
(Yunnan School)



2

貴州工商職業學院
（貴州學校）
Guizhou Technology
and Business Institute
(Guizhou School)



3

哈爾濱華德學院（東北學校）
Harbin Huade University
(Northeast School)



4

*
湖北民族學院科技
學院（華中學校）
Science and
Technology College of
Hubei Minzu University
(Central China School)



5

洛陽科技職業學院（河南學校）
Luoyang Science and Technology
Vocational College (Henan School)



7

**
蘭州理工大學技術
工程學院
（甘肅學院）
College Technology
and Engineering
(Gansu College)



6

廣西英華國際職業學院、廣西欽州英華國際職業技術學校
及廣西英華國際職業學院附屬中學（統稱廣西學校）
Guangxi Yinghua International Occupation College,
Guangxi Qinzhou Yinghua International Occupation and Technology School
and Guangxi Yinghua International Occupation Middle School (collectively, Guangxi Schools)

* 投資於華中學校仍須向省級民政主管部門登記
The investment in Central China School by the Group is still pending registration with the provincial civil affairs authorities
** 收購甘肅學院仍有待教育部門批准變更甘肅學院的學校舉辦者
The acquisition of Gansu College is still pending approval for change of school sponsor of Gansu College by the MOE



中國新高教集團有限公司
China New Higher Education
Group Limited
集團創始人、董事會主席
兼執行董事
Founder of the Group, Chairman of
the Board and Executive Director

李孝軒
Li Xiaoxuan

尊敬的各位股東，

本人謹代表董事會欣然向各位股東提呈本集團截至2018年12月31日止的業績報告。

2018年，是本集團「二次創業」新征程的開局之年，也是上市運營的第二個年頭。上市近兩年來，在廣大投資人和社會各界的支持幫助下，我們在資本市場上經風雨、見世面，進入了發展的快車道，邁出了堅實步伐。

DEAR SHAREHOLDERS,

On behalf of the Board, I am pleased to present to the Shareholders the results report of the Group as of 31 December 2018.

2018 was the inaugurated year of “embarking the second-round of new journey of entrepreneurship” and also the second year of operation since our listing. With the support of investors and social communities in nearly two years after listing, we braved the storms, faced the world and entered the development fast lane with solid steps.

回顧2018年，集團的河南學校及東北學校完成舉辦者變更及併表，完成年初對投資者的承諾，緊接著廣西學校於2019年1月初完成併表，集團作為外延發展的領頭羊，證明這條道路是「通」的。另一件大事是，公司進入恒生「港股通」成分股指數，擴闊投資者光譜，令集團的知名度更上一層樓。2018年，集團再一次與排名靠前的公辦大學合作辦學，打造甘肅學院，再添獨立學院的成功案例，集團在此領域的優勢愈發明顯。2018年3月，本人當選第十三屆全國人大代表，在教育扶窮、職業教育以及民法修改等議題上發聲，剛剛過去的人大會議上發出推進新時代教育事業更加公平、更有品質發展的好聲音。

截至今日，集團已完成全國雲南、貴州、黑龍江、湖北、河南、甘肅、廣西等7個省區的大學佈局，自建及投資學校的在校生人數首次突破10萬人，很好的實現了預定目標，實現了穩健的業績增長。

與此同時，我們在內生和外延上所做出的工作也取得了預期成效，對將來的可持續發展也集聚了堅實後勁，成為港股高教板塊中進入省份最多、跨地域最廣的上市公司，充分體現了新高教集團強大的跨區域複製和管理優勢，展現了卓越的整合能力。我們的優勢在於：始終堅定應用型職業教育的發展道路，發揮集團化辦學優勢，將我們在辦學和管理中的成熟做法、成功經驗迅速複製到全國，實現了集團下屬院校的資源分享和協同發展，逐步形成了新高教的辦學品牌和核心競爭力。

支援和規範社會力量興辦教育，是中央明確的清晰政策導向。從宏觀形勢來講，中國對於民辦高等教育的需要仍然巨大，地方財政對高教事業投入不足，就「十三五」和「十四五」規劃來說，離目標達成還有很大空間。尤其讓人感到振奮的事，近期國家出臺的《中國教育現代化2035》《國家職業教育改革實施方案》和李克強總理的《政府工作報告》，對民辦教育、職業教育都採取了一系列「大動作」，釋放了空前利好的政策資訊，與新高教集團一直以來專注於應用型職業教育的方向是非常契合的。對民辦教育發展而言，政策更明朗，導向更鮮明，空間更廣闊，預期更明確。

Looking back at 2018, the Group completed the change of sponsorship and consolidation of Henan School and Northeast School, performed the commitments that we had made to the investors at the beginning of the year. Subsequently, the consolidation of Guangxi Schools was completed in early January 2019. As the leader of our business extension, we proved that the development method was feasible. Another significant event was, the Group was included in the Hang Seng Stock Connect Hong Kong Index, which is another milestone of our development in expanding the investor spectrum and make the Group more well known. In 2018, we reinitiated the public-private cooperation with a leading public university and developed Gansu College, which made it another successful project in developing independent colleges while consolidating the Group's advantages in this sector. In March 2018, I was elected as the representative of the 13th National Congress. I addressed my statement in proposing poverty relief through education, vocational education and revision of law for promoting private education. I called on more equitable and higher quality development in propelling education industry under the new era at the National People's Congress that was concluded recently.

As of today, the Group has completed its university layout in over seven provinces and autonomous regions including Yunnan, Guizhou, Heilongjiang, Hubei, Henan, Gansu and Guangxi. For the first time, the number of enrolled students of the school we self-built and invested, had exceeded 100,000. Our target was well achieved and stable performance growth had been realized.

Meanwhile, the organic and expansion works that we made had also achieved expected results, precipitated solid momentum for our future sustainable development. We are a Hong Kong listed company with the broadest coverage in terms of provinces and geographic regions among the education sector, which fully demonstrates the strong cross-region replication and management advantages as well as the outstanding integration capability of the Group. Our strengths are possessing firm commitment to developing universities by focusing on applied sciences, giving full play of the advantages of collectivized school operation, and quickly replicating our matured practices and successful experiences in education and management to the entire nation, realizing resources sharing and synergetic development of the schools under the Group and gradually forming the education brand and core competitiveness of the Group.

Supporting and regulating private sectors in initiating education by the government is the clear orientation of the future policy. From a macroeconomic standpoint, there is still a huge demand for private higher education in China, albeit local government investments in higher education are insufficient. Regarding the 13th and 14th Five-Year Plans, there is still a long way to go towards meeting the goals. It is especially encouraging that according to the *Education Modernization in China in 2035*, the *Reform Implementation Plan of National Vocational Education* and the *Government Work Report* delivered by Premier Li Keqiang, China will initiate "significant actions" on private education and vocational education. These favorable policies that released match the development direction of China New Higher Education Group, in which we has already been focusing on applied vocational education. For the development of private education, the policy is clearer, the environment is more friendly while the expectations are more specific.

主席報告書 CHAIRMAN'S STATEMENTS

展望未來，我們將專注於擴大我們全國網絡佈局，繼續在高等教育增長潛力巨大的重點區域展開投資併購和自建學校，提高行業市場份額；另一方面，現有學校提質擴容，聚焦高等職業教育，緊緊圍繞重點學科專業、社會美譽度、學生滿意度、高品質就業等目標，狠抓內涵建設，打造一流師資，提升辦學聲譽，努力實現學費收入、在校生成人數、其他收益的同步增長。

最後，我們希望各位股東對公司的未來發展，利潤前景及戰略佈局充滿信心。我們一定會排除萬難去爭取勝利，為各位股東創造最好、最穩定的回報。

中國新高教集團有限公司

主席

李孝軒

2019年3月29日

Looking forward, on one hand, we will focus on expanding our national network layout and continue to conduct investments, mergers and acquisitions and self establishment of schools in key regions in higher education that has enormous growth potential in order to increase our market share. On the other hand, we will improve the quality and conduct expansion by focusing on higher vocational education. We will firmly concentrate on the objectives such as key scientific disciplines, social recognition, students' satisfaction and high-quality employment, improve students' intrinsic experience, develop leading faculty teams and enhance school reputation, striving to achieve simultaneous growth in terms of tuition fees, number of enrolled students and other income.

Finally, we hope shareholders are confident about the Company's future development, profit prospects and strategic layout. We will overcome difficulties and hardships to achieve our targets, striving to create the best and most stable returns for Shareholders.

China New Higher Education Group Limited

Li Xiaoxuan

Chairman

29 March 2019

業務回顧

概覽

我們是中國就業率領先的高等職業教育集團。於2018年12月31日，本集團在全國六省運營及投資了六所大學，招生網絡覆蓋全國。於2018年12月31日，本集團學生就讀84個普通本科專業，以及76個普通專科專業。另外，本集團已申請參與合作舉辦甘肅學院，並預計於2019年9月完成新校園搬遷。

於2018/2019學年，總在校生人數達到93,548人（不包含甘肅學院人數），同比增加72.3%，詳見在校生人數表格。此外，於2018/2019學年甘肅學院的在校生人數約8,200人，預計將於2019年9月份搬遷到新校園就讀。

應用型教育特色

集團致力於幫助中等考分學生通過高品質就業成為卓越人才，培養模式結合當地發展及需求，為學生提供面向各個領域的高品質應用型高等教育。

集團專業設置旨在教授學生具備實踐經驗及適用技能，從而幫助學生獲得就業能力，實行「三個融入」策略「融入國家戰略、融入區域發展、融入行業進步」，適時調整專業設置，以滿足不斷變化的市場需要，取得了全行業領先的畢業生就業率。

BUSINESS REVIEW

OVERVIEW

The Group is a leading higher education group with leading graduation employment rate in China. As of 31 December 2018, the Group operated and invested six higher education institutes in six provinces in mainland China with nationwide student enrollment coverage. As at 31 December 2018, our students attended 84 general undergraduate majors and 76 general junior college majors. Furthermore, the Group has applied to be a joint school sponsor of Gansu College and is expected to complete its new campus relocation in September 2019.

For 2018/2019 academic year, total student enrollment increased to 93,548 (excluding student enrollment in Gansu College), representing an increase of 72.3% as compared with last academic year, the details of which are set out in following student enrollment table. For 2018/2019 academic year, Gansu College student enrollment was about 8,200 and will relocate to the new school in September 2019.

FEATURES OF APPLIED SCIENCES

The Group strives to help average students to become excellent talents through our high-quality employment, as we combine our training model with local development and demands in order to offer students high-quality higher education focused on applied science in all sectors.

Our course offerings are designed to equip students with practical experience and readily applicable skills and prepare them for the job market. At the same time, the Group implements the “three integrations” strategy, namely integrating into national strategy, regional development and industrial progress. Meanwhile, the Group will adjust its course offerings from time to time to satisfy changing market demand. As a result, we outperformed industry peers in terms of industry-leading graduate employment rates.

學校

OUR SCHOOLS

學校 Schools	狀態 Status	
雲南學校	自建	<p>雲南省首所民辦本科院校</p> <p>教育部全國畢業生就業典型經驗高校暨全國高校就業工作50強，連續九年雲南省教育廳頒發的就業工作目標責任考核一等獎</p> <p>省級文明單位、省級文明校園</p>
Yunnan School	Self-founded	<p>The first private undergraduate school in Yunnan Province</p> <p>A typical model school for national graduate employment by MOE and also the top 50 universities in terms of employment, received first prize of targeted responsibility assessment for employment awarded by Yunnan Education Department for 9 consecutive years</p> <p>Provincial advanced unit and civilized campus</p>
貴州學校	自建	<p>2012年建校，截至2018/2019學年，在校生超過16,000人，於2018年為貴州省在校生規模最大的民辦高職院校</p> <p>2018年全國職業院校技能大賽高職組「電子商務技能」賽項、「護理技能」賽項全國二等獎</p>
Guizhou School	Self-founded	<p>Established in 2012, for the 2018/2019 academic year, the number of student enrollment had exceeded 16,000, which is the private higher vocational education college with largest number of student enrollment in Guizhou Province in Guizhou Province in 2018</p> <p>Awarded the prize of higher vocational education category's "E-Commerce Skills" competition and the second prize of "Nursing Skills" in the 2018 National Skills Competition of vocational colleges</p>
東北學校	投資 (於2018年12月 完成併表)	<p>秉承哈爾濱工業大學「規格嚴格、功夫到家」的治學傳統</p> <p>2018年學校順利通過教育部本科教學工作合格評估</p> <p>黑龍江省就業率領先院校</p>
Northeast School	Investment (completed in December 2018)	<p>To pursue the teaching tradition of "Strict criterion, Solid basic skills" in Harbin Institute of Technology</p> <p>The School successfully passed the assessment of the undergraduate teaching evaluation by MOE in 2018</p> <p>A leading college in terms of employment rate in Heilongjiang Province</p>

學校 Schools	狀態 Status	
河南學校	投資 (於2018年10月 完成併表)	<p>河南洛陽市唯一的民辦高等職業院校</p> <p>全國高職電子商務專業技能聯考首批試點院校</p> <p>投資後一年內快速完成了新校區建設，以滿足新學年新生入駐需求，招生人數再創歷史新高</p>
Henan School	Investment (completed in October 2018)	<p>Henan School is the only private institution of higher vocational education</p> <p>First batch of pilot schools of national vocational electronic commerce skills in joint examination</p> <p>Henan School completed the construction of a new campus within one year after the investment, so as to satisfy the enrollment demand in the new academic year, and the number of student enrollment has reached new high</p>
廣西學校	投資 (於2019年1月 完成併表)	<p>廣西欽州市唯一的民辦高等職業院校</p> <p>所在的北部灣經濟區是廣西壯族自治區「一帶一路」戰略發展重點區域，具有輻射東盟的區域優勢</p> <p>學校之升本計劃現已納入廣西壯族自治區「十三五」高校設置規劃並經教育部備案</p>
Guangxi School	Investment (completed in January 2019)	<p>Guangxi School is the only private institution of higher vocational education in Qinzhou, Guangxi Province</p> <p>Located in Beibu Gulf Economic Zone, it is a key development region in Guangxi Zhuang Autonomous Region under the strategy of the "Belt and Road", with radiating regional advantage to the ASEAN</p> <p>The promotion plan of the schools has been included in the "13th Five-Year Plan" for universities in Guangxi Zhuang Autonomous Region and has been filed with the MOE</p>

學校 Schools	狀態 Status	
華中學校	投資	<p>新校區創建3年，於2018/19學年在校生人數超過8,500人</p> <p>湖北恩施州人民政府精準扶貧定向培養醫學生的合作高校</p> <p>擁有醫學學士學位授予資質</p> <p>湖北省大學生思想政治工作先進單位、湖北省高校招生工作先進單位</p>
Central China School	Investment	<p>Having been established for three years, the number of student enrollment in the new campus has exceeded 8,500 in the academic year of 2018/19</p> <p>Central China School is a higher education college supported by Enshi People's Government of Hubei Province which targeted at poverty alleviation and training medical interns</p> <p>The School possesses the qualifications to grant bachelor's degree in medicine</p> <p>The School is entitled as the advanced unit of students' ideological and political work in Hubei Province, advanced unit of college enrollment in Hubei Province</p>
甘肅學院	投資	<p>目前甘肅學院的在校生人數約8,200人</p> <p>2018年6月開始新校區建設，預計將於2019年9月份啟用新校園</p>
Gansu College	Investment	<p>Currently, the number of student enrollment in Gansu College is about 8,200</p> <p>In June 2018, the School commenced its new campus construction and it will start in September 2019</p>

在校學生人數

學生通過普通高等學校招生全國統一考試，達到當地錄取分數線，方可被錄取，接受高等教育。作為提供高等教育服務的院校，每年各教育主管部門會制定每間學校的招生限額。

2018/2019學年度，集團旗下各所院校之招生人數創歷史新高，新生報到人數、計畫利用率成績令人鼓舞，體現了各校的辦學實力與辦學聲譽，也顯示在當地具有較強競爭力。

NUMBER OF ENROLLED STUDENTS

In order to be admitted for higher education, a student must pass and attain certain scores in China's National Higher Education Entrance Examination. Being institutions of providing higher education services, the respective education authorities will specify a quota for the number of new students that each of the Group's schools may admit each year.

For the academic year of 2018/2019, many institutes under the Group had reached new record high in terms of the number of students enrolled. The new student registration and planned utilization are inspiring, which shows their strengths and reputations as well as more competitive advanced majors in the local region.

學校	Schools	在校學生人數 Number of Enrolled Students	
		學年 ^{附註(5)} Academic Year ^{Note (5)}	
		2018/2019	2017/2018
雲南學校	Yunnan School	25,957	21,849
雲南學校之 五年制大專課程 ^{附註(1)}	Five-year college programs of Yunnan School ^{Note (1)}	1,798	1,793
貴州學校	Guizhou School	16,828	15,584
東北學校	Northeast School	9,261	9,355
河南學校	Henan School	21,167	–
華中學校 ^{附註(2)}	Central China School ^{Note (2)}	8,584	5,709
廣西學校 ^{附註(3)}	Guangxi Schools ^{Note (3)}	9,953	–
總計	Total	93,548	54,290
甘肅學院 ^{附註(4)}	Gansu College ^{Note (4)}	8,218	–
總計	Total	101,766	54,290

附註：

- 五年制大專課程是指自2017/2018學年，雲南學校開辦五年制大專課程，該等學生於第一、二個學年將在合作院校開展學習，並將於2019年及2020年9月開始在雲南學校開展學習及向雲南學校繳交學費。
- 本集團投資於華中學校仍須向省級民政主管部門登記。
- 於2019年1月11日本集團已獲得所有必要批准並完成收購廣西學校。
- 收購甘肅學院仍有待教育部門批准變更甘肅學院的學校舉辦者。
- 學年一般由各屆年9月1日開始，到翌年8月31日結束。

Notes:

- Five-year college programs refer to Yunnan School has developed the five-year college programs since 2017-2018 academic year. Those students will commence their study in partner schools during the first and second academic years and will commence their study in Yunnan School and pay tuition fees to Yunnan School from September 2019 and 2020 onwards.
- The investment in Central China School by the Group is still pending registration with the provincial civil affairs authorities.
- The Group has obtained all necessary approvals and completed the acquisition of the Guangxi Schools on 11 January 2019.
- The acquisition of Gansu College is still pending approval for change of school sponsor of Gansu College by the MOE.
- An academic year generally starts from September 1 of each calendar year to August 31 of the following year.

學費及住宿費

按行業慣例，我們會根據不同專業需求，每年對不同專業的學費調整。整體平均學費年化增長3%-8%。各學校學費區間如下：

TUITION FEE AND ACCOMMODATION FEES

In terms of industry practice, we will adjust tuition fees of different majors each year according to their demand. The overall average tuition fee increased by 3%-8% annually. The ranges of tuition fee in schools are as follow:

		學費區間		住宿費區間	
		Range of Tuition fee		Range of Accommodation fee	
		2018/2019	2017/2018	2018/2019	2017/2018
		(人民幣元) (RMB)	(人民幣元) (RMB)	(人民幣元) (RMB)	(人民幣元) (RMB)
雲南學校	Yunnan School	11,000-22,000	11,000-20,000	750-2,800	750-1,200
貴州學校	Guizhou School	8,000-9,380	8,000-9,380	1,200-2,200	1,200
東北學校	Northeast School	17,000-19,000	14,500-16,500	1,100-2,000	800-1,200
河南學校	Henan School	4,600-7,800	2,600-7,800	900-1,600	900-1,400
廣西學校	Guangxi School	7,000-8,500	6,000-7,500	880-1,350	880-1,350
華中學校	Central China School	8,500-19,000	7,500-18,000	1,200	1,200

就業情況

作為民辦應用型高等教育機構，集團以畢業生就業率作為衡量教學業績的重要標準，堅持「以就業帶動發展」的核心戰略，透過頂崗實習、實習對接就業、校企合作等，確保畢業生具備必須的就業技能。集團在北京設立了就業辦事處，在學院優化就業服務工作機制，說明更多學生打造就業競爭力，實現高品質就業，實現可持續發展。

EMPLOYMENT STATUS

As a private higher education institute focused on applied sciences, the Group uses graduate employment rate as an important criterion to measure the teaching results. The Group adheres to its core strategy of “promoting development by employment”. Through the measures of internship practice, connection between internship and employment as well as cooperation between universities and enterprises, the Group assures graduates to master necessary employability. The Group sets up employment offices in Beijing, optimizes the employment service system in colleges and helps them to develop employment competitiveness, so as to achieve high-quality employment and sustainable development.

學校	Schools	畢業生就業率	
		2018年	2017年
		Graduate Employment Rate	
		截至12月31日	
		As of 31 December	
		2018	2017
雲南學校	Yunnan School	98.2%	98.8%
貴州學校	Guizhou School	97.3%	97.2%
東北學校	Northeast School	93.5%	—
河南學校(高職)	Henan School (higher vocational school)	97.2%	—

* 畢業生就業率定義為按於畢業後六個月找到工作(包括獲得商業實體僱用、開始創業或繼續進修)的學生數目除以於相關學年畢業的學生總數計算的比率。

* Graduate employment rate is defined as a rate calculated by dividing the number of students who are being employed within six months after their graduation (including students who are being employed in business entities, start their own businesses or pursue further studies) by the total number of students graduated from school for the relevant academic year.

產教融合、校企合作

集團旗下學校與微軟、華為、阿里巴巴、聯想、京東、美的、格力、吉利、360、達內、科大訊飛、中聯集團、中軟國際、新大陸集團和中國航信集團等眾多知名企業建立深度校企合作關係，通過師資共用、課程資源分享、實驗實訓室建設、專業共建、學院共建等合作方式聯合開展人才培養。

扶貧工作

集團各院校建立了各類貧困生資助體系實施「一個都不能少」教育扶貧工程，讓所有貧困生到學校以後學習無憂、就業無憂。雲南學校還特別開設了「人口較少民族發展扶持班」，2018年招收35名雲南怒江籍人口較少民族貧困學生，學校全額承擔全部學生大學期間的學費、教材費、住宿費。集團旗下學校承擔了教育部滇西青年創業人才培訓專案，為滇西地區培訓貧困農村致富帶頭人。

集團進行公益助學、救災捐款、線上教育等投入，旗下學校也在教育扶貧方面做出了突出貢獻。2018年，集團主席榮獲了「全國脫貧攻堅獎奉獻獎」。

於2018/2019學年，集團的獨立非執行董事黃文宗先生繼續捐出董事袍金作為獎助學金，以鼓勵學院優秀學生的出色成績，以及資助有經濟困難的學生。

卓越學院

卓越學院旨在為學生提供現代學徒制培訓，基於企業需求和目標就業崗位，用最後一學年的4至6個月的時間，讓學生畢業前就具備相當於在企業工作兩年的工作經驗和能力。旗下學校進一步擴大卓越學院規模，例如：2018年雲南學校本科新開設了工程造价、土木工程、計算器科學與技術、視覺傳達、市場行銷等專業的卓越班。同時，河南學校也在電子商務學院、藝術學院引入卓越學院模式。

INTEGRATION OF INDUSTRY AND EDUCATION, COOPERATION BETWEEN SCHOOLS AND ENTERPRISES

For the schools under the Group, they established a profound school-corporate cooperation with many well-known companies including Microsoft, Huawei, Alibaba, Lenovo, Jingdong, Midea, Gree, Geely, 360, Tedu, iFlytek, China Union, Chinasoft International, Newland Group and Travelsky Group. They jointly carry out talents training through many cooperative models such as teacher sharing, course resources sharing, construction of experimental training bases, joint formulation of majors as well as college co-found.

POVERTY ALLEVIATION

The institutions of the Group have established various subsidy systems for poverty-stricken students. The “Not One Less (一個都不能少)” policy was successfully implemented, which enabled poverty-stricken students to study and work during schoolings without any worry. Yunnan School has also set up a special class for supporting the development of ethnic minorities. In 2018, the school enrolled 35 students who are ethnic minorities in Yunnan Nujiang. The school will bear the tuition, teaching materials and accommodation fees for all students during their college education. The schools under the Group undertook the project of young innovative talents training in western Yunnan, which nurtured some villagers in the poverty villages of the rural region to become rich first, and in turn they can lead the poverty alleviation works.

The Group made donations in public student aid, disaster relief and online education. Various schools under the Group also made prominent contributions to educational poverty alleviation. In 2018, chairman of the Group was awarded the “National Poverty Alleviation Dedication Award (全國脫貧攻堅獎奉獻獎)”.

In the 2018/2019 academic year, Mr. Wong Man Chung Francis, the Group’s independent non-executive director, continued donating its director fees as scholarship to encourage outstanding students of the college and support students with financial difficulties.

COLLEGE OF EXCELLENCE

The College of Excellence aims at providing students with modern apprenticeship training. Within the four to six months during their final academic year, depending on corporate demands and targeted employment position, the program enabled students to master equivalent to two years of working experience and abilities in a company before graduation. Our schools further expanded the scale of the College of Excellence. For example, in 2018, Yunnan School set up undergraduate excellent classes covered the majors from construction costing, civil engineering, computer science and technology, visual communication and marketing. Meanwhile, Henan School introduced the College of Excellence model into its E-Commerce Institute and Art Institute.

管理層討論與分析 MANAGEMENT DISCUSSION AND ANALYSIS

截至2018年12月31日止，1,211名學生已參與本集團卓越班學徒制培訓，包括雲南學校的723名學生及貴州學校的488名學生。截至2018年12月31日止，雲南學校2017屆卓越學院畢業生起薪點為每月人民幣5,601元，遠高於市場水準，就業率達100%。

教育政策動向

近期，中國政府頒佈了《國家職業教育改革實施方案》，不僅從頂層設計上將職業教育置於與普通教育同等重要的地位，而且明確了社會多元辦學的方向，再次強化了鼓勵民辦教育的政策取向，為民辦職業教育打開了更大的發展潛力。尤其對於新高教集團這樣既有應用型本科高校又有職業院校的高等教育集團，該方案既印證了應用型教育這一戰略選擇的正確性，也為今後的辦學發展提供了指引。

《中國教育現代化2035》及《加快推進教育現代化實施方案(2018-2022年)》等一系列政策和文件的頒佈，顯示民辦高等職業教育已經成為國家教育戰略的重要組成部分，依託於國家的鼓勵引導與規範監督，民辦教育將獲得更多發展機會，同時也要面對來自國家和公眾層面對提高自身發展水準的更多要求和期待。另外在政府工作報告中提到，改革完善高職院校考試招生辦法、今年大規模擴招100萬人，體現了國家推動職業教育發展的決心，各類高職院校將從中直接受益，尤其是擁有品牌和競爭優勢的學校，將獲得更大發展機遇。

未來展望

發揮集團化優勢，努力開拓當前及未來集團面臨的三大市場，即：(1)應用型大學市場，計畫全國每個省都布局；(2)大學的周邊市場，主攻方向是當前正在推進的產教融合；(3)其他大學或教育機構的服務市場，面向其他其他教育機構提供專業建設、後勤、管理、資訊化等服務。

As of 31 December 2018, 1,211 students had participated in the Group's excellent apprenticeship training, including 723 students from Yunnan School and 488 students from Guizhou School. As of 31 December 2018, the starting salary of the 2017 fresh graduates from the College of Excellence at Yunnan School is RMB5,601 per month, which is way above market standard, and its employment rate is 100%.

EDUCATION POLICY TREND

Recently, the PRC government promulgated the "National Vocational Education Reform Implementation Plan" (國家職業教育改革實施方案), which places vocational education on the equal position as general education on the top-level design. It also clarifies the direction of social diversified school establishment, and once again strengthens the policy of encouraging private education. The plan has opened up more development potential for private vocational education, especially for those higher education groups (such as China New Higher Education) which have both undergraduate colleges focusing on applied sciences as well as vocational colleges. The plan not only demonstrates the correctness of the strategic choice of applied education, it also provides guidance for future development of school establishment.

The promulgation of a series of policies and documents such as "China Education Modernization 2035" (《中國教育現代化2035》) and "Accelerating the Implementation Plan of Education Modernization (2018-2022)" (《加快推進教育現代化實施方案(2018-2022年)》) shows that private higher vocational education has become an important part of the national education strategy. Relying on encouragement, guidance and standardized supervision of the PRC government, more development opportunities will emerge in the private education sector, but also face more demands and expectations from the national and public levels in improving their own development standards. In addition, in the government work report, it is mentioned that it will further reform and improve the examination and enrollment methods for higher vocational colleges and expand additional one million students enrollment this year, which reflect the determination of the State to promote the development of vocational education. All higher vocational colleges will directly benefit therefrom, in particular schools with brand and competitive advantages will have greater development opportunities.

FUTURE PROSPECTS

The Group will put into play its advantages and strive to explore the three major markets that it is facing currently as well as in the future. The markets include: (1) higher education market focused on applied science. For this, we plan to establish universities in every province nationwide; (2) the surrounding markets of universities. The main direction is promoting the integration of industry and education that are propelling currently; (3) markets of providing service to other universities or educational institutions. The Group will offer services including professional construction, ancillary support, management and information to other educational institutes.

「高大輕」發展戰略

首要堅持高品質發展，提升應用型人才培養能力，帶動全面品質提升；第二，擴大收入，不斷提升集團各學院校園利用率，聚力傳統主業、開拓外延收入領域，擴大主副業收入，優化支出結構、降低運行成本；第三，做輕資產，圍繞調優結構，全方位整合資源，降低資本開支，提升做輕資產做強運營管理的能力。

投資戰略

集團擬擴大學校網絡及加大市場滲透率，並提高在高等職業教育行業的市場份額。集團投資團隊具備豐富的投資經驗，並已儲備一定的潛在優質併購標的。集團優先投資高等教育毛入學率較低省區，逐步向教育發達區域滲透。辦學層次方面，主要考慮獨立學院為主的本科學校，有規模擴張潛力的高等教育學校。集團計畫利用可複製的辦學模式對新投資的學校進行優化整合，以提高其辦學水平及財務回報。

財務回顧

收入

收入由截至2017年12月31日止年度的人民幣414.4百萬元增加35.5%至截至2018年12月31日止年度的人民幣561.5百萬元。有關增加主要是由於(i)雲南及貴州學校在校生人數增長13.7%；(ii)生均住宿費漲幅9.9%；(iii)河南及東北學校收購完成後併表的影響。

主營業務成本

主營業務成本由截至2017年12月31日止年度的人民幣186.9百萬元增加47.1%至截至2018年12月31日止年度的人民幣275.0百萬元。有關增加主要是由於集團加大對雲南學校、貴州學校教學投入及新併表的河南及東北學校影響。

DEVELOPMENT STRATEGY OF “IMPROVEMENT, ENLARGEMENT, LIGHT ASSETS”

It is our primary task to improve quality, including improving talent training capability focused on applied science and driving the overall quality improvement. Secondly, we will enlarge income base and enhance the utilization rate of schools under the Group, focus on traditional principal business, expand the sectors for external income and enlarge the income from our principal and secondary businesses, as well as optimize expenditure structure to cut down operating costs. Thirdly, we will adopt light assets approach, adjust and optimize its structure and integrate resources comprehensively, and at the same time, reduce capital expenditure and improve the capability of light assets and strong management.

INVESTMENT STRATEGY

The Group intends to expand its school network and increase market penetration and market share in the higher vocational education sector. The Group's investment team has rich investment experience and has identified certain targets for potential quality acquisitions. The Group gives priority to invest in those provinces with lower gross higher education enrollment rates and gradually penetrates into education developed regions. In terms of education level, the Group focuses on undergraduate school especially independent colleges as our main target and vocational colleges with potential expansion as the support. The Group plans to use reproducible teaching models to optimize operation management of schools that we newly invested, so as to enhance educational level and financial returns.

FINANCIAL REVIEW

REVENUE

The Group's revenue increased by 35.5% from RMB414.4 million for the year ended 31 December 2017 to RMB561.5 million for the year ended 31 December 2018. This increase was primarily due to (i) the increase in student enrollments in Yunnan School and Guizhou School by 13.7%; (ii) the increase in average accommodation fee for student by 9.9%; and (iii) the consolidation of Henan School and Northeast School's results of operation after completion of acquisition.

COST OF PRINCIPAL BUSINESS

Cost of principal business increased by 47.1% from RMB186.9 million for the year ended 31 December 2017 to RMB275.0 million for the year ended 31 December 2018. This increase was primarily due to the increase in the Group's teaching investment in Yunnan School and Guizhou School and consolidation of results from Henan School and Northeast School.

毛利及毛利率

毛利由截至2017年12月31日止年度的人民幣227.5百萬元增加25.9%至截至2018年12月31日止年度的人民幣286.4百萬元。毛利率由截至2017年12月31日止年度的54.9%下降至截至2018年12月31日止年度的51.0%，主要是由於集團加大教學投入、改善學生體驗，以及併表學校影響。

其他收益及增益

其他收益及增益由截至2017年12月31日止年度的人民幣128.3百萬元增加29.4%至截至2018年12月31日止年度的人民幣166.0百萬元。主要是由於院校考試培訓服務收入增加及管理服務費收入增加影響。

銷售及分銷開支

銷售及分銷開支由截至2017年12月31日止年度的人民幣3.6百萬元增加49.3%至截至2018年12月31日止年度的人民幣5.4百萬元，主要原因為新併表學校影響。

行政開支

行政開支由截至2017年12月31日止年度的人民幣58.1百萬元減少至截至2018年12月31日止年度的人民幣53.7百萬元。於2018年，概無上市費用開支，同時增加了員工期權激勵成本開支影響。

其他開支

其他開支由截至2017年12月31日止年度的人民幣4.6百萬元增加至截至2018年12月31日止年度的人民幣38.6百萬元。該增加乃主要由於就計入其他非流動資產的預付款項計提減值撥備所致。

融資成本

融資成本由截至2017年12月31日止年度的人民幣39.6百萬元增加97.1%至截至2018年12月31日止年度的人民幣78.0百萬元，主要是由於融資總額增加人民幣934.6百萬元，導致融資成本增加。

GROSS PROFIT AND GROSS PROFIT MARGIN

Gross profit increased by 25.9% from RMB227.5 million for the year ended 31 December 2017 to RMB286.4 million for the year ended 31 December 2018. The gross profit margin decreased to 51.0% for the year ended 31 December 2018 from 54.9% for the year ended 31 December 2017, which was primarily due to the Group's increase in teaching investment, improve student's experience and the consolidation results from new schools.

OTHER INCOME AND GAINS

Other income and gains increased by 29.4% from RMB128.3 million for the year ended 31 December 2017 to RMB166.0 million for the year ended 31 December 2018. The increase was primarily due to the increase in income from college examination training services and management service fee income.

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses increased by 49.3% from RMB3.6 million for the year ended 31 December 2017 to RMB5.4 million for the year ended 31 December 2018. This increase was primarily attributable to the consolidation of the results of newly acquired schools.

ADMINISTRATIVE EXPENSES

Administrative expenses decreased from RMB58.1 million for the year ended 31 December 2017 to RMB53.7 million for the year ended 31 December 2018. In 2018, there was no listing expense, but the employee option incentive costs increased.

OTHER EXPENSES

Other expenses increased from RMB4.6 million for the year ended 31 December 2017 to RMB38.6 million for the year ended 31 December 2018. The increase was primarily due to the impairment allowance made for prepayment included in other non-current assets.

FINANCE COSTS

Finance costs increased by 97.1% from RMB39.6 million for the year ended 31 December 2017 to RMB78.0 million for the year ended 31 December 2018, which was mainly due to the increase of RMB934.6 million in total financing, resulting in an increase in financing costs.

除稅前溢利

因以上收入及成本費用的綜合影響，集團於截至2018年12月31日止年度，確認除所得稅前溢利為人民幣276.8百萬元，而截至2017年12月31日止年度的除所得稅前溢利為人民幣250.0百萬元，同比上升10.7%。

所得稅開支

集團的所得稅開支由截至2017年12月31日止年度的人民幣16.6百萬元，增加35.4%，至截至2018年12月31日止年度的人民幣22.5百萬元，主要是由於(1)輝煌公司根據與本集團所投資的學校訂立的獨家技術服務及教育諮詢服務協議收取的服務費，(2)結構性合約項下的服務費，及(3)派發股息預扣所得稅所致。

期內溢利

因上述因素的影響，集團於截至2018年12月31日止年度錄得淨溢利人民幣254.3百萬元，較截至2017年12月31日止年度的人民幣233.3百萬元，增加9.0%。

經調整淨溢利

截至2018年12月31日止年度的經調整淨溢利較截至2017年12月31日止年度增加20.3%，至人民幣285.3百萬元。

PROFIT BEFORE TAX

As a result of the foregoing, we recognized a profit before income tax of RMB276.8 million for the year ended 31 December 2018, as compared to a profit before income tax of RMB250.0 million for the year ended 31 December 2017, representing an increase of 10.7%.

INCOME TAX EXPENSE

The Group's income tax expense increased by 35.4% from RMB16.6 million for the year ended 31 December 2017 to RMB22.5 million for the year ended 31 December 2018, which was primarily due to (1) the service fees from other income derived from the exclusive technical service and education consultancy service agreements charged by Huihuang Company, entered into with the schools invested by the Group, (2) service fees under the Structured Contracts, and (3) withholding income tax on dividend payout.

PROFIT FOR THE PERIOD

As a result of the above factors, the net profit of the Group was RMB254.3 million for the year ended 31 December 2018, an increase of 9.0% as compared with RMB233.3 million for the year ended 31 December 2017.

ADJUSTED NET PROFIT

Adjusted net profit for the year ended 31 December 2018, increased by 20.3% to RMB285.3 million as compared with the year ended 31 December 2017.

		截至12月31日止年度 Year ended 31 December	
		2018年 2018	2017年 2017
		人民幣百萬元 RMB million	人民幣百萬元 RMB million
來自持續經營業務之淨溢利	Profit for the year from continuing operations	254.3	233.3
加：上市費用	Add: Listing expenses	—	26.1
加：就計入其他非流動資產的預付款項計提減值撥備	Add: Impairment allowance for prepayment included in other non-current assets	31.0	—
減：匯兌收益	Less: Exchange gains	—	(22.3)
		<u>285.3</u>	<u>237.1</u>

流動資金及資本來源

集團的現金主要用於撥付營運資金需求、購買物業、廠房及設備以及償還貸款及相關利息開支。於本公告日期，集團主要以經營所得現金、銀行借款、股東出資及全球發售所得款項淨額為經營提供資金。集團認為日後可通過結合經營活動產生的現金流量、銀行貸款及其他借款及不時從資本市場籌集的其他資金滿足流動資金需求。截至2018年12月31日，集團的現金及現金等價物為人民幣349.6百萬元。

現金流量

下表載列所示年度現金流量概要：

LIQUIDITY AND CAPITAL RESOURCES

The Group's primary uses of cash are to fund our working capital requirements, purchase of property, plant and equipment and loan repayment and related interest expenses. As at the date of this announcement, the Group has funded its operations principally with the cash generated from our operations, bank borrowings, shareholder contributions and net proceeds from Global Offering. In the future, the Group believes that our liquidity requirements will be satisfied with a combination of cash flows generated from our operating activities, bank loans, other borrowings and other funds raised from the capital markets from time to time. As of 31 December 2018, the Group had cash and cash equivalents of RMB349.6 million.

CASH FLOW

The following table sets out a summary of our cash flows for the years indicated:

		截至12月31日止年度 Year ended 31 December	
		2018年 2018	2017年 2017
		人民幣百萬元 RMB million	人民幣百萬元 RMB million
經營活動所得現金淨額	Net cash generated from operating activities	456.7	287.1
投資活動所用現金淨額	Net cash used in investing activities	(1,080.6)	(697.0)
融資活動所得現金淨額	Net cash from financing activities	854.5	350.0
現金及現金等價物匯兌變動影響	Effect of changes in exchange rate on cash and cash equivalents	0.4	(0.3)
年初現金及現金等價物	Cash and cash equivalents at beginning of the year	118.6	178.8
年末現金及現金等價物	Cash and cash equivalents at the end of the year	349.6	118.6

經營活動所得現金流量

集團的經營活動所得現金主要來自學費及寄宿費。經營活動所得現金流量反映(i)除稅前溢利；(ii)營運資金的變動；及(iii)其他現金項目，包括已付所得稅及已收利息。

投資活動所用現金流量

投資活動主要包括購買物業、廠房及設備項目及無形資產、預付土地租賃款項、購買及出售理財產品所得款項，以及已抵押存款或已抵押定期存款的提款。

截至2018年12月31日止年度，投資活動所用現金淨額為人民幣1,080.6百萬元，主要反映雲南及貴州兩所學校購買物業、廠房及設備，收購河南學校及新疆學校之預付投資款，以及預付土地租賃款項。

融資活動所得現金流量

融資活動主要包括借還銀行貸款，以及集團上市發行股票募集所獲取的資金。

截至2018年12月31日止年度，融資活動所得現金淨額為人民幣854.5百萬元，主要反映集團新增貸款淨額。

資本開支

集團的資本開支包括與物業、設備、預付土地租賃款項及其他無形資產有關的購買或建設成本。截至2018年12月31日止年度，集團的資本開支為人民幣414.7百萬元。集團於截至2018年12月31日止年度的資本開支主要與集團旗下學校的新校園興建樓宇及學校設施，以及學校預付土地租賃款項以及購買設備及軟件有關。集團主要以營運所得現金及銀行貸款撥付該等資本開支。

Cash Flows generated from Operating Activities

The Group generates cash from operating activities primarily from tuition fees and boarding fees. Cash flows from operating activities have reflected (i) profit before tax; (ii) movements in working capital; and (iii) other cash items consisting of income tax paid and interest received.

Cash Flows used in Investing Activities

Investing activities comprise primarily purchases of property, plant and equipment and intangible assets, prepaid land lease payments, proceeds from purchase and disposal of wealth management products, and pledged deposits or withdrawals of pledged time deposits.

Net cash used in investing activities amounted to RMB1,080.6 million for the year ended 31 December 2018, which had primarily reflected the property, plant and equipment purchased by Yunnan School and Guizhou School, the investment prepayments for the acquisition of Henan School and Xinjiang School, and prepaid rental for the land lease.

Cash Flows from Financing Activities

Financing activities primarily include borrowing and repaying bank loans, and the fund raised from the Group's listing by way of share offer.

Net cash generated from financing activities amounted to RMB854.5 million for the year ended 31 December 2018, which had primarily reflected the net new loans raised by the Group.

CAPITAL EXPENDITURES

The Group capital expenditures consisted of purchase or construction costs relating to property, equipment, prepaid land lease payments and other intangible assets. For the year ended 31 December 2018, our capital expenditures were RMB414.7 million. The Group's capital expenditures during the year ended 31 December 2018 were primarily related to the construction of buildings and school facilities at the new campus, prepaid rental for the land lease and purchase of equipment and software by the schools of the Group. The Group financed these capital expenditures primarily using the cash generated from operations and bank loans.

資本承擔

集團的資本承擔主要與收購物業、廠房及設備有關。下表載列於截至所示日期的資本承擔概要：

CAPITAL COMMITMENTS

The Group's capital commitments were primarily related to the acquisition of property, plant and equipment. The following table sets out a summary of our capital commitments as of the dates indicated:

		截至2018年 12月31日 As of 31 December 2018 人民幣百萬元 RMB million	截至2017年 12月31日 As of 31 December 2017 人民幣百萬元 RMB million
已訂約但未撥備： 物業、廠房及設備 投資	Contracted but not provided for: Property, plant and equipment Investments	72.3 123.0	30.9 124.0
		<u>195.3</u>	<u>154.9</u>

截至2018年12月31日，集團並無任何已授權但未訂約的重大資本承擔。

As of 31 December 2018, the Group had no significant capital commitment authorized but not contracted for.

債務

銀行貸款及其他借款

集團的銀行貸款及其他借款主要包括短期營運資金貸款及興建學校樓宇及設施的長期項目貸款。

INDEBTEDNESS

BANK LOANS AND OTHER BORROWINGS

The Group's bank loans and other borrowings primarily consisted of short-term working capital loans and long-term project loans for the construction of our school buildings and facilities.

集團主要向銀行借貸補充營運資金及為開支提供資金。截至2018年12月31日的銀行貸款為人民幣1,286.8百萬元，其中有港幣計值銀行貸款650百萬元港幣，其餘全部以人民幣計值。

The Group primarily borrows loans from banks to supplement our working capital and finance our expenditure. The bank loans amounted to RMB1,286.8 million as of 31 December 2018, among which HK\$650 million denominated in Hong Kong Dollar, while the remaining denominated in Renminbi.

或然負債

截至2018年12月31日，集團概無任何重大或然負債、擔保或本集團任何成員公司未決或面臨的任何重大訴訟或索償。

CONTINGENT LIABILITIES

As of 31 December 2018, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group.

淨負債／股權比例

淨負債／股權比例等於年末的計息銀行貸款總額及其他借款減現金及現金等價物除以年末的股本總額。集團的淨負債／股權比率由截至2017年12月31日的13.5%增加至截至2018年12月31日的41.1%，主要由於有息債務增加。

槓桿比率

槓桿比率等於截至年末的總債務除以股本總額。總債務包括所有計息銀行貸款及其他借款。我們的槓桿比率由截至2017年12月31日的20.4%增加至截至2018年12月31日的56.5%，主要由於有息債務增加。

重大投資及資本資產的未來計劃

除本年報所披露者外，於截至2018年12月31日止年度，本集團概無其他重大投資及資本資產計劃。

重大投資、收購及出售

除本年報所披露者外，年內概無持有其他重大投資及收購或出售附屬公司、聯營公司及合營公司，於截至2018年12月31日止年度內亦無董事會就其他重大投資或添置資本資產授權的任何計劃。

外匯風險管理

集團的功能貨幣為人民幣，集團大部分收入及開支均以人民幣計值。於2018年12月31日，若干銀行結餘以美元以及港元計值。由於預期外匯風險將並不重大，故本集團並無訂立任何用作對沖用途的金融工具。

資產抵押

於2018年12月31日，集團抵押資產情況如下：

- (i) 本集團於2018年12月31日賬面淨值總額約為人民幣219,024,000元的樓宇、傢俱及裝置及電子設備；
- (ii) 雲南大愛方舟信息諮詢有限公司、恩常公司、輝煌公司、Aspire Education Holding Co., Ltd.及Aspire Education Information Co., Ltd.之所有股份；
- (iii) 哈軒公司之73.91%股權；
- (iv) 本集團於2018年12月31日人民幣40,000,000元的存款（2017年：人民幣30,000,000元）。

NET DEBT TO EQUITY RATIO

Net debt to equity ratio equals total interest-bearing bank loans and other borrowings net of cash and cash equivalents at the end of the year divided by total equity at the end of the year. The Group's net debt to equity ratio increased from 13.5% as of 31 December 2017 to 41.1% as of 31 December 2018, which was primarily attributable to the increase in interest bearing debts.

GEARING RATIO

Gearing ratio equals total debt divided by total equity as of the end of the year. Total debt includes all interest-bearing bank loans and other borrowings. The Group's gearing ratio increased from 20.4% as of 31 December 2017 to 56.5% as of 31 December 2018, which was primarily due to the increase in interest bearing debts.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this annual report, for the year ended 31 December 2018, the Group did not have other plans for material investments and capital assets.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

Save as disclosed in this annual report, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year, nor was there any plan authorized by the Board for other material investments or additions of capital assets during the year ended 31 December 2018.

FOREIGN EXCHANGE RISK MANAGEMENT

The functional currency of the Group is RMB. The majority of the Group's revenue and expenditures are denominated in RMB. As at 31 December 2018, certain bank balances were denominated in USD and HKD. The Group did not enter into any financial instrument for hedging purpose as it is expected that foreign exchange exposure will not be material.

PLEDGE OF ASSETS

As at 31 December 2018, the Group's assets pledged are as follow:

- (i) the Group's buildings, furniture and fixtures and electronic devices with an aggregate net carrying amount of approximately RMB219,024,000 as at 31 December 2018;
- (ii) all shares of Yunnan Daai Fangzhou Information Consultancy Co., Ltd., Enchang Company, Huihuang Company, Aspire Education Holding Co., Ltd. and Aspire Education Information Co., Ltd.;
- (iii) 73.91% equity interest of Haxuan Company;
- (iv) deposits of the Group with an amount of RMB40,000,000 at as 31 December 2018 (2017: RMB30,000,000).

人力資源

截至2018年12月31日，集團約有4,610名僱員（截至2017年12月31日止為2,068名）。根據中國法律及法規規定，集團為僱員參與與各項由地方政府管理的僱員社會保障計劃，包括住房、退休金、醫療保險、生育保險及失業保險。集團相信我們與僱員的工作關係良好，而我們於截至2018年12月31日止年度亦無經歷任何重大勞資糾紛。

資產負債表外承擔及安排

截至本報告日期，集團並無訂立任何資產負債表外交易。

派發末期股息

董事會已議決建議就截至2018年12月31日止年度派發末期股息每股人民幣0.019元。末期股息將以人民幣宣派並以港元支付。就換算採用的匯率為宣派末期股息前五個營業日（即2019年3月22日至2019年3月28日）中國人民銀行公佈的平均中間匯率（1.0港元兌人民幣0.8557元）。因此，以港元派付的末期股息金額將為每股0.0222港元。

末期股息將於2019年6月21日（星期五）或前後派付予於2019年6月11日（星期二）名列本公司股東名冊之股東。

暫停辦理股份過戶登記

為釐定出席將於2019年5月31日（星期五）舉行之股東週年大會及於會上投票之資格，本公司將於2019年5月28日（星期二）至2019年5月31日（星期五）（包括首尾兩日）停止辦理本公司股份過戶登記，期間將不會登記股份過戶。為符合資格出席股東週年大會及於會上投票，所有附有相關股票的過戶文件須於2019年5月27日（星期一）下午四時三十分前呈交予本公司於香港的股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖，以辦理登記。

為符合資格收取末期股息，本集團將於2019年6月6日（星期四）至2019年6月11日（星期二）（包括首尾兩日）停止辦理本公司股份過戶登記，期間將不會登記股份過戶。所有附有相關股票的股份過戶文件須於2019年6月5日（星期三）下午四時三十分前呈交予本集團於香港的股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

HUMAN RESOURCES

As of 31 December 2018, the Group had approximately 4,610 employees (2,068 as of 31 December 2017). As required by the PRC laws and regulations, the Group participates in various employee social security plans for our employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance. The Group believe we maintain a good working relationship with our employees, and we have not experienced any material labor disputes during the year ended 31 December 2018.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the date of this report, the Group had not entered into any off-balance sheet transactions.

PAYMENT OF FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of RMB0.019 per Share for the year ended 31 December 2018. The final dividend will be declared in Renminbi and paid in Hong Kong dollars. The exchange rate adopted for conversion was the average middle exchange rate published by the People's Bank of China of the five business days prior to the declaration of the final dividend (i.e. 22 March 2019 to 28 March 2019) (HK\$1.0 to RMB0.8557). Accordingly, the amount of the final dividend payable in Hong Kong dollars will be HK\$0.0222 per Share.

The final dividend will be paid on or about Friday, 21 June 2019 to the shareholders whose names appear on the register of members of the Company on Tuesday, 11 June 2019.

CLOSURE OF THE REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting to be held on Friday, 31 May 2019, the register of members of the Company will be closed from Tuesday, 28 May 2019 to Friday, 31 May 2019, both days inclusive, during which period no transfer of shares will be registered. In order to be qualified for attending and voting at the annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 May 2019.

In order to be qualified for the final dividend, the register of members of the Company will be closed by the Group from Thursday, 6 June 2019 to Tuesday, 11 June 2019, both days inclusive, during which period no transfer of shares of the Company will be effected. All share transfer documents accompanied by the relevant share certificates must be lodged with the Group's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 5 June 2019.

董事會

執行董事

李孝軒先生，45歲，本集團的創辦人。彼於2016年7月8日獲委任為本公司董事，現為董事會主席。李先生於教育領域擁有逾20年經驗，負責本集團的整體管理及策略發展。

下表載列李先生的主要工作經驗：

期間 Period	公司 Company	職務 Position
1999年至2004年 1999 to 2004	培訓站 Training Station	董事 Director
2005年至現今 2005 to present	雲愛集團 Yun Ai Group	主席 Chairman

作為1999年至2004年間培訓站的董事，李先生負責培訓站的日常運營和管理、培訓站的整體管理和戰略發展，以及重大經營和行政事務的決策。

李先生於2010年3月為中國民辦教育協會首任副主席、於2012年8月為中國高等教育學會第六屆理事會理事、於2013年1月為中國人民政治協商會議雲南省第十一屆委員會常務委員會委員，以及於2010年8月為中華全國青年聯合會第十一屆委員會委員。李先生現任第十三屆全國人大代表，及中華全國青年聯合會常委。兼任中國教育發展戰略學會副會長，及中國應用技術大學（學院）聯盟副理事長。

李先生於2008年6月完成中國人民解放軍炮兵學院的行政管理本科課程，其後於2009年10月取得高級經濟師資格。李先生其後於2010年6月獲中國南開大學頒授工商管理碩士學位。

趙帥先生，39歲，於2004年4月加入本集團，並於2016年8月19日獲委任為本公司的首席執行官兼執行董事。趙先生擁有逾15年的教育經驗並負責制定年度營運目標及日常管理。

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Li Xiaoxuan (李孝軒), aged 45, the founder of the Group. He was appointed as a Director of the Company on 8 July 2016. He is the chairman of the Board. Mr. Li has more than 20 years of experience in education and is responsible for the overall management and strategic development of the Group.

The following table shows the key working experience of Mr. Li:

As a director of the Training Station from 1999 to 2004, Mr. Li was in charge of the daily operation and management of the Training Station, overall management and strategic development of the Training Station, as well as decision-making on significant operational and administrative matters.

Mr. Li became the first vice president of the China Private Education Association* in March 2010, a council member of the 6th China Higher Education Association* in August 2012, a member of the standing committee of the 11th Chinese People's Political Consultative Conference Yunnan Province* in January 2013 and a member of the 11th Committee of the All-China Youth Federation* in August 2010. Mr. Li is currently a representative of the 13th National People's Congress*, and a member of the Standing Committee of All-China Youth Federation*. He also serves as the vice president of Chinese Society of Educational Development Strategy*, and the vice president of Association of Universities (Colleges) of Applied Science*.

Mr. Li completed his undergraduate studies in administrative management at the Army Officer Academy of PLA (中國人民解放軍炮兵學院), the PRC, in June 2008, and subsequently obtained the qualification as senior economist in October 2009. Mr. Li was subsequently awarded a master degree in business administration from Nankai University (南開大學), the PRC, in June 2010.

Mr. Zhao Shuai (趙帥), aged 39, joined the Group in April 2004, and was appointed as the chief executive officer and an executive Director of the Company on 19 August 2016. Mr. Zhao has more than 15 years of experience in education and is responsible for setting annual operational targets and day-to-day management.

董事及高級管理層 DIRECTORS AND SENIOR MANAGEMENT

下表列示趙先生的主要工作經驗：

The following table shows the key working experience of Mr. Zhao:

期間 Period	公司 Company	職務 Position	角色及責任 Roles and responsibilities
2004年4月至2008年8月 April 2004 to August 2008	雲南學校 Yunnan School	招生主任 Student recruitment director	負責招生 In charge of student recruitment
2008年9月至2014年3月 September 2008 to March 2014	雲南學校 Yunnan School	副院長 Associate dean	負責招生、行政和後勤事務 In charge of student recruitment, administrative and logistics matters
2014年4月至2015年4月 April 2014 to April 2015	雲愛集團 Yun Ai Group	行政部總經理 General manager of administration department	負責採購、後勤和基礎設施 In charge of procurement, logistics and infrastructures
2015年5月至2016年3月 May 2015 to March 2016	貴州學校 Guizhou School	執行院長 Executive dean	負責管理和戰略發展、員工招聘及其他行政事務 In charge of management and strategic development, staff recruitment and other administrative matters
2016年3月至今 March 2016 to present	雲愛集團 Yun Ai Group	高級總裁 Senior president	負責管理和戰略發展 In charge of management and strategic development

趙先生於2013年12月取得高級經濟師資質。彼於2004年7月獲授中國昆明理工大學機械工程自動化學士學位，及於2017年6月獲得吉林大學軟件工程碩士學位。

Mr. Zhao obtained the qualification as senior economist in December 2013. He was awarded a bachelor degree in Mechanical Engineering Automation from Kunming University of Science and Technology (昆明理工大學), the PRC, in July 2004, and in June 2017 awarded a master degree in software engineering at Jilin University (吉林大學).

丁瑜先生，45歲，擁有超過20年的商業及金融市場經驗，尤其在資金管理領域具有卓越能力，並具有跨領域的豐富從業經歷及敏銳的商業觸覺，過去曾在多家著名的大型企業集團和金融機構出任高級管理職位。加入本集團前，彼擔任香港聯合交易所有限公司上市公司廣匯寶信汽車集團有限公司（股份代號：1293）及上海證券交易所上市公司廣匯汽車服務股份公司（證券代碼：600297）資金管理總經理，負責兩家上市公司的資金管理工作。於二零零五年七月至二零零一年一月，彼擔任上海國際集團下屬國盛典當公司、美好控股集團有限公司、金光紙業（中國）投資有限公司的財務主管及企業高管。丁先生自一九九五年七月至二零零五年六月十年間於兩家商業銀行招商銀行及興業銀行任職。丁先生於一九九五年七月畢業於華東師範大學國際金融系國際會計專業，並於二零零六年十一月獲得澳大利亞坎培拉大學工商管理碩士學位。

Mr. Ding Yu, aged 45, has over 20 years of work experience in commercial and financial market. Mr. Ding has excellent ability in capital management, with extensive interdisciplinary working experience and business acumen. He had served in senior management positions in various renowned corporates and financial institutions. Prior to joining the Group, he was the general manager of capital management of Grand Baoxin Auto Group Limited (stock code: 1293), a company listed on The Stock Exchange of Hong Kong Limited, and China Grand Automotive Services Co., Ltd. (stock code: 600297), a company listed on Shanghai Stock Exchange, responsible for the capital management functions of the two listed companies. From July 2005 to January 2011, he was head of finance department and senior management of Guo Sheng Pawn Co., Ltd, a subsidiary of Shanghai International Group, Meihao Holdings Group Co., Ltd., and Sinar Mas Paper (China) Investment Company Limited. Mr. Ding worked in two commercial banks, China Merchants Bank and Industrial Bank Co., Ltd., for ten years from July 1995 to June 2005. He graduated from East China Normal University in July 1995, majored in International Accounting under the International Finance Faculty, and obtained a master degree in business administration from the University of Canberra, Australia, in November 2006.

非執行董事

陳爍先生，41歲，於2016年8月19日獲委任為本公司非執行董事。

NON-EXECUTIVE DIRECTOR

Mr. Chen Shuo (陳爍), aged 41, was appointed as a non-executive Director of the Company on 19 August 2016.

下表載列陳先生的主要工作經驗：

The following table shows the key working experience of Mr. Chen:

期間 Period	公司 Company	職務 Position
2002年5月至2010年5月 May 2002 to May 2010	德勤•關黃陳方會計師行 (深圳辦公室) Shenzhen office of Deloitte Touche Tohmatsu Limited	稅務經理 Taxation manager
2010年7月至2019年4月 July 2010 to April 2019	平安信託有限責任公司 Ping An Trust Co., Ltd.	執行總經理 Executive general manager
2019年4月至今 April 2019 to Present	平安信託有限責任公司 Ping An Trust Co., Ltd.	董事總經理 General manager
2012年1月至2015年2月 January 2012 to February 2015	廣東江粉磁材股份有限公司 (深圳證券交易所上市公司， 股份代號：002600) JPMF Guangdong Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 002600)	非執行董事 Non-executive director

陳先生於2009年6月自深圳市人事局取得註冊稅務師資格。彼於1999年6月獲中國深圳大學頒授房地產管理學士學位，及於2001年12月獲英國諾丁漢大學頒授管理學碩士學位。

Mr. Chen obtained the qualification as registered tax agent from Shenzhen Personnel Bureau in June 2009. He was awarded a bachelor degree in real estate management from the University of Shenzhen (深圳大學), the PRC, in June 1999, and a master degree in management from University of Nottingham, the United Kingdom, in December 2001.

董事及高級管理層 DIRECTORS AND SENIOR MANAGEMENT

獨立非執行董事

黃文宗先生，54歲，於2017年3月20日獲委任為本公司獨立非執行董事。

下表載列黃先生的主要工作經驗：

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Man Chung Francis (黃文宗), aged 54, was appointed as an independent non-executive Director of the Company on 20 March 2017.

The following table shows the key working experience of Mr. Wong:

期間 Period	公司 Company	職務 Position
1985年8月至1991年12月 August 1985 to December 1991	畢馬威 KPMG	助理經理 Assistant manager
1992年1月至1993年10月 January 1992 to October 1993	香港中央結算有限公司 Hong Kong Securities Clearing Co., Ltd.	助理經理 Assistant manager
1996年至2007年 1996 to 2007	黃文宗會計師事務所 有限公司 Francis Wong C.P.A. Co., Limited	董事總經理 Managing Director
2002年至2018年4月 2002 to April 2018	才滙會計師事務所有限公司 Union Alpha C.P.A. Limited	董事總經理 Managing Director
2009年至2018年4月 2009 to April 2018	中審亞太才滙(香港) 會計師事務所有限公司 Union Alpha CAAP Certified Public Accountants Limited	董事 Director
2016年6月至2018年8月 June 2016 to August 2018	昆明滇池水務股份有限公司 (股份代號: 861) Kunming Dianchi Water Treatment Co., Ltd. (stock code: 861)	獨立非執行董事 Independent non-executive director
2008年至現今 2008 to present	黃文宗慈善基金有限公司 Francis M.C. Wong Charitable Foundation Limited	創辦董事 Founding director
2004年至現今 2004 to present	中國東方集團控股有限公司 (股份代號: 581) China Oriental Group Company Limited (stock code: 581)	獨立非執行董事 Independent non-executive director
2004年至現今 2004 to present	惠記集團有限公司 (股份代號: 610) Wai Kee Holdings Limited (stock code: 610)	獨立非執行董事 Independent non-executive director
2006年至現今 2006 to present	神州數碼控股有限公司 (股份代號: 861) Digital China Holdings Limited (stock code: 861)	獨立非執行董事 Independent non-executive director

期間 Period	公司 Company	職務 Position
2013年10月至現今 October 2013 to present	綜合環保集團有限公司 (股份代號: 923) Integrated Waste Solutions Group Holdings Limited (stock code: 923)	獨立非執行董事 Independent non-executive director
2015年7月至現今 July 2015 to present	綠心集團有限公司 (股份代號: 94) Greenheart Group Limited (stock code: 94)	獨立非執行董事 Independent non-executive director
2016年4月至現今 April 2016 to present	保利協鑫能源控股有限公司 (股份代號: 3800) GCL-Poly Energy Holdings Limited (stock code: 3800)	獨立非執行董事 Independent non-executive director
2017年3月至現今 March 2017 to present	海隆控股有限公司 (股份代號: 1623) Hilong Holding Limited (stock code: 1623)	獨立非執行董事 Independent non-executive director
2018年6月至現今 June 2018 to present	齊屹科技(開曼)有限公司 (股份代號: 1739) Qeeka Home (Cayman) Inc. (stock code: 1739)	獨立非執行董事 Independent non-executive director
2018年4月至現今 April 2018 to now	才匯會計師事務所有限公司 Union Alpha C.P.A. Limited	非執行主席 Non-executive Chairman
2018年4月至現今 April 2018 to now	中審亞太才匯(香港)會計師 事務所有限公司 Union Alpha CAAP Certified Public Accountants Limited	非執行董事 Non-executive director

黃先生為執業會計師。彼於1990年10月獲認可為執業會計師，並於2002年9月入讀中國暨南大學修讀管理學碩士課程，其後於2005年6月獲頒授管理學碩士學位。黃先生現為英國特許會計師公會資深會員、香港會計師公會資深執業會員、英格蘭及威爾斯特許會計師公會資深會員及香港華人會計師公會資深會員，以及香港稅務學會之註冊稅務師。

Mr. Wong is a Certified Public Accountant (Practising). He was admitted as a Certified Public Accountant in October 1990 and in September 2002, enrolled in a master programme in management at Jinan University (暨南大學), the PRC, and was subsequently awarded the master degree in management in June 2005. Mr. Wong is currently a fellow member of the Chartered Association of Certified Accountants of the United Kingdom, the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England and Wales and the Society of Chinese Accountants and Auditors, and a Certified Tax Advisor of the Taxation Institute of Hong Kong.

董事及高級管理層 DIRECTORS AND SENIOR MANAGEMENT

鄺偉信先生，53歲，於2017年3月20日獲委任為本公司獨立非執行董事。鄺先生於亞洲企業融資及股權資本市場擁有逾10年經驗。鄺先生為中國金屬資源利用有限公司（股份代號：1636）的執行董事，主管其企業及策略發展。鄺先生為古杉環保能源有限公司的總裁，該公司的美國預託股份於2007年12月至2012年10月於紐約證券交易所上市。彼亦自2014年7月16日起為順風國際清潔能源有限公司（股份代號：1165）、自2011年8月26日為千百度國際控股有限公司（股份代號：1028）、自2011年6月8日起為中國服飾控股有限公司（股份代號：1146）及自2019年3月15日起為新東方在線科技控股有限公司（股份代號：1797），的獨立非執行董事，所有該等公司分別自2011年7月13日、2011年9月23日、2011年12月9日及2019年3月28日於聯交所主板上市。於2006年加入古杉環保能源有限公司前，彼於2004年3月至2006年7月曾出任里昂證券資本市場有限公司投資銀行董事總經理，以及出任香港及中國股權資本市場主管。鄺先生於2002年至2003年為嘉誠亞洲有限公司的董事及於1997年至2003年為其企業財務部總經理。他於1987年畢業於英國劍橋大學並獲頒授學士學位後，於1990年在英國成為合資格的特許會計師。鄺先生現為英格蘭及威爾斯特許會計師協會及香港會計師公會會員。

胡建波先生，55歲，於2017年12月22日獲委任為本公司獨立非執行董事。胡先生在教育行業擁有超過20年經驗。彼於1984年7月在西北建築工程學院（現稱長安大學）取得工程學士學位，並於2007年9月在中歐國際工商學院取得高層管理人員工商管理碩士學位。於1984年7月至1992年7月，胡先生在西安大學（現稱西安文理學院）任職教師。於1992年7月至1996年7月，胡先生擔任西安外事學院董事會副主席。於2014年6月至2017年6月，胡先生擔任上海證券交易所上市公司金花企業（集團）股份有限公司（股份代號：600080）的獨立董事。自1997年7月起，胡先生一直擔任西安歐亞學院的院長及董事會主席。彼目前為中國民辦教育協會副主席及21世紀教育研究院副主席。

Mr. Kwong Wai Sun Wilson (鄺偉信), aged 53, was appointed as an independent non-executive Director of the Company on 20 March 2017. Mr. Kwong has more than 10 years of experience in corporate finance and equity capital markets in Asia. Mr. Kwong is an executive Director of China Metal Resources Utilization Limited (stock code: 1636), in charge of its corporate and strategic development. Mr. Kwong was the president of Gushan Environmental Energy Limited, a company whose American depositary shares were listed on the New York Stock Exchange from December 2007 to October 2012. He is also an independent non executive director of Shunfeng International Clean Energy Limited (stock code: 1165) since 16 July 2014, C.banner International Holdings Limited (stock code: 1028) since 26 August 2011, China Outfitters Holdings Limited (stock code: 1146) since 8 June 2011 and Koolearn Technology Holding Limited (stock code: 1797) since 15 March 2019, all of which are listed on the Main Board of the Stock Exchange since 13 July 2011, 23 September 2011, 9 December 2011 and 28 March 2019, respectively. Prior to joining Gushan Environmental Energy Limited in 2006, he was the managing director of investment banking and he held the position as the head of Hong Kong and China equity capital markets at CLSA Equity Capital Markets Limited from March 2004 to July 2006. Mr. Kwong was a director from 2002 to 2003, and the general manager of the corporate finance department from 1997 to 2003 for Cazenove Asia Limited. After graduating from University of Cambridge, England with a bachelor's degree in Arts in 1987, he qualified as a chartered accountant in the United Kingdom in 1990. Mr. Kwong is currently an associate member of the Institute of Chartered Accountant in England and Wales and the Hong Kong Institute of Certified Public Accountants.

Mr. Hu Jianbo, aged 55, was appointed as an independent non-executive Director of the Company on 22 December 2017. Mr. Hu has over 20 years of experience in the education industry. He received his bachelor degree in engineering from Northwest Institute of Architecture and Engineering* (西北建築工程學院), now known as Chang'an University* (長安大學), in July 1984, and his executive master degree in business administration from China Europe International Business School* (中歐國際工商學院) in September 2007. From July 1984 to July 1992, Mr. Hu worked at Xi'an University* (西安大學), now known as Xi'an University of Art and Science* (西安文理學院), as a teacher. From July 1992 to July 1996, Mr. Hu served as the vice chairman of the board of Xi'an International University* (西安外事學院). From June 2014 to June 2017, Mr. Hu served as an independent director of Ginwa Enterprise (Group) Inc.* (金花企業(集團)股份有限公司), a listed company on the Shanghai Stock Exchange (stock code: 600080). Since July 1997, Mr. Hu has been the dean and chairman of the board of Xi'an Eurasia University* (西安歐亞學院). He is currently the vice chairman of Chinese Association for Non-Government Education* (中國民辦教育協會) and the vice chairman of 21st Century Education Research Institute* (21世紀教育研究院).

高級管理層

秦宏康先生，43歲，於2004年12月加入本集團，並於2016年8月19日獲委任為本公司副總裁。

下表載列秦先生的主要工作經驗：

SENIOR MANAGEMENT

Mr. Qin Hongkang (秦宏康), aged 43, joined the Group in December 2004, and was appointed as a vice president of the Company on 19 August 2016.

The following table shows the key working experience of Mr. Qin:

期間 Period	公司 Company	職務 Position
1999年7月至2004年12月 July 1999 to December 2004	滇池晨報社 Dianchi Morning News Agency* (滇池晨報社)	社會新聞記者、重要新聞及 財經新聞主任 Reporter of social news, director of important news and economic news
2004年12月至2009年11月 December 2004 to November 2009	雲南學校 Yunnan School	副院長 Associate dean
2009年12月至2013年12月 December 2009 to December 2013	貴州學校 Guizhou School	執行院長 Executive dean
2013年12月至現今 December 2013 to present	雲愛集團 Yun Ai Group	副總裁，負責併購、線上教育及 學生就業諮詢 Vice president in charge of mergers and acquisitions, online education and students career advice

秦先生於2008年9月從軟件學院中級職稱評審委員會獲得講師資格。彼於1999年7月獲中國雲南大學頒授應用化學學士學位。

Mr. Qin obtained the qualification as lecturer from Intermediate Title Evaluation Committee* (中級職稱評審委員會) of Software College in September 2008. He was awarded a bachelor degree in applied chemistry from Yunnan University (雲南大學), the PRC, in July 1999.

董事及高級管理層 DIRECTORS AND SENIOR MANAGEMENT

劉風明女士，49歲，於2002年9月加入本集團，並於2016年8月19日獲委任為本公司副總裁。

Ms. Liu Fengming (劉風明), aged 49, joined the Group in September 2002, and was appointed as a vice president of the Company on 19 August 2016.

下表載列劉女士的主要工作經驗：

The following table shows the key working experience of Ms. Liu:

期間 Period	公司 Company	職務 Position
2002年9月至2003年10月 September 2002 to October 2003	培訓站 Training Station	教師及教研室主任 Teacher and director of education research office
2003年10月至2005年1月 October 2003 to January 2005	專修學院 Zhuan Xiu School	教育部主任及副校長 Director of education department and vice principal
2005年1月至2011年3月 January 2005 to March 2011	雲南學校 Yunnan School	副院長 Associate dean
2011年3月至2015年9月 March 2011 to September 2015	專修學院 Zhuan Xiu School	院長 Dean
2015年9月至2016年7月 September 2015 to July 2016	北京聯合 Beijing Lianhe	總經理 General manager
2016年7月至今 July 2016 to present	雲愛集團 Yun Ai Group	副總裁 Vice president

劉女士於2009年12月獲中國雲南大學頒授工商管理碩士學位。彼於2012年11月自雲南省鄉鎮企業高級專業技術職務評審委員會取得高級經濟師資格，並於2013年10月自雲南省高校教師教授副教授評審委員會取得副教授資格。彼目前正於昆明理工大學攻讀管理科學與工程學博士學位。

Ms. Liu was awarded a master degree in business administration from Yunnan University (雲南大學), the PRC, in December 2009. She obtained the qualification as senior economist from Yunnan Township Enterprise Senior Professional and Technical Position Evaluation Committee* (雲南省鄉鎮企業高級專業技術職務評審委員會) in November 2012 and the qualification as associate professor from Yunnan Higher Education Institution Professor and Associate Professor Evaluation Committee* (雲南省高校教師教授副教授評審委員會) in October 2013. She is currently studying for a doctor degree in management science and engineering at Kunming University of Science and Technology (昆明理工大學).

鄭艷麗女士，48歲，於2014年5月加入本集團，並於2016年8月19日獲委任為本公司副總裁，隨後晉升為本公司高級副總裁。

於加入本集團前，鄭女士於2003年4月至2014年4月任職於安博教育集團有限公司，離職前為營運中心總經理。自2014年5月起，鄭女士出任雲愛集團投資部副總裁及總經理，主責併購。

鄭女士於2010年1月獲中國對外經濟貿易大學頒授工商管理碩士學位。

羅媛媛女士，38歲，於2013年6月加入本集團，曾先後擔任雲南學校財務處處長、集團預算處處長及本公司財務部總經理。並於2017年12月20日獲委任本公司聯席財務官兼財務部總經理。

於加入本集團前，羅女士於2003年在安徽省電力公司滁州電力公司財務部任職，於2005年在武漢愛爾眼科醫院財務部任職，於2010年調任昆明愛爾眼科醫院參與籌建。羅女士於2003年四川大學本科畢業。

公司秘書

本集團之公司秘書為黃慧玲女士。

黃慧玲女士，39歲，於2016年8月19日獲委任為聯席公司秘書。彼在香港提供公司秘書服務方面擁有逾10年經驗。黃女士擔任方圓企業服務集團（香港）有限公司的總監，負責協助上市公司專業的公司秘書工作。加入方圓企業服務集團（香港）有限公司之前，彼曾任職於一間企業服務供應商及一間國際會計公司的公司秘書部門。黃女士取得香港理工大學營銷與公共關係文學學士學位及香港公開大學企業管治碩士學位，黃女士為香港特許秘書公會及英國秘書及行政人員公會之會員。

Ms. Zheng Yanli (鄭艷麗), aged 48, joined the Group in May 2014, and was appointed as a vice president of the Company in 19 August 2016. She was subsequently promoted as a senior vice president of the Company.

Prior to joining the Group, Ms. Zheng worked at Ambow Education Group Limited (安博教育集團有限公司) from April 2003 to April 2014, where she left as the general manager of the operations centre. Since May 2014, Ms. Zheng serves as the vice president and general manager of the investment department at Yun Ai Group, where she is in charge of mergers and acquisitions.

Ms. Zheng was awarded a master degree in business administration from University of International Business and Economics (對外經濟貿易大學), the PRC, in January 2010.

Ms. Luo Yuanyuan (羅媛媛), aged 38, joined the Group in June 2013 and held various positions including the head of the finance division of Yunnan School and the head of the budget division and the head of the finance division of the Company. She was appointed as the joint financial officer and the general manager of the finance department of the Company on 20 December 2017.

Prior to joining the Group, Ms. Luo worked at the Finance Department of Chuzhou Branch, Anhui Electric Power Co. (安徽省電力公司滁州電力公司) in 2003. She worked at the Finance Department of Wuhan Aier Eye Hospital in 2005 and re-designated to Kunming Aier Eye Hospital for participating in preparation of construction in 2010. Ms. Luo graduated with a bachelor's degree in Sichuan University in 2003.

COMPANY SECRETARY

The company secretary of the Group is Ms. Wong Wai Ling.

Ms. Wong Wai Ling (黃慧玲), aged 39, was appointed as a joint company secretary on 19 August 2016. She has over 10 years of experience in providing company secretarial services in Hong Kong. Ms. Wong is vice president of SWCS Corporate Services Group (Hong Kong) Limited and is responsible for assisting listed companies in professional company secretarial work. Prior to joining SWCS Corporate Services Group (Hong Kong) Limited, she worked in a corporate service provider and the company secretarial department of an international accounting firm. Ms. Wong has been awarded a Bachelor of Arts degree in Marketing and Public Relations from The Hong Kong Polytechnic University and Master of Corporate Governance degree from The Open University of Hong Kong. Ms. Wong is an associate of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom.

董事會報告

REPORT OF DIRECTORS

董事會欣然提呈董事會報告及本集團於報告期間的經審核綜合財務報表。

主要業務

根據灼識的報告，按於2017年的就業率計算，本公司是中國領先民辦高等學歷教育集團。於本報告日期，本集團(i)經營雲南學校及貴州學校，(ii)完成河南學校、東北學校及廣西學校的收購及(iii)於中國高等教育機構投資，包括華中學校及甘肅學院。本集團截至2018年12月31日止年度的主要業務分析載於綜合財務報表附註1。

附屬公司

本公司主要附屬公司於2018年12月31日的詳情載於綜合財務報表附註1。

業績

本集團截至2018年12月31日止年度的業績載於本年報第111頁的綜合損益表。

末期股息

董事會議決建議就截至2018年12月31日止年度派發末期股息每股人民幣0.019元。末期股息將以人民幣宣派並以港元支付。就換算採用之匯率為中國人民銀行發佈之於宣派末期股息前五個營業日（即2019年3月22日至2019年3月28日）中國人民銀行公佈的平均中間匯率（1.0港元兌人民幣0.8557元）。因此，以港元派付的末期股息金額將為每股0.0222港元。

末期股息將於2019年6月21日（星期五）或前後派付予於2019年6月11日（星期二）名列本公司股東名冊之股東。概無股東已放棄或同意放棄任何股息的安排。

業務回顧

請參閱本年報「管理層討論與分析－業務回顧」一節。

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the Reporting Period.

PRINCIPAL ACTIVITIES

The Group is a leading private higher education group in the PRC in terms of employment rate in 2017 according to the CIC Report. As at the date of this report, the Group (i) operated Yunnan School and Guizhou School, (ii) completed the acquisitions of Henan School, Northeast School and Guangxi Schools and (iii) invested in higher education institutions in the PRC, including Central China School and Gansu College. Analysis of the principal activities of the Group during the year ended December 31, 2018 is set out in the note 1 to the consolidated financial statements.

SUBSIDIARIES

Details of the principal subsidiaries of the Company as at December 31, 2018 are set out in note 1 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended December 31, 2018 are set out in the consolidated statement of profit or loss on page 111 of this annual report.

FINAL DIVIDENDS

The Board has resolved to recommend the payment of a final dividend of RMB0.019 per Share for the year ended 31 December 2018. The final dividend will be declared in Renminbi and paid in Hong Kong dollars. The exchange rate adopted for conversion was the average middle exchange rate published by the People's Bank of China of the five business days prior to the declaration of the final dividend (i.e. 22 March 2019 to 28 March 2019) (HK\$1.0 to RMB0.8557). Accordingly, the amount of the final dividend payable in Hong Kong dollars will be HK \$0.0222 per Share.

The final dividend will be paid on or about Friday, 21 June 2019 to the shareholders whose names appear on the register of members of the Company on Tuesday, 11 June 2019. There is no arrangement that a Shareholder has waived or agreed to waive any dividend.

BUSINESS REVIEW

Please refer to the section headed "Management Discussion and Analysis – Business Review" of this annual report.

未來發展

擴大我們學校網絡的覆蓋範圍及加大我們的市場滲透率。

我們擬擴大學校網絡及加大市場滲透率，並提高我們在中國民辦高等教育行業的市場份額。具體而言，我們已經組建投資團隊，由投資副總裁直接負責管理，投資團隊負責物色與評估全國潛在的併購目標。我們還將成立投資併購管理委員會，由董事長親自任委員會主席，定期審批併購標的的可行性。

我們擬以毛入學率較低區域為重點展開併購，原因是我們認為該等地區的高等教育入學率較全國平均入學率及中國經濟發達地區的入學率為低，具有巨大的增長潛力。

進一步鞏固我們的市場地位及提升我們的聲譽。

我們相信，學校聲譽是學生一般在選擇大學時最為看重的標準之一。為進一步擴大生源及發展業務，我們擬不斷提高我們於中國高等教育行業的市場地位。我們相信，我們畢業生的高就業率以及我們提供的綜合課程和多樣化應用型的實用課程令我們在競爭對手中脫穎而出，會令我們對潛在申請者具吸引力。我們在未來會繼續根據不斷變化的市場趨勢以及用人單位的要求，來設計新課程及調整我們的現有課程。我們擬繼續加強市場研究，以更好地了解用人單位的喜好及學生的需求。具體而言，我們計劃與完善的在線招聘平台合作進行數據分析，以更加了解市場需求及就業統計數據，並將與第三方機構合作分析與我們學生主修科目相關的全國就業數據。我們亦計劃從社會保障機構及地方政府的教育部門分別取得用於了解僱主用人需要及了解大學畢業生就業率的相關數據，藉此全面、客觀地理解市場需求及大學畢業生的供應。此外，我們計劃收集企業的人力資源計劃及學生的事業發展計劃，並為學生提供事業策劃及實習諮詢服務，為其尋求最適合的職位。我們計劃進一步提升我們在知名企業以及用人單位中的聲譽，與之建立長期合作關係，為我們的學生創造就業機會。

FUTURE DEVELOPMENT

EXPAND THE SCHOOL NETWORK COVERAGE AND INCREASE OUR MARKET PENETRATION.

We intend to expand the School network and increase our market penetration and our market share in the private higher education sector in the PRC. Specifically, we have formed an investment team headed and managed directly by our vice president for investment. This investment team is responsible for identifying and evaluating potential acquisition targets across China. We plan to establish an investment and acquisition management committee headed by the chairman of our Board. This committee will periodically review the feasibility of acquisitions and determine which ones to pursue.

We intend to expand into regions with low gross enrollment rate where we believe there exist significant growth potential because the higher education enrollment rates in these regions are lower than the national average enrollment rates, and compared with economically more developed regions in China.

CONTINUE TO STRENGTHEN OUR MARKET POSITION AND ENHANCE OUR REPUTATION.

We believe that the reputation of a school is one of the most important criteria students would normally consider when selecting a university. To increase our enrollment and expand our business, we intend to continue to enhance our market position in the higher education industry in the PRC. We believe that our high graduate employment rates and comprehensive curriculums with diversified offerings of practical courses distinguish us from our competitors and make us attractive to potential applicants. We plan to design new courses and adjust our existing courses to continue to best reflect evolving market trends and meet the demands of employers. We intend to continue and expand our market research to better understand employer preferences and student needs. Specifically, we plan to collaborate with well-established online recruitment platforms to conduct data analysis in order to further our understanding of market demand and employment statistics, and with third-party organizations to analyze nationwide employment data relating to students in those majors that we offer. We also plan to obtain relevant data from social security agencies to understand employer hiring needs and from local government education departments to understand employment rates of university graduates to gain a comprehensive and objective understanding of the market demand and supply of university graduates. In addition, we plan to gather human resources plans from corporations and career plans from our students, and provide career planning and job placement counselling services to our students in order for them to find the most suitable position. We plan to further enhance our reputation among well-known companies and other potential employers, establish long-term collaborative relationships with them, and create employment opportunities for our students.

董事會報告 REPORT OF DIRECTORS

我們計劃透過網絡媒體和線下媒體宣傳我們的學校及課程。具體而言，我們有意發表定期報告，並透過傳統媒體上宣傳我們主要的校園活動。我們計劃繼續在適當情況下在線推廣我們的學校。我們相信該等宣傳活動將能夠幫助我們提升在大眾中的形象及在家長和學生中的聲譽。

持續吸引、激勵和留任優質教師同時加強對教師職業發展的支持。

教育服務質量在很大程度上取決於教師。我們擬不斷吸引、激勵和留任優質教師，打造一流的師資隊伍。為此，我們計劃聘請知名的技術專家、經驗豐富的業務管理者以及其他高技能人才在我們學校全職或兼職任教。我們會繼續在教師招聘中沿用高標準。

進一步增加教育服務內容，以把握增長機遇。

我們計劃不斷拓展及多元化我們所提供的課程內容，以應對行業趨勢及市場需求，包括根據市場發展設立新的專業。

建造更多的實訓室並進一步改善學校設施。

我們認為，我們能夠比競爭對手優勝，在於我們為學生提供機會發展實用技能和知識的能力，我們相信可幫助學生於畢業後就業並在工作中取得成功。

進一步優化我們的收益及其他收入來源來提升我們的盈利能力。

我們收取的學費及住宿費是影響盈利能力的重要因素。我們相信隨著我們的品牌和聲譽提升，我們亦有能力繼續保持我們的學費水平並在適當的時候提高學費。此外，我們就調整學費享有自由裁量權，且我們的學校僅須就建議學費調整向相關部門備案，但無須遵守批准規定或任何預定費用限額。過往，我們將學費保持在我們認為具競爭力的水平，以吸引更多學生，並藉此增加招生人數及市場份額。由於我們因向學生提供優質教育而樹立了堅實信譽，我們相信，我們目前可優化定價而不會損害我們的聲譽及吸引和留住學生的能力。此外，我們計劃擴大我們收益及其他收入來源。

We plan to promote the Schools and programs through both online and offline media. Specifically, we intend to arrange for periodic reports on our major school activities through traditional media. We plan to continue to promote the Schools online where appropriate. We believe that these promotional activities may help raise our profile among the general population and enhance our reputation among parents and students.

CONTINUE TO ATTRACT, INCENTIVIZE AND RETAIN TALENTED TEACHERS AND SUPPORT THEIR PROFESSIONAL DEVELOPMENT.

The quality of our education services largely depends on our teachers. We intend to continue to attract, incentivize and retain talented teachers and build a first-rate faculty team. To this end, we plan to recruit well-recognized technical experts, experienced business administrators and other highly skilled persons to teach in the Schools on either a full time or a part time basis. We will continue to apply stringent standards in our recruitment of teachers.

FURTHER EXPAND OUR EDUCATIONAL SERVICE OFFERINGS TO CAPTURE GROWTH OPPORTUNITIES.

We plan to continue to expand and diversify our course offerings in response to industry trends and market demand, including establishing new major offerings based on market developments.

CONSTRUCT ADDITIONAL WORKPLACE SIMULATION TRAINING STUDIOS AND FURTHER IMPROVE THE SCHOOL FACILITIES.

We believe that we can distinguish ourselves from our competitors by our ability to offer our students opportunities to develop practical skills and knowledge, which we believe help them to secure employment upon graduation and succeed in their careers.

ENHANCE OUR PROFITABILITY BY OPTIMIZING OUR SOURCES OF REVENUE AND OTHER INCOME.

The tuition fees and boarding fees we charge are a significant factor affecting our profitability. We believe that we are able to maintain the current tuition rates and raise the tuition rates charged by the Schools where appropriate as our brand awareness and market recognition have grown. In addition, we retain discretion to adjust the tuition rates charged by the Schools, and the Schools are only required to make a filing with relevant authorities regarding proposed tuition fee adjustments but are not subject to approval requirements or any pre-set fee limits. Historically, we have kept our tuition rates at levels we believe are competitive in order to attract more students and thereby increase our student enrollment and market share. As we have established a strong reputation for providing quality education to our students, we believe we are in a position to optimize our pricing without compromising our reputation and our ability to attract and retain students. In addition, we plan to diversify our sources of revenue and other income.

主要風險及不確定因素

本公司主要風險及不確定因素包括以下各項：

- (1) 我們的業務極大取決於品牌的市場知名度和我們各所學校的聲譽。

我們是在中國提供應用型民辦高等本科學歷教育的先鋒。我們相信我們各所學校在其所在地區備受推崇，持續吸引學生及高素質的教學人員。我們認為，我們的成功極大取決於品牌的市場知名度及我們各所學校的聲譽。

然而，我們無法向閣下保證，我們的推廣活動將會成功或足以進一步宣傳我們學校的品牌或有助於我們自身保持競爭力。倘我們任何一所學校無法進一步提高其聲譽及增強其課程和服務的市場知名度，或需要產生額外的推廣開支以維持競爭力，我們的業務、財務狀況及經營業績或會受到重大不利影響。倘我們學校無法維持或保持品牌聲譽及知名度，則亦未必能維持或增加在校生人數，如此可能對我們的業務、財務狀況及經營業績產生重大不利影響。

- (2) 我們的業務及經營業績取決於我們收取的學費及寄宿費以及能否維持及提高學費及寄宿費。

我們於學校收取的學費為影響我們盈利能力的最主要因素之一。截至2016年、2017年及2018年12月31日止年度，學費分別佔我們持續經營業務收入總額的91.1%、91.9%及91.3%，寄宿費佔剩餘部份。然而，概不保證我們日後能夠以與過往相同的學費及／或寄宿費水平維持或提高我們學校收取的學費及／或寄宿費水平，甚至根本無法維持及／或提高有關水平，即使我們能維持或提高學費或寄宿費，亦無法保證我們能以與過往相同的水平按該等增加的費率吸引新生報讀我們學校，甚至根本無法吸引新生報讀我們學校。

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties for the Company include the followings:

- (1) OUR BUSINESS IS HEAVILY DEPENDENT ON THE MARKET RECOGNITION OF THE BRAND AND REPUTATION OF EACH OF THE SCHOOLS.

We were among the first movers in China to provide private formal higher undergraduate education focused on applied sciences. We believe that each of the Schools has gained wide recognition in the region where it is located and continues to attract students and qualified teaching staff. We believe that our success is heavily dependent on the market recognition of the brand and the reputation of each of the Schools.

However, we cannot assure you that our marketing efforts will be successful or sufficient in further promoting the Schools' brands or in helping us to remain competitive. If any of the Schools is unable to further enhance its reputation and increase market awareness of its programs and services, or if it is required to incur additional promotional expenses in order to remain competitive, our business, financial condition and results of operations may be materially and adversely affected. If the Schools are unable to maintain or sustain their brand reputation and recognition, they may also be unable to maintain or increase student enrollment, which may have a material adverse effect on our business, financial condition and results of operations.

- (2) OUR BUSINESS AND RESULTS OF OPERATIONS DEPEND ON THE LEVEL OF TUITION FEES AND BOARDING FEES WE ARE ABLE TO CHARGE AND OUR ABILITY TO MAINTAIN AND RAISE TUITION AND BOARDING FEES.

One of the most significant factors affecting our profitability is the tuition fees we charge at the Schools. For the years ended December 31, 2016, 2017 and 2018, tuition fees constituted 91.1%, 91.9% and 91.3% of our total revenue from continuing operations, respectively, while boarding fees accounted for the remainder. However, there can be no assurance that we will be able to maintain or raise the tuition and/or boarding fee levels we charge at the Schools in the future at the same levels as historically, or at all, or even if we are able to maintain or raise tuition fees or boarding fees, we cannot assure you that we will be able to attract prospective students to apply for the Schools at such increased fee rates at the same levels as historically, or at all.

- (3) 我們的業務及經營業績視乎我們的可招生人數，而招生人數乃受有關教育當局的招生名額以及我們學校設施的容納能力所限。

每年各教育主管部門會訂定我們每間學校的招生限額，而招生限額可由教育主管部門作出調整。我們各學校的可招生人數因此受當地教育主管部門每年所定名額限制（經教育部門調整）。因此我們每間學校於各年可招收的學生人數上限並非我們所能控制。就董事所知，地方教育部門會綜合考慮在讀學生數目及學校所接獲申請數目、教育質量、社會認可及學校聲譽及整體地區經濟及教育條件及政策等因素，以確定各學校的招生名額。此外，我們各間學校的可招生人數亦受我們學校的教育設施及學生床位數目（空間及大小）所限。

- (4) 中國經濟、政治、社會狀況及法律和政府政策的不利變動均可能對我們的業務、財務狀況、經營業績和增長前景造成重大不利影響。

中國經濟、政治及社會狀況與較發達國家在許多方面均有所不同，包括架構、政府參與程度、發展水平、增長率、外匯管制、資本再投資、資源配置、通脹率及貿易平衡狀況。在1978年採取改革開放政策之前，中國主要屬計劃經濟。

近年來，中國政府不斷改革中國的經濟體制和政府架構。例如，在過去三十年內，中國政府已實施經濟改革及強調在中國經濟的發展中利用市場力量的措施。該等改革已促成顯著的經濟增長和社會發展。然而，經濟改革措施可能會因應不同的行業或國內不同的地區而調整、修訂或推行。

- (3) OUR BUSINESS AND RESULTS OF OPERATIONS DEPEND ON THE NUMBER OF STUDENTS WE MAY ADMIT, WHICH IN TURN IS SUBJECT TO THE ADMISSION QUOTAS APPROVED BY RELEVANT EDUCATION AUTHORITIES AND LIMITED BY THE CAPACITY OF THE SCHOOL FACILITIES.

Each year the education authorities specify a quota for the number of new students each of the Schools may admit, which is subject to adjustment by the education authorities. The number of students we may admit at each of the Schools is therefore subject to the quota set by the local education authorities on a year by year basis, as adjusted by the education authorities. The maximum number of new students each of the Schools may admit each year is therefore beyond our control. To the best of the Directors' knowledge, to determine the admission quota to be granted to each school, the local education authorities take into account factors including the number of students enrolled and number of applications received by the school, quality of education, social recognition and reputation of the school and the overall regional economic and educational conditions and policies. In addition, the number of students we are able to admit at each of the Schools is also constrained by the education facilities and number of beds for students of the Schools, which are limited in space and size.

- (4) ADVERSE CHANGES IN THE PRC ECONOMIC, POLITICAL AND SOCIAL CONDITIONS AS WELL AS LAWS AND GOVERNMENT POLICIES, MAY MATERIALLY AND ADVERSELY AFFECT OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND GROWTH PROSPECTS.

The economic, political and social conditions in the PRC differ from those in more developed countries in many respects, including structure, government involvement, level of development, growth rate, control of foreign exchange, capital reinvestment, allocation of resources, rate of inflation and trade balance position. Before the adoption of its reform and opening up policies in 1978, the PRC was primarily a planned economy.

In recent years, the PRC government has been reforming the PRC economic system and government structure. For example, the PRC government has implemented economic reform and measures emphasizing the utilization of market forces in the development of the PRC economy in the past three decades. These reforms have resulted in significant economic growth and social prospects. Economic reform measures, however, may be adjusted, modified or applied inconsistently from industry to industry or across different regions of the country.

我們無法預測相關變動對我們現時或未來的業務、財務狀況或經營業績會否造成任何不利影響。儘管實施該等經濟改革及措施，中國政府在監管產業發展、自然資源及其他資源分配、生產、定價及貨幣管理方面仍繼續扮演重要角色，而我們無法保證中國政府會繼續推行經濟改革政策，亦不能保證改革方向將繼續對市場有利。

We cannot predict whether the resulting changes will have any adverse effect on our current or future business, financial condition or results of operations. Despite these economic reforms and measures, the PRC government continues to play a significant role in regulating industrial development, allocation of natural and other resources, production, pricing and management of currency, and there can be no assurance that the PRC government will continue to pursue a policy of economic reform or that the direction of reform will continue to be market friendly.

環境、健康及安全

本集團業務於任何重大方面均無違反適用中國環境法律及法規。

本集團盡全力保障學生的健康及安全。本集團各學校均設有駐校醫療人員或醫護人員處理學生的日常醫療事宜。在若干緊急嚴重的醫療情況下，本集團即時將學生送至當地醫院治療。關於學校安全，本集團僱用合資格的物業管理公司為本集團校舍提供物業安全服務。

就董事會及本公司管理層所悉，本集團已於各重大方面遵守對本集團業務及營運有重大影響的相關法律法規。於報告期間，本集團並無嚴重違反或不遵守適用法律法規的情況。

ENVIRONMENT, HEALTH AND SAFETY

The business of the Group is not in violation of the applicable PRC Environmental laws and regulations in any material aspects.

The Group is dedicated to protecting the health and safety of the students. The Group has on-site medical staff or health care personnel at each of the schools the Group operates to handle routine medical situations involving students. In certain serious and emergency medical situations, the Group promptly sends the students to local hospitals for treatment. With respect to school safety, the Group engaged a qualified property management company to provide property security services at the Group's school premises.

As far as the Board and management of the Company are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Reporting Period, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

財務概要

本集團於過去四個財政年度的業績、資產及負債概要載於本年報第211至212頁的「財務摘要」內。此概要並不構成經審核綜合財務報表的一部份。

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the last four financial years are set out on pages 211 to 212 "Financial Highlights" of this annual report. This summary does not form part of the audited consolidated financial statements.

上市所得款項淨額用途

除本年報所披露者外，上市所得款項淨額（經扣除包銷費用及相關開支後）約為733.2百萬港元。於2018年12月31日，本集團已按照招股章程所載的分配情況動用所得款項中合共733.2百萬港元。

USE OF NET PROCEEDS FROM LISTING

Save as disclosed in this annual report, net proceeds from the Listing (after deducting underwriting fee and relevant expenses) amounted to approximately HK\$733.2 million. As at December 31, 2018, a total amount of HK\$733.2 million out of the net proceeds had been used by the Group according to the allocation set out in the Prospectus.

董事會報告 REPORT OF DIRECTORS

下文載列動用所得款項淨額的概要：

The following sets forth a summary of the utilization of the net proceeds:

用途	Purpose	佔總額的百分比 Percentage to total amount	所得款項淨額 Net proceeds 人民幣 (百萬元) RMB (million)	已動用金額 (於2018年 12月31日) Utilised amount (at December 31, 2018) 人民幣 (百萬元) RMB (million)	未動用金額 (於2018年 12月31日) Unutilised amount (at December 31, 2018) 人民幣 (百萬元) RMB (million)
於2018年收購或設立新校	Acquiring or establishing schools in 2018	27.7%	203.1	319.7	0
建設西北學校的學校設施 ⁽¹⁾	Constructing school facilities at the Northwest School ⁽¹⁾	15.9%	116.6	0	0
支付於東北學校的投資的部份未償還代價	Settling a portion of the outstanding consideration for the investment in the Northeast School	19.4%	142.2	142.2	0
改善本集團的融資結構和償還部份銀行貸款	Improving the Group's financing structure and repay a portion of the bank loans	27.0%	198.0	198.0	0
撥付營運資金及一般企業用途	Financing working capital and general corporate use	10.0%	73.3	73.3	0
總計	Total	100.0%	733.2	733.2	0

附註：

Note:

- (1) 於考慮及評估後，本公司決定暫停成立西北學校並將本集團的資源集中於甘肅學校。
- (2) 茲提述日期為2018年7月9日的公告。根據招股章程及本公司日期為2017年7月6日及2018年1月4日有關建立西北學校的公告，原定於2017年4月的全球發售所得款項中的123.1百萬港元將用於設立西北學校，及該款額將用於收購土地使用權以設立西北學校。然而，就合作協議而言，作為替代，該土地使用權將注入甘肅學院用於新校園。董事認為，相比新設立西北學校（於設立後僅可頒發專科學位證書），成為可頒發本科學位證書的高等教育機構甘肅學院之聯合學校舉辦者（其現有每學年學生人數達約8,000名）更具成本及時間效益。經董事會進一步考慮及評估後，董事會決定暫停設立西北學校並將本集團資源投放至甘肅學院。

- (1) Upon consideration and assessment, the Company decided to suspend the establishment of Northwest School and focus the Group's resources to the Gansu College.
- (2) Reference is made to the announcement dated 9 July 2018. According to the Prospectus and the announcements of the Company dated 6 July 2017 and 4 January 2018 for the establishment of the Northwest School, it was originally intended that HK\$123.1 million out of the proceeds from the global offering in April 2017 would be used for the establishment of the Northwest School and such amount was utilized to acquire the land use right for the Northwest School. However, in connection with the Cooperation Agreement, such land use right would be contributed to the Gansu College for the new campus instead. The Directors considered that as compared to the new establishment of the Northwest School which can only grant junior college degree certificates upon establishment, becoming a joint school sponsor of the Gansu College, an established higher education institution which can grant undergraduate degree certificates, with an existing capacity of around 8,000 students per academic year is more cost and time efficient. Upon further consideration and assessment, the Board decided to suspend the establishment of the Northwest School and focus the Group's resources to the Gansu College.

主要客戶及供應商

主要客戶

截至2018年12月31日止年度，本集團客戶主要包括本集團的學生及其家長。本集團並無單一客戶佔本集團的收入5%以上。

MAJOR CUSTOMERS AND SUPPLIERS

MAJOR CUSTOMERS

For the year ended December 31, 2018, the Group's customers primarily consist of the Group's students and their parents. The Group did not have any single customer who accounted for more than 5% of the Group's revenue.

主要供應商

截至2018年12月31日止年度，本集團五大供應商佔本集團總採購額27.01%，而本集團單一最大供應商佔本集團總採購額6.25%。

截至本年報日期，概無董事或其任何緊密聯繫人或任何股東（就董事所深知，擁有本公司已發行股份數目5%以上者）於本集團五大供應商中擁有任何權益。

與僱員、供應商及客戶的關係

本集團了解與僱員、供應商及客戶保持良好關係對達致其短期及長期目標的重要性。本集團與僱員、供應商及客戶保持良好關係。於報告期間，本集團與僱員、供應商及／或客戶之間並無重大及嚴重糾紛。

物業、廠房及設備

本集團的物業、廠房及設備於截至2018年12月31日止年度內的變動詳情，載於綜合財務報表附註3。

股本

本公司股本於年內的變動詳情，載於綜合財務報表附註28。

儲備

本集團及本公司儲備於截至2018年12月31日止年度的變動詳情，載於本年報第115頁及116頁的綜合權益變動表及綜合財務報表附註30。

可供分派儲備

於2018年12月31日，本公司的可供分派儲備為人民幣30,212,000元（於2017年12月31日：人民幣39,753,000元）。

銀行貸款及其他借款

本集團於2018年12月31日的銀行貸款及其他借款詳情，載於綜合財務報表附註24。

MAJOR SUPPLIERS

For the year ended December 31, 2018, the Group's five largest suppliers accounted for 27.01% of the Group's total purchases and the Group's single largest supplier accounted for 6.25% of the Group's total purchases.

As at the date of this annual report, none of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the number of issued shares of the Company) had any interest in the Group's five largest suppliers.

RELATIONSHIP WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group understands the importance of maintaining a good relationship with its employees, suppliers and customers to meet its immediate and long-term goals. The Group maintains a good relationship with employees, suppliers and customers. During the Reporting Period, there were no material and significant dispute between the Group and its employees, suppliers and/or customers.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended December 31, 2018 are set out in note 3 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 28 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year ended December 31, 2018 are set out in the consolidated statement of changes in equity on page 115 and page 116 of this annual report and note 30 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at December 31, 2018, the Company's reserve available for distribution was RMB30,212,000 (as at December 31, 2017: RMB39,753,000).

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at December 31, 2018 are set out in note 24 to the consolidated financial statements.

董事

於本年報日期止，本公司董事為：

執行董事：

李孝軒先生 (董事會主席)
趙帥先生
丁瑜先生

非執行董事：

陳爍先生

獨立非執行董事：

黃文宗先生
鄺偉信先生
胡建波先生

根據組織章程細則第84(1)條，三分之一的董事須於各屆股東週年大會上輪席退任，其後符合資格膺選連任。因此，李孝軒先生、趙帥先生及胡建波先生須於建議舉行的股東週年大會（「股東週年大會」）上輪席退任並符合資格膺選連任。

根據組織章程細則第83(3)條，丁瑜先生須於股東週年大會上膺選連任。

有關將於股東週年大會上膺選連任的董事之詳情，將載於致股東的通函內。

董事及高級管理層的履歷

董事及本公司高級管理層的履歷詳情，載於本年報第33至41頁。

確認獨立非執行董事的獨立性

本公司已收到各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書，且本公司認為該等董事自彼等獲委任起均為獨立人士，並於截至本年報日期仍為獨立人士。

DIRECTORS

The Directors of the Company as at the date of this annual report are:

EXECUTIVE DIRECTORS:

Mr. Li Xiaoxuan (*Chairman of the Board*)
Mr. Zhao Shuai
Mr. Ding Yu

NON-EXECUTIVE DIRECTOR:

Mr. Chen Shuo

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Wong Man Chung Francis
Mr. Kwong Wai Sun Wilson
Mr. Hu Jianbo

In accordance with article 84(1) of the Articles of Association, one-third of the Directors shall retire from office by rotation at each annual general meeting and shall then be eligible for re-election. Accordingly, Mr. Li Xiaoxuan, Mr. Zhao Shuai and Mr. Hu Jianbo shall retire by rotation, and being eligible, have offered themselves for re-election at the proposed annual general meeting ("AGM").

In accordance with article 83(3) of the Articles of Association, Mr. Ding Yu shall be subject to re-election at the AGM.

Details of the Directors to be re-elected at the AGM will be set out in the circular to the Shareholders.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Company are set out on pages 33 to 41 of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to rule 3.13 of the Listing Rules from each of the independent non-executive Directors and the Company considers such Directors to be independent since their appointment and remain so as of the date of this annual report.

董事及控股股東於重大交易、安排或合約的重大權益

除本年報內「不獲豁免持續關連交易」一節及其他章節所披露者外，於截至2018年12月31日止年度，董事或其關連實體（定義見公司條例第486條）概無直接或間接於對本集團業務屬重大而本公司或其任何附屬公司或同系附屬公司為其中一方的任何交易、安排或合約中擁有重大權益。

除本年報內「不獲豁免持續關連交易」一節所披露者外，於截至2018年12月31日止年度內，控股股東或其任何關連實體（定義見公司條例第486條）概無直接或間接於對本集團業務屬重大而本公司或其任何附屬公司或同系附屬公司為其中一方的任何交易、安排或合約中擁有重大權益。

於截至2018年12月31日止年度內，概無就本公司控股股東或其任何附屬公司向本公司或其任何附屬公司或同系附屬公司提供服務訂立任何重大合約。

管理合約

截至2018年12月31日止年度，概無訂立或存在任何有關本公司全部或絕大部分業務管理與行政之合約。

薪酬政策

薪酬委員會已告成立，以檢討本集團就董事及本集團高級管理層的全體薪酬制定的薪酬政策及架構，當中考慮到本集團的經營業績、董事及高級管理層的個別表現以及可比較市場慣例。

董事及高級管理層亦可獲得根據購股權計劃授出的購股權。有關購股權計劃的更多詳情，請參閱招股章程第V-33頁的「購股權計劃」。

有關董事及五名最高薪人士於報告期間的酬金詳情載於綜合財務報表附註9及10。

於截至2018年12月31日止年度，概無董事放棄任何薪酬。

DIRECTORS' AND CONTROLLING SHAREHOLDERS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Non-exempt Continuing Connected Transaction" and otherwise disclosed in this annual report, no Director or its connected entity (within the meaning of section 486 of the Companies Ordinance) had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries or fellow subsidiaries was a party during the year ended December 31, 2018.

Save as disclosed in the section headed "Non-exempt Continuing Connected Transaction" in this annual report, none of the Controlling Shareholder or any of its connected entity (within the meaning of section 486 of the Companies Ordinance) had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries or fellow subsidiaries was a party during the year ended December 31, 2018.

No contract of significance for the provision of services to the Company or any of its subsidiaries or fellow subsidiaries by the Controlling Shareholder of the Company or any of its subsidiaries was entered into during the year ended December 31, 2018.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed for the year ended December 31, 2018.

EMOLUMENT POLICY

A remuneration committee was set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

The Directors and senior management may also receive options to be granted under the Share Option Scheme. For further details of the Share Option Scheme, please refer to page V-33 of the Prospectus "Share Option Scheme".

Details of the emoluments of the Directors, and five highest paid individuals during the Reporting Period are set out in notes 9 and 10 to the consolidated financial statements.

None of the Directors waived any emoluments during the year ended December 31, 2018.

退休及僱員福利計劃

本公司退休及僱員福利計劃的詳情載於綜合財務報表附註3及8。

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於2018年12月31日，董事及本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文當作或視為擁有的權益及淡倉），或登記於根據證券及期貨條例第352條須予保存的登記冊內的權益或淡倉，或根據上市規則附錄10所載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的權益或淡倉如下：

(I) 於本公司的好倉：

RETIREMENT AND EMPLOYEE BENEFITS SCHEME

Details of the retirement and employee benefits scheme of the Company are set out in note 3 and 8 to the consolidated financial statements.

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

As at December 31, 2018, the interests and short positions of the Directors and the 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) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules were as follows:

(I) LONG POSITION IN THE COMPANY:

姓名	身份／權益性質	股份數目	所持本公司股權 概約 百分比 Approximate percentage of shareholding in the Company
Name	Capacity/Nature of interest	Number of Shares	
李先生 ⁽¹⁾ Mr. Li ⁽¹⁾	受控制法團權益 Interest in a controlled corporation	792,709,300 792,709,300	55.39% 55.39%
趙帥 ⁽²⁾ Zhao Shuai ⁽²⁾	實益擁有人 Beneficial owner	751,500 751,500	0.05% 0.05%
黃文宗 ⁽³⁾ Wong Man Chung Francis ⁽³⁾	實益擁有人 Beneficial owner	321,400 321,400	0.02% 0.02%
鄺偉信 ⁽⁴⁾ Kwong Wai Sun Wilson ⁽⁴⁾	實益擁有人 Beneficial owner	114,400 114,400	0.01% 0.01%
陳燦 ⁽⁵⁾ Chen Shuo ⁽⁵⁾	實益擁有人 Beneficial owner	114,400 114,400	0.01% 0.01%
丁瑜 ⁽⁶⁾ Ding Yu ⁽⁶⁾	實益擁有人 Beneficial owner	503,400 503,400	0.04% 0.04%
胡建波 ⁽⁷⁾ Hu Jianbo ⁽⁷⁾	實益擁有人 Beneficial owner	114,400 114,400	0.01% 0.01%

附註：

- (1) 李先生是Aspire Education Management的唯一股東，因此彼被視為擁有Aspire Education Management所持股份的權益。李先生持有Aspire Education Technology 53.35%股份，因此彼被視為擁有Aspire Education Technology所持股份的權益。李先生持有Aspire Education Consulting 79.20%股份，因此彼被視為擁有Aspire Education Consulting所持股份的權益。Aspire Education International由(i)誠信投資及輝煌投資的所有合夥人（即李先生、本集團44名僱員、東北學校校長及9名其他為獨立第三方的個人）；及(ii)一名透過Aspire Education International直接投資於本公司的其他個人陳冬海（李先生的朋友及一名獨立第三方）擁有。Aspire Education International的各位股東均已授權李先生代為行使彼等於Aspire Education International的投票權。故李先生根據證券及期貨條例被視為擁有Aspire Education International所持股份的權益。
- (2) 趙帥先生視為於2018年10月26日行使授予其的680,500份購股權後可能向其發行的680,500股股份中擁有權益。
- (3) 黃文宗先生視為於2018年10月26日行使授予其的114,400份購股權後可能向其發行的114,400股股份中擁有權益。
- (4) 鄭偉信先生視為於2018年10月26日行使授予其的114,400份購股權後可能向其發行的114,400股股份中擁有權益。
- (5) 陳燦先生視為於2018年10月26日行使授予其的114,400份購股權後可能向其發行的114,400股股份中擁有權益。
- (6) 丁瑜先生視為於2018年10月26日行使授予其的503,400份購股權後可能向其發行的503,400股股份中擁有權益。
- (7) 胡建波先生視為於2018年10月26日行使授予其的114,400份購股權後可能向其發行的114,400股股份中擁有權益。

Note:

- (1) Mr. Li is the sole shareholder of Aspire Education Management and he is therefore deemed to be interested in the Shares held by Aspire Education Management. Mr. Li holds 53.35% shares in Aspire Education Technology and he is therefore deemed to be interested in the Shares held by Aspire Education Technology. Mr. Li holds 79.20% shares in Aspire Education Consulting and he is therefore deemed to be interested in the Shares held by Aspire Education Consulting. Aspire Education International is owned by (i) all partners of Chengxin Investment and Huihuang Investment, being Mr. Li, 44 employees of the Group, the Principal of the Northeast School and 9 other individuals who are Independent Third Parties; and (ii) one other individual, Chan Tung Hoi (陳冬海), a friend of Mr. Li and an Independent Third Party, who invested in the Company directly through Aspire Education International. Each of the shareholders of Aspire Education International has authorized Mr. Li to exercise his or her voting rights in Aspire Education International. Mr. Li is therefore deemed to be interested in the Shares held by Aspire Education International under the SFO.
- (2) Mr. Zhao Shuai is deemed to be interested in 680,500 Shares which may be issued to him upon exercise of the 680,500 share options granted to him on October 26, 2018.
- (3) Mr. Wong Man Chung Francis is deemed to be interested in 114,400 Shares which may be issued to him upon exercise of the 114,400 share options granted to him on October 26, 2018.
- (4) Mr. Kwong Wai Sun Wilson is deemed to be interested in 114,400 Shares which may be issued to him upon exercise of the 114,400 share options granted to him on October 26, 2018.
- (5) Mr. Chen Shuo is deemed to be interested in 114,400 Shares which may be issued to him upon exercise of the 114,400 share options granted to him on October 26, 2018.
- (6) Mr. Ding Yu is deemed to be interested in 503,400 Shares which may be issued to him upon exercise of the 503,400 share options granted to him on October 26, 2018.
- (7) Mr. Hu Jianbo is deemed to be interested in 114,400 Shares which may be issued to him upon exercise of the 114,400 share options granted to him on October 26, 2018.

(II) 於相聯法團的好倉：

雲愛集團

(II) LONG POSITION IN ASSOCIATED CORPORATION:

Yun Ai Group

姓名	身份／權益性質	註冊股本 的金額	所持本公司 股權概約 百分比
Name	Capacity/ Nature of interest	Amount of registered share capital	Approximate percentage of shareholding in the Company
李先生	實益擁有人	人民幣元	29.88%
Mr. Li	Beneficial owner	10,428,600 RMB	29.88%
		10,428,600	

除上文所披露者外，於2018年12月31日，概無董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中，擁有或被視為擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文當作或被視為擁有的權益及淡倉），或須登記於根據證券及期貨條例第352條須予保存的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

董事收購股份或債權證的權利

除本年報其他部分所披露者外，於報告期間，本公司或其任何附屬公司概無訂立任何安排，令董事可通過收購本公司或任何其他企業實體之股份或債權證以獲得利益，且概無董事或其任何配偶或18歲以下之子女獲授任何認購本公司或任何其他企業實體之權益或債券之權利或已行使任何相關權利。

Save as disclosed above, as at December 31, 2018, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

主要股東於股份及相關股份的權益及淡倉

於2018年12月31日，就董事所深知，按照本公司須根據證券及期貨條例第336條保存之登記冊所記錄，以下人士（並非董事或本公司最高行政人員）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉：

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at December 31, 2018, to the best knowledge of the Directors, the following persons (other than being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

(I) 於本公司股份及相關股份中的權益及淡倉：

(I) INTERESTS AND SHORT POSITIONS IN OUR SHARES AND UNDERLYING SHARES OF THE COMPANY:

於本公司的好倉

Long position in the Company

姓名／名稱	身份／權益性質	股份數目	所持本公司 股權概約 百分比 Approximate percentage of shareholding in the Company
Name	Capacity/Nature of interest	Number of Shares	
Aspire Education Management ⁽¹⁾	實益擁有人	502,160,000	35.09%
Aspire Education Management ⁽¹⁾	Beneficial owner	502,160,000	35.09%
Aspire Education Technology ⁽¹⁾	實益擁有人	196,000,000	13.70%
Aspire Education Technology ⁽¹⁾	Beneficial owner	196,000,000	13.70%
李先生 ⁽¹⁾	受控制法團權益及 實益擁有人	792,709,300	55.39%
Mr. Li ⁽¹⁾	Interest in a controlled corporation and Beneficial owner	792,709,300	55.39%
Advance Vision ⁽²⁾	實益擁有人	97,760,000	6.83%
Advance Vision ⁽²⁾	Beneficial owner	97,760,000	6.83%
上海太富 ⁽²⁾	受控制法團權益	97,760,000	6.83%
Shanghai Taifu ⁽²⁾	Interest in a controlled corporation	97,760,000	6.83%

姓名／名稱	身份／權益性質	股份數目	所持本公司 股權概約 百分比 Approximate percentage of shareholding in the Company
Name	Capacity/Nature of interest	Number of Shares	
深圳市平安德成投資有限公司 ⁽²⁾ Shenzhen Pingan Decheng Investment Co., Ltd.* (深圳市平安德成投資有限公司) ⁽²⁾	受控制法團權益 Interest in a controlled corporation	97,760,000 97,760,000	6.83% 6.83%
深圳平安金融科技諮詢有限公司 ⁽²⁾ Shenzhen Pingan Financial Technology Consulting Co., Ltd.* (深圳平安金融科技諮詢 有限公司) ⁽²⁾	受控制法團權益 Interest in a controlled corporation	97,760,000 97,760,000	6.83% 6.83%
中國平安保險(集團) 股份有限公司 ⁽²⁾ Ping An Insurance (Group) Company of China, Ltd. ⁽²⁾	受控制法團權益 Interest in a controlled corporation	90,798,277 90,798,277	6.34% 6.34%
瑞銀集團 UBS Group AG	於股份之抵押權益／ 受控制法團權益 Security interest in Shares/Interest in a controlled corporation	90,798,277 90,798,277	6.34% 6.34%
民銀資本財務有限公司 ⁽³⁾ CMBC Capital Finance Limited ⁽³⁾	於股份之抵押權益／ 受控制法團權益 Security interest in Shares/Interest in a controlled corporation	301,400,000 301,400,000	21.06% 21.06%
民銀資本控股有限公司 ⁽³⁾ CMBC Capital Holdings Limited ⁽³⁾	於股份之抵押權益／ 受控制法團權益 Security interest in Shares/Interest in a controlled corporation	301,400,000 301,400,000	21.06% 21.06%
CMBC Capital International Investment Limited ⁽³⁾ CMBC Capital International Investment Limited ⁽³⁾	於股份之抵押權益／ 受控制法團權益 Security interest in Shares/Interest in a controlled corporation	301,400,000 301,400,000	21.06% 21.06%

姓名／名稱	身份／權益性質	股份數目	所持本公司 股權概約 百分比 Approximate percentage of shareholding in the Company
Name	Capacity/Nature of interest	Number of Shares	
CMBC Capital International Investment (HK) Limited ⁽³⁾	於股份之抵押權益／ 受控制法團權益	301,400,000	21.06%
CMBC Capital International Investment (HK) Limited ⁽³⁾	Security interest in Shares/Interest in a controlled corporation	301,400,000	21.06%
CMBC Capital International Holdings Limited ⁽³⁾	於股份之抵押權益／ 受控制法團權益	301,400,000	21.06%
CMBC Capital International Holdings Limited ⁽³⁾	Security interest in Shares/Interest in a controlled corporation	301,400,000	21.06%
蔣錦志 ⁽⁴⁾	受控制法團權益	71,529,000	5.00%
Jiang Jinzhi ⁽⁴⁾	Interest in a controlled corporation	71,529,000	5.00%
Unique Element Corp ⁽⁴⁾	受控制法團權益	71,529,000	5.00%
Unique Element Corp ⁽⁴⁾	Interest in a controlled corporation	71,529,000	5.00%
Greenwoods Asset Management Limited ⁽⁴⁾	受控制法團權益	71,529,000	5.00%
Greenwoods Asset Management Limited ⁽⁴⁾	Interest in a controlled corporation	71,529,000	5.00%
Greenwoods Asset Management Holdings Limited ⁽⁴⁾	受控制法團權益	71,529,000	5.00%
Greenwoods Asset Management Holdings Limited ⁽⁴⁾	Interest in a controlled corporation	71,529,000	5.00%
Golden China Master Fund ⁽⁴⁾	受控制法團權益	71,529,000	5.00%
Golden China Master Fund ⁽⁴⁾	Interest in a controlled corporation	71,529,000	5.00%
Greenwoods China Alpha Master Fund ⁽⁴⁾	受控制法團權益	71,529,000	5.00%
Greenwoods China Alpha Master Fund ⁽⁴⁾	Interest in a controlled corporation	71,529,000	5.00%

附註：

- (1) 李先生是Aspire Education Management的唯一股東，因此彼被視為擁有Aspire Education Management所持股份的權益。

李先生持有Aspire Education Technology的53.35%股份，因此彼被視為擁有Aspire Education Technology所持股份的權益。

李先生持有Aspire Education Consulting的79.20%股份，因此彼被視為擁有Aspire Education Consulting所持股份的權益。

Aspire Education International由(i)誠信投資及輝煌投資的所有合夥人(即李先生、本集團44名僱員、東北學校校長及9名其他為獨立第三方的個人)；及(ii)一名透過Aspire Education International直接投資於本公司的其他個人陳冬海(李先生的朋友及一名獨立第三方)擁有。Aspire Education International的各位股東均已授權李先生代為行使彼等於Aspire Education International的投票權。故李先生根據證券及期貨條例被視為持有Aspire Education International所持股份的權益。

- (2) 上海太富持有Advance Vision的全部股份，故於上市後被視為擁有Advance Vision所持股份的權益。上海太富的普通合夥人為深圳市平安德成投資有限公司。該普通合夥人由深圳平安金融科技諮詢有限公司全資擁有，而深圳平安金融科技諮詢有限公司則由中國平安保險(集團)股份有限公司(一間於中國註冊成立的股份有限公司，並於聯交所主板(股份代號：2318)及上海證券交易所(股份代號：601318)上市)擁有96.52%。上海太富、深圳市平安德成投資有限公司、深圳平安金融科技諮詢有限公司及中國平安保險(集團)股份有限公司均被視為為於Advance Vision持有的股份中擁有權益。

- (3) 民銀資本財務有限公司持有民銀國際投資(香港)有限公司全部股份，而民銀國際投資(香港)有限公司持有民銀國際投資有限公司全部股份。民銀國際投資有限公司持有民銀資本控股有限公司全部股份，而民銀資本控股有限公司持有民銀資本財務有限公司全部股份。民生商銀國際控股有限公司、民銀國際投資(香港)有限公司、民銀國際投資有限公司及民銀資本控股有限公司各自均被視為為於李先生及Aspire Education Management股份質押後於民銀資本財務有限公司持有的同等數量的證券權益中擁有權益。

- (4) Greenwood Asset Management Holdings Limited、Golden China Master Fund、Greenwoods China Alpha Master Fund、Greenwoods Asset Management Limited、Unique Element Corp及蔣錦志各自被視為為於Greenwoods Asset Management Limited所持有的股份中擁有權益。

Notes:

- (1) Mr. Li is the sole shareholder of Aspire Education Management and he is therefore deemed to be interested in the Shares held by Aspire Education Management.

Mr. Li holds 53.35% shares in Aspire Education Technology and he is therefore deemed to be interested in the Shares held by Aspire Education Technology.

Mr. Li holds 79.20% shares in Aspire Education Consulting and he is therefore deemed to be interested in the Shares held by Aspire Education Consulting.

Aspire Education International is owned by (i) all partners of Chengxin Investment and Huihuang Investment, being Mr. Li, 44 employees of the Group, the Principal of the Northeast School and 9 other individuals who are Independent Third Parties; and (ii) one other individual, Chan Tung Hoi (陳冬海), a friend of Mr. Li and an Independent Third Party, who invested in the Company directly through Aspire Education International. Each of the shareholders of Aspire Education International has authorized Mr. Li to exercise his or her voting rights in Aspire Education International. Mr. Li is therefore deemed to be interested in the Shares held by Aspire Education International under the SFO.

- (2) Shanghai Taifu holds 100% shares in Advance Vision and it is therefore deemed to be interested in the Shares held by Advance Vision upon the Listing. The general partner of Shanghai Taifu is Shenzhen Pingan Decheng Investment Co., Ltd. (深圳市平安德成投資有限公司). Such general partner is wholly owned by Shenzhen Pingan Financial Technology Consulting Co., Ltd. (深圳平安金融科技諮詢有限公司), which is in turn owned as to 96.52% by Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司), a joint-stock company incorporated in the PRC and listed on the Main Board of the Stock Exchange (stock code: 2318) and the Shanghai Stock Exchange (stock code: 601318). Each of the Shanghai Taifu, Shenzhen Pingan Decheng Investment Co., Ltd. (深圳市平安德成投資有限公司), Shenzhen Pingan Financial Technology Consulting Co., Ltd. (深圳平安金融科技諮詢有限公司) and Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司) is deemed to be interested in the Shares held by Advance Vision.

- (3) CMBC International Holdings Limited holds 100% shares in CMBC International Investment (HK) Limited, which in turn holds 100% shares in CMBC International Investment Limited. CMBC International Investment Limited holds 100% shares in CMBC Capital Holdings Limited, which in turn holds 100% shares in CMBC Capital Finance Limited. Each of CMBC International Holdings Limited, CMBC International Investment (HK) Limited, CMBC International Investment Limited and CMBC Capital Holdings Limited is deemed to be interested in the same number of security interest held by CMBC Capital Finance Limited upon the pledge of shares by Mr. Li and Aspire Education Management.

- (4) Each of Greenwood Asset Management Holdings Limited, Golden China Master Fund, Greenwoods China Alpha Master Fund, Greenwoods Asset Management Limited, Unique Element Corp and Jiang Jinzhi is deemed to be interested in the Shares held by Greenwood Asset Management Limited.

(II) 於相聯法團的好倉：
於雲愛集團的好倉

(II) LONG POSITION IN ASSOCIATED CORPORATIONS:
Long position in Yun Ai Group

姓名／名稱	身份／權益性質	註冊股本 的金額	所持雲愛 集團股權 概約百分比 Approximate percentage of shareholding in Yun Ai Group
Name	Capacity/Nature of interest	Amount of registered capital	
大愛合夥	實益擁有人	人民幣 7,960,964元	22.8102%
Daai Partnership	Beneficial owner	RMB7.960964 million	22.8102%
排對排	實益擁有人	人民幣 7,000,000元	20.0568%
Pai Dui Pai	Beneficial owner	RMB7 million	20.0568%
上海太富	實益擁有人	人民幣 5,418,904元	15.5265%
Shanghai Taifu	Beneficial owner	RMB5.418904 million	15.5265%

於哈軒公司的好倉

Long position in Haxuan Company

姓名／名稱	身份／權益性質	註冊股本 的金額	所持哈軒 公司股權 概約百分比 Approximate percentage of shareholding in Haxuan Company
Name	Capacity/Nature of interest	Amount of registered capital	
寧德公司	實益擁有人	人民幣 31,308,000元	26.09%
Ningde Company	Beneficial owner	RMB31.308 million	26.09%

董事會報告

REPORT OF DIRECTORS

除上文所披露者外，於2018年12月31日，董事並不知悉有任何人士（並非董事或本公司最高行政人員）於股份或本公司相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須予披露的權益或淡倉，或根據證券及期貨條例第336條須登記於該條所指的登記冊內的權益或淡倉。

購股權計劃

本公司已於2017年3月20日（「採納日期」）採納購股權計劃，旨在向合資格人士提供於本公司擁有個人股權的機會，並激勵彼等提升日後對本集團所作出的貢獻，及／或就彼等過往的貢獻給予獎勵，以吸引及挽留或以其他方式繼續維持與對本集團的業績、增長或成功而言乃屬重要及／或其貢獻有利於或將有利於本集團的業績、增長或成功之合資格人士的合作關係，另外就行政人員（定義見下文）而言，亦使本集團吸引及挽留經驗豐富且具備才能的人士及／或就彼等過往的貢獻給予獎勵。

合資格人士包括(a)本集團任何成員公司的任何執行董事、經理，或擔當行政、管理、監管或類似職位的其他僱員（「行政人員」）、任何僱員人選、任何全職或兼職僱員，或被調往本集團任何成員公司擔任全職或兼職工作的人士（「僱員」）；(b)本集團任何成員公司的董事或候選董事（包括獨立非執行董事）；(c)本集團任何成員公司的直接或間接股東；(d)向本集團任何成員公司供應貨品或服務的供應商；(e)本集團任何成員公司的客戶、顧問、業務或合營夥伴、加盟商、承包商、代理或代表；(f)向本集團任何成員公司提供設計、研究、開發或其他支援或任何建議、諮詢、專業或其他服務的個人或實體；(g)上文(a)至(f)段所述任何人士的聯繫人；及(h)任何參與本公司業務事宜而董事會釐定適合參與購股權計劃的人士（上述人士為「合資格人士」）。

因行使根據購股權計劃及本集團任何其他計劃將予授出的所有購股權而可能發行的最高股份數目，合共不得超過截至上市日期的已發行股份10%（即143,110,000股股份，不包括因本公司所授出超額配股權獲行使而可能將予發行的股份），佔本年報日期已發行股份約10%。

於本報告期間，本公司擁有8,195,200份尚未行使購股權，相當於已發行股份之0.5727%及經擴大已發行股份之0.5694%。

Save as disclosed above, as at December 31, 2018, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme on 20 March 2017 (“Adoption Date”) for the purpose of giving the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of executives (as defined below), to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

Eligible persons include (a) any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group (“Executive”), any proposed employee, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of the Group (“Employee”); (b) a director or proposed director (including an independent non-executive director) of any member of the Group; (c) a direct or indirect shareholder of any member of the Group; (d) a supplier of goods or services to any member of the Group; (e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; (f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; (g) an associate of any of the persons referred to in paragraphs (a) to (f) above; and (h) any person involved in the business affairs of the Company whom our Board determines to be appropriate to participate in the Share Option Scheme (the person referred above are the “Eligible Persons”).

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at the Listing Date, which is 143,110,000 Shares excluding Shares which may fall to be issued upon the exercise of the over-allotment option granted by the Company, representing approximately 10% of the issued shares as at the date of this annual report.

As at the reporting period, the Company had 8,195,200 outstanding share options, representing 0.5727% of the issued shares and 0.5694% of the enlarged issued shares.

概無向任何一名人士授出購股權，致使因行使於任何12個月期間授予及將授予該人士的購股權而發行及將予發行的股份總數超過本公司不時已發行股本的1%。倘向上述合資格人士增授購股權，會導致因行使截至增授購股權當日（包括該日）止12個月已授予及將授予該合資格人士的所有購股權（包括已行使、已註銷及尚未行使的購股權）而已發行及將予發行的股份合共超過已發行股份的1%，增授購股權須經股東在股東大會上另行批准，而該合資格人士及其緊密聯繫人（如合資格人士為關連人士，則其聯繫人）須放棄投票。

董事會有權自採納日期起計10年內隨時向由董事會可全權酌情選擇的任何合資格人士提呈授出購股權，以按認購價認購董事會（根據購股權計劃條款）釐定的數目的股份（惟認購的股份須為在聯交所買賣股份的一手或以其完整倍數為單位）。

根據董事會可釐定的有關條款及條件（包括有關購股權的歸屬、行使或其他事項的條款及條件），於購股權可獲行使前並毋須持有購股權的最短期限，而購股權可獲行使前承授人亦毋須達致任何業績目標。

合資格人士可於要約日期起計28日內接納授出購股權的要約，惟不可在購股權計劃有效期屆滿後接納授出購股權。本公司於有關合資格人士須接納購股權要約之日，即不遲於要約日期後28日的日期或之前接獲由承授人正式簽署的構成接納購股權要約的要約函件副本，連同以本公司為收款人的1.00港元匯款（作為授出購股權的代價）時，則購股權被視作已獲授出且經合資格人士接納並生效。

任何特定購股權的認購價須由董事會於授出有關購股權時（及須載於載有授出購股權要約的函件中）全權酌情釐定，惟認購價不得低於以下三者中的最高者：(a) 股份面值；(b) 於要約日期在聯交所每日報價表上的股份收市價；及(c) 緊接要約日期前5個營業日（定義見上市規則）股份於聯交所每日報價表的平均收市價。

No option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of options granted and to be granted to that person in any 12-month period exceeds 1% of the Company's issued share capital from time to time. Where any further grant of options to such an Eligible Person would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such eligible person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant shall be separately approved by the Shareholders in general meeting with such eligible person and his close associates (or his associates if such eligible person is a connected person) abstaining from voting.

The Board shall be entitled at any time within 10 years from the Adoption Date to offer the grant of an option to any eligible person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of Shares as the Board may (subject to the terms of the Share Option Scheme) determine (provided the same shall be a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof).

Subject to such terms and conditions as the Board may determine (including such terms and conditions in relation to their vesting, exercise or otherwise), there is no minimum period for which an option must be held before it can be exercised and no performance target which need to be achieved by the grantee before the Option can be exercised.

An offer of the grant of an option shall remain open for acceptance by the eligible person concerned for a period of 28 days from the offer date provided that no such grant of an option may be accepted after the expiry of the effective period of the Share Option Scheme. An option shall be deemed to have been granted and accepted by the eligible person and to have taken effect when the duplicate offer letter comprising acceptance of the offer of the option duly signed by the grantee together with a remittance in favor of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company on or before the date upon which an offer of an option must be accepted by the relevant eligible person, being a date no later than 28 days after the offer date.

The subscription price in respect of any particular option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option (and shall be stated in the letter containing the offer of the grant of the option) but the subscription price shall not be less than whichever is the highest of: (a) the nominal value of a Share; (b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the offer date; and (c) the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the 5 business days (as defined in the Listing Rules) immediately preceding the offer date.

董事會報告 REPORT OF DIRECTORS

購股權計劃將自其成為無條件之日起計10年內有效及生效，其後不再授出或提呈購股權，但購股權計劃的條文將在所有其他方面繼續具有效力及生效。在到期前授出而當時尚未行使的全部購股權均將仍然有效，並可在購股權計劃規限下按照該計劃行使。購股權計劃的剩餘期限約為8年1個月。

The Share Option Scheme shall be valid and effective for a period of 10 years from the date on which it becomes unconditional, after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in force and effect in all other respects. All options granted prior to such expiry and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme. The remaining life of the Share Option Scheme is around 8 years and 1 months.

截至2018年12月31日止年度，根據購股權計劃授出的購股權變動詳情如下：

Details of the movement of share options granted under the Share Option Scheme for the year ended 31 December 2018 are as follows:

參與人士類型	授出日期	每股行使價 (港元)	於2018年 1月1日 尚未行使	報告期間 授出	報告期間 獲行使	報告期間 註銷/失效	於2018年 12月31日 尚未行使
Category of participants	Date of grant	Exercise price per share (HK\$)	Outstanding at January 1, 2018	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled/ lapsed during the Reporting Period	Outstanding at December 31, 2018
董事							
Directors							
趙帥	2018年3月1日	5.55	-	343,200	-	343,200	-
Zhao Shuai	March 1, 2018	5.55	-	343,200	-	343,200	-
朱立東*	2018年3月1日	5.55	-	343,200	-	343,200	-
Zhu Lidong*	March 1, 2018	5.55	-	343,200	-	343,200	-
張柯**	2018年3月1日	5.55	-	114,400	-	114,400	-
Zhang Ke**	March 1, 2018	5.55	-	114,400	-	114,400	-
丁瑜	2018年3月1日	5.55	-	480,500	-	480,500	-
Ding Yu	March 1, 2018	5.55	-	480,500	-	480,500	-
黃文宗	2018年3月1日	5.55	-	114,400	-	114,400	-
Wong Man Chung Francis	March 1, 2018	5.55	-	114,400	-	114,400	-
鄺偉信	2018年3月1日	5.55	-	114,400	-	114,400	-
Kwong Wai Sun Wilson	March 1, 2018	5.55	-	114,400	-	114,400	-
胡建波	2018年3月1日	5.55	-	114,400	-	114,400	-
Hu Jianbo	March 1, 2018	5.55	-	114,400	-	114,400	-

* Ceased to be a director on 23 March 2018
於2018年3月23日辭任董事

** Ceased to be a director on 6 July 2018
於2018年7月6日辭任董事

參與人士類型	授出日期	每股行使價 (港元)	於2018年 1月1日 尚未行使	報告期間 授出	報告期間 獲行使	報告期間 註銷/失效	於2018年 12月31日 尚未行使
Category of participants	Date of grant	Exercise price per share (HK\$)	Outstanding at January 1, 2018	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled/ lapsed during the Reporting Period	Outstanding at December 31, 2018
僱員	2018年3月1日	5.55	–	5,487,500	–	5,487,500	–
Employees	March 1, 2018	5.55	–	5,487,500	–	5,487,500	–
董事							
Directors							
李孝軒	2018年6月8日	7.652	–	709,300	–	709,300	–
Li Xiaoxuan	June 8, 2018	7.652	–	709,300	–	709,300	–
丁瑜	2018年6月8日	7.652	–	22,900	–	22,900	–
Ding Yu	June 8, 2018	7.652	–	22,900	–	22,900	–
陳爍	2018年6月8日	7.652	–	114,400	–	114,400	–
Chen Shuo	June 8, 2018	7.652	–	114,400	–	114,400	–
僱員	2018年6月8日	7.652	–	827,900	–	827,900	–
Employees	June 8, 2018	7.652	–	827,900	–	827,900	–
僱員	2018年7月12日	7.950	–	404,200	–	404,200	–
Employees	July 12, 2018	7.950	–	404,200	–	404,200	–
董事							
Directors							
李孝軒	2018年9月3日	5.92	–	709,300	–	–	709,300
Li Xiaoxuan	September 3, 2018	5.92	–	709,300	–	–	709,300
趙帥	2018年9月3日	5.92	–	337,300	–	337,300	–
Zhao Shuai	September 3, 2018	5.92	–	337,300	–	337,300	–
丁瑜	2018年9月3日	5.92	–	22,900	–	22,900	–
Ding Yu	September 3, 2018	5.92	–	22,900	–	22,900	–

董事會報告
REPORT OF DIRECTORS

參與人士類型	授出日期	每股行使價 (港元)	於2018年 1月1日 尚未行使	報告期間 授出	報告期間 獲行使	報告期間 註銷/失效	於2018年 12月31日 尚未行使
Category of participants	Date of grant	Exercise price per share (HK\$)	Outstanding at January 1, 2018	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled/ lapsed during the Reporting Period	Outstanding at December 31, 2018
陳燦	2018年9月3日	5.92	–	114,400	–	114,400	–
Chen Shuo	September 3, 2018	5.92	–	114,400	–	114,400	–
僱員	2018年9月3日	5.92	–	1,446,600	–	1,446,600	–
Employees	September 3, 2018	5.92	–	1,446,600	–	1,446,600	–
董事							
Directors							
趙帥	2018年10月26日	4.202	–	680,500	–	–	680,500
Zhao Shuai	October 26, 2018	4.202	–	680,500	–	–	680,500
丁瑜	2018年10月26日	4.202	–	503,400	–	–	503,400
Ding Yu	October 26, 2018	4.202	–	503,400	–	–	503,400
陳燦	2018年10月26日	4.202	–	114,400	–	–	114,400
Chen Shuo	October 26, 2018	4.202	–	114,400	–	–	114,400
黃文宗	2018年10月26日	4.202	–	114,400	–	–	114,400
Wong Man Chung Francis	October 26, 2018	4.202	–	114,400	–	–	114,400
鄺偉信	2018年10月26日	4.202	–	114,400	–	–	114,400
Kwong Wai Sun Wilson	October 26, 2018	4.202	–	114,400	–	–	114,400

參與人士類型	授出日期	每股行使價 (港元)	於2018年 1月1日 尚未行使	報告期間 授出	報告期間 獲行使	報告期間 註銷/失效	於2018年 12月31日 尚未行使
Category of participants	Date of grant	Exercise price per share (HK\$)	Outstanding at January 1, 2018	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled/ lapsed during the Reporting Period	Outstanding at December 31, 2018
胡建波	2018年10月26日	4.202	-	114,400	-	-	114,400
Hu Jianbo	October 26, 2018	4.202	-	114,400	-	-	114,400
僱員	2018年10月26日	4.202	-	6,050,600	-	324,900	5,725,700
Employees	October 26, 2018	4.202	-	6,050,600	-	324,900	5,725,700
僱員	2018年11月2日	4.320	-	122,100	-	3,400	118,700
Employees	November 2, 2018	4.320	-	122,100	-	3,400	118,700
總計				19,635,400	-	11,440,200	8,195,200
Total				19,635,400	-	11,440,200	8,195,200

於2019年4月1日，本集團授出3,480,000份購股權，其中343,200份購股權已授予董事，行使價為每股3.64港元。

On 1 April 2019, the Group granted 3,480,000 share options, among which, 343,200 share options were granted to the Directors, at the exercise price of HK\$3.64 per Share.

股份掛鈎協議

除本年報「購股權計劃」一節所披露者外，於截至2018年12月31日止年度內，本公司或其任何附屬公司概無訂立(i)將會或可能導致本公司發行股份的協議；或(ii)要求本公司訂立(i)所指明的任何協議的任何協議。

EQUITY-LINKED AGREEMENTS

Save as disclosed in the section headed "Share Option Scheme" of this annual report, during the year ended December 31, 2018, neither the Company nor any of its subsidiaries had entered into (i) any agreement that will or may result in the Company issuing Shares; or (ii) any agreement requiring the Company to enter into any agreement specified in (i).

過去12個月籌集資金

改善本公司融資結構及償還本公司部分2019年到期貸款，及用於營運資金及一般企業用途，於2019年4月9日，本公司、Aspire Education Technology、李先生及配售代理CLSA Limited已訂立配售及認購協議，據此配售代理以配售價每股股份3.57港元，配售由Aspire Education Technology擁有的110,000,000股股份，予不少於六名獨立人士。配售股份合共相當於本公司當時已發行股本的約7.69%及經認購事項擴大後已發行股本的約7.14%（假設除發行認購股份外，本公司的已發行股本自公告日期起至認購事項完成止並無變動）。認購事項估計所得款項淨額將為388.5百萬港元。認購事項須待配售事項完成及聯交所批准認購股份上市及買賣後，方可作實。有關配售事項的詳情載列於本公司日期為2019年4月10日的公告。於2019年4月17日完成認購事項後，共發行110,000,000股股份。

FUND RAISING FOR THE PAST 12 MONTHS

For the purpose of improvement of the financing structure of the Company and to repay certain outstanding loans of the Company due in 2019 and general corporate usage, and for working capital and general corporate purposes, on 9 April 2019, the Company, Aspire Education Technology, Mr. Li and CLSA Limited, the placing agent entered into a placing and subscription agreement, pursuant to which, the placing agent will place a total of 110,000,000 placing shares at a price of HK\$3.57 per Share owned by Aspire Education Technology to not less than six independent placees. The placing shares represent approximately 7.69% of the then issued share capital of the Company and approximately 7.14% of the issued share capital of the Company as enlarged by the subscription (assuming that there is no change in the issued share capital of the Company from the date of the announcement to the completion of the subscription save for the issue of the subscription Shares). The net proceeds from the subscription are estimated to be HK\$388.5 million. The subscription is conditional upon completion of the placing and the Stock Exchange granting the listing of, and permission to deal in, the subscription shares. Details of the share placing are set out in the Company's announcement dated 10 April 2019. A total of 110,000,000 shares were issued upon completion of the subscription on 17 April 2019.

購買、出售或贖回上市證券

除上文所披露者外，截至2018年12月31日止年度期間，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上市證券。

優先購買權

組織章程細則或開曼群島法例項下並無載有優先購買權條文，使本公司須按比例向現有股東提呈發售新股份。

不競爭

北京聯合

有關北京聯合的業務範疇及本集團不包括北京聯合的理由，請參閱招股章程「與控股股東的關係」一節。為保障本公司於北京聯合未來業務機遇的權益及應對潛在競爭，我們已採取以下措施，包括收購北京聯合的選擇權、優先購買權及要求出售權。

截至本年報日期，北京聯合已就已擴大業務範圍獲得營業許可證、獲得網絡文化經營許可證、獲得增值電信業務經營許可證及獲得廣播電視節目製作經營許可證。考慮到北京聯合的業務於本報告日期仍處於起步階段，董事（包括獨立非執行董事）認為不宜於現階段收購北京聯合。

控股股東之不競爭承諾

此外，於2017年3月20日，控股股東以本公司利益訂立不競爭契據，據此，控股股東已共同及各自且不可撤回地向本公司（為其本身及為其附屬公司的利益）承諾，於下文所載受限制期間，本身不會並促使其聯繫人（本集團任何成員公司除外）不會直接或間接自行或聯同或代表任何人士、商號或公司，其中包括）進行或參與任何目前或可能不時與本集團任何成員公司的業務構成競爭的業務，或於當中擁有權益或從事或持有（在各情況下不論以股東、合夥人、代理人、僱員或其他身份）該等業務的權益。

董事於競爭業務的權益

於報告期間，董事或彼等各自的聯繫人概無從事與本集團業務直接或間接競爭或可能競爭的任何業務或於該等業務中擁有權益。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended December 31, 2018, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities save as disclosed above.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands that would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

NON-COMPETITION

BEIJING LIANHE

Please refer to the section headed "Relationship with our Controlling Shareholders" in the Prospectus for the business scope of Beijing Lianhe and the reason to exclude Beijing Lianhe out of the Group. In order to safeguard the interests of our Company in respect of the future business opportunities in Beijing Lianhe and against potential competition, we have adopted measures including options to acquire Beijing Lianhe, right of first refusal and right of selling request.

As at the date of this annual report, Beijing Lianhe has obtained the business license for the expanded business scope, the internet culture operation license, the value-added telecommunications business operating license and radio and TV program production and business operating license. Considering that Beijing Lianhe is still at preliminary stage of its business as at the date of this report, the Directors (including the independent non-executive Directors) consider it not appropriate to acquire Beijing Lianhe at the current stage.

NON-COMPETITION UNDERTAKING OF THE CONTROLLING SHAREHOLDERS

In addition, the Controlling Shareholders have entered into the Deed of Non-competition on March 20, 2017 in favour of the Company, pursuant to which our Controlling Shareholders have jointly and severally and irrevocably undertaken with the Company (for itself and for the benefit of its subsidiaries) that it or he would not, and would procure that its or his associates (except any members of the Group) would not, during the restricted period set out below, directly or indirectly, either on its or his own account or in conjunction with or on behalf of any person, firm or company, among other things, carry on, participate or be interested or engaged in or hold (in each case whether as a shareholder, partner, agent, employee or otherwise) any business which is or may be in competition with the business of any member of the Group from time to time.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the Reporting Period, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

持續關連交易

於報告期間及直至本年報日期，根據上市規則第14A章以下由本集團及本公司關連人士進行的交易構成本公司不獲豁免持續關連交易：

結構性合約

A. 背景及概覽

由於中國法律法規一般限制外資擁有權參與中國民辦教育行業，故我們目前透過中國營運學校在中國經營民辦高等教育業務。目前，根據中國法律法規，除對外國所有者規定資歷要求外，中外合作擁有權下經營的高等教育機構亦受限制。我們並無持有中國營運學校的任何股權。我們透過結構性合約控制中國營運學校，從中獲得經濟利益，而我們亦為達成業務目標及降低與相關中國法律法規的潛在衝突而嚴謹制定該等合約。我們已就現有中國營運學校訂立結構性合約，並預期將就新開辦或投資的學校訂立結構性合約，其條款及條件在所有重大方面應與現有結構性合約相同。

為遵守上述中國法律法規，同時推進我們進入國際資本市場及有效控制所有營運，本公司全資附屬公司輝煌公司於2016年9月8日與（其中包括）中國營運學校及學校舉辦者簽訂多項構成結構性合約的協議，據此，中國營運學校及學校舉辦者的業務產生的所有經濟利益以中國營運學校及學校舉辦者向輝煌公司支付服務費的形式轉至輝煌公司，惟須獲得中國法律法規的許可。儘管記名股東並無合併為本集團一部分，彼等仍為構成結構性合約的若干協議的訂約方，以確保雲愛集團的股東權利實際上由輝煌公司控制。

CONTINUING CONNECTED TRANSACTIONS

During the Reporting Period and till the date of this annual report, the following transactions carried out by the Group and the connected persons of the Company constituted non-exempt continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rule:

STRUCTURED CONTRACTS

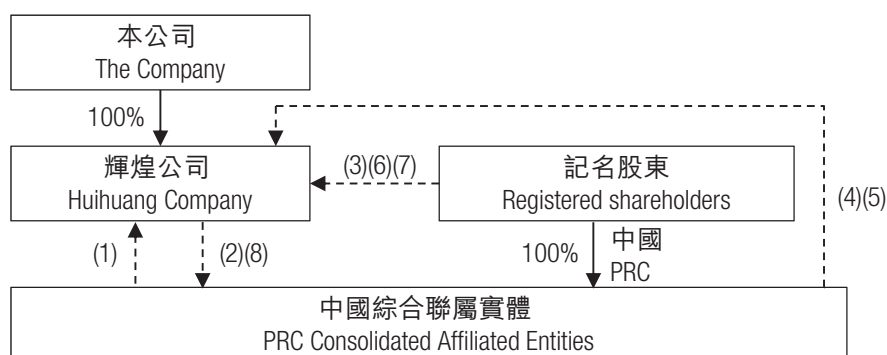
A. Background and overview

We currently conduct our private higher education business through the PRC Operating Schools in the PRC as PRC laws and regulations generally restrict foreign ownership in the private education industry in the PRC. PRC laws and regulations currently restrict the operation of higher education institutions to Sino-foreign cooperation ownership, in addition to imposing qualification requirements on the foreign owners. We do not hold any equity interest in the PRC Operating Schools. The Structured Contracts, through which we obtain control over and derive the economic benefits from the PRC Operating Schools, have been narrowly tailored to achieve our business purpose and minimize the potential conflict with relevant PRC laws and regulations. We had entered into the Structured Contracts for the existing PRC Operating Schools and expect to enter into structured contracts for the schools to be newly established or invested in, the terms and conditions of which shall be the same as the existing Structured Contracts in all material aspects.

In order to comply with the PRC laws and regulations as set out above while availing ourselves of international capital markets and maintaining effective control over all of our operations, on September 8, 2016, our wholly-owned subsidiary, Huihuang Company, entered into various agreements that constitute the Structured Contracts with, among others, the PRC Operating Schools and the School Sponsors, under which all economic benefits arising from the business of the PRC Operating Schools and the School Sponsors are transferred to Huihuang Company to the extent permitted under the PRC laws and regulations by means of service fees payable by the PRC Operating Schools and the School Sponsors to Huihuang Company. Although the Registered Shareholders are not consolidated as part of the Group, they are parties to certain agreements which constitute the Structured Contracts to ensure that the Shareholders' rights of Yun Ai Group are actually controlled by Huihuang Company.

以下簡圖說明按結構性合約規定從中國營運學校及／或學校舉辦者至本集團的經濟利益流動：

The following simplified diagram illustrates the flow of economic benefits from the PRC Operating Schools and/or the School Sponsors to the Group stipulated under the Structured Contracts:



- 指對股權的直接合法及實益所有權
denotes direct legal and beneficial ownership in the equity interest
- 指結構性合約
denotes Structured Contracts

附註：

1. 支付服務費。
2. 提供獨家技術服務及管理顧問服務。
3. 收購於中國營運學校的全部或部分學校舉辦者權益及學校舉辦者的全部或部分股權之獨家認購權。
4. 雲愛集團及北愛公司委託授予其對中國營運學校的學校舉辦者權利。
5. 中國營運學校董事委託授予其對中國營運學校的董事權利，包括董事授權書。
6. 委託授予股東的權利，包括股東授權書。
7. 記名股東質押彼等於雲愛集團的股權。
8. 輝煌公司向雲愛集團提供貸款。
9. 根據中國法律法規，開設民辦學校的實體及個人一般指「學校舉辦者」而非「擁有人」或「股東」。

Notes:

1. Payment of service fees.
2. Provision of exclusive technical and management consultancy services.
3. Exclusive call option to acquire all or part of the School sponsors' interest in the PRC Operating Schools and all or part equity interest in the School Sponsors.
4. Entrustment of school sponsors' rights in the PRC Operating Schools by Yun Ai Group and Bei Ai Company.
5. Entrustment of directors' rights in the PRC Operating Schools by directors of the PRC Operating Schools including directors' powers of attorney.
6. Entrust of Shareholders' right including Shareholders' power of attorney.
7. Pledge of equity interest by the Registered Shareholders of their equity interest in Yun Ai Group.
8. Provision of loans by Huihuang Company to Yun Ai Group.
9. According to PRC laws and regulations, entities and individuals who establish private schools are commonly referred to as "school sponsors" instead of "owners" or "shareholders".

截至本年報日期，並無任何監管機關干預或阻礙我們按計劃採納結構性合約，而從事高等教育服務的中國營運學校的綜合財務業績已併入本集團業績。

As of the date of this annual report, we have not encountered any interference or encumbrance from any governing bodies in our plan to adopt the Structured Contracts and the consolidated financial results of the PRC Operating Schools which engage in higher education service, are consolidated to those of the Group.

B. 結構性合約重要條款概要

下文載列結構性合約所包含的具體協議。

(1) 業務合作協議

根據業務合作協議，輝煌公司須提供民辦教育業務所需技術服務、管理支持及顧問服務，而中國營運學校及學校舉辦者須相應支付費用。

為確保妥善履行結構性合約，中國營運學校及學校舉辦者分別同意遵守及促使其任何附屬公司遵守，且記名股東同意促使中國營運學校及學校舉辦者遵守業務合作協議所列責任，載列如下：

- (a) 以妥善的財務及業務標準為準則，同時保持中國營運學校及學校舉辦者的資產價值及民辦教育的品質與標準，謹慎有效開展民辦教育業務；
- (b) 按照輝煌公司的指示制定學校發展計劃及年度工作計劃；
- (c) 在輝煌公司的協助下開展民辦教育業務及其他相關業務；
- (d) 按照輝煌公司的建議、意見、原則及其他指示開展及應對日常營運與財務管理；
- (e) 對於招聘及解聘高級管理人員及員工，按照輝煌公司的建議執行及行事；
- (f) 採取輝煌公司所提出有關彼等各自策略發展的建議、指引及計劃；及
- (g) 開展業務及更新與維持相關必要牌照。

B. Summary of the Material Terms of the Structured Contracts

A description of each of the specific agreements that comprise the Structured Contracts is set out below.

(1) Business Cooperation Agreement

Pursuant to the Business Cooperation Agreement, Huihuang Company shall provide technical services, management support and consulting services necessary for the private education business, and in return, the PRC Operating Schools and the School Sponsors shall make payments accordingly.

To ensure the due performance of the Structured Contracts, each of the PRC Operating Schools and the School Sponsors agreed to comply, and procure any of its subsidiaries to comply with, and the Registered Shareholders agreed to procure the PRC Operating Schools and the School Sponsors to comply with the obligations as prescribed under the Business Cooperation Agreement set forth as follows:

- (a) to carry out its private education operations in a prudent and efficient manner in accordance with good financial and business standards while maintaining the asset value of the PRC Operating Schools and the School Sponsors and the quality and standard of private education;
- (b) to prepare school development plans and annual working plans in accordance with the instructions of Huihuang Company;
- (c) to carry out its private education activities and other relevant business under the assistance of Huihuang Company;
- (d) to carry out and manage its daily operations and financial management in accordance with the recommendations, advice, principles and other instructions of Huihuang Company;
- (e) to execute and act upon the recommendations of Huihuang Company in terms of employment and removal of senior management and staff;
- (f) to adopt the advice, guidance and plans given by Huihuang Company in relation to their respective strategic development; and
- (g) to carry out its business operations and renew and maintain its respective necessary licenses.

此外，根據業務合作協議，

- (a) 李先生向輝煌公司承諾，倘因死亡、失去資格或受限、離婚或其他情況可能影響其行使所直接或間接持有的記名股東股權，其須作出所有必要安排及簽署所有必要文件，讓彼等各自繼承人、監護人、配偶及因上述事件而獲得股權或有關權利的任何其他人士不會損害或阻礙結構性合約的履行；
- (b) 記名股東向輝煌公司承諾，倘記名股東（李先生除外）合併及細分，記名股東（李先生除外）自行提呈或受第三方提呈任何申請停業、清盤、停業後重組或對賬，記名股東（李先生除外）根據一項指令解散及清盤，申請強制解散記名股東（李先生除外）或有其他理由，或其他情況可能影響記名股東雲愛集團行使其於記名股東雲愛集團的直接或間接權益，雙方會作出所有必要安排及簽署所有必要文件，讓繼承人、管理人、清盤委員會及因上述事件而獲得於記名股東雲愛集團的直接或間接權益或相關權利的任何其他人士不會損害或阻礙結構性合約的履行；

In addition, pursuant to the Business Cooperation Agreement,

- (a) Mr. Li undertakes to Huihuang Company that, in the event of death, loss of or restriction on capacity, divorce or other circumstances which may affect the exercise of his direct or indirect equity interest in the Registered Shareholders, he shall have made all necessary arrangement and sign all necessary documents such that his/their respective successor, guardian, spouse, and any other person which may as a result of the above events obtain the equity interest or relevant rights shall not prejudice or hinder the enforcement of the Structured Contracts;
- (b) the Registered Shareholders undertake to Huihuang Company that, in the event of a merger and subdivision of the Registered Shareholders (except for Mr. Li), presentation by the Registered Shareholders (except for Mr. Li) or the Registered Shareholders (except for Mr. Li) being presented any application for winding up, liquidation, winding up restructuring or reconciliation, dissolution and liquidation of the Registered Shareholders (except for Mr. Li) pursuant to an order, application for involuntary dissolution of the Registered Shareholders (except for Mr. Li) or other reasons, or other circumstances which may affect the Registered Shareholders in exercising its direct or indirect interest in Yun Ai Group, they shall have made all necessary arrangement and sign all necessary documents such that the successor, administrator, liquidation committee and any other person which may as a result of the above events obtain the direct or indirect interest or relevant rights in Yun Ai Group shall not prejudice or hinder the enforcement of the Structured Contracts;

- (c) 記名股東承諾，倘中國營運學校及／或學校舉辦者解散或清盤，(i) 輝煌公司可代表學校舉辦者行使一切學校舉辦者權益／股東有關中國營運學校及／或學校舉辦者的權利；(ii) 中國營運學校及／或學校舉辦者及／或中國營運學校及／或學校舉辦者的股東因中國營運學校及／或學校舉辦者解散或清盤而向輝煌公司或我們指定的其他人士無償轉讓作為我們各中國營運學校的學校舉辦者／各學校舉辦者的股東已收及應收全部資產，並指示所有中國營運學校及／或學校舉辦者於該等解散或清盤前直接轉讓該等資產予輝煌公司；(iii) 倘根據當時適用的中國法律，該等轉讓須支付代價，則中國營運學校及／或學校舉辦者及／或中國營運學校及／或學校舉辦者的股東將補償輝煌公司或我們指定的人士有關金額，並保證輝煌公司或我們指定的其他人士不會蒙受任何損失；及
- (d) 學校舉辦者及中國營運學校同意，未經輝煌公司事前書面同意，中國營運學校及／或學校舉辦者不會向股東宣佈或支付任何合理回報或其他利益或福利。倘若學校舉辦者／學校舉辦者的股東收取任何合理回報或其他利益或福利，則學校舉辦者／學校舉辦者的股東會無條件及無償將有關金額轉讓予輝煌公司。
- (c) the Registered Shareholders undertake that, in the event of the dissolution or liquidation of the PRC Operating Schools and/or the School Sponsors, (i) Huihuang Company shall have the right to exercise all school sponsor's right on behalf of the School Sponsors/shareholders' rights on the PRC Operating Schools and/or School Sponsors; (ii) PRC Operating Schools and/or School Sponsors and/or the shareholders of the PRC Operating Schools and/or School Sponsors shall transfer all assets received or receivable in its capacity as school sponsor of each of the PRC Operating Schools/as shareholders of each of the School Sponsors as a result of the dissolution or liquidation of the PRC Operating Schools and/or the School Sponsors to Huihuang Company or other persons designated by us at nil consideration, and instruct all of the PRC Operating Schools and/or the School Sponsors to transfer such assets directly to Huihuang Company before such dissolution or liquidation; (iii) if consideration is required for such transfer under the then applicable PRC laws, PRC Operating Schools and/or School Sponsors and/or the shareholders of PRC Operating Schools and/or School Sponsors shall compensate Huihuang Company or the person as designated by us the amount and guarantee that Huihuang Company or other persons as designated by us does not suffer any loss; and
- (d) School Sponsors and the PRC Operating Schools agreed that, without the prior written consent of Huihuang Company, the PRC Operating Schools and/or School Sponsors shall not declare or pay to its shareholders any reasonable return or other interest or benefit. In the event that the School Sponsors/the shareholders of the School Sponsors receive any reasonable return or other interest or benefit, the School Sponsors/the shareholders of the School Sponsors shall unconditionally and without compensation transfer such amount to Huihuang Company.

(2) 獨家技術服務及管理諮詢協議

根據獨家技術服務及管理諮詢協議，輝煌公司同意向中國營運學校及學校舉辦者提供獨家技術服務，包括但不限於(a)設計、開發、更新及維護計算機及移動設備軟件；(b)設計、開發、更新及維護中國營運學校及學校舉辦者開展教育活動所需網頁及網站；(c)設計、開發、更新及維護中國營運學校及學校舉辦者開展教育活動所需管理信息系統；(d)提供中國營運學校及學校舉辦者開展教育活動所需其他技術支持；(e)提供技術顧問服務；(f)提供技術培訓；(g)安排技工提供現場技術支持；及(h)提供中國營運學校及學校舉辦者合理要求的其他技術服務。

此外，輝煌公司同意向中國營運學校及學校舉辦者提供獨家管理顧問服務，包括但不限於(a)課程設計；(b)製作、篩選及／或推薦課程資料；(c)安排教師及員工招聘、培訓協助及服務；(d)提供招生協助及服務；(e)提供公關服務；(f)制定長期策略發展計劃及年度工作計劃；(g)制定財務管理制度及就年度預算的提供建議與改進方案；(h)對內部結構及內部管理設計獻策；(i)提供管理及顧問培訓；(j)市場調查；(k)制定市場推廣方案；(l)建立營銷網絡；及(m)提供中國營運學校及學校舉辦者合理要求的其他管理技術性服務。

對於輝煌公司提供的技術及管理諮詢服務，各中國營運學校及學校舉辦者同意向輝煌公司支付相當於協定百分比的彼等各自營運所得盈餘金額（扣除學校前年所有成本、費用、稅項、損失（如法律有規定）及各學校的合法義務教育發展基金（如法律有規定））的服務費。義務教育發展基金計入本集團的法定盈餘儲備，由學校保存。輝煌公司有權（但無義務）根據所提供的實際服務及中國營運學校及學校舉辦者的實際業務營運與需求調整相關服務費金額，惟任何調整金額不得超過上述金額。中國營運學校及／或學校舉辦者無權作出任何上述調整。

(2) *Exclusive Technical Service and Management Consultancy Agreement*

Pursuant to the Exclusive Technical Service and Management Consultancy Agreement, Huihuang Company agreed to provide exclusive technical services to the PRC Operating Schools and the School Sponsors, including but not limited to, (a) design, development, update and maintenance of software for computer and mobile devices; (b) design, development, update and maintenance of webpages and websites necessary for the education activities of the PRC Operating Schools and the School Sponsors; (c) design, development, update and maintenance of management information systems necessary for the education activities of the PRC Operating Schools and the School Sponsors; (d) provision of other technical support necessary for the education activities of the PRC Operating Schools and the School Sponsors; (e) provision of technical consulting services; (f) provision of technical training; (g) engaging technical staff to provide on-site technical support; and (h) providing other technical services reasonably requested by the PRC Operating Schools and the School Sponsors.

Furthermore, Huihuang Company agreed to provide exclusive management consultancy services to the PRC Operating Schools and the School Sponsors, including but not limited to, (a) design of curriculum; (b) preparation, selection and/or recommendation of course materials; (c) provision of teacher and staff recruitment and training support and services; (d) provision of student recruitment support and services; (e) provision of public relation services; (f) preparation of long term strategic development plans and annual working plans; (g) development of financial management systems and recommendation and optimization on annual budget; (h) advising on design of internal structures and internal management; (i) provision of management and consultancy training; (j) conduct of market research; (k) preparation of market development plan; (l) building of marketing network; and (m) providing other management technical services reasonably requested by the PRC Operating Schools and the School Sponsors.

In consideration of the technical and management consultancy services provided by Huihuang Company, each of the PRC Operating Schools and the School Sponsors agreed to pay Huihuang Company a service fee equal to an agreed percentage of their respective amount of surplus from operations (after deducting all costs, expenses, taxes, losses from the previous year (if required by the law) and the legally compulsory development fund of the respective school (if required by the law)). The compulsory development fund is included as statutory surplus reserve at the Group's level and retained at schools' level. Huihuang Company has the right (but not the obligation) to adjust the amount of such service fee by reference to the actual services provided and the actual business operations and needs of the PRC Operating Schools and the School Sponsors, provided that any adjusted amount shall not exceed the amount mentioned above. The PRC Operating Schools and/or the School Sponsors do not have any right to make any such adjustment.

(3) 獨家認購期權協議

根據獨家認購期權協議，記名股東不可撤銷地授權輝煌公司或其指定購買人購買學校舉辦者於中國營運學校的全部或部分學校舉辦者權益及於學校舉辦者的權益（「權益認購權」）。輝煌公司就於行使權益認購權時所轉讓學校舉辦者權益或股權而應付的購買價應為中國法律法規批准的最低價。輝煌公司或其指定購買人有權隨時按其決定的比例購買中國營運學校的學校舉辦者權益及／或於學校舉辦者的權益。

(4) 學校舉辦者及董事權利委託協議

根據學校舉辦者及董事權利委託協議，雲愛集團及北愛公司不可撤銷地授權及委託輝煌公司行使其作為中國營運學校各自的學校舉辦者之所有權利，惟須獲中國法律批准。該等權利包括但不限於：(a) 委任及／或選舉學校董事或理事會委員的權利；(b) 委任及／或選舉學校監事的權利；(c) 對學校運作及財務狀況的知情權；(d) 審閱董事會決議及會議紀錄與學校財務報表及報告的權利；(e) 根據法律及各所學校的組織章程細則取得作為學校舉辦者之合理回報的權利；(f) 根據法律及各所學校的組織章程細則收購學校清盤後剩餘資產的權利；(g) 依法轉讓學校舉辦者權益的權利；及(h) 相關中國法律法規及各所學校不時修訂之組織章程細則所載其他學校舉辦者權益。

(3) *Exclusive Call Option Agreement*

Under the Exclusive Call Option Agreement, the Registered Shareholders have irrevocably granted Huihuang Company or its designated purchaser the right to purchase all or part of the school sponsor's interest of the School Sponsors in the PRC Operating Schools and equity interest in the School Sponsors ("Equity Call Option"). The purchase price payable by Huihuang Company in respect of the transfer of such school sponsor's interest or equity interest upon exercise of the Equity Call Option shall be the lowest price permitted under the PRC laws and regulations. Huihuang Company or its designated purchaser shall have the right to purchase such proportion of the school sponsor's interest of the PRC Operating Schools and/or equity interest in the School Sponsors as it decides at any time.

(4) *School Sponsors' and Directors' Rights Entrustment Agreement*

Pursuant to the School Sponsors' and Directors' Rights Entrustment Agreement, Yun Ai Group and Bei Ai Company have irrevocably authorized and entrusted Huihuang Company to exercise all its rights as school sponsor of each of the PRC Operating Schools to the extent permitted by PRC laws. These rights include, but are not limited to: (a) the right to appoint and/or elect directors or council members of the schools; (b) the right to appoint and/or elect supervisors of the schools; (c) the right to understand the operation and financial situation of the schools; (d) the right to review the resolutions and records of the board of directors and financial statements and reports of the schools; (e) the right to obtain reasonable returns as school sponsor of the schools in accordance with the laws and the articles of association of each school; (f) the right to acquire residue assets upon liquidation of the schools in accordance with the laws and the articles of association of each school; (g) the right to transfer school sponsors' interest in accordance with the laws; and (h) other school sponsor's rights pursuant to applicable PRC laws and regulations and the articles of association of each school as amended from time to time.

根據學校舉辦者及董事權利委託協議，每間學校董事（「獲委任人」）均不可撤銷地授權及委託輝煌公司行使其作為學校舉辦者委任之中國營運學校董事的所有權利，惟須獲中國法律批准。該等權利包括但不限於：(a)以學校舉辦者委任之董事代表身份出席董事會會議的權利；(b)對各中國營運學校董事會會議討論及決議之一切事項行使表決權的權利；(c)提議召開各中國營運學校中期董事會會議的權利；(d)簽署所有董事會會議紀錄、董事會決議及其他法律文件的權利，雲愛集團及北愛公司委任之董事有權以中國營運學校董事的身份簽署；(e)指導中國營運學校之法人代表及財務與業務負責人根據輝煌公司的指示行事的權利；(f)行使中國營運學校組織章程細則所列一切其他權利及董事表決權的權利；(g)處理中國營運學校（視情況而定）於教育部門、民政廳或其他政府監管部門發生之登記、審批及領牌之法律程序的權利；及(h)適用中國法律法規及中國營運學校校不時修訂之組織章程細則所載其他董事權利。

(5) 學校舉辦者授權書

根據學校舉辦者以輝煌公司為受益人簽訂之學校舉辦者授權書，學校舉辦者授權及委任輝煌公司（其董事分別為李明、姜虹及方晉勝（均非任何學校舉辦者及／或中國營運學校的董事，因此不會導致任何利益衝突）），作為其代理代表其行使或委託行使其作為各中國營運學校各自的學校舉辦者的一切權利。

(6) 董事授權書

根據各獲委任人以輝煌公司為受益人簽訂之董事授權書，各獲委任人授權及委任輝煌公司（其董事分別為李明、姜虹及方晉勝（均非任何學校舉辦者及／或中國營運學校的董事，因此不會導致任何利益衝突）），作為其代理代表其行使或委託行使其作為中國營運學校董事的一切權利。

Pursuant to the School Sponsors' and Directors' Rights Entrustment Agreement, each of the directors of each school (the "Appointees") has irrevocably authorized and entrusted Huihuang Company to exercise all his/her rights as directors of the PRC Operating Schools as appointed by the School Sponsors and to the extent permitted by PRC laws. These rights include, but are not limited to: (a) the right to attend meetings of the board of directors as representative of the directors appointed by the School Sponsors; (b) the right to exercise voting rights in respect of all matters discussed and resolved at the board meeting of each of the PRC Operating Schools; (c) the right to propose to convene interim board meetings of each of the PRC Operating Schools; (d) the right to sign all board minutes, board resolutions and other legal documents which the directors appointed by Yun Ai Group and Bei Ai Company have authority to sign in his/her capacity as directors of the PRC Operating Schools; (e) the right to instruct the legal representative and financial and business responsible persons of the PRC Operating Schools to act in accordance with the instruction of Huihuang Company; (f) the right to exercise all other rights and voting rights of directors as prescribed under the articles of association of the PRC Operating Schools; (g) the right to handle the legal procedures of registration, approval and licensing of the PRC Operating Schools, as the case may be at the education department, the department of civil affairs or other government regulatory departments; and (h) other directors' rights pursuant to applicable PRC laws and regulations and the articles of association of the PRC Operating Schools as amended from time to time.

(5) School Sponsors' Powers of Attorney

Pursuant to the School Sponsors' Powers of Attorney executed by School Sponsors in favor of Huihuang Company, the School Sponsors authorized and appointed Huihuang Company, the directors of which are Li Ming (李明), Jiang Hong (姜虹) and Fang Jinsheng (方晉勝) (none of whom is a director of any of the School Sponsors and/or PRC Operating Schools and therefore does not give rise to any conflicts of interest), as its agent to act on its behalf to exercise or delegate the exercise of all its rights as school sponsor of each of the PRC Operating Schools.

(6) Directors' Powers of Attorney

Pursuant to the Directors' Powers of Attorney executed by each of the Appointees in favor of Huihuang Company, each of the Appointees authorized and appointed Huihuang Company, the directors of which are Li Ming (李明), Jiang Hong (姜虹) and Fang Jinsheng (方晉勝) (none of whom is a director of any of the School Sponsors and/or PRC Operating Schools and therefore does not give rise to any conflicts of interest), as his/her agent to act on his/her behalf to exercise or delegate the exercise of all of his/her rights as directors of the PRC Operating Schools.

(7) 股東權利委託協議

根據股東權利委託協議，各記名股東及雲愛集團不可撤銷地授權及委託輝煌公司行使其各自作為雲愛集團、恩常公司、哈軒公司及北愛公司（統稱為「有關附屬公司」）股東的所有權利，惟須獲中國法律批准。該等權利包括但不限於：(a) 出席有關附屬公司（視情況而定）股東會議的權利；(b) 對有關附屬公司（視情況而定）股東會議討論及決議之一切事項行使表決權的權利；(c) 委任有關附屬公司（視情況而定）董事或法人代表的權利；(d) 提議召開有關附屬公司（視情況而定）中期股東會議的權利；(e) 簽署所有股東決議及其他法律文件的權利，記名股東及雲愛集團有權以有關附屬公司（視情況而定）股東的身份簽署；(f) 指導有關附屬公司（視情況而定）董事及法人代表根據輝煌公司的指示行事的權利；(g) 行使有關附屬公司（視情況而定）組織章程細則所列一切其他股東權利及表決權的權利；(h) 處理有關附屬公司（視情況而定）於教育部門、民政廳或其他政府監管部門進行之登記、審批及領牌之法律程序的權利；及(i) 適用中國法律法規及中國營運學校不時修訂之組織章程細則所載其他股東權利。

(8) 股東授權書

根據各記名股東及雲愛集團以輝煌公司為受益人簽訂之股東授權書，各記名股東及雲愛集團授權及委任輝煌公司作為其代理代表其行使或委託行使其作為有關附屬公司股東的一切權利。

(7) Shareholders' Rights Entrustment Agreement

Pursuant to the Shareholders' Rights Entrustment Agreement, each of the Registered Shareholders and Yun Ai Group has irrevocably authorized and entrusted Huihuang Company to exercise all of his/their respective rights as shareholders of Yun Ai Group, Enchang Company, Haxuan Company and Bei Ai Company (together, "the Relevant Subsidiaries") to the extent permitted by the PRC laws. These rights include, but are not limited to: (a) the right to attend shareholders' meetings of the Relevant Subsidiaries, as the case may be; (b) the right to exercise voting rights in respect of all matters discussed and resolved at the shareholders' meeting of the Relevant Subsidiaries, as the case may be; (c) the right to appoint directors or legal representative of the Relevant Subsidiaries, as the case may be; (d) the right to propose to convene interim shareholders' meetings of the Relevant Subsidiaries, as the case may be; (e) the right to sign all shareholders' resolutions and other legal documents which the Registered Shareholders and Yun Ai Group have authority to sign in his or their capacity as shareholders of the Relevant Subsidiaries, as the case may be; (f) the right to instruct the directors and legal representative of the Relevant Subsidiaries, as the case may be to act in accordance with the instruction of Huihuang Company; (g) the right to exercise all other rights and voting rights of shareholders as prescribed under the articles of association of the Relevant Subsidiaries, as the case may be; (h) the right to handle the legal procedures of registration, approval and licensing of the Relevant Subsidiaries, as the case may be at the education department, the department of civil affairs or other government regulatory departments; and (i) other shareholders' rights pursuant to applicable PRC laws and regulations and the articles of association of the PRC Operating Schools as amended from time to time.

(8) Shareholders' Powers of Attorney

Pursuant to the Shareholders' Powers of Attorney executed by each of the Registered Shareholder and Yun Ai Group in favor of Huihuang Company, each of the Registered Shareholder and Yun Ai Group authorized and appointed Huihuang Company, as his or their agent to act on his or their behalf to exercise or delegate the exercise of all his or their rights as shareholders of the Relevant Subsidiaries.

(9) 配偶承諾

根據配偶承諾，李先生的配偶不可撤銷地承諾：

- (a) 配偶完全知悉並同意李先生簽訂結構性合約，具體是指結構性合約所載有關於雲愛集團的直接或間接股權所受限制、質押或轉讓於雲愛集團的直接或間接股權或以任何其他形式處理於雲愛集團的直接或間接股權之安排；
- (b) 配偶並無參與、不會參與且未來不得參與有關學校舉辦者及中國營運學校的營運、管理、清盤、解散及其他事項；
- (c) 配偶授權李先生或其授權人士不時為配偶及代表配偶就配偶於雲愛集團的股權（直接或間接）簽訂所有必要文件及執行所有必要程序，以保護結構性合約項下輝煌公司的權益並達成所涉宗旨。配偶確認及同意一切相關文件及程序；
- (d) 配偶承諾所涉任何承諾、確認、同意及授權不得因於雲愛集團的直接或間接股權增加、減少、合併或其他類似事件而遭撤銷、損害、失效或受到其他形式的不利影響；
- (e) 配偶承諾所涉任何承諾、確認、同意及授權不得因死亡、配偶資格丟失或受限、離婚或其他類似事件而遭撤銷、損害、失效或受到其他形式的不利影響；及
- (f) 於輝煌公司與李先生的配偶以書面終止配偶承諾所涉任何承諾、確認、同意及授權之前，該等承諾、確認、同意及授權仍然有效及具約束力。配偶承諾須具備業務合作協議的相同條款並須包含該協議條款。

(9) Spouse Undertakings

Pursuant to the Spouse Undertakings, the spouse of Mr. Li has irrevocably undertaken that:

- (a) the spouse has full knowledge of and has consented to the entering into of the Structured Contracts by Mr. Li, and in particular, the arrangement as set out in the Structured Contracts in relation to the restrictions imposed on the direct or indirect equity interest in Yun Ai Group, pledge or transfer the direct or indirect equity interest in Yun Ai Group, or the disposal of the direct or indirect equity interest in Yun Ai Group in any other forms;
- (b) the spouse has not participated, is not participating and shall not in the future participate in the operation, management, liquidation, dissolution and other matters in relation to the School Sponsors and the PRC Operating Schools;
- (c) the spouse authorizes Mr. Li or his authorized person to execute all necessary documents and perform all necessary procedures from time to time for and on behalf of the spouse in relation to the spouse's equity interest in Yun Ai Group (direct or indirect) in order to safeguard the interest of Huihuang Company under the Structured Contracts and give effect to the fundamental purposes thereunder, and confirms and agrees to all such documents and procedures;
- (d) any undertaking, confirmation, consent and authorization under the Spouse Undertakings shall not be revoked, prejudiced, invalidated or otherwise adversely affected by any increase, decrease, consolidation or other similar events relating to the direct or indirect equity interest in Yun Ai Group;
- (e) any undertaking, confirmation, consent and authorization under the Spouse Undertakings shall not be revoked, prejudiced, invalidated or otherwise adversely affected by death, loss of or restriction on capacity of the spouse, divorce or other similar events; and
- (f) all undertakings, confirmations, consents and authorizations under the Spouse Undertakings shall continue to be valid and binding until otherwise terminated by both Huihuang Company and the spouse of Mr. Li in writing. The Spouse Undertakings shall have the same term as and incorporate the terms of the Business Cooperation Agreement.

(10) 股權質押協議

根據股權質押協議，各記名股東無條件且不可撤回地抵押其於雲愛集團的全部股權及一切相關權利並授出相關優先抵押權予輝煌公司作為抵押品，保證履行結構性合約及擔保輝煌公司因記名股東、學校舉辦者或各中國營運學校違約而蒙受的一切直接、間接或後果性損失及可預期權益損失，以及輝煌公司因記名股東、學校舉辦者及／或各中國營運學校根據結構性合約履行責任而產生的一切開支（「有抵押負債」）。

根據股權質押協議進行的質押於2016年9月20日向中國有關工商行政部門登記，並於登記質押同日生效。

(11) 貸款協議

根據貸款協議，輝煌公司同意按照中國法律及法規向雲愛集團授出無息貸款。雲愛集團同意按我們的指示將所得貸款用於作為學校舉辦者或學校舉辦者股東注資中國營運學校。雙方同意有關出資全部由輝煌公司代表雲愛集團直接支付。

C. 中國營運學校及學校舉辦者的業務活動

本集團的綜合聯屬實體為雲南學校、貴州學校、河南學校及東北學校。彼等主要從事高等教育服務的業務活動。所有學校舉辦者均為投資控股公司。

(10) Equity Pledge Agreement

Pursuant to the Equity Pledge Agreement, each of the Registered Shareholders unconditionally and irrevocably pledged and granted first priority security interests over all of his/her/its equity interest in Yun Ai Group together with all related rights thereto to Huihuang Company as security for performance of the Structured Contracts and all direct, indirect or consequential damages and foreseeable loss of interest incurred by Huihuang Company as a result of any event of default on the part of the Registered Shareholders, the School Sponsors or each of the PRC Operating Schools and all expenses incurred by Huihuang Company as a result of enforcement of the obligations of the Registered Shareholders, the School Sponsors and/or each of the PRC Operating Schools under the Structured Contracts (the "Secured Indebtedness").

The pledges under the Equity Pledge Agreement were registered with the relevant Administration of Industry and Commerce of the PRC on September 20, 2016 and became effective on the same date of the registration of the pledge.

(11) Loan Agreement

Pursuant to the Loan Agreement, Huihuang Company agreed to provide interest-free loans to Yun Ai Group in accordance with the PRC laws and regulations and Yun Ai Group agreed to utilize the proceeds of such loans to contribute as capital of the PRC Operating Schools in its capacity as school sponsor or the shareholder of the school sponsors of the Schools in accordance with our instructions. Both parties agree that all such capital contribution will be directly settled by Huihuang Company on behalf of Yun Ai Group.

C. Business Activities of the PRC Operating Schools and the School Sponsors

The consolidated affiliated entities of the Group are, namely, Yunnan School, Guizhou School Henan School and Northeast School. Their business activities are primarily engaged in higher education services. All of the School Sponsors are investment holding companies.

D. 中國辦學實體對本集團的重要性及財務貢獻

根據結構性合約，本集團取得中國營運學校及學校舉辦者的控制權，並從中獲得經濟利益。下表載列中國營運學校及學校舉辦者對本集團的財務貢獻：

D. Significance and financial contributions of PRC Operating Entities to the Group

Pursuant to the Structured Contracts, the Group obtains control over and derives the economic benefits from the PRC Operating Schools and School Sponsors. The table below sets out the financial contribution of the PRC Operating Schools and the School Sponsors to the Group:

		對本集團的重要性及財務貢獻		
		Significances and financial contribution to the Group		
		收入	純利	資產總值
		Revenue	Net profit	Total Assets
		截至2018年	截至2018年	於2018年
		12月31日止年度	12月31日止年度	12月31日
		For the year ended	For the year ended	As of
		December 31, 2018	December 31, 2018	December 31, 2018
對本集團的重要性及 財務貢獻	Significances and financial contribution to the Group	100%	130%	67%

E. 結構性合約所涉收入及資產

下表載列於截至2018年12月31日止年度中國營運學校及學校舉辦者所涉及的(i)收入；及(ii)資產總值，有關收入及資產將根據結構性合約併入本集團的財務報表：

E. Revenue and assets involved in Structured Contracts

The table below sets out (i) revenue; and (ii) total assets involved in the PRC Operating Schools and the School Sponsors for the year ended December 31, 2018, they would be consolidated into the Group's financial statements pursuant to the Structural Contracts:

		收入	資產
		Revenue	Assets
		人民幣元	人民幣元
		RMB	RMB
中國營運學校及學校舉辦者	PRC Operating Schools and School Sponsors	561,450,413	3,104,462,137

F. 監管框架

1. 高等教育

根據外商投資准入特別管理措施（負面清單）（2018年版），於中國提供高等教育屬於「受限制」類別。尤其是，外商投資目錄明確限制中外資合辦高等教育，意味著外資方須為教育機構，並須遵守中外合作辦學條例透過與中國教育機構合作於中國營辦高等教育。此外，外商投資目錄規定，國內合作方應在中外合作中起主導作用，即(a)學校校長或其他首席執行官應為中國公民；及(b)國內合作方代表應不少於中外合作教育機構董事會、執行理事會或聯合管理委員會成員總數的一半（「外資控制權限制」）。鑒於(a)下述學校的校長及首席執行官均為中國公民；及(b)董事會全體成員為中國公民，我們已就中國營運學校全面遵守外資控制權限制。

根據中外合作辦學條例，中外合作的定義說明，倘任何學校申請重組為為中國學生而設的中外合作民辦學校（「中外合作民辦學校」），中外合作民辦學校的外資方須為持有相關資格及提供優質教育（「資歷要求」）的外國教育機構。此外，根據實施意見，中外合作民辦學校總投資的外資部份應低於50%（「外資擁有權限制」），且此等學校的成立須徵得省級或國家教育部門批准。

我們的中國法律顧問告知，於本年報日期，根據現有中國法律及法規，資歷要求並無實施辦法或明確指引，因此，目前仍未明確外資方為向有關教育當局顯示已符合資歷要求而須符合的特定標準（例如所需經驗年資及於外國司法權區的擁有權形式及範圍）。因此，出於政策原因，由於中外合作辦學條例（包括資歷要求）缺乏實施辦法或明確指引，有關教育當局將不會接納把中國營運學校或我們將新開辦或投資的學校轉為中外合作民辦學校的申請。

F. Regulatory Framework

1. Higher Education

Pursuant to Special Administrative Measures for Access of Foreign Investment (Negative List) (2018 Edition), the provision of higher education in the PRC falls within the “restricted” category. In particular, the Foreign Investment Catalog explicitly restricts higher education to Sino-foreign cooperation, which means the foreign investor shall be an educational institution and shall operate higher education in the PRC through cooperation with a PRC educational institution in compliance with the Sino-Foreign Regulation. In addition, the Foreign Investment Catalog also provides that the domestic party shall play a dominant role in the Sino-foreign cooperation, meaning that (a) the principal or other chief executive officer of the schools shall be a PRC national; and (b) the representatives of the domestic party shall account for no less than half of the total members of the board of directors, the executive council or the joint administration committee of the Sino-foreign cooperative educational institution (the “Foreign Control Restriction”). We had fully complied with the Foreign Control Restriction in respect of the PRC Operating Schools on the basis that (a) the principals and the chief executive officers of the aforementioned schools are all PRC nationals; and (b) all the members of the board of directors are PRC nationals.

In relation to the interpretation of Sino-foreign cooperation, pursuant to the Sino-Foreign Regulation, if we were to apply for any of the Schools to be reorganized as a Sino-foreign joint venture private school for PRC students (a “Sino-Foreign Joint Venture Private School”), the foreign investor in the Sino-Foreign Joint Venture Private School must be a foreign educational institution with relevant qualification and high quality education (the “Qualification Requirement”). Furthermore, pursuant to the Implementation Opinions, the foreign portion of the total investment in a Sino-Foreign Joint Venture Private School should be below 50% (the “Foreign Ownership Restriction”) and the establishment of these schools is subject to approval of education authorities at the provincial or national level.

Our PRC legal advisors have advised that as of the date of this annual report, there are no implementing measures or specific guidance on the Qualification Requirement in accordance with the existing PRC laws and regulations and therefore it is currently uncertain as to what specific criteria must be met by a foreign investor (such as length of experience and form and extent of ownership in the foreign jurisdiction) in order to demonstrate to the relevant educational authority that it meets the Qualification Requirement. Accordingly, as a matter of policy, due to the lack of implementing measures or specific guidance on the Sino-Foreign Regulation, including the Qualification Requirement, the relevant education authorities will not accept an application to convert the PRC Operating Schools or the schools to be newly established or invested by us into Sino-Foreign Joint Venture Private Schools.

2. 遵守資歷要求的計劃

中外合作民辦學校的外資方須為持有相關資格及提供優質教育（「資歷要求」）的外國教育機構。中外合作民辦學校總投資的外資部份應低於50%，且此等學校的成立須得省級或國家教育部門批准。我們致力於滿足資歷要求。我們已採取特定計劃並實行具體措施，本公司認為計劃及措施對致力展現本公司符合資歷要求具相意義。

根據本公司中國法律顧問的意見，自上市日期起及至本年報日期止並無就有關資歷要求對實行規則進行更新。

有關本集團為符合資歷要求所作出的努力及採取的行動，請亦參閱招股章程及截至2017年12月31日止年度的年度報告「結構性合約」一節。於本年報日期，我們仍在等待私立高等教育局對在加利福尼亞州設立學校的批准。

3. 近期發展

修訂草案

本公司注意到中華人民共和國司法部於2018年8月10日發佈《中華人民共和國民辦教育促進法實施條例（修訂草案）（送審稿）》（「修訂草案」）以供諮詢。

根據本公司中國法律顧問的意見，本公司謹此通知股東及投資者，修訂草案仍在磋商階段且尚未於中國頒佈或實施。本公司將繼續跟進修訂草案的發展及相關法律及法規。（倘合適）本公司將就此根據上市規則發佈進一步公告。

2. Plan to Comply with the Qualification Requirement

The foreign investor in a Sino-foreign joint venture private school must be a foreign educational institution with relevant qualification and high quality of education (the "Qualification Requirement"). Foreign portion of the total investment in a Sino-foreign joint venture private school should be below 50% and the establishment of these schools is subject to approval of education authorities at the provincial or national level. We are committed to working towards meeting the Qualification Requirement. We have adopted a specific plan and had taken concrete steps which the Company believes are meaningful endeavors to demonstrate compliance with the Qualification Requirement.

As advised by the Company's PRC legal advisors, there have been no updates to the implementation rules in relation to the Qualification Requirement since the Listing Date and up to the date of this annual report.

Please also refer to the section headed "Structured Contracts" in the Prospectus and the annual report for the year ended 31 December 2017 for the Group's efforts and actions undertaken to comply with the Qualification Requirement. As of the date of this report, we are still waiting for approval from the BPPE to establish the new school in the State of California.

3. Recent Development

Draft Amendments

The Company noted that on August 10, 2018, the Ministry of Justice of the PRC published the review draft of the draft Amendments to the Regulations on the Implementation of the Non-state Education Promotion Law of the People's Republic of China 《中華人民共和國民辦教育促進法實施條例（修訂草案）（送審稿）》 (the "Draft Amendments") for consultation.

As advised by our PRC legal advisors, the Company would like to update the Shareholders and the investors that the Draft Amendments are still under consultation and are not yet promulgated or implemented in the PRC. The Company will continue to follow the development of the Draft Amendments and the relevant laws and regulation. Where appropriate, the Company will make further announcements in this regard in compliance with the Listing Rules.

外商投資法

於2015年1月，商務部發佈《中華人民共和國外國投資法（草案）》（「《2015年外國投資法（草案）》」）公開徵求意見，該草案擴展了外國投資的定義，在釐定一家公司是否屬於外國投資企業或外國投資實體（「外國投資企業」）時引進了「實際控制」的原則。《2015年外國投資法（草案）》明確規定，經商務部市場准入許可後，於外國司法管轄區設立的實體被視為中國境內投資者，規定該實體受中國境內實體及／或公民控制。此外，根據《2015年外國投資法（草案）》，通過合同安排控制的可變利益實體，倘若最終由外國投資者控制，也將被視為須遵守《外國投資法》。

《中華人民共和國外商投資法》已由中華人民共和國第十三屆全國人民代表大會第二次會議於2019年3月15日通過，自2020年1月1日起施行。《外商投資法》一經頒佈，將取代《中外合資經營企業法》、《中外合作經營企業法》及《外資企業法》（統稱「前外商投資法」），並成為中國外商投資的基本法。根據《外商投資法》，根據前外商投資法成立的現有企業可於自《外商投資法》生效之日起五年內維持其現有組織架構。

《外商投資法》規定四種外商投資形式。然而，《外商投資法》並未明確規定外商投資形式的合約安排。但是鑒於《外商投資法》規定外商投資包括「根據法律、行政法規或者國務院規定的其他方式的投資」，因此，不能排除未來出臺的法律、行政法規及國務院規定將協議控制規定為外商投資的方式之一，合約安排將來是否會被認定為外商投資，是否會被視為違反外商投資准入要求等仍存在一定不確定性。董事會將持續監控有關外商投資的任何更新，並向中國法律顧問尋求指引，以確保一直遵守中國的所有相關法律法規。

Foreign Investment Law

In January 2015, the MOFCOM published for public review and comments a draft of Foreign Investment Law of the PRC (《中華人民共和國外國投資法（草案）》) (the “2015 Draft Foreign Investment Law”), which expanded the definition of foreign investment and introduced the principle of “actual control” in determining whether a company is considered as a foreign invested enterprise or a “FIE”). This 2015 Draft Foreign Investment Law specifically provided that an entity set up in a foreign jurisdiction would nonetheless be, upon market entry clearance by the MOFCOM, treated as a PRC domestic investor, provided that the entity is “controlled” by PRC entities and/or citizens. In addition, under the 2015 Draft Foreign Investment Law, variable interest entities that are controlled via contractual arrangements would also be deemed as Foreign Investment Laws, if they are ultimately “controlled” by foreign investors.

On March 15, 2019, the Foreign Investment Law (《外商投資法》) was formally passed by the thirteenth National People's Congress and will take effect on January 1, 2020. The Foreign Investment Law will replace the Sino-Foreign Equity Joint Venture Enterprise Law (《中外合資經營企業法》), the Sino-Foreign Cooperative Joint Venture Enterprise Law (《中外合作經營企業法》) and the Wholly Foreign-Invested Enterprise Law (《外資企業法》) (collectively, “Previous Foreign Investment Laws”), and become the fundamental law for foreign investment in the PRC. According to the Foreign Investment Law, the existing enterprises established in pursuant to Previous Foreign Investment Laws may maintain their existing organisation structure within five years from the effective date of the Foreign Investment Law.

The Foreign Investment Law stipulates four forms of foreign investment. However, the Foreign Investment Law does not explicitly stipulate the contractual arrangements as a form of foreign investment. Notwithstanding the above, the Foreign Investment Law stipulates that foreign investment includes “foreign investment in China through any other methods under laws, administrative regulations, or provisions prescribed by the State Council”, there is still some uncertainty whether the contractual arrangement will be recognized as a foreign investment in the future and whether it will be regarded as a violation of foreign investment access requirements. The Board will continue to monitor any updates regarding the foreign investment and seek guidance from our PRC legal advisors to ensure that the company meet all relevant laws and regulations in China.

G. 與安排有關的風險及為降低風險而採取的行動

我們訂立一系列協議，由我們的全資附屬公司輝煌公司根據協議的有關條款取得中國營運學校的經濟利益。

中國教育產業的外商投資受廣泛規管並受多項限制。我們一直且預期將繼續依賴結構性合約經營我們的教育業務。

倘用於設立我們中國業務經營架構的結構性合約日後被裁定為違反任何中國法律或法規，或無法取得或維持任何所需的許可證或批准，有關中國監管部門（包括規管教育產業的教育部）在處理該等違規情況時，將有廣泛的裁量權，包括：

- 撤銷我們的中國附屬公司的業務及經營執照；
- 終止或限制中國附屬公司間的任何關聯方交易；
- 處以罰款或施加我們或中國附屬公司未必能夠遵守的其他規定；
- 要求我們重組經營架構，迫使我们建立新實體、重新申請所需牌照或遷移業務、人員及資產；
- 施加我們未必能夠遵守的額外條件或規定；或
- 限制我們利用額外公開發售或融資的所得款項為中國業務及經營提供資金。

倘我們遭受上述任何處罰，則我們的業務、財務狀況及經營業績可能受到重大不利影響。

G. Risks associated with the arrangements and the actions taken to mitigate the risks

We entered into a series of agreements in which our wholly-owned subsidiary, Huihuang Company receives economic benefits from the PRC Operating Schools pursuant to relevant clauses under the agreements.

Foreign investment in the education industry in China is extensively regulated and subject to numerous restrictions. We have been and are expected to continue to be dependent on the Structured Contracts to operate our education business.

If the Structured Contracts that establish the structure for operating our China business are found to be in violation of any PRC laws or regulations in the future or fail to obtain or maintain any of the required permits or approvals, the relevant PRC regulatory authorities, including the MOE, which regulates the education industry, would have broad discretion in dealing with such violations, including:

- revoking the business and operating licenses of our PRC subsidiaries;
- discontinuing or restricting the operations of any related-party transactions among our PRC subsidiaries;
- imposing fines or other requirements with which we or our PRC subsidiaries may not be able to comply;
- requiring us to restructure our operations in such a way as to compel us to establish new entities, re-apply for the necessary licenses or relocate our businesses, staff and assets;
- imposing additional conditions or requirements with which we may not be able to comply; or
- restricting the use of proceeds from our additional public offering or financing to finance our business and operations in China.

If any of the above penalties are imposed on us, our business, financial condition and results of operations may be materially and adversely affected.

本集團採取以下措施，確保本集團能透過執行結構性合約而有效經營業務及能夠遵守結構性合約：

- (a) 如有必要，將實施及遵守結構性合約過程中出現的重大問題或政府部門的任何監管查詢即時提交董事會檢討及討論；
- (b) 董事會每年至少對履行及遵守結構性合約的總體情況檢討一次；
- (c) 本公司將於其年度報告及中期報告中披露履行及遵守結構性合約的總體情況，向股東及有意投資者介紹最新情況；
- (d) 本公司將於必要時委聘外部法律顧問或其他專業顧問，協助董事會檢討結構性合約的實施情況及檢討輝煌公司及中國營運學校及／或學校舉辦者的法律合規情況，解決結構性合約引致的具體問題或事宜。

此外，儘管我們的執行董事李先生亦是記名股東，我們認為，通過以下措施，於上市後董事能夠獨立履行其於本集團的職責且本集團能夠獨立管理其業務：

- (a) 細則所載董事會決策機制納入避免利益衝突的條文，其中訂明，倘有關合約或安排中的利益衝突屬重大，董事須在切實可行的情況下於最早舉行的董事會會議上申報其利益的性質；倘董事被視為於任何合約或安排中擁有重大權益，則該名董事須放棄投票且不得計入法定人數之內；
- (b) 各董事知悉其作為董事的受信責任，其中規定董事須為本集團利益以符合本集團最佳利益的方式行事；

The Group has adopted the following measures to ensure the effective operation of the Group with the implementation of the Structured Contracts and our compliance with the Structured Contracts:

- (a) major issues arising from the implementation and compliance with the Structured Contracts or any regulatory enquiries from government authorities will be submitted to our Board, if necessary, for review and discussion on an occurrence basis;
- (b) our Board will review the overall performance of and compliance with the Structured Contracts at least once a year;
- (c) the Company will disclose the overall performance and compliance with the Structured Contracts in its annual reports and interim reports to update the Shareholders and potential investors;
- (d) the Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the Structured Contracts, review the legal compliance of Huihuang Company and the PRC Operating Schools and/or the School Sponsors to deal with specific issues or matters arising from the Structured Contracts.

In addition, notwithstanding that our executive Director, Mr. Li is also the Registered Shareholder, we believe that our Directors are able to perform their roles in the Group independently and the Group is capable of managing its business independently after the Listing under the following measures:

- (a) the decision-making mechanism of the Board as set out in the Articles includes provisions to avoid conflict of interest by providing, amongst other things, that in the event of conflict of interest in such contract or arrangement which is material, a Director shall declare the nature of his or her interest at the earliest meeting of the Board at which it is practicable for him or her to do so, and if he or she is to be regarded as having material interest in any contracts or arrangements, such Director shall abstain from voting and not be counted in the quorum;
- (b) each of our Directors is aware of his fiduciary duties as a Director which requires, amongst other things, that he acts for the benefits and in the best interests of the Group;

- (c) 我們已委任三名獨立非執行董事，佔董事會超過三分之一席位，以平衡持有權益的董事及獨立董事的人數，促進本公司及股東的整體利益；及
- (d) 我們將根據上市規則的規定，在公告、通函以及年度及中期報告中就董事會（包括獨立非執行董事）審議有關對或可能對本集團業務構成競爭的各董事及其聯繫人的任何業務或權益及任何該等人士與或可能與本集團存在任何其他利益衝突的事項之決定作出披露。

H. 重大變動

於截至2018年12月31日止年度內及直至本年報日期，本集團分別於2018年10月8日、2018年12月10日及2019年1月11日完成對河南學校、東北學校及廣西學校的收購。彼等均與輝煌公司訂立結構性合約，其框架為招股章程所披露的結構性合約現有安排的副本。因此，該等學校各自成為本公司綜合聯屬實體。

I. 結構性合約的解除

截至本年報日期，並未解除任何結構性合約，亦未發生在致使採納結構性合約的限制取消時無法解除結構性合約的任何情況。詳情請參閱招股章程「結構性合約－結構性合約之應用－終止結構性合約」一節。倘中國監管環境有變而所有資歷要求、外資擁有權限制及外資控制權限制被撤銷（假設相關中國法律法規概無其他變動），輝煌公司將悉數行使權益認購權以解除合約安排，使本公司能夠直接經營學校而無須使用結構性合約。

- (c) we have appointed three independent non-executive Directors, comprising over one-third of our Board, to provide a balance of the number of interested and independent Directors with a view to promoting the interests of the Company and our Shareholders as a whole; and
- (d) we will disclose in our announcements, circulars, annual and interim reports in accordance with the requirements under the Listing Rules regarding decisions on matters reviewed by our Board (including independent non-executive Directors) relating to any business or interest of each Director and his associates that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

H. Material changes

During the year ended 31 December 2018 and till the date of this annual report, the Group completed the acquisitions of Henan School, Northeast School and Guangxi Schools respectively on October 8, 2018, December 10, 2018 and January 11, 2019. All of them entered into the structured contracts, with Huihuang Company, the framework of which is a reproduction of the existing arrangements of the Structured Contracts as disclosed in the Prospectus. As such, each of these schools became a consolidated affiliated entity of the Company.

I. Unwinding of the Structured Contracts

As of the date of this annual report, there has not been any unwinding of any Structured Contracts, nor has there been any failure to unwind any Structured Contracts when the restrictions that led to the adoption of the Structured Contracts are removed. For more details, please refer to the section headed “Structured Contracts – Operation of the Structured Contracts – Termination of the Structured Contracts” of the Prospectus. In the event that the PRC regulatory environment changes and all of the Qualification Requirement, the Foreign Ownership Restriction and the Foreign Control Restriction are removed (and assuming there are no other changes in the relevant PRC laws and regulations), Huihuang Company will exercise the Equity Call Option in full to unwind the contractual arrangements so that the Company will be able to directly operate the schools without using the Structured Contracts.

獨立非執行董事確認

獨立非執行董事將按年檢討上述結構性合約，以確認於相關財政年度：

- (i) 結構性合約於本集團日常業務過程中訂立；
- (ii) 結構性合約按一般商業條款訂立；及
- (iii) 結構性合約根據規管該等合約的相關協議按公平合理的條款訂立，且符合股東整體利益。

本公司核數師確認

本公司核數師安永會計師事務所已獲聘根據香港會計師公會頒佈之香港核證工作準則第3000號「審核或審閱歷史財務資料以外之核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易之核數師函件」，就本集團之持續關連交易作出報告。

本公司核數師已就結構性合約執行若干預定的審核程序，並確認：

- (i) 截至2018年12月31日止年度所進行的交易乃根據結構性合約相關條文訂立，因此中國營運學校及學校舉辦者產生的溢利大部份由本集團保留；
- (ii) 中國營運學校及學校舉辦者並未向其學校舉辦者權益持有人派發其後並未另行轉交或轉讓給本集團的股息或其他分派；及
- (iii) 本集團、中國營運實體及學校舉辦者於相關財政期間訂立、更新或複製的結構性合約及任何新合約（如有），對本集團而言屬公平合理或有利，且符合股東整體利益。

除本年報所披露者外，截至本年報日期，本公司概無須根據上市規則第14A章項下有關關連交易披露的條文而披露的關連交易。

Confirmation of independent non-executive Directors

The independent non-executive Directors will review the aforesaid Structured Contract on an annual basis to confirm that, during the relevant financial year:

- (i) the Structured Contracts have been entered into in the ordinary and usual course of business of the Group;
- (ii) the Structured Contracts are on normal commercial terms; and
- (iii) the Structured Contracts have been entered into in accordance with relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Confirmation of auditors of the Company

Ernst & Young, the Company's auditor, were engaged to report on the Group's Continuing Connected Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

The auditor of the Company has performed certain pre-determined audit procedures regarding the Structured Contracts and confirmed that:

- (i) the transactions carried out during the year ended December 31, 2018 have been entered into in accordance with the relevant provisions of the Structured Contracts, and have been operated so that the profit generated by the PRC Operating Schools and the School Sponsors have been substantially retained by the Group;
- (ii) no dividends or other distributions have been made by the PRC Operating Schools and the School Sponsors to the holders of its school sponsor's interest which are not otherwise subsequently assigned or transferred to the Group, and
- (iii) the Structured Contracts and if any, any new contracts entered into, renewed or reproduced between the Group and the PRC Operating Entities and the School Sponsors during the relevant financial period are fair and reasonable, or advantageous, so far as the Group is concerned and in the interests of the Shareholders as a whole.

Save as disclosed in this annual report, as of the date of this annual report, the Company had no connected transactions which fell to be disclosed in accordance with the provisions under Chapter 14A of the Listing Rules in relation to the disclosure of connected transactions.

關聯方交易

於截至2018年12月31日止年度由本集團訂立的關聯方交易的詳情呈列於綜合財務報表附註35。

本公司確認已遵行上市規則第14A章的披露規定。

根據上市規則第13.21條作出的披露

於2018年2月22日，本公司（「借款人」）與中國民生銀行股份有限公司香港支行（「融資代理」及「抵押代理」）（作為授權牽頭安排人及賬簿管理人）所安排的三間銀行連同安泰商業銀行股份有限公司及恒生銀行有限公司（作為授權牽頭安排人）組成的財團訂立一份融資協議（「融資協議」），據此，本公司可按當中所載條款及條件獲得初步本金額為500,000,000港元的5年期貸款融資（其超額融資金額最高為1,000,000,000港元）（「融資」）。融資目的為（其中包括）用作本集團的一般公司用途。融資初步由Aspire Education Information Co., Ltd.、Aspire Education Holding Co., Limited（該兩間公司均為本集團之全資附屬公司）及李孝軒先生（本公司控股股東）（統稱「擔保人」）作擔保。

融資協議訂明（其中包括），倘進行以下任何一項，則將發生違約事件：

- (i) 李孝軒先生於到期日並無支付根據融資協議及個人擔保（「融資文件」）應付的任何款項；
- (ii) 李孝軒先生並無遵守融資文件內的任何條文，且在有關未遵守情況可予補救情況下並無於(A)融資代理向借款人發出違約通知及(B)借款人或擔保人知悉違約（以較早者為準）之十(10)個營業日內作出補救；
- (iii) 李孝軒先生於融資文件內作出的任何聲明、保證或陳述在任何重大方面屬或被證實屬不正確或具誤導性，除非該等情況可予補救並於融資代理向借款人發出失實聲明、違反承諾或錯誤陳述之通知及借款人或擔保人知悉有關失實聲明、違反承諾或錯誤陳述（以較早者為準）之十(10)個營業日內作出補救則作別論；

RELATED PARTY TRANSACTIONS

Details of the related party transactions entered into by the Group during the year ended December 31, 2018 are set out in note 35 to the consolidated financial statements.

The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

DISCLOSURE UNDER RULE 13.21 OF THE LISTING RULES

On 22 February 2018, the Company (the "Borrower") entered into a facility agreement (the "Facility Agreement") with a consortium of three banks arranged by China Minsheng Banking Corp., Ltd., Hong Kong Branch (the "Facility Agent" and the "Security Agent") as mandated lead arranger and bookrunner, together with EnTie Commercial Bank Co., Ltd. (安泰商業銀行股份有限公司) and Hang Seng Bank Limited as mandated lead arrangers, pursuant to which a 5-year term loan facility (the "Facility") in the initial principal amount of HK\$500,000,000 with a greenshoe facility amount of up to HK\$1,000,000,000 was made available to the Company on the terms and conditions stated therein. The purposes of the Facility are, among others, for the general corporate purposes of the Group. The Facility is initially guaranteed by Aspire Education Information Co., Ltd., Aspire Education Holding Co., Limited, both being wholly-owned subsidiaries of the Group, and Mr. Li Xiaoxuan, the controlling shareholder of the Company (together, the "Guarantors").

It is provided in the Facility Agreement, among other things, that an event of default will occur if any of the following takes place:

- (i) Mr. Li Xiaoxuan does not pay on the due date any amount payable pursuant to the Facility Agreement and personal guarantee (the "Finance Documents");
- (ii) Mr. Li Xiaoxuan does not comply with any provisions in the Finance Documents and if the failure is capable of being remedied, not remedied within ten (10) business days of the earlier of (A) the Facility Agent giving notice to the Borrower of the failure to comply and (B) the Borrower or the Guarantors becoming aware of the failure to comply;
- (iii) any representation, warranty or statement made by Mr. Li Xiaoxuan in Finance Documents is or proves to have been incorrect or misleading in any material respect, unless those circumstances are capable of remedy and are remedied with ten (10) business days of the earlier of the Facility Agent giving notice of the misrepresentation, breach of warranty or misstatement to the Borrower and the Borrower or the Guarantors becoming aware of the misrepresentation, breach of warranty or misstatement;

- (iv) 就任何適用法例而言，李孝軒先生無法或被視為無法支付其到期債務或破產，中止支付其任何債務或因實際或預期財務困難，與其一名或多名債權人展開磋商，以期重訂其任何債務，承認其無能力支付到期債務或作出破產行動；
- (v) 李孝軒先生與其債權人訂立任何和解、計劃、個別自願安排或其他安排或作出與彼有關的臨時命令，任何人士就其破產向法院或任何登記機構提出呈請或遞交文件；及／或
- (vi) 李孝軒先生不履行融資文件或證實有意不履行融資文件。
- (iv) Mr. Li Xiaoxuan is or is deemed for the purposes of any applicable law to be, unable to pay his debts as they fall due or bankrupt, suspends making payments on any of his debts or by reason of actual or anticipated financial difficulties, commences negotiations with one or more of his creditors with a view to rescheduling any of his indebtedness, admits his inability to pay his debts as they fall due or commits an act of bankruptcy;
- (v) Mr. Li Xiaoxuan enters into any composition, scheme, individual voluntary arrangement or other arrangement with his creditors or has an interim order made in relation to him, any person presents a petition or files documents with a court or any registrar for his bankruptcy; and/or
- (vi) Mr. Li Xiaoxuan repudiates a Finance Document or evidences an intention to repudiate a Finance Document.

倘持續發生違約事件，融資代理可透過向本公司發出通知(i) 取消融資項下全部或部分總承擔；(ii) 聲明所有或部分融資連同應計利息，以及融資協議及有關文件項下應計或尚未償還的所有其他款項即時到期及應付；(iii) 聲明全部或部分融資連同應計利息，以及融資協議及有關文件項下應計或尚未償還的所有其他款項須根據大多數貸款人（彼等的承擔超過66²/₃%）的指示行事按融資代理的要求支付；及／或(iv) 行使或指示抵押代理行使其於融資協議及有關文件項下的任何或全部權利、權力、權限、酌情權或補救措施。

In case of occurrence of an event of default which is continuing, the Facility Agent may, by notice to the Company: (i) cancel all or part of the total commitments under the Facility; (ii) declare that all or part of the Facility, together with accrued interest, and all other amounts accrued or outstanding under the Facility Agreement and related documents be immediately due and payable; (iii) declare that all or part of the Facility, together with accrued interest, and all other amounts accrued or outstanding under the Facility Agreement and related documents be payable on demand by the Facility Agent acting on the instructions of the majority lenders whose commitments exceed 66²/₃ per cent; and/or (iv) exercise or direct the Security Agent to exercise any or all of its rights, powers, authorities, discretions or remedies under the Facility Agreement and related documents.

捐獻

於報告期間，本集團的慈善捐款及其他捐獻為數人民幣1,201,422元。

DONATIONS

During the Reporting Period, the charitable and other donations made by the Group amounted to RMB1,201,422.

重大法律程序

在截至2018年12月31日止年度，本公司並無涉及任何重大訴訟或仲裁，據董事所知亦無即將或威脅對本公司提起的重大訴訟或申索。

SIGNIFICANT LEGAL PROCEEDINGS

During the year ended December 31, 2018, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatening against the Company.

遵守法律和法規

在截至2018年12月31日止年度及截至本年報日期，本集團已遵守對本公司有重大影響的相關法律和法規。

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended December 31, 2018 and up to the date of this annual report, the Group has complied with the relevant laws and regulations that have a significant impact on the Company.

截至本年報日期，中國營運學校均無須就其學費及寄宿費收入支付企業所得稅。

As of the date of this annual report, none of the PRC Operating Schools was required to pay enterprise income tax in respect of its revenue from tuition fees and boarding fees.

獲許彌償條文

根據組織章程細則第164(1)條，本公司現時的董事、秘書及其他高級人員和每位核數師、現時就本公司的任何事務行事的清盤人或受託人（若有）及其各自的承繼人、遺囑執行人及遺產管理人必須以本公司的資產及利潤，就其本身或其當中的任何一人、其繼承人或其任何一名繼承人、遺囑執行人及遺產管理人履行各自的辦事處或信託的職責或假定職責時的任何作為、贊同或疏忽或因此之故以致或可能涉及或蒙受的一切訴訟、成本、費用、損失、損害及開支獲得彌償及使其免受損失，其全部無需就當中的其他一方或多方的作為、收受、疏忽或失當、或為著一致性而作出任何共同收受、或就本公司存置或存放於任何銀行或其他人士作保管的任何公司款項或財物、或本公司提供或投資的任何抵押款項或財產的不足或欠缺、或執行辦事處或信託職責時可能產生的任何其他損失、不幸或損害交代，惟此彌償不得延伸至任何上述人員的任何欺詐或不誠實的任何相關事情。

年底以來的重要事件

截至2018年12月31日止年度以來發生的重要事件已披露於綜合財務報表附註39。

審計委員會

本公司的審計委員會（「審計委員會」）已審閱本集團採用的會計原則及實務，並已討論有關審計、內部控制及財務匯報等事宜。審計委員會已會同董事會及外聘核數師審閱本集團截至2018年12月31日止年度的經審核綜合財務報表。

企業管治

本公司承諾採用高水準的企業管治實務。有關本公司採用的企業管治實務的資料已載於本年報第90頁至第103頁所載的企業管治守則。

公眾持股量的充足性

根據本公司可獲取的公開資料及盡各董事所知，本公司的全部已發行股份之中至少25%（聯交所批准及上市規則批准的公眾持股量指定最低百分比）於報告期間一直由公眾持有。

PERMITTED INDEMNITY PROVISION

Pursuant to article 164(1) of the Articles of Association, the Directors, secretary and other officers and every Auditor for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them, and every one of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

IMPORTANT EVENTS SINCE THE YEAR END

The important events occurred since the year ended December 31, 2018 are disclosed in note 39 of the consolidated financial statements.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has reviewed the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters. The Audit Committee, together with the Board and external auditor, has reviewed the Group's audited consolidated financial statements for the year ended December 31, 2018.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 90 to 103 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company's total issued shares, the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, was held by the public at all times during the Reporting Period.

核數師

安永會計師事務所獲委任為截至2018年12月31日止年度的核數師。隨附的財務報表乃遵照香港財務報告準則編製，已由安永會計師事務所審計。

安永會計師事務所將於股東週年大會中請辭，其符合資格再獲委聘並將自行提出再獲委聘。將於週年股東大會中提出決議案再委聘安永會計師事務所為核數師。

建議諮詢專業稅務意見

如果本公司的股東不確定購買、持有、出售、交易或行使本公司相關股份附有的任何權利的稅務影響，建議其諮詢獨立專家的意見。

代表董事會
主席
李孝軒

中國，2019年3月29日

AUDITOR

Ernst & Young was appointed as the auditor for the year ended December 31, 2018. The accompanying financial statements prepared in accordance with HKFRSs have been audited by Ernst and Young.

Ernst & Young shall retire at the AGM and, being eligible, will offer itself for re-appointment. A resolution for the reappointment of Ernst & Young as auditor will be proposed at the AGM.

RECOMMENDATION TO CONSULT PROFESSIONAL TAX ADVICE

If the Shareholders of the Company are not sure about the tax effect on the purchase, holding, sale, trading or exercise of any rights attached to the relevant shares of the Company, they are recommended to consult independent experts for advice.

On behalf of the Board
Li Xiaoxuan
Chairman

China, 29 March 2019

企業管治守則

本公司致力於建立良好的企業管治常規及程序，以成為透明而負責任的組織，向股東開放並對其負責。董事會堅守企業管治原則，且已採用良好的企業管治常規，以符合法律及商業準則，關注內部監控、公平披露及對全體股東負責等領域，以確保本公司所有運營活動的透明度及問責性。本公司認為，有效的企業管治是為股東創造更多價值的必要元素。為了優化股東的回報，董事會將繼續不時檢討及改善本集團的企業管治常規，以確保本集團由高效的董事會所領導。

截至2018年12月31日止年度，除企業管治守則第E.1.2條所規定，李先生因其他業務承諾而未能出席股東周年大會之外，本公司一直遵守企業管治守則。

董事會

本公司運營的全面管理權屬於董事會。

董事會全權負責審查本集團一切主要事務，包括制定及批准所有政策事項、集團發展整體戰略，監督及控制本集團的運營及財務表現、內部控制及風險管理系統，並監督高級管理層人員的表現。董事會須就本公司利益客觀決策。

本公司將日常管理、行政及運營委託予公司的首席執行官（趙帥先生）及高級管理層人員。董事會將定期檢討彼等獲委派的職責及工作任務。

截至本年報日期，董事會由七名董事組成，其中包括三名執行董事（即李孝軒先生（董事會主席）、趙帥先生及丁瑜先生）、一名非執行董事（即陳燦先生）及三名獨立非執行董事（即黃文宗先生、胡建波先生及鄺偉信先生）。各位執行董事皆經驗豐富，能有效、高效的履行其職能，均足以勝任其職位。董事的簡歷載於本年報「董事及高級管理層人員的履歷資料」一節。

據本公司所深知，董事會成員之間並無其他財務、業務或親屬關係。

於本年報日期，本公司已遵守上市規則第3.10(1)條至少委任三名獨立非執行董事。此外，亦根據上市規則第3.10(2)條委任至少一名具備適當之專業會計資格或財務管理專業知識的獨立非執行董事，且本公司已根據上市規則第3.10A條，委任三名獨立非執行董事（佔董事會人數超過三分之一）。

CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders. The Board strives for adhering to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all Shareholders to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for its Shareholders. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimize return for Shareholders.

During year ended 31 December 2018, except that Mr. Li did not attend the annual general meeting due to other business commitment as required under E.1.2 of the Corporate Governance Code, the Company has complied with the Corporate Governance Code.

BOARD OF DIRECTORS

The overall management of the Company's operation is vested in the Board.

The Board takes overall responsibility to oversee all major matters of the Group, including the formulation and approval of all policy matters, overall strategic development of the Group, monitoring and controlling the Group's operation and financial performance, internal control and risk management systems, and monitoring of the performance of the senior management. The Directors have to make decisions objectively in the interests of the Company.

The day-to-day management, administration and operation of the Company are delegated to the chief executive officer (Mr. Zhao Shuai) and the senior management of the Company. The delegated functions and work tasks are periodically reviewed.

As at the date of this annual report, the Board comprises seven Directors, consisting of three executive Directors, Mr. Li Xiaoxuan (the chairman of the Board), Mr. Zhao Shuai and Mr. Ding Yu, one non-executive Director, Mr. Chen Shuo and three independent non-executive Directors, Mr. Wong Man Chung Francis, Mr. Hu Jianbo and Mr. Kwong Wai Sun Wilson. During the year ended 31 December 2018, all Director have given sufficient time and attention to affairs of the Group. Each executive Director is suitably qualified for his position, and has sufficient experience to hold the position so as to carry out his duties effectively and efficiently. Biographical information of the Directors are set out in the section headed "Biographic Details of Directors and Senior Management" of this annual report.

To the best knowledge of the Company, there is no other financial, business or family relationship among the members of the Board.

As at the date of this annual report, the Company has complied with Rule 3.10(1) of the Listing Rules to appoint at least three independent non-executive Directors. In addition, at least one independent non-executive Director possesses appropriate professional accounting qualifications or financial management expertise in accordance with Rule 3.10(2) of the Listing Rules and the Company has appointed three independent non-executive Directors representing more than one-third of the Board and is in compliance with Rule 3.10A of the Listing Rules.

董事會多元化政策

董事會於2017年3月批准一項新的董事會多元化政策（「董事會多元化政策」）。本公司明白及深信董事會成員多元化的裨益。在董事會所有任命將繼續奉行任人唯才原則的同時，本公司將確保董事會在切合本公司業務所需的技能、經驗、多元化觀點方面取得平衡。甄選候選人將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他）、技能及知識。

標準守則

於2017年3月，本公司亦已採納載列於上市規則附錄十之標準守則作為董事進行證券交易的行為守則。經向本公司全體董事作出具體查詢後，全體董事確認截至2018年12月31日止年度，彼等一直遵守標準守則所載涉及董事證券交易之標準規定。

獨立非執行董事

自獲委任之日起，獨立非執行董事於董事會會議上作出其獨立判斷，並審查本集團的表現，於董事會中一直扮演著重要角色。彼等的意見對董事會決策有重要影響，尤其是，彼等對本集團策略、表現及管控方面能提出中肯意見。所有獨立非執行董事皆具備廣泛的學術、專業及行業知識及管理經驗，且彼等已向董事會提供專業建議。獨立非執行董事對集團的業務策略、業績及管理提供獨立建議，從股東整體利益著眼，使本公司及其股東利益得到保障。

董事會有三名獨立非執行董事，黃文宗先生即為其中之一，其具備上市規則第3.10(2)條規定的適當專業會計資格及財務管理專長。

本公司已收到各現任獨立非執行董事根據上市規則第3.13條發出的獨立確認書。基於該等確認書的內容，本公司認為，所有獨立非執行董事皆為獨立人士，並符合上市規則第3.13條所載的特別獨立指引。

BOARD DIVERSITY POLICY

The Board approved a new board diversity policy (the “Board Diversity Policy”) in March 2017. The Company recognises and embraces the benefits of diversity of Board members. While all Board appointments will continue to be made on a merit basis, the Company will ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the needs of the Company’s business. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The nomination committee is responsible for reviewing the policy, developing and reviewing measurable objectives for implementing the policy and monitoring the progress on achieving the measurable objectives. The nomination committee will review the policy and the measurable objectives at least annually to ensure the continued effectiveness of the Board.

MODEL CODE

The Company has also adopted the Model Code set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors in March 2017. Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code regarding directors’ securities transactions during the year ended 31 December 2018.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Since their appointments, independent non-executive Directors have played a significant role in the Board by bringing their independent judgment at the Board meeting and scrutinizing the Group’s performance. Their views carry significant weight in the Board’s decision, in particular, they bring an impartial view to bear on issues of the Group’s strategy, performance and control. All independent non-executive Directors possess extensive academic, professional and industry expertise and management experience and have provided their professional advices to the Board. The independent non-executive Directors provide independent advice on the Group’s business strategy, results and management so that all interests of Shareholders can be taken into account, and the interests of the Company and its Shareholders can be protected.

The Board has three independent non-executive Directors with one of them, Mr. Wong Man Chung Francis, possessing appropriate professional accounting qualifications and financial management expertise in compliance with the requirements set out in Rule 3.10(2) of the Listing Rules.

The Company has received confirmations of independence from each of the existing independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules. Based on the contents of such confirmations, the Company considers that all the independent non-executive Directors are independent and that they have met the specific independence guidelines as set out in Rule 3.13 of the Listing Rules.

董事培訓及支持

所有董事須了解彼等之共同責任。任何新獲委任的董事將收到一份入職資料，內容涵蓋本集團的運營、業務、管治政策及上市公司董事的法定監管義務及責任。董事已獲悉企業管治守則第A.6.5條守則條文涉及持續專業發展的規定。根據本公司存置的記錄，為符合企業管治守則關於持續專業發展的新規定，現任董事於截至2018年12月31日止年度接受以下著重強調上市公司董事的角色、職能及責任的培訓：

TRAINING AND SUPPORT FOR DIRECTORS

All Directors must keep abreast of their collective responsibilities. Any newly appointed Director would receive an induction package covering the Group's operations, businesses, governance policies and the statutory regulatory obligations and responsibilities of a director of a listed company. The Directors have been informed of the requirement under code provision A.6.5 of the Corporate Governance Code regarding continuous professional development. According to the records maintained by the Company, the current Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the new requirement of the Corporate Governance Code on continuous professional development for the year ended 31 December 2018:

董事姓名	Name of Director	企業管治／關於法例、 規則及法規的更新		會計／財務／管理或 其他專業技能	
		Corporate Governance/Updates on Laws, Rules and Regulations	Accounting/Financial/Management or Other Professional Skills	出席講座／ 簡報會	出席講座／ 簡報會
		閱讀材料	簡報會	閱讀材料	簡報會
		Read materials	Attend Seminars/ Briefings	Read materials	Attend Seminars/ Briefings
執行董事	Executive Directors				
李孝軒先生	Mr. Li Xiaoxuan	Y	Y	Y	Y
趙帥先生	Mr. Zhao Shuai	Y	Y	Y	Y
丁瑜先生	Mr. Ding Yu	Y	Y	Y	Y
非執行董事	Non-executive Director				
陳爍先生	Mr. Chen Shuo	Y	Y	Y	Y
獨立非執行董事	Independent non-executive Directors				
黃文宗先生	Mr. Wong Man Chung Francis	Y	Y	Y	Y
鄭偉信先生	Mr. Kwong Wai Sun Wilson	Y	Y	Y	Y
胡建波先生	Mr. Hu Jianbo	Y	Y	Y	Y

董事及高級職員的保險

於本年報日期，本公司已就其董事及高級職員可能面對的法律訴訟作出適當的投保安排。

會議

董事會不時會面討論集團的整體策略、運營及財務表現。董事可親自前往或透過電子通訊方式參加。

董事會將每年至少舉行四次董事會會議。

董事會承諾，倘舉行任何董事會會議，將確保所有董事於會前獲提供有關事項的相關材料。彼等可隨時個別及獨立地聯絡本公司高級管理層及公司秘書，並可尋求獨立專業意見，有關費用由本公司承擔。若有董事提出問題，本公司必會盡快作出詳盡回應。全體董事均可於董事會會議的議事章程添加事項。本公司至少14日前向董事發出董事會會議通告，而董事會程序均遵守細則及相關規則及法規。

董事會會議及董事會委員會會議的會議記錄充分記錄／將充分記錄董事會及董事會委員會審議的事項以及達成的決策等詳情，包括董事提出的任何事務。

各董事會會議及董事會委員會會議會議記錄的草稿將於／將於會議舉行日期後合理期限內送呈董事以供其提出意見。

DIRECTORS' AND OFFICERS' INSURANCE

As at the date of this annual report, the Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and officers.

MEETINGS

The Board meets to discuss the overall strategy as well as the operation and financial performance of the Group from time to time. Directors may participate either in person or through electronic means of communications.

The Board will convene the board meetings at least four times a year.

The Board commits that once any Board meeting is held, it will ensure that all Directors will be provided with relevant materials relating to the matters brought before the meetings. They will have separate and independent access to the senior management and the company secretary of the Company at all time and may seek independent professional advice at the Company's expense. Where queries are raised by Directors, steps would be taken to respond as promptly and fully as possible. All Directors will have the opportunity to include matters in the agenda for Board meetings. Notices of at least 14 days of Board meetings will be given to the Directors and Board procedures comply with the Articles, as well as relevant rules and regulations.

Minutes of the Board meetings and Board committee meetings are/will be recorded in sufficient detail to include the matters considered by the Board and the Board committees and the decisions reached, including any concerns raised by the directors.

Draft minutes of each Board meeting and Board committee meeting are/will be sent to the directors for comments within a reasonable time after the date on which the meeting is held.

截至2018年12月31日止年度，各董事於董事會會議及股東大會的個別出席記錄載列如下：

The individual attendance record of each Director at the meetings of the Board and the general meetings during the year ended 31 December 2018 is set out below:

董事姓名	Name of Director	出席／董事會 會議次數 Attendance/ Number of Board Meeting(s)	出席／股東 大會次數 Attendance/ Number of General Meeting(s)
執行董事	Executive Directors		
李孝軒先生	Mr. Li Xiaoxuan	4/4	0/1
趙帥先生	Mr. Zhao Shuai	4/4	1/1
丁瑜先生	Mr. Ding Yu	4/4	1/1
非執行董事	Non-executive Director		
陳燦先生	Mr. Chen Shuo	4/4	1/1
獨立非執行董事	Independent non-executive Directors		
黃文宗先生	Mr. Wong Man Chung Francis	4/4	1/1
鄭偉信先生	Mr. Kwong Wai Sun Wilson	4/4	1/1
胡建波先生	Mr. Hu Jianbo	3/4	0/1

* 李孝軒先生及胡建波先生因其他業務承擔未能出席股東大會

* Mr. Li Xiaoxuan and Mr. Hu Jianbo were unable to attend the general meeting due to other business commitment

委任、重選及罷免董事

朱立東先生已提呈辭任本公司執行董事、首席財務官、聯席秘書及授權代表之一，自2018年3月23日起生效。

趙帥先生擔任本公司授權代表之一，自2018年3月23日起生效。

張柯先生已提呈辭任執行董事及授權代表之一，自2018年7月6日起生效。

丁瑜先生已獲委任為本公司執行董事及授權代表之一，自2018年7月6日起生效。

APPOINTMENTS, RE-ELECTION AND REMOVAL OF DIRECTORS

Mr. Zhu Lidong has resigned as an executive Director, the chief financial officer, the joint company secretary and one of the authorized representatives with effect on 23 March 2018.

Mr. Zhao Shuai was appointed as one of the authorized representatives of the Company, with effect from 23 March 2018.

Mr. Zhang Ke has resigned as an executive Director and one of the authorized representatives with effect on 6 July 2018.

Mr. Ding Yu was appointed as an executive Director and one of the authorized representatives of the Company with effect from 6 July 2018.

除上文所披露者外，截至2018年12月31日止年度，本公司董事及最高行政人員之資料並無變動。

本公司執行董事李孝軒先生、趙帥先生及丁瑜先生均已與本公司簽訂服務合約，李孝軒先生及趙帥先生之服務合約自上市日期起計，丁瑜先生自2018年7月6日起計指定期限為三年。直至任何一方向另一方發出不少於三個月的書面通知自動予以終止，而該通知有效期至固定期限之後屆滿。

本公司非執行董事陳爍先生已與我們訂立委任函，由上市日期起計，初步固定期限為一年，直至本公司非執行董事向本公司發出不少於三個月的書面通知予以終止，或本公司向非執行董事發出書面通知後即時終止。

本公司獨立非執行董事黃文宗先生、鄺偉信先生及胡建波先生各自已與我們訂立委任函，初步固定期限分別自上市日期、上市日期及2017年12月22日起為期一年，直至獨立非執行董事向本公司發出不少於三個月的書面通知予以終止，或本公司向獨立非執行董事發出書面通知後即時終止。

根據細則，上述服務合約包含至少每三年於股東週年大會上輪流退任及重選連任。

細則指出，獲董事會委任填補臨時空缺的任何董事須一直擔任該職務，直至本公司舉行其獲委任後的首屆股東週年大會為止，並於該大會上膺選連任，而獲董事會委任新加入現有董事會的任何董事，則只須擔任該職務直至本公司舉行下屆股東週年大會為止，並於該大會上合資格膺選連任。

Save as disclosed above, for the year ended 31 December 2018, there is no change in information of directors and chief executives of the Company.

Each of Mr. Li Xiaoxuan, Mr. Zhao Shuai and Mr. Ding Yu, being the executive Directors of the Company has entered into a service contract with the Company for a specific term of three years. The service contract of Mr. Li Xiaoxuan and Mr. Zhao Shuai commencing from the Listing Date, while and the service contract of Mr. Ding Yu commencing from the 6 July 2018 all of which will automatically continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term.

Mr. Chen Shuo, being the non-executive Director of the Company, has entered into a letter of appointment with us for an initial fixed term of one year commencing from the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing served by the non-executive Director to our Company or with immediate effect following the notice in writing served by our Company to the non-executive Director.

Each of Mr. Wong Man Chung Francis, Mr. Kwong Wai Sun Wilson and Mr. Hu Jianbo, being the independent non-executive Director of the Company, has entered into a letter of appointment with us for an initial fixed term of one year commencing from the Listing Date, the Listing Date, and 22 December 2017 and will continue thereafter until terminated by not less than three months' notice in writing by served by the independent non-executive Director to our Company or with immediate effect following the notice in writing served by our Company to the independent non-executive Director.

The above service contracts are subject to retirement by rotation and re-election at an annual general meeting at least once every three years in accordance with the Articles.

The Articles provide that any Director appointed by the Board to fill a casual vacancy in the Board shall hold office until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting, and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

董事及高級管理層的薪酬

截至2018年12月31日止年度，本公司董事會及高級管理層成員（有關簡歷載於本年報第49頁至63頁）按範圍劃分的薪酬詳情。

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Details of the remuneration by band of the members of the Board and senior management of the Company, whose biographies are set out on pages 49 to 63 of this annual report, for the year ended 31 December 2018.

薪酬範圍（人民幣元） Remuneration band (RMB)	人數 Number of individual
0-500,000	5
500,001-1,500,000	4
>1,500,000	1

董事會委員會

董事會已建立(i)審核委員會；(ii)薪酬委員會；及(iii)提名委員會，並制定有關職權範圍。董事會委員會的職權範圍可於公司網站(www.xingaojiao.com)及聯交所網站(www.hkexnews.hk)查詢，當中說明他們各自的職務及獲董事會授權的權限。董事會委員會獲提供充足的資源履行其職責，及於合理要求時可在適當情況下尋求獨立專業意見及其他援助，費用概由本公司支付。

BOARD COMMITTEES

The Board has established (i) audit committee, (ii) remuneration committee; and (iii) nomination committee, with defined terms of reference. The terms of reference of the board committees which explain their respective role and the authority delegated to them by the Board are available on the website of the Company at www.xingaojiao.com and the website of the Stock Exchange at www.hkexnews.hk. The board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice and other assistance in appropriate circumstances, at the Company's expenses.

審核委員會

根據2017年3月20日通過的董事決議案，本公司建立了審核委員會。審核委員會的主要職責乃就委聘及辭退外聘核數師向董事會作出推薦建議、審閱財務報表及有關財務申報的重要意見，以及監控本公司的風險管理及內部控制系統。彼等的構成及書面職權範圍乃根據企業管治守則而定。截至本報告日，審核委員會包括三名成員，即三名獨立非執行董事黃文宗先生、胡建波先生及鄭偉信先生。黃文宗先生為審核委員會主席。

AUDIT COMMITTEE

The Company established an audit committee pursuant to a resolution of the Directors passed on 20 March 2017. The primary duties of the audit committee are to make recommendation to the Board on the appointment and removal of external auditors, review the financial statements and material advice in respect of financial reporting, and oversee the risk management and internal control systems of the Company. Their composition and written terms of reference are in line with the Corporate Governance Code. As of the date of this annual report, the audit committee comprises of three members, namely, three independent non-executive Directors, Mr. Wong Man Chung Francis, Mr. Hu Jianbo and Mr. Kwong Wai Sun Wilson. Mr. Wong Man Chung Francis is the chairman of the audit committee.

本集團截至2018年6月30日止六個月的未經審核財務業績及截至2018年12月31日止年度的經審核財務業績已由審核委員會審閱，審核委員會認為相關財務報表已遵照適用會計準則及規定編製及已作出充分披露。審核委員會亦已審閱本集團採納的會計原則及常規，以及外部核數師的挑選及委任。此外，於2018年內，審核委員會已審閱本集團內部控制並已監控本集團的風險管理及內部控制系統。

The Group's unaudited financial results for the six months ended 30 June 2018 and the audited annual results for the year ended 31 December 2018 have been reviewed by the audit committee, which was of the opinion that the preparation of the relevant financial statements complied with the applicable accounting standards and requirements and that adequate disclosure has been made. The audit committee has also reviewed the accounting principles and practices adopted by the Group, and selection and appointment of the external auditors. In addition, the audit committee reviewed the internal control of the Group and oversaw the risk management and internal control systems of the Group during the year of 2018.

截至2018年12月31日止年度，審核委員會已舉行3次會議。各審核委員會成員於審核委員會會議的個別出席記錄載列如下：

During the year ended 31 December 2018, 3 meetings were held by the audit committee. The individual record of each member of the audit committee at the meetings of the audit committee is set out below:

董事姓名	Name of Director	出席次數／ 委員會 會議次數 Attendance/ Number of Committee Meeting(s)
黃文宗先生	Mr. Wong Man Chung Francis	3/3
鄺偉信先生	Mr. Kwong Wai Sun Wilson	3/3
胡建波先生	Mr. Hu Jianbo	3/3

薪酬委員會

本公司已於2017年3月20日成立薪酬委員會，並訂立書面職權範圍。薪酬委員會的主要職責為就所有執行董事及高級管理人員的薪酬待遇（包括實物利益、退休金權利及賠償金額（包括就喪失或終止其職務或委任的賠償））及非執行董事的薪酬向董事會作出推薦建議。薪酬委員會的組成及書面職權範圍符合企業管治守則條文的規定。於本年報日期，薪酬委員會由三名成員組成，即一名執行董事（李孝軒先生）及兩名獨立非執行董事（胡建波先生及鄺偉信先生）。鄺偉信先生為薪酬委員會主席。

截至2018年12月31日止年度，薪酬委員會已檢討董事及高級管理人員的薪酬待遇。

REMUNERATION COMMITTEE

The Company established a remuneration committee on 20 March 2017 with written terms of reference. The primary duties of the remuneration committee to make recommendations to the Board on the remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment), and make recommendations to the Board on the remuneration of non-executive Directors. Their composition and written terms of reference are in line with the Corporate Governance Code. As of the date of this annual report, the remuneration committee comprises of three members, namely, Mr. Li Xiaoxuan, an executive Director, and two independent non-executive Directors, Mr. Hu Jianbo and Mr. Kwong Wai Sun Wilson. Mr. Kwong Wai Sun Wilson is the chairman of the remuneration committee.

During the year ended 31 December 2018, the remuneration Committee reviewed the remuneration packages of the Directors and the senior management.

截至2018年12月31日止年度，薪酬委員會已舉行1次會議。各薪酬委員會成員於薪酬委員會會議的個別出席記錄載列如下：

During the year ended 31 December 2018, 1 meetings were held by the remuneration committee. The individual record of each member of the remuneration committee at the meetings of the remuneration committee is set out below:

董事姓名	Name of Director	出席次數／ 委員會 會議次數 Attendance/ Number of Committee Meeting(s)
鄺偉信先生	Mr. Kwong Wai Sun Wilson	1/1
李孝軒先生	Mr. Li Xiaoxuan	1/1
胡建波先生	Mr. Hu Jianbo	1/1

提名委員會

本公司已於2017年3月30日成立提名委員會，並訂立書面職權範圍。提名委員會的主要職責為定期檢討董事會的架構、規模及組成，並於考慮獲提名人的獨立性及資格後向董事會推薦合適的董事人選，以確保所有提名公平公開。物色合適的董事人選及向董事會提供推薦建議時，提名委員會亦會從多方面考慮候選人，包括但不限於其學歷、專業經驗、從事相關行業的經驗及過往擔任的董事職務。提名委員會的組成及書面職權範圍符合企業管治守則條文的規定。截至本年報日，提名委員會由三名成員組成，即一名執行董事李孝軒先生及兩名獨立非執行董事黃文宗先生及鄺偉信先生。李孝軒先生為提名委員會主席。

於2018年內，提名委員會已檢討董事會的架構、規模及組成。

NOMINATION COMMITTEE

The Company established a nomination committee on 30 March 2017 with written terms of reference. The primary duties of the nomination committee are to review the structure, size and composition of the Board on a regular basis and to recommend to the Board the suitable candidates for directors after consideration of the nominees' independence and quality in order to ensure the fairness and transparency of all nominations. In identifying suitable director candidates and making such recommendations to the Board, the nomination committee would also take into account various aspects of a candidate, including but not limited to his/her education background, professional experience, experience with the relevant industry and past directorships. Their composition and written terms of reference are in line with the Corporate Governance Code. As of the date of this annual report, the nomination committee comprises of three members, namely, Mr. Li Xiaoxuan, an executive Director, and two independent non-executive Directors, Mr. Wong Man Chung Francis and Mr. Kwong Wai Sun Wilson. Mr. Li Xiaoxuan is the chairman of the nomination committee.

The nomination committee reviewed the structure, size and composition of the Board, during the year of 2018.

截至2018年12月31日止年度，提名委員會已舉行2次會議。各提名委員會成員於提名委員會會議的個別出席記錄載列如下：

During the year ended 31 December 2018, 2 meetings were held by the nomination committee. The individual record of each member of the nomination committee at the meetings of the nomination committee is set out below:

董事姓名	Name of Director	出席次數／ 委員會 會議次數 Attendance/ Number of Committee Meeting(s)
李孝軒先生	Mr. Li Xiaoxuan	2/2
黃文宗先生	Mr. Wong Man Chung Francis	2/2
鄺偉信先生	Mr. Kwong Wai Sun Wilson	2/2

公司秘書

本公司的公司秘書為黃慧玲女士，其履歷詳情載於本年報「董事及高級管理層的履歷詳情」一節。黃慧玲女士均已知悉上市規則第3.29條之規定。為符合上市規則第3.29條之規定，本公司於報告期末並未上市，朱立東先生及黃慧玲女士已向本公司告悉，自截至2018年12月31日止財政年度起，彼等各自己就企業管治及會計事項等方面每年接受不少於15小時培訓。

COMPANY SECRETARY

The company secretary of the Company is Ms. Wong Wai Ling, whose biography details are set out in the section headed “Biographical Details of Directors and Senior Management” in this annual report. Ms. Wong Wai Ling has been informed of the requirement of the Rule 3.29 of the Listing Rules. Mr. Zhu Lidong and Ms. Wong Wai Ling have informed the Company that they have taken at least 15 hours of training covering corporate governance and accounting matters per annum starting from the financial year ended 31 December 2018 to comply with the requirements under Rule 3.29 of the Listing Rules.

財務申報

董事會在首席財務官及財務部門的支持下負責編製本公司及本集團每個財政年度的財務報表，該等財務報表公平及公正地反映本公司及其附屬公司於該期間的財務狀況、表現及現金流量。董事會並不知悉有關可能對本集團持續經營的能力構成重大疑問的事件或情況的任何重大不明朗因素。

FINANCIAL REPORTING

The Board, supported by the chief financial officer and the finance department, is responsible for the preparation of the financial statements of the Company and the Group for each financial year which shall give a true and fair view of the financial position, performance and cash flow of the Company and its subsidiaries for that period. The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group’s ability to continue as a going concern.

本公司外聘核數師安永會計師事務所有關財務報表的責任載於本年報「獨立核數師報告」一節。

The responsibilities of Ernst & Young, the Company’s external auditors, on the financial statements are set out in the section headed “Independent Auditors’ Report” in this annual report.

核數師薪酬

董事會審核委員會負責就委聘、續聘及解聘法定外聘核數師、批准外聘核數師酬金及聘用條款，以及與外部核數師辭任或解聘有關的任何問題，向董事會作出推薦。本公司已委聘安永會計師事務所為其外聘核數師。截至2018年12月31日止年度已付／應付安永會計師事務所的費用詳情如下。

AUDITOR'S REMUNERATION

The Audit Committee of the Board is responsible for making recommendation to the Board on the appointment, re-appointment and removal of the authorized external auditors and to approve the remuneration and terms of engagement of the external auditors, and any questions of resignation or dismissal of the external auditors. The Company engages Ernst & Young as its external auditors. Details of the fees paid/payable to Ernst & Young during the year ended 31 December 2018 are as follows.

		人民幣千元 RMB'000
核數服務	Audit services	3,600
非核數服務	Non-audit services	0
		<u>3,600</u>

董事就財務報表的責任

董事負責編製本公司截至2018年12月31日止年度的財務報表。

管理層向董事會提供必要的解釋及資料，以便董事會能夠對提交予彼等的財務及其他資料進行知情評估並就此進行批准。管理層向董事會全體成員提供本公司業績、狀況及前景的月度更新。

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2018.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the financial and other information put before them for approval. The management provides all members of the board with monthly updates on the Company's performance, positions and prospects.

風險管理及內部控制

本集團的風險管理及內部控制系統的管理架構明確、權限分明、政策及程序全面，並旨在促進有效經營、確保財務匯報的可靠性及遵守適用法律法規，發現及管理潛在風險，以及保障本集團的資產。該等系統旨在管理（而非消除）未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。董事會亦明確其對本集團風險管理及內部控制系統的整體責任並檢討其持續經營基準的效能。此外，審核委員會亦負責審核及評估本集團的風險管理及內部控制系統。自上市日期至本年報日期，本公司已採納下述政策及程序，並採取下述措施完善本集團的風險管理及內部控制系統。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's risk management and internal control systems are featured with a defined management structure with limits of authority and well-rounded policies and procedures, and are designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks, and to safeguard assets of the Group. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board also recognises its overall responsibility for the Group's risk management and internal control systems and reviewing their effectiveness on an ongoing basis. In addition, the Audit Committee also has the responsibility for reviewing and assessing the Group's risk management and internal control systems. From the Listing Date to the date of this annual report, the Company has adopted the following policies and procedures and taken the following measures to improve the risk management and internal control systems of the Group.

為確保風險管理及內部控制系統的有效性，本公司已設立多種管理及控制程序（「風險管理及內部控制程序」）以識別、評估及管理其在達致業務目標方面的重大風險。本公司將透過科學分析及評估完成風險管理及內部控制程序，以識別潛在風險。憑藉風險管理及內部控制程序，本集團高級管理層定期檢討及評估內部控制程序，監察任何風險因素，並向董事會匯報任何調查結果及為處理有關差異和已確認風險所採取的措施。在本公司高級管理層的協助下，董事會亦進行定期管理會議及現場勘查，以檢查及監控本集團業務營運及財務管理方面的潛在風險。

結合本公司實際情況及各類適用法律法規，本公司管理層配合其制定的風險應對方案，以期系統整理業務營運，監控及減輕可能的風險。本公司亦要求本集團所有員工應遵守若干內部風險管理及內部控制準則，為本公司營造一個風險可控、營運規範的監管環境。此外，本公司亦已制定適用於若干營運單位的政策及程序，分工清晰，以確保風險管理及內部監控的有效性。日常營運亦已委託個別部門或學校處理，有關部門須對本身的行為及表現負責，並須嚴格遵守董事會或審核委員會制定的政策。此項程序會持續作出改良。

同時，審核委員會在專業核數師的協助下，對本公司的財務收支和經濟活動進行監督，進一步強化了風險管理的職能，確保風險管理及內部控制系統的有效實施及本公司的規範營運和健康發展。為符合企業管治守則對公司風險管理及內部控制的相關要求，本公司已設立內部審計部門，旨在使本公司治理與企業管治守則更新同步，不斷提升本公司風險管理及內部控制的有效性。

為籌備上市，本公司為本公司董事及高級管理層提供內部消息培訓課程，以確保可能對公司股價產生重大影響的所有相關事實及情況得到及時評估，並確保本集團任何一名或多名高級人員獲悉的任何重大消息均獲及時發現、評估及（如適當）提請董事會垂注，以釐定是否需要作出披露。

In order to ensure the effectiveness of our risk management and internal control system, the Company has established various management and control procedures a ("Risk Management and Internal Control Procedures") for identifying, evaluating, and managing the significant risks associated with the achievement of its operational objectives. The Company will conduct complete the Risk Management and Internal Control Procedures with scientific analysis and assessment, to recognize potential risk points. By virtue of the Risk Management and Internal Control Procedures, the senior management of the Group reviews and evaluates the internal control process, monitors any risk factors on a regular basis, and reports to the Board on any findings and measures taken to address such variances and identified risks. The Board, with the assistance of the senior management of the Company, also conducts regular management meetings and on-site inspections to check and monitor the potential risks associated with the business operation and financial management of the Group.

With the integration of the real situation of the Company and various applicable laws and regulations, the management of the Company can act in concert with such to develop solutions towards the risks, to organize the business operation systematically, and to monitor and mitigate possible risks. The Company also requires all staff of the Group to comply with certain internal risk management and internal control standards, and together build a regulatory environment of risk control and standardized operation. In addition, the Company has also established policies and procedures with clear segregation of duties applicable to certain operating units to ensure the effectiveness of risk management and internal controls. The day-to-day operation is also entrusted to the individual department or school, which is accountable for its own conduct and performance, and is required to strictly adhere to the policies set by the Board or the Audit Committee. This process is subject to continuous improvement.

Meanwhile, with the assistance of the professional auditor, the Audit Committee will supervise the Company's revenue and expenditure for the financial and economic activities, to further strengthen the functions of risk management, to ensure the effective implementation of risk management and internal control system and the Company's standardized operation and healthy development. In order to comply with the relevant requirements under the Corporate Governance Code in relation to the corporate risk management and internal controls, the Company has established an internal audit department for the purposes of simultaneous updates between the corporate governance and the Code on Corporate Governance and continuously improving the effectiveness of the Company's risk management and internal controls.

In the preparation for the Listing, the Company provided inside information training courses to the Directors and senior management of the Company to ensure that all relevant facts and circumstances that may have material effect on the share price of the Company is assessed in a timely manner and that any material information which comes to the knowledge of any one or more officers of the Group be promptly identified, assessed and, if appropriate, escalated for the attention of the Board to determine whether a disclosure is required.

董事會知悉，其有責任確保維持健全有效的內部控制系統，以保障本集團資產及股東利益。董事會已制訂其內部控制及風險管理系統，亦負責檢討及維護適當內部控制系統以保障股東權益及本公司資產。

於報告期間，董事會在審核委員會的協助下已對風險管理及內部控制進行檢討，並認為公司的風險管理和內部控制系統充分適當並得到有效實施。有關檢討範圍涵蓋所有重大控制措施、財務、合規和營運控制以及風險管理機制。

董事會在審核委員會的協助下亦已檢討並對公司資源的充足度、會計及內部審核及財務匯報職能方面的員工資歷及經驗、培訓課程及相關預算感到滿意。

股東權利

股東召開特別股東大會及於股東大會上提呈建議的程序

根據細則第58條，本公司任何一名或以上於提請要求當日持有不少於本公司繳足股本（賦有權利在本公司股東大會投票）十分之一的股東（「股東」）均可寄函本公司董事會地址為：中國北京東城區北三環東路36號環球貿易中心A座25樓）以書面要求董事會就該等提請所指任何業務交易召集特別股東大會；且該等會議須於提請有關要求後兩個月內召開。倘提請後21日內董事會未有召開有關大會，則提請要求的人士自身可按相同方式召開大會，且本公司須向提請要求的人士補償因董事會未有召開大會而自行召開大會產生的所有合理開支。

向董事會提出查詢的程序

股東可寄函本公司董事會（董事會）（地址為：中國北京東城區北三環東路36號環球貿易中心A座25樓）或發電子郵件至ir@xingaojiao.com向董事會提出查詢及關注事項。本公司的公司秘書負責向董事會傳達董事會直接責任的相關事宜以及向本公司首席執行官傳達日常業務事宜（例如提議及查詢）。

The Board acknowledges its responsibility to ensure that sound and effective internal control systems are maintained so as to safeguard the Group's assets and the interest of Shareholders. The Board has developed its systems of internal control and risk management and is also responsible for reviewing and maintaining an adequate internal control system to safeguard the interests of the shareholders and the assets of the Company.

During the Reporting Period, the Board, with the assistance of the Audit Committee, has conducted review of the risk management and internal control and considered the risk management and internal control systems of the Company are adequate and being implemented effectively. Such review covered all material controls, financial, compliance and operational controls as well as risk management mechanisms.

The Board, with the assistance of the Audit Committee, has also reviewed and was satisfied with the adequacy of the Company's resources, the staff's qualifications and experience, the training courses and the related budgets in accounting, internal review and financial reporting functions.

SHAREHOLDERS' RIGHTS

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING AND PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETING

Pursuant to the Article 58 of the Articles, any one or more member(s) of the Company ("Shareholder(s)") 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 of the Company by mail at 25/F, Tower A, Global Trade Center, No. 36 North 3rd Ring East Road, Dongcheng District, Beijing, the PRC, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

PROCEDURES BY WHICH ENQUIRIES MAY BE PUT TO THE BOARD

Shareholders may send their enquiries and concerns to the Board by addressing them to the Board of Directors of the Company (Board of Directors) by mail at 25/F, Tower A, Global Trade Center, No. 36 North 3rd Ring East Road, Dongcheng District, Beijing, the PRC or by email ir@xingaojiao.com. The joint company secretary of the Company is responsible for forwarding communications relating to matters within the Board's direct responsibilities to the Board and communications relating to ordinary business matters, such as suggestions and inquiries, to the chief executive officer of the Company.

組織章程文件

本公司已於2017年3月20日採納大綱及細則，且其分別自2017年3月20日及上市日期生效。截至2018年12月31日止年度，本公司的組織章程文件並無任何重大變動。

與股東溝通

董事會明白與本公司股東及投資者保持清晰、及時而有效的溝通十分重要。因此，本集團致力透過刊發年報、公佈及通函，維持高透明度，確保本公司投資者及股東接獲準確、清楚，全面而及時的集團資料。本公司亦在本公司網站www.xingaojiao.com刊登所有公司通訊。董事會亦不時與機構投資者及分析員定期對話，報告本集團的策略、營運、管理及計劃。董事會及各董事委員會成員亦會出席本公司股東週年大會，解答會上相關提問。若有重大獨立事項，則會在股東大會提呈獨立決議案。

本公司股東大會主席將於決議案表決前解釋表決程式。投票結果將於會上宣佈，並分別在聯交所及本公司網站刊載。

股息政策

董事會已於2019年3月29日批准及採納股息政策。在決定是否建議派發股息及釐定股息金額時，董事會將綜合考慮（其中包括）本集團財務業績、本集團整體財務狀況、現金流量、本集團資金需求及盈餘、本公司股東權益。董事會採納的股息政策旨在建議股息時，為本公司應維持足夠現金儲備以應付其資金需求，未來增長提供資金，以及提高股東價值。

CONSTITUTIONAL DOCUMENTS

The Company has adopted the Memorandum and the Articles on 20 March 2017, which has been effective since 20 March 2017 and the Listing Date, respectively. There has been no significant change in the Company's constitutional documents during the year ended 31 December 2018.

COMMUNICATIONS WITH SHAREHOLDERS

The Board recognizes the importance of maintaining clear, timely and effective communication with Shareholders of the Company and investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure the investors and the shareholders of the Company receiving accurate, clear, comprehensive and timely information of the Group by the publication of annual reports, announcements and circular. The Company also publishes all corporate correspondence on the Company's website www.xingaojiao.com. The Board maintains regular dialogues with institutional investors and analysts from time to time to keep them informed of the Group's strategy, operations, management and plans. Members of the Board and of the various board committees will attend the annual general meeting of the Company and answer questions raised during the meeting. Separate resolutions would be proposed at the general meeting on each substantially separate issue.

The chairman of the general meetings of the Company would explain the procedures for conducting poll before putting a resolution to vote. The results of the voting by poll will be declared at the meeting and published on the websites of the Stock Exchange and the Company respectively.

DIVIDEND POLICY

The Board has approved and adopted a dividend policy on 29 March 2019. In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among others, the financial results of the Group, the general financial conditions of the Group, cash flow, capital requirements and surplus of the Group and the interests of the shareholders of the Company. The Dividend Policy adopted by the Board is intended for the Company to maintain adequate cash reserves to meet its capital requirements, fund its future growth and enhance shareholder value when dividends are recommended.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

致中國新高教集團有限公司列位股東

(在開曼群島註冊成立之有限公司)

意見

本核數師已審核第111至210頁所載中國新高教集團有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表,包括於2018年12月31日之綜合財務狀況表與截至該日止年度之綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表的附註,包括主要會計政策概要。

吾等認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於2018年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例的披露要求妥為擬備。

意見的基礎

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。吾等在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」),吾等獨立於貴集團,並已根據守則履行其他道德責任。吾等相信,吾等所獲得的審計憑證能充足及適當地為吾等的審計意見提供基礎。

關鍵審計事項

根據吾等的專業判斷,關鍵審核事項為吾等審核於本期間的綜合財務報表中最重要的事項。吾等在審核綜合財務報表及就此達致意見時處理此等事項,而不會就此等事項單獨發表意見。就下文各事項而言,有關吾等審核時處理此等事項的描述僅適用於此等情況。

To the shareholders of
China New Higher Education Group Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China New Higher Education Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 111 to 210, 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 ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

吾等已履行本報告核數師就審計綜合財務報表須承擔的責任一節中所述的責任，包括與此等事項有關的責任。因此，吾等的審計包括執行旨在回應吾等對綜合財務報表重大錯誤陳述風險進行評估的程序。吾等的審計程序（包括為處理以下事項而執行的程序）的結果，為吾等就隨附綜合財務報表發表審計意見提供了基礎。

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.

Key audit matter
關鍵審計事項

Business Combinations
業務合併

During the year ended 31 December 2018, the Group completed acquisitions of Luoyang Science and Technology Vocational College ("Henan School") and Harbin Huade University ("Northeast School") at total consideration of approximately RMB395.5 million and RMB381.9 million, respectively. The accounting for these acquisitions involved significant judgement of the management for the purchase price allocation mainly in relation to the valuation of property, plant and equipment, investment properties, land use rights, and the remaining goodwill balance. The Group engaged an external independent appraiser to perform the valuation.

截至2018年12月31日止年度，貴集團分別以總代價約人民幣395.5百萬元及人民幣381.9百萬元完成收購洛陽科技職業學院（「河南學校」）及哈爾濱華德學院（「東北學校」）。該等收購的會計處理涉及管理層對購買價格分配的重大判斷，主要有關物業、廠房及設備、投資物業、土地使用權及餘下商譽結餘的估值。貴集團委聘外部獨立估值師進行估值。

Information about the acquisitions were disclosed in Note 3 Summary of significant accounting policies – Business combinations and goodwill and Note 31 Business combination to the financial statements.

有關該等收購的資料披露於財務報表附註3重大會計政策概要－業務合併及商譽及附註31業務合併。

How our audit addressed the key audit matter
吾等的審計如何處理關鍵審計事項

Our audit procedures, among others, included an assessment of the valuation methodologies adopted by the appraiser and the assumptions used in valuation of the assets acquired and liabilities assumed. We involved our internal valuation expert to assist us with assessing the competency, capabilities and objectivity of the external appraiser, reviewing the methodologies and the assumptions by reference to the historical experience and the available market information. We checked the accounting for preliminary allocation of the purchase consideration.

吾等的審核程序包括（其中包括）評估估值師採用的估值方法及所收購資產及所承擔負債估值所用的假設。吾等利用內部估值專家協助吾等評估外聘估值師的資質、能力及客觀性，並參考過往經驗及可用市場資料審閱有關方法及假設。吾等檢查購買代價的初步分配會計處理。

Key audit matter
關鍵審計事項

Income Tax
所得稅

As set out in note 11 to the financial statements, according to the Implementation Rules for the Law for Promoting Private Education, private schools for which the school sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatments as public schools. The preferential tax treatment policies applicable to private schools requiring reasonable returns are to be separately formulated by the relevant authorities under the State Council.

誠如財務報表附註11所載，根據《中華人民共和國民辦教育促進法實施條例》，學校舉辦者不要求合理回報的民辦學校合資格享受與公辦學校相同的稅收優惠待遇。國務院下屬相關部門將另行制定適用於要求合理回報民辦學校的稅收優惠待遇政策。

No corporate income tax was provided on the income from the Group's private schools in the People's Republic of China (the "PRC Private Schools"). In accordance with the historical tax returns filed to the relevant tax authorities and the tax compliance confirmations obtained therefrom, the PRC Private Schools did not pay corporate income tax for the income from formal educational services and has enjoyed the preferential tax treatment since their establishment. As a result, no income tax expense was recognised for the income from the provision of educational services during the year.

貴集團並無就其位於中華人民共和國的人民辦學校（「中國民辦學校」）的收入計提企業所得稅。根據過往向有關稅務機關提交的過往納稅申報及自有關稅務機關取得的稅務合規確認，中國民辦學校並未就學歷教育服務所得收入繳納企業所得稅，且自成立以來一直享有稅收優惠待遇。因此，於年內並無就提供學歷教育服務所得收入確認所得稅開支。

How our audit addressed the key audit matter
吾等的審計如何處理關鍵審計事項

The audit procedures included the following:
審計程序包括以下各項：

- Discussed with management to evaluate their interpretation of the tax laws and their assessment of the tax obligations of the schools operated by the Group for the current year;
- 與管理層討論，評估彼等對稅法的解釋及其對貴集團本年度經營學校的納稅義務的評估；
- Evaluated management's assessment on the application of preferential tax or applicable tax rate to the respective schools;
- 評估管理層對各學校應用優惠稅率或適用稅率的評估；
- Examined the historical tax filing returns filed to the relevant tax authorities and checked confirmations from the local tax bureaus, where appropriate;
- 審查向有關稅務機關提交的過往納稅申報，並酌情向當地稅務局核實確認（倘適用）；
- Discussed with the Group's external PRC legal advisors to understand their view with respect to the interpretation of the existing applicable laws which would have impact on the applicable tax on the respective schools;
- 與貴集團的中國外部法律顧問討論，了解彼等對現行適用法律的解釋的觀點，該等法律會對各學校的適用稅項產生影響；
- Assessed any new policies, regulations or rules that have been introduced by the authorities, which might have an impact on the tax position taken by the Group up to the date of this report; and
- 評估當局頒佈的可能對貴集團截至本報告日期的稅務狀況產生影響的任何新政策、法規或規則；及
- Involved our internal tax specialist to assist us in assessing the uncertainties arising from the preferential tax treatment enjoyed by the Group's schools.
- 利用內部稅務專家協助吾等評估貴集團學校享有的稅收優惠待遇所產生的不明朗因素。

Key audit matter
關鍵審計事項

There were significant judgements involved in management's analysis and assessment, such as the assessment on the possible outcome of the tax provision based on historical experiences and interpretation of the relevant tax laws and regulations in respect of the preferential tax treatment enjoyed by the PRC Private Schools.

管理層的分析及評估涉及重大判斷，例如根據歷史經驗評估稅項撥備的可能結果，以及有關中國民辦學校享有的稅收優惠待遇的相關稅法及法規的解釋。

Information about the income tax was disclosed in Note 3 Summary of significant accounting policies – Income tax and Note 11 Income tax to the financial statements.

有關所得稅的資料披露於財務報表附註3重大會計政策概要－所得稅及附註11所得稅。

Revenue Recognition
收入確認

Revenue mainly comprised the tuition fees and boarding fees from students, and these fees are collected through the official payment channels at the beginning of each academic year. Students' identity and applicable program are registered with the relevant education authorities. Tuition and boarding fees are calculated by reference to number of students and the annual fee of applicable program for the academic year, and is recognized proportionately over the relevant period of the applicable program. For the portion of tuition and boarding fees received from students but not earned is recorded as deferred revenue. Given the significant amount and volume of transactions and the risk of overstatement of revenue, we considered it a key audit matter.

收入主要由學生學費及住宿費組成，該等收入於各學年開始時透過官方支付渠道收取。學生的身份及適用課程已於有關教育當局登記。學費及住宿費乃參照該學年的學生數量及適用課程的年費計算，並於適用課程相關期間按比例確認入賬。已收但尚未入賬的學生學費及寄宿費部份計入遞延收入。考慮到交易的金額及數量重大及誇大收入的風險，吾等視其為關鍵審計事項。

Information about the revenue recognition was disclosed in Note 3 Summary of significant accounting policies – Revenue recognition and Note 6 Revenue, other income and gains to the financial statements.

有關收入確認的資料披露於財務報表附註3重大會計政策概要－收入確認及附註6收入、其他收益及增益。

How our audit addressed the key audit matter
吾等的審計如何處理關鍵審計事項

Our audit procedures included understanding the basis of revenue recognition and the overall transaction process and procedures adopted by the management; and we tested management's key internal controls in relation to revenue receipts process made through the official payment channels. On a sampling basis, we reviewed and checked the relevant supporting documentation including the student payment records, official student records registered with the relevant education authorities, and the payment remittance receipts of tuition and boarding fees. In addition, we recalculated the amount of deferred revenue and the revenue recognized in the period. We also checked the related disclosures.

吾等的審計程序包括了解管理層採納的收入確認基準及整個交易過程及程序。吾等亦就適用於透過官方渠道支付所產生的收入的關鍵內部監控進行檢測。吾等抽樣對有關支持性文件（包括學生繳費記錄、於有關教育機構註冊的正式的學生記錄及支付學費及寄宿費的匯款收據）進行審閱及檢查。此外，吾等重新計算遞延收入金額及於期內確認的收入。吾等亦檢查相關披露事項。

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

載於年報的其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於年報的資料，不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，而吾等不會對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已進行的工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。就此，吾等毋須作出報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求，編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會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，貴公司的董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非貴集團董事擬將貴公司清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

審核委員會協助貴公司董事履行彼等監督貴集團財務報告程序的責任。

核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的核數師報告。本報告僅向全體股東報告，除此以外不可作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。

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

In preparing the consolidated financial statements, the directors 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.

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, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂吾等意見。吾等結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

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.
- 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.

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

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

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

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

出具本獨立核數師報告的審計項目合夥人為梁偉立。

安永會計師事務所
執業會計師
香港

2019年3月29日

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Leung Wai Lap, Philip.

Ernst & Young
Certified Public Accountants
Hong Kong

29 March 2019

綜合損益表 截至2018年12月31日止年度
CONSOLIDATED STATEMENT OF PROFIT OR LOSS YEAR ENDED 31 DECEMBER 2018

			2018年 2018	2017年 2017
		附註 Notes	人民幣千元 RMB'000	人民幣千元 RMB'000
收入	REVENUE	6	561,450	414,405
銷售成本	Cost of sales		<u>(275,029)</u>	<u>(186,905)</u>
毛利	Gross profit		286,421	227,500
其他收益及增益	Other income and gains	6	166,044	128,347
銷售及分銷開支	Selling and distribution expenses		(5,434)	(3,640)
行政開支	Administrative expenses		(53,701)	(58,117)
其他開支	Other expenses		(38,567)	(4,580)
融資成本	Finance costs	7	<u>(77,970)</u>	<u>(39,554)</u>
除稅前溢利	PROFIT BEFORE TAX	8	276,793	249,956
所得稅開支	Income tax expense	11	<u>(22,525)</u>	<u>(16,634)</u>
年內溢利	PROFIT FOR THE YEAR		<u>254,268</u>	<u>233,322</u>
以下人士應佔：	Attributable to:			
母公司擁有人	Owners of the parent		242,530	233,368
非控股權益	Non-controlling interests		11,738	(46)
			<u>254,268</u>	<u>233,322</u>
母公司普通股股東 應佔每股盈利	EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
基本（人民幣）	Basic (RMB)			
一年內溢利	– For profit for the year	13	<u>0.17</u>	<u>0.17</u>
攤薄（人民幣）	Diluted (RMB)			
一年內溢利	– For profit for the year	13	<u>0.17</u>	<u>0.17</u>

綜合全面收益表 截至2018年12月31日止年度

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME YEAR ENDED 31 DECEMBER 2018

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
年內溢利	PROFIT FOR THE YEAR	254,268	233,322
其他全面虧損	OTHER COMPREHENSIVE LOSS		
於往後期間將不會重新分類 至損益的其他全面虧損	OTHER COMPREHENSIVE LOSS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		
換算海外業務的匯兌差額	Exchange differences on translation of foreign operations	(41,745)	(20,384)
於往後期間將不會重新分類 至損益的其他全面虧損淨額	Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	(41,745)	(20,384)
除稅後年內其他全面虧損	OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	(41,745)	(20,384)
年內全面收益總額	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	212,523	212,938
以下人士應佔：	Attributable to:		
母公司擁有人	Owners of the parent	200,785	212,984
非控股權益	Non-controlling interests	11,738	(46)
		212,523	212,938

綜合財務狀況表 2018年12月31日
CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2018

			2018年 2018	2017年 2017
		附註 Notes	人民幣千元 RMB'000	人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	14	2,116,119	985,301
投資物業	Investment properties	15	161,426	47,331
預付土地租賃款項	Prepaid land lease payments	16	203,930	96,910
商譽	Goodwill	17	196,114	-
其他無形資產	Other intangible assets	18	18,531	11,127
其他非流動資產	Other non-current assets	19	1,407,690	1,185,973
			<u>4,103,810</u>	<u>2,326,642</u>
非流動資產總值	Total non-current assets			
流動資產	CURRENT ASSETS			
預付款項、其他應收款項 及其他資產	Prepayments, other receivables and other assets	20	131,470	88,666
已抵押存款	Pledged deposits	21	63,534	30,000
現金及現金等價物	Cash and cash equivalents	21	349,630	118,648
其他流動資產	Other current assets		5,065	5,947
			<u>549,699</u>	<u>243,261</u>
流動資產總值	Total current assets			
流動負債	CURRENT LIABILITIES			
遞延收入	Deferred revenue	22	472,928	249,599
其他應付款項及應計費用	Other payables and accruals	23	488,762	192,983
計息銀行及其他借款	Interest-bearing bank and other borrowings	24	625,324	207,819
遞延收益	Deferred income	25	9,775	4,088
應付稅項	Tax payable		35,566	13,507
			<u>1,632,355</u>	<u>667,996</u>
流動負債總額	Total current liabilities			
流動負債淨額	NET CURRENT LIABILITIES		<u>(1,082,656)</u>	<u>(424,735)</u>
資產總值減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,021,154</u>	<u>1,901,907</u>

綜合財務狀況表 2018年12月31日

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2018

			2018年 2018	2017年 2017
		附註 Notes	人民幣千元 RMB'000	人民幣千元 RMB'000
非流動負債	NON-CURRENT LIABILITIES			
計息銀行及其他借款	Interest-bearing bank and other borrowings	24	661,523	144,440
遞延收益	Deferred income	25	31,001	28,637
遞延稅項負債	Deferred tax liabilities	27	49,419	3,975
非流動負債總額	Total non-current liabilities		<u>741,943</u>	<u>177,052</u>
資產淨值	Net assets		<u>2,279,211</u>	<u>1,724,855</u>
權益	EQUITY			
母公司擁有人應佔權益	Equity attributable to owners of the parent			
股本	Share capital	28	983	983
儲備	Reserves	30	1,856,011	1,723,872
			<u>1,856,994</u>	<u>1,724,855</u>
非控股權益	Non-controlling interests		<u>422,217</u>	-
總權益	Total equity		<u>2,279,211</u>	<u>1,724,855</u>

Li Xiao Xuan
李孝軒
Director
董事

Ding Yu
丁瑜
Director
董事

綜合權益變動表 截至2018年12月31日止年度
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY YEAR ENDED 31 DECEMBER 2018

	母公司擁有人應佔										非控股權益 Non-controlling interests	總權益 Total equity
	Attributable to owners of the parent											
	股本	股份溢價	資本儲備	購股權儲備	匯兌波動儲備	法定儲備	留存溢利	總計	非控股權益	總權益		
	Share capital	Share premium	Capital reserve	Share option reserve	Exchange fluctuation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total equity		
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
於2017年1月1日	-	-*	569,128*	-*	(15,594)*	162,294*	172,341*	888,169	54,347	942,516		
年內溢利	-	-	-	-	-	-	233,368	233,368	(46)	233,322		
年內其他全面虧損：												
與海外業務相關的匯兌差額	-	-	-	-	(20,384)	-	-	(20,384)	-	(20,384)		
年內全面收益總額	-	-	-	-	(20,384)	-	233,368	212,984	(46)	212,938		
就首次公開發售發行股份	197	702,606	-	-	-	-	-	702,803	-	702,803		
資本化發行	786	(786)	-	-	-	-	-	-	-	-		
股份發行開支	-	(32,349)	-	-	-	-	-	(32,349)	-	(32,349)		
收購非控股權益	-	-	(16,699)	-	-	-	-	(16,699)	(54,301)	(71,000)		
2017年中期股息	-	-	-	-	-	-	(30,053)	(30,053)	-	(30,053)		
轉發自留存溢利	-	-	-	-	-	75,213	(75,213)	-	-	-		
於2017年12月31日	983	669,471*	552,429*	-*	(35,978)*	237,507*	300,443*	1,724,855	-	1,724,855		

綜合權益變動表 截至2018年12月31日止年度

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY YEAR ENDED 31 DECEMBER 2018

	母公司擁有人應佔										非控股 權益 Non- controlling interests	總權益 Total equity
	Attributable to owners of the parent											
	股本	股份溢價	資本儲備	購股權 儲備	匯兌波動 儲備	法定儲備	留存溢利	總計	非控股 權益 Non- controlling interests	總權益		
	Share capital	Share premium	Capital reserve	Share option reserve	Exchange fluctuation reserve	Statutory reserve	Retained profits	Total	Non- controlling interests	Total equity		
	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000		
於2018年1月1日	983	669,471*	552,429*	-*	(35,978)*	237,507*	300,443*	1,724,855	-	1,724,855		
年內溢利	-	-	-	-	-	-	242,530	242,530	11,738	254,268		
年內其他全面虧損：												
與海外業務相關 的匯兌差額	-	-	-	-	(41,745)	-	-	(41,745)	-	(41,745)		
年內全面收益總額	-	-	-	-	(41,745)	-	242,530	200,785	11,738	212,523		
收購附屬公司 (附註31)	-	-	-	-	-	-	-	-	298,280	298,280		
非控股股東出資	-	-	-	-	-	-	-	-	112,199	112,199		
已宣派2017年末期股息 以股權支付的購股權 安排(附註29)	-	-	-	5,772	-	-	(35,778)	(35,778)	-	(35,778)		
2018年中期股息	-	-	-	-	-	-	(38,640)	(38,640)	-	(38,640)		
轉撥自留存溢利	-	-	-	-	-	90,764	(90,764)	-	-	-		
於2018年12月31日	983	669,471*	552,429*	5,772*	(77,723)*	328,271*	377,791*	1,856,994	422,217	2,279,211		

* 該等儲備賬包括綜合財務狀況表所列綜合其他儲備人民幣1,856,011,000元(2017年：人民幣1,723,872,000元)。

* These reserve accounts comprise the consolidated other reserves of RMB1,856,011,000 (2017: RMB1,723,872,000) in the consolidated statement of financial position.

綜合現金流量表 截至2018年12月31日止年度
CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2018

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
	附註 Notes		
經營活動現金流量	CASH FLOWS FROM OPERATING ACTIVITIES		
除稅前溢利	Profit before tax	276,793	249,956
就以下各項調整：	Adjustments for:		
融資成本	Finance costs	77,970	39,554
利息收益	Interest income	(8,187)	(2,808)
出售物業、廠房及 設備項目的虧損	Loss on disposal of items of property, plant and equipment	27	-
物業、廠房及設備項目的折舊	Depreciation of items of property, plant and equipment	44,804	32,374
投資物業的折舊	Depreciation of investment properties	1,435	906
預付款項、按金及其他 應收款項減值	Impairment of prepayments, deposits and other receivables	1,023	167
就投資新疆學校的預 付款項撥備	Provision for prepayment for investment for Xinjiang School	30,975	-
政府補助攤銷	Amortisation of government grants	(12,515)	(6,595)
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	2,824	2,263
其他無形資產攤銷	Amortisation of other intangible assets	4,349	2,448
以股權支付之購股權開支	Equity-settled share option expense	5,772	-
		425,270	318,265
預付款項、其他應收款項及 其他資產減少／(增加)	Decrease/(Increase) in prepayments, other receivables and other assets	305,299	(38,741)
其他流動資產減少／(增加)	Decrease/(increase) in other current assets	882	(2,532)
其他應付款項及應計費用減少 遞延收入(減少)／增加	Decrease in other payables and accruals (Decrease)/increase in deferred revenue	(272,118) (5,096)	(24,629) 32,552
經營業務所產生現金	Cash generated from operations	454,237	284,915
已收利息	Interest received	3,949	2,808
已付所得稅	Income tax paid	(1,450)	(663)
經營活動所得現金流量淨額	Net cash flows from operating activities	456,736	287,060
投資活動現金流量	CASH FLOWS FROM INVESTING ACTIVITIES		
購買物業、廠房及設備項目	Purchases of items of property, plant and equipment	(314,506)	(159,255)
出售物業、廠房及設備項目 所得款項	Proceeds from disposal of items of property, plant and equipment	1,045	-
預付土地租賃款項	Prepaid land lease payments	(27,083)	(115,130)
添置其他無形資產	Additions to other intangible assets	(8,759)	(6,119)
收購非控股權益	Acquisition of non-controlling interests	-	(71,000)
收購附屬公司	Acquisition of subsidiaries	(190,698)	-
投資預付款項	Prepayment on investments	(507,144)	(368,246)
已抵押定期存款(增加)／減少	(Increase)/decrease in pledged time deposits	(33,534)	22,749
投資活動所用現金流量淨額	Net cash flows used in investing activities	(1,080,679)	(697,001)

綜合現金流量表 截至2018年12月31日止年度

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2018

		2018年 2018	2017年 2017
	附註 Note	人民幣千元 RMB'000	人民幣千元 RMB'000
融資活動現金流量	CASH FLOWS FROM FINANCING ACTIVITIES		
發行股份所得款項	Proceeds from issues of shares	–	702,803
已付上市開支	Listing expenses paid	–	(52,031)
新增銀行及其他借款	New bank and other borrowings	1,704,396	522,249
償還銀行及其他借款	Repayment of bank and other borrowings	(816,253)	(765,996)
已付利息	Interest paid	(78,239)	(33,576)
已付股息	Dividends paid	(74,418)	(30,053)
已收與物業、廠房及設備 有關的政府補助	Receipt of government grants for property, plant and equipment	6,808	6,686
已收一間附屬公司非控股權益 出資所得現金	Cash receipts from capital contributions from non-controlling interest of a subsidiary	112,199	–
融資活動所得現金流量淨額	Net cash flows from financing activities	<u>854,493</u>	<u>350,082</u>
現金及現金等價物 增加／(減少)淨額	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	230,550	(59,859)
年初現金及現金等價物	Cash and cash equivalents at beginning of year	118,648	178,785
外匯匯率變動的影響，淨額	Effect of foreign exchange rate changes, net	432	(278)
年末現金及現金等價物	CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>349,630</u></u>	<u><u>118,648</u></u>
現金及現金等價物結餘分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
現金及銀行結餘	Cash and bank balances	294,630	73,648
受限制銀行結餘	Restricted bank balances	(63,534)	(30,000)
於收購時原到期日為三個月 或以上的定期存款	Time deposits with original maturity of three months or more when acquired	118,534	75,000
綜合財務狀況表所示的現金 及現金等價物	Cash and cash equivalents as stated in the consolidated statement of financial position	21 349,630	118,648
綜合現金流量表所示的現金 及現金等價物	Cash and cash equivalents as stated in the consolidated statement of cash flows	21 <u><u>349,630</u></u>	<u><u>118,648</u></u>

1. 公司資料

本公司於2016年7月8日根據開曼群島公司法註冊成立為獲豁免有限公司。本公司註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司於2017年4月19日在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為一家投資控股公司。年內,本公司及其附屬公司(統稱「本集團」)主要在中華人民共和國(「中國」)從事提供民辦教育服務。

關於附屬公司的資料

本公司附屬公司詳情如下:

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability under the Companies Law of the Cayman Islands on 8 July 2016. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 19 April 2017.

The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in rendering private education services in the People's Republic of China (the "PRC").

INFORMATION ABOUT SUBSIDIARIES

Particulars of the Company's subsidiaries are as follows:

名稱 Name	註冊成立/註冊地點及 日期及營運地點 Place and date of incorporation/ registration and place of business	已發行普通/ 註冊股本面值 Nominal value of issued ordinary/registered share capital	本公司應佔股權百分比 Percentage of equity interest attributable to the Company		主要活動 Principal activities
			直接 Direct	間接 Indirect	
Aspire Education Information Co., Ltd.	2015年10月29日, 英屬維爾京群島	50,000美元 (「美元」)	100%	-	投資控股
Aspire Education Information Co., Ltd.	29 October 2015, BVI	United States dollar ("USD") 50,000	100%	-	Investment holding
Aspire Education Holding Co., Ltd.	2015年10月30日, 香港	1港元(「港元」)	-	100%	投資控股
Aspire Education Holding Co., Ltd.	30 October 2015, Hong Kong	Hong Kong dollar ("HKD") 1	-	100%	Investment holding
雲南愛因森教育投資集團有限公司*	2005年5月19日, 中國/中國內地	人民幣34,900,959元	-	100%	投資控股
Yunnan Einsun Education Investment Group Co., Ltd.* 雲南愛因森教育投資集團有限公司	19 May 2005, PRC/ Mainland China	RMB34,900,959	-	100%	Investment holding
雲南工商學院(「雲南學校」)*	2005年9月29日, 中國/中國內地	人民幣16,000,000元	-	100%	提供教育服務
Yunnan Technology and Business University ("Yunnan School")* 雲南工商學院	29 September 2005, PRC/Mainland China	RMB16,000,000	-	100%	Rendering of education services

1. 公司資料 (續)

關於附屬公司的資料 (續)

1. CORPORATE INFORMATION (CONTINUED)

INFORMATION ABOUT SUBSIDIARIES (CONTINUED)

名稱 Name	註冊成立／註冊地點及 日期及營運地點 Place and date of incorporation/ registration and place of business	已發行普通／ 註冊股本面值 Nominal value of issued ordinary/registered share capital	本公司應佔股權百分比 Percentage of equity interest attributable		主要活動 Principal activities
			直接 Direct	間接 Indirect	
貴州工商職業學院 (「貴州學校」)* Guizhou Technology and Business Institute ("Guizhou School") * 貴州工商職業學院	2012年7月3日， 中國／中國內地 3 July 2012, PRC/Mainland China	人民幣64,240,000元 RMB64,240,000	—	100%	提供教育服務 Rendering of education services
北京愛因生教育投資有限責任公司* Beijing Aiyinsheng Education Investment Co., Ltd. * 北京愛因生教育投資有限責任公司	2012年10月16日， 中國／中國內地 16 October 2012, PRC/Mainland China	人民幣300,000,000元 RMB300,000,000	—	100%	投資控股 Investment holding
哈爾濱軒德科技有限公司 (「哈軒公司」)* Harbin Xuande Technology Co., Ltd. ("Haxuan Company") * 哈爾濱軒德科技有限公司	2016年4月19日， 中國／中國內地 19 April 2016, PRC/Mainland China	人民幣120,000,000元 RMB120,000,000	—	73.91%	投資控股 Investment holding
雲南大愛方舟信息諮詢有限公司* Yunnan Daai Fangzhou Information Consultancy Co., Ltd. * 雲南大愛方舟信息諮詢有限公司	2016年3月16日， 中國／中國內地 16 March 2016, PRC/Mainland China	人民幣300,000,000元 RMB300,000,000	—	100%	投資控股 Investment holding
西藏大愛輝煌信息科技有限公司 (「輝煌公司」)* Tibet Daai Huihuang Information and Technology Co., Ltd. ("Huihuang Company") * 西藏大愛輝煌信息科技有限公司	2016年8月5日， 中國／中國內地 5 August 2016, PRC/Mainland China	1,000,000美元 USD1,000,000	—	100%	提供技術及管理顧問 服務 Rendering of technical and management consultancy services
恩施自治州常青教育發展有限公司 (「恩常公司」)* Enshi Autonomous Prefecture Changqing Education Development Co., Ltd. ("Enchang Company") * 恩施自治州常青教育發展有限公司	2014年11月13日， 中國／中國內地 13 November 2014, PRC/Mainland China	人民幣500,000,000元 RMB500,000,000	—	100%	投資控股 Investment holding

1. 公司資料 (續)

關於附屬公司的資料 (續)

1. CORPORATE INFORMATION (CONTINUED)

INFORMATION ABOUT SUBSIDIARIES (CONTINUED)

名稱 Name	註冊成立／註冊地點及 日期及營運地點 Place and date of incorporation/ registration and place of business	已發行普通／ 註冊股本面值 Nominal value of issued ordinary/registered share capital	本公司應佔股權百分比 Percentage of equity interest attributable to the Company		主要活動 Principal activities
			直接 Direct	間接 Indirect	
California Academy of Business, Inc.	2016年7月18日， 美國	10美元	—	100%	提供技術及管理顧問 服務
California Academy of Business, Inc.	18 July 2016, United States	USD10	—	100%	Rendering of technical and management consultancy services
甘肅蘭博教育科技有限公司*	2017年8月11日， 中國／中國內地	人民幣300,000,000元	—	100%	投資控股
Gansu Lanbo Education Technology Co., Ltd. *	11 August 2017, PRC/Mainland China	RMB300,000,000	—	100%	Investment holding
甘肅蘭博教育科技有限公司					
北京大愛教育諮詢有限公司*	2017年7月26日， 中國／中國內地	人民幣90,000,000元	—	100%	投資控股
Beijing Daai Education Consulting Co., Ltd. *	26 July 2017, PRC/Mainland China	RMB90,000,000	—	100%	Investment holding
北京大愛教育諮詢有限公司					
北京大愛樹人教育諮詢有限公司*	2018年3月14日， 中國／中國內地	人民幣90,000,000元	—	100%	投資控股
Beijing Daai Shuren Education Consulting Co., Ltd. *	14 March 2018, PRC/Mainland China	RMB90,000,000	—	100%	Investment holding
北京大愛樹人教育諮詢有限公司					
北京大愛高學教育科技有限公司*	2018年3月23日， 中國／中國內地	人民幣90,000,000元	—	100%	投資控股
Beijing Daai Gaoxue Education Technology Co., Ltd. *	23 March 2018, PRC/Mainland China	RMB90,000,000	—	100%	Investment holding
北京大愛高學教育科技有限公司					
北京新高教文化發展有限公司*	2018年7月26日， 中國／中國內地	人民幣90,000,000元	—	100%	投資控股
Beijing New Higher Education Culture Development Co., Ltd. *	26 July 2018, PRC/Mainland China	RMB90,000,000	—	100%	Investment holding
北京新高教文化發展有限公司					

1. 公司資料 (續)

關於附屬公司的資料 (續)

1. CORPORATE INFORMATION (CONTINUED)

INFORMATION ABOUT SUBSIDIARIES (CONTINUED)

名稱 Name	註冊成立／註冊地點及 日期及營運地點 Place and date of incorporation/ registration and place of business	已發行普通／ 註冊股本面值 Nominal value of issued ordinary/registered share capital	本公司應佔股權百分比 Percentage of equity interest attributable		主要活動 Principal activities
			直接 Direct	間接 Indirect	
新疆大愛碩果管理諮詢有限公司* Xinjiang Daai Shuoguo Management Consulting Co., Ltd. * 新疆大愛碩果管理諮詢有限公司	2017年10月31日， 中國／中國內地 31 October 2017, PRC/Mainland China	人民幣30,000,000元 RMB30,000,000	—	100%	投資控股 Investment holding
哈爾濱華德學院 (「東北學校」)* Harbin Huade University ("Northeast School") * 哈爾濱華德學院	2003年5月22日， 中國／中國內地 22 May 2003, PRC/Mainland China	人民幣21,372,000元 RMB21,372,000	—	73.91%	提供教育服務 Rendering of education services
哈爾濱德燕科技開發有限公司* Harbin Deyan Technology Co., Ltd * 哈爾濱德燕科技開發有限公司	2014年11月24日， 中國／中國內地 24 November 2014, PRC/Mainland China	人民幣500,000元 RMB500,000	—	73.91%	投資控股 Investment holding
河南榮豫教育諮詢有限公司 (「河南榮豫」)* Henan Rongyu Education Consulting Co., Ltd. ("Henan Rongyu") * 河南榮豫教育諮詢有限公司	2017年3月2日， 中國／中國內地 2 March 2017, PRC/Mainland China	人民幣12,220,000元 RMB12,220,000	—	55%	投資控股 Investment holding
洛陽科技職業學院 (「河南學校」)* Luoyang Science and Technology Vocational College ("Henan School") * 洛陽科技職業學院	2013年7月19日， 中國／中國內地 19 July 2013, PRC/Mainland China	人民幣10,000,000元 RMB10,000,000	—	55%	提供教育服務 Rendering of education services
方舟碩果投資管理有限公司 Fangzhou Shuoguo Investment and Management Co., Ltd.	2017年12月29日， 香港 29 December 2017, Hong Kong	10,000港元 HKD10,000	—	100%	投資控股 Investment holding

1. 公司資料 (續)

關於附屬公司的資料 (續)

1. CORPORATE INFORMATION (CONTINUED)

INFORMATION ABOUT SUBSIDIARIES (CONTINUED)

名稱 Name	註冊成立／註冊地點及 日期及營運地點 Place and date of incorporation/ registration and place of business	已發行普通／ 註冊股本面值 Nominal value of issued ordinary/registered share capital	本公司應佔股權百分比 Percentage of equity interest attributable		主要活動 Principal activities
			直接 Direct	間接 Indirect	
China New Higher Education Group Asset Management Corporation	2018年7月10日， 開曼	1美元	—	100%	投資控股
China New Higher Education Group Asset Management Corporation	10 July 2018, Cayman	USD1	—	100%	Investment holding
香港新高教集團資產管理有限公司	2018年9月6日， 香港	1港元	—	100%	投資控股
Hong Kong New Higher Education Group Asset Management Ltd.	6 September 2018, Hong Kong	HKD1	—	100%	Investment holding
高明新巨企業管理有限公司 (「高明新巨」)*	2016年10月27日， 中國／中國內地	人民幣50,000,000元	—	51%	投資控股
Songming Xinju Enterprise Management Co., Ltd. ("Songming Xinju") *	27 October 2016, PRC/Mainland China	RMB50,000,000	—	51%	Investment holding
欽州英華大唐教育投資有限公司 (「欽州大唐」)*	2017年8月25日， 中國／中國內地	人民幣100,000,000元	—	51%	投資控股
Qinzhou Yinghua Datang Education Investment Co., Ltd. ("Qinzhou Datang") *	25 August 2017, PRC/Mainland China	RMB100,000,000	—	51%	Investment holding
欽州英華大唐教育投資有限公司					

* 由於該等公司並無登記任何官方英文名稱，因此該等公司的英文名稱由本公司管理層盡力從中文名稱直接翻譯而成。

* The English names of these companies represent the best effort made by management of the Company to directly translate the Chinese names as the companies do not register any official English names.

2.1 編製基準

財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」），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）及香港公認會計原則以及香港公司條例的披露規定編製。財務報表乃根據歷史成本慣例編製。該等財務報表以人民幣（「人民幣」）呈列，且除另有指明者外，所有價值約整至最接近的千位數。

本集團於2018年12月31日錄得流動負債淨額人民幣1,082,656,000元（2017年：人民幣424,735,000元）。

鑒於淨流動負債狀況，於評估本集團是否將具備進行持續經營的充足財務資源時，董事已審慎考慮本集團的未來流動資金及表現及其可用融資渠道。

經考慮來自營運的現金流入，董事信納本集團有能力於可見未來財務責任到期時全面履行其財務責任。為減低本集團可能面對的任何流動資金問題，本集團已自具信譽財務機構取得足夠銀行信貸以應付到期的財務責任。

因此，董事認為，按持續經營基準編製財務報表為合適。倘本集團未能按持續基準經營，則須作出調整以撇減資產價值至可收回金額，以及就可能出現的任何其他負債作出撥備。該等調整的影響並無反映於財務報表內。

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, 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. The financial statements have been prepared under the historical cost convention. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

The Group recorded net current liabilities of RMB1,082,656,000 as at 31 December 2018 (2017: RMB424,735,000).

In view of the net current liabilities position, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

Having considered the cash inflow from operations, the Directors are satisfied that the Group is able to meet in full its financial obligations as they fall due for the foreseeable future. To mitigate any liquidity issues that might be faced by the Group, the Group has obtained adequate banking facilities from reputable financial institutions to meet its obligations as and when they fall due.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, and to provide for any further liabilities which might arise. The effect of these adjustments has not been reflected in the financial statements.

2.1 編製基準 (續)

綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至2018年12月31日止年度的財務報表。附屬公司指本公司直接或間接控制的實體(包括結構化實體)。當本集團通過參與投資對象的相關活動而承擔可變回報的風險或有權享有可變回報,並且有能力運用對投資對象的權力(即令本集團目前有能力主導投資對象的相關活動的現時權利)影響該等回報時,即取得控制權。

當本公司直接或間接擁有少於投資對象大多數的表決或類似權利,在評估其是否擁有對投資對象的權力時,本集團會考慮所有相關事實和情況,包括:

- (a) 與投資對象其他表決權持有者的合約安排;
- (b) 其他合約安排產生的權利;及
- (c) 本集團的表決權及潛在表決權。

附屬公司的財務報表使用與本公司一致的會計政策按同一報告期間編製。附屬公司的業績由本集團取得控制權當日起計入綜合賬目,並持續計入綜合賬目至該控制權終止當日為止。

損益及其他全面收益的各個組成部份歸屬於本集團母公司的擁有人及非控股權益,即使此舉會導致非控股權益有虧絀結餘。本集團成員公司間交易涉及的所有集團內公司間資產與負債、權益、收益、開支及現金流量均於綜合時全數對銷。

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化,本集團會重新評估其是否控制被投資方。於一間附屬公司的擁有權權益變動(並無失去控制權)乃作為權益交易入賬。

2.1 BASIS OF PREPARATION (CONTINUED)

BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") 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.

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.

2.1 編製基準 (續)

綜合基準 (續)

倘本集團失去對附屬公司的控制權，則會終止確認(i)該附屬公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值；及(iii)計入權益的累計匯兌差額；並確認(i)已收取代價的公平值；(ii)任何保留投資的公平值；及(iii)所產生並於損益確認的任何盈餘或虧絀。先前已於其他全面收益確認的本集團應佔組成部份乃重新分類至損益或留存溢利(如適用)，基準與本集團直接出售相關資產或負債所需使用的基準相同。

2.2 會計政策及披露變動

本集團已就本年度之財務報表首次採納下列經修訂準則。

香港財務報告準則第2號之修訂本	股份支付款項交易之分類及計量
香港財務報告準則第4號之修訂本	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收入
香港財務報告準則第15號之修訂本	香港財務報告準則第15號來自客戶合約之收入之澄清
香港會計準則第40號之修訂本	轉讓投資物業
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及預付代價
2014年至2016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

2.1 BASIS OF PREPARATION (CONTINUED)

BASIS OF CONSOLIDATION (CONTINUED)

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.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards for the first time for the 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>
Amendments to HKAS 40	<i>Transfers of Investment Property</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
<i>Annual Improvements 2014-2016 Cycle</i>	Amendments to HKFRS 1 and HKAS 28

2.2 會計政策及披露變動（續）

該等新訂及經修訂香港財務報告準則之性質及影響說明如下：

(A) 香港財務報告準則第2號之修訂本處理三個主要範疇：歸屬條件對計量以現金結算以股份支付之交易的影響；為僱員履行與以股份支付相關之稅務責任而預扣若干金額的具有淨額結算特質之以股份支付之交易的分類；及對以股份支付之交易的條款及條件作出令其分類由現金結算變為股權結算之修訂時的入賬。該等修訂澄清計量股權結算以股份支付之款項時歸屬條件的入賬方法亦適用於現金結算以股份支付之款項。該等修訂引入一個例外情況，在符合若干條件時，為僱員履行稅務責任而預扣若干金額的具有淨額結算特質之以股份支付之交易，乃整項分類為股權結算以股份支付之交易。此外，該等修訂澄清，倘現金結算以股份支付之交易的條款及條件被修訂，令其成為股權結算以股份支付之交易，則該交易自修訂日期起作為股權結算交易入賬。該等修訂預期不會對本集團之財務狀況或表現產生任何重大影響，原因為本集團並無任何以現金結算以股份支付之交易，亦無預扣稅項的具有淨額結算特質的以股份支付之交易。

(B) 香港財務報告準則第9號金融工具於2018年1月1日或之後開始之年度期間取代香港會計準則第39號金融工具：確認及計量，匯集金融工具處理的三大方面：分類及計量、減值及對沖會計。

基於本集團之評估，根據過渡規定，於2018年1月1日首次應用香港財務報告準則第9號並無重大累積影響。因此，比較資料並未重述，並繼續根據香港會計準則第39號呈報。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

The nature and the impact of the new and revised HKFRSs are described below:

(A) Amendments to HKFRS 2 address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet an employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The amendments have had no impact on the financial position or performance of the Group as the Group does not have any cash-settled share-based payment transactions and has no share-based payment transactions with net settlement features for withholding tax.

(B) 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: classification and measurement, impairment and hedge accounting.

Based on the assessment by the Group, there was no significant cumulative effect of the initial application of HKFRS 9 at 1 January 2018 in accordance with the transition requirement. Therefore, the comparative information was not restated and continues to be reported under HKAS 39.

2.2 會計政策及披露變動（續）

(B) (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。於2018年1月1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號項下所呈報的結餘之對賬如下：

		香港會計準則第39號計量 HKAS 39 measurement			香港財務報告準則第9號計量 HKFRS 9 measurement		
		類別 Category	金額 Amount	重新分類 Reclassification	預期 信貸虧損 ECL	金額 Amount	類別 Category
			人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	
金融資產	Financial assets						
計入預付款項、其他應收款項及其他資產內之金融資產	Financial assets included in prepayments, other receivables and other assets	L&R ¹	129,462	-	-	129,462	AC ²
抵押存款	Pledged deposits	L&R	63,534	-	-	63,534	AC
投資預付款項	Prepayment for investments	L&R	1,283,467	-	-	1,283,467	AC
現金及現金等價物	Cash and cash equivalents	L&R	349,630	-	-	349,630	AC
總資產	Total assets		1,826,093	-	-	1,826,093	

		香港會計準則第39號計量 HKAS 39 measurement			香港財務報告準則第9號計量 HKFRS 9 measurement		
		類別 Category	金額 Amount	重新分類 Reclassification	預期 信貸虧損 ECL	金額 Amount	類別 Category
			人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	
金融負債	Financial liabilities						
計入其他應付款項及應計費用內之金融負債	Financial liabilities included in other payables and accruals	AC	443,929	-	-	443,929	AC
計息銀行及其他借貸	Interest-bearing bank and other borrowings	AC	1,286,847	-	-	1,286,847	AC
			1,730,776	-	-	1,730,776	
其他負債	Other liabilities						
遞延稅項負債	Deferred tax liabilities		49,419	-	-	49,419	
總負債	Total liabilities		1,780,195	-	-	1,780,195	

¹ L&R：貸款及應收款項
² AC：按攤銷成本計量之金融資產及金融負債

(B) (CONTINUED)

Classification and measurement

The following information sets out the impacts of adopting HKFRS 9 on the statement of financial position. A reconciliation between the carrying amounts under HKAS 39 and the balances reported under HKFRS 9 as at 1 January 2018 is as follows:

¹ L&R: Loans and receivables
² AC: Financial assets or financial liabilities at amortised cost

2.2 會計政策及披露變動（續）

(B) （續）

減值

香港財務報告準則第9號以預期信貸虧損模式取代香港會計準則第39號的「已產生虧損」模式。預期信貸虧損模式要求對金融資產的相關信貸風險持續計量，所以確認預期信貸虧損會較香港會計準則第39號的「已產生虧損」會計模式為早。本集團將新的預期信貸虧損模式應用於按攤銷成本計量之金融資產。期初總減值撥備對香港財務報告準則第9號項下之預期信貸虧損撥備並無香港財務報告準則第39號項下之重大財務影響。

- (C) 香港財務報告準則第15號及其修訂本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，且（除少數例外情況外）其應用於客戶合約產生之所有收益。香港財務報告準則第15號就來自客戶合約之收入入賬確立一個新五步模式。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務而有權在交換中獲取之代價金額進行確認。香港財務報告準則第15號的原則為就計量及確認收益提供更為結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額、關於履行責任、不同期間之間合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。相關披露載於財務報表附註4及6。由於應用香港財務報告準則第15號，本集團已於財務報表附註2.4變更有關收益確認的會計政策。

本集團透過採用經修訂追溯採納法採納香港財務報告準則第15號。根據此方法，該項準則適用於初始應用日期的所有合約或僅適用於當日尚未完成的合約。本集團選擇將該項準則應用於2018年1月1日尚未完成的合約。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(B) (CONTINUED)

Impairment

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the ECL model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39. The Group applies the new ECL model to the financial assets measured at amortised cost. The aggregate opening impairment allowances had no significant financial effect under HKAS 39 to the ECL allowances under HKFRS 9.

- (C) 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 liability account balances between periods and key judgements and estimates. The disclosures are included in notes 4 and 6 to the financial statements. As a result of the application of HKFRS 15, the Group has changed the accounting policy with respect to revenue recognition in note 2.4 to the financial statements.

The Group has 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.

2.2 會計政策及披露變動（續）

(C)（續）

首次應用香港財務報告準則第15號產生的累計影響確認為對於2018年1月1日累計虧損的期初結餘作出之調整。因此，比較資料並無重列，並繼續根據香港會計準則第11號、香港會計準則第18號及相關詮釋規定呈報。本集團認為採納香港財務報告準則第15號對本集團財務狀況及表現並無重大影響。

(D) 香港會計準則第40號之修訂本澄清實體應將物業（包括在建築或發展中物業）轉入或轉出投資物業的時間。該等修訂指明，物業用途只於該物業符合或不再符合投資物業之定義且有證據證明用途發生變動時才會發生變動。僅憑管理層對物業用途之意向改變不足以證明其用途有所變動。該等修訂並無對本集團的財務狀況或表現產生任何影響。

(E) 香港（國際財務報告詮釋委員會）－詮釋第22號為實體以外幣收取或支付預付代價及確認非貨幣性資產或負債的情況下，在採納香港會計準則第21號時，應如何釐定交易日期提供指引。該詮釋釐清，就釐定於初步確認有關資產、開支或收入（或其中部分）所用的匯率時，交易日期為實體初步確認因支付或收取預付代價而產生的非貨幣性資產（如預付款項）或非貨幣性負債（如遞延收入）之日。倘確認有關項目存在多筆預付款或預收款，實體須就每筆預付代價款或收取預付代價款釐定交易日期。該詮釋並無對本集團的財務報表造成任何影響，原因為本集團為釐定非貨幣資產或非貨幣負債初步確認而應用的匯率的會計政策與該詮釋所提供的指引一致。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(C) (CONTINUED)

The cumulative effect of the initial application of HKFRS 15 was recognised as an adjustment to the opening balance of retained profits as at 1 January 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 11, HKAS 18 and related interpretations. The Group considers that the adoption of HKFRS 15 did not have significant impact on our financial position and performance during the year.

(D) Amendments to HKAS 40 clarify when an entity should transfer property, including property under construction or development, into or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments have had no impact on the financial position or performance of the Group.

(E) HK(IFRIC)-Int 22 provides guidance on how to determine the date of the transaction when applying HKAS 21 to the situation where an entity receives or pays advance consideration in a foreign currency and recognises a non-monetary asset or liability. The interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset (such as a prepayment) or non-monetary liability (such as deferred income) arising from the payment or receipt of the advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the entity must determine the transaction date for each payment or receipt of the advance consideration. The interpretation has had no impact on the Group's financial statements as the Group's accounting policy for the determination of the exchange rate applied for initial recognition of non-monetary assets or non-monetary liabilities is consistent with the guidance provided in the interpretation.

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並無於財務報表中採納以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂本	業務的定義 ²
香港財務報告準則第9號之修訂本	提早還款特徵及負補償 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂本(2011年)	投資者與其聯營公司或合營公司之間的資產出售或投入 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號之修訂本	重大的定義 ²
香港會計準則第19號之修訂本	計劃的修改、縮減或結算 ¹
香港會計準則第28號之修訂本	於聯營公司及合營公司的長期權益 ¹
香港財務報告詮釋委員會—詮釋第23號	所得稅處理的不確定性 ¹
2015年至2017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 自2019年1月1日或之後開始的年度期間生效

² 自2020年1月1日或之後開始的年度期間生效

³ 自2021年1月1日或之後開始的年度期間生效

⁴ 尚未釐定強制生效日期，但可採用

本集團正在評估初始應用該等新訂及經修訂香港財務報告準則的影響。迄今為止，本集團認為該等新訂及經修訂香港財務報告準則可能會導致會計政策變動，但不大可能對本集團的經營業績及財務狀況產生重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSS

The Group has not adopted the following new and revised HKFRSS that have been issued but are not yet effective, in the 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
<i>Annual Improvements 2015-2017 Cycle</i>	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

The Group is in the process of making an assessment of the impact of these new and revised HKFRSS upon initial application. So far, the Group considers that these new and revised HKFRSS may result in changes in accounting policies and are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 已頒佈但尚未生效的香港財務報告準則（續）

預期適用於本集團的該等香港財務報告準則之詳情載於下文。採納後的實際影響可能與下述者有別，視乎本集團於應用該等準則時所得額外合理及輔助資料而定。

香港財務報告準則第3號之修訂本澄清並提供有關業務定義的額外指引。修訂澄清，對於一系列被視為業務的綜合活動及資產，其必須至少包括一項投入及實質性過程，共同對創造產出的能力作出重大貢獻。業務可以在不包含創建輸出所需的所有投入及過程的情況下存在。修訂取消了對市場參與者是否有能力獲得業務並繼續產出產出的評估。相反，重點乃獲得的投入及獲得的實質性過程是否共同對創造產出的能力作出重大貢獻。修訂亦還縮小產出的定義，重點關注向客戶提供的商品或服務、投資收入或日常業務過程中的其他收入。此外，修訂提供了指導，以評估獲得的過程是否具有實質性，並引入可選的公平值集中測試，以便簡化評估所獲得的一系列活動及資產是否並非為一項業務。本集團預期自2020年1月1日起採納該等修訂。

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSS (CONTINUED)

Further information about those HKFRSSs that are expected to be applicable to the Group is described below. The actual impacts upon adoption could be different to those below, depending on additional reasonable and supportable information being made available to the Group at the time of applying the standards.

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

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(詮釋常務委員會) – 詮釋第15號經營租賃 – 優惠及香港(詮釋常務委員會) – 詮釋第27號評估涉及租賃法律形式交易的實質。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，或涉及應用重估模型的物業、廠房及設備類別，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。承租人亦將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較根據香港會計準則第17號作出更多披露。出租人可選擇以全面追溯應用或部分追溯應用方式應用該準則。本集團將自2019年1月1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號的過渡規定，將首次採納的累計影響確認為對於2019年1月1日保留盈利期初結餘的調整，以及不會重列比較數字。此外，本集團計劃將新規定應用於先前已應用香港會計準則第17號而識別為租賃的合約，並按剩餘租賃付款的現值計量租賃負債，以及使用本集團於首次應用日期的增量借貸利率貼現。有使用權資產將按租賃負債金額計量，並按緊接首次應用日期前在財務狀況表中確認與租賃相關的任何預付或應計租賃付款金額進行調整。本集團計劃在租賃合約中使用該準則所允許的豁免，其租賃期限自首次申請日期起計12個月內終止。於2018年，本集團已就採用香港財務報告準則第16號的影響進行詳細評估。本集團估計人民幣1,820,000元的有使用權資產及人民幣1,820,000元的租賃負債將於2019年1月1日予以確認，並對保留盈利的期初餘額進行相應調整。

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSS (CONTINUED)

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 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. During 2018, the Group has performed a detailed assessment on the impact of adoption of HKFRS 16. The Group has estimated that right-of-use assets of RMB1,820,000 and lease liabilities of RMB1,820,000 will be recognised at 1 January 2019 with a corresponding adjustment to the opening balance of retained earnings.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港會計準則第1號及香港會計準則第8號之修訂本提供了重大的新定義。新定義指出，若省略、錯誤陳述或模糊資料，可合理預期其將影響一般用途財務報表的主要使用者根據該等財務報表作出的決定。修訂澄清重大將取決於資料的性質或程度。若可合理預期資料的錯誤陳述會影響主要用戶做出的決定，則錯誤陳述資料屬重大。本集團預期自2020年1月1日起採納該等修訂。該等修訂預計不會對本集團的財務報表產生任何重大影響。

3. 重大會計政策概要

業務合併及商譽

業務合併採用收購法入賬。轉讓的代價按收購日期的公平值計量，即本集團向被收購方原擁有人所轉讓資產於收購日期之公平值、本集團為被收購方原擁有人所承擔負債以及本集團為換取被收購方控制權所發行股權之總和。對於各項業務合併，收購方按公平值或應佔被收購方可識別資產淨值的比例計量被收購方的非控股權益。非控股權益的所有其他組成部份乃按公平值計量。收購相關成本於產生時支銷。

本集團收購業務時根據按合約條款、收購日期的經濟狀況及相關條件所作適當分類及指定用途評估所接收的金融資產及負債，其中包括分離被收購方主合約中的嵌入式衍生工具。

若業務合併分階段進行，則先前所持權益按收購日期的公平值計量而所產生收益或虧損於損益中確認。

收購方所轉讓的任何或然代價將於收購日期按公平值確認。分類為一項資產或負債之或然代價乃按公平值計量，其公平值變動於損益中確認。分類為權益的或然代價不會進行重新計量，其後結算於權益內列賬。

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSS (CONTINUED)

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 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 acquirer measures the non-controlling interests in the acquiree either 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 measured 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 will be 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 either in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

3. 重大會計政策概要 (續)

業務合併及商譽 (續)

商譽初始按成本計量，即所轉讓代價、已確認非控股權益金額以及本集團先前所持被收購方權益的公平值總額超出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總和低於所收購資產淨值的公平值，則差額經重新評估後於損益確認為議價購買收益。

初步確認後，商譽按成本減累計減值虧損計量。商譽每年就減值進行測試，倘有事件或情況變化顯示賬面值可能出現減值跡象，則進行更為頻密之測試。本集團會對12月31日的商譽進行年度減值測試。就減值測試而言，業務合併中購入的商譽由收購日期起，被分配到預期將從合併的協同效應中受益的本集團各現金產生單位（或現金產生單位組別），不論本集團的其他資產或負債是否被分配至該等單位或單位組別。

減值按對與商譽有關的現金產生單位（現金產生單位組別）可收回金額進行的評估釐定。倘現金產生單位（現金產生單位組別）的可收回金額少於其賬面值，則確認減值虧損。就商譽確認的減值虧損不會於其後期間撥回。

當商譽獲分配至現金產生單位（或現金產生單位組別）而出售該單位內的某部份業務，則於釐定出售業務的收益或虧損時，與出售業務相關商譽將包括在該業務的賬面值內。在此等情況下出售的商譽將以出售業務和保留的現金產生單位部份相對價值為基礎進行計量。

3. 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 carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. 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.

3. 重大會計政策概要 (續)

公平值計量

本集團於各報告期末按公平值計量其投資物業。公平值為在市場參與者之間的有序交易中，於計量日期就銷售一項資產所收取或就轉讓一項負債所支付的價格。公平值計量乃基於假設出售資產或轉讓負債的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，於資產或負債的最有利市場進行。主要或最有利市場須為本集團可進入的市場。資產或負債的公平值乃使用市場參與者為資產或負債定價所用的假設計量（假設市場參與者依照彼等的最佳經濟利益行事）。

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

本集團使用適用於不同情況的估值方法，而其有足夠數據計量公平值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

所有於財務報表中計量或披露公平值的資產及負債，乃按對整體公平值計量而言屬重大的最低級別輸入數據分類至下述的公平值等級：

- 第一級 — 按相同資產或負債於活躍市場之報價（未經調整）計量
- 第二級 — 按對公平值計量而言屬重大的最低級別輸入數據直接或間接根據可觀察市場數據得出的估值方法計量
- 第三級 — 按對公平值計量而言屬重大的最低級別輸入數據並非根據可觀察市場數據得出的估值方法計量

就於財務報表按經常基準確認的資產及負債而言，本集團於各報告期結束時按對整體公平值計量而言屬重大的最低級別輸入數據重新評估分類，以釐定各層之間有否出現轉移。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE MEASUREMENT

The Group measures its investment properties 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.

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.

3. 重大會計政策概要 (續)

非金融資產的減值

如有跡象表明出現減值或須對資產進行年度減值測試(金融資產及非流動資產/列作持作出售的出售組別除外),則對該資產的可收回金額進行估計。資產的可收回金額乃按該資產或現金產生單位的使用價值及其公平值(以較高者為準)減出售成本計算,並就個別資產而確定,除非有關資產沒有產生在很大程度上獨立於其他資產或資產組別的現金流入。在此情況下,可收回金額就資產所屬的現金產生單位而確定。

減值虧損僅在資產賬面值超出其可收回金額時予以確認。評估使用價值時,估計未來現金流量按可反映現時市場對貨幣時間價值及資產特定風險的評估的稅前折現率折算為現值。減值虧損於產生期間從損益中在該等與已減值資產功能一致的支出類別中扣除。

於各年度期間末均會評估是否有跡象表明先前已確認的減值虧損不再存在或減少。如出現該等跡象,則估計可收回金額。以前確認的資產(商譽除外)減值虧損僅在用以確定資產可收回金額的估計改變時撥回,但撥回後的金額不得高於假設以往年度並未對資產確認減值虧損的情況下的賬面值(扣除任何折舊/攤銷之後),惟資產按重估價值列賬則除外,減值虧損的撥回於產生期間計入損益。在此情況下,減值虧損撥回根據該重估資產之相關會計政策進行會計處理。

3. 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 financial assets and non-current assets/a disposal group classified as held for sale), 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 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 year 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 profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 重大會計政策概要 (續)

關聯方

倘任何人士符合以下條件，則被視為與本集團有關聯：

- (a) 倘該方屬某位人士或該人士的家庭成員，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；
 - (iii) 為本集團或本集團母公司主要管理層成員；

或

- (b) 倘該方為符合下列任何條件的實體：
 - (i) 該實體與本集團屬同一集團的成員；
 - (ii) 為另一實體的聯營公司或合營公司（或其他實體的母公司、附屬公司或同系附屬公司）的一家實體；
 - (iii) 該實體與本集團同為相同第三方的合營公司；
 - (iv) 一家實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體是為本集團或與本集團相關實體的僱員利益設立的離職後福利計劃；
 - (vi) 該實體由(a)項所界定人士控制或共同控制；
 - (vii) (a)(i)項所界定人士對該實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員；及
 - (viii) 該實體或其所屬集團中任何成員向本集團或本集團母公司提供主要管理人員服務。

3. 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;
 - (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.

3. 重大會計政策概要 (續)

物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備乃按成本減累計折舊及任何減值虧損列賬。當物業、廠房及設備項目被分類為持作出售或當其屬被分類為持作出售可供出售組別的一部份，則不予折舊，並按照香港財務報告準則第5號入賬。物業、廠房及設備項目的成本包括其購買價及任何使資產達到運作狀況及地點作擬定用途的直接應佔成本。

物業、廠房及設備項目投入運營後所產生支出，例如維修及維護費用，一般於產生期間自損益扣除。在符合確認條件的情況下，重大檢修的支出於資產的賬面值資本化作為重置。倘物業、廠房及設備的重要部份須不時置換，本集團將該等部份確認為具有特定可使用年期的個別資產，並相應計算折舊。

折舊乃以直線法計算，在各項物業、廠房及設備項目的估計可使用年期內撇銷其成本至其剩餘價值。就此所使用的主要年率如下：

樓宇	1.9%
租賃裝修	19.4%-33.3%
汽車	19.4%
傢俱及裝置	12.1%
電子設備	19.4%-32.3%

倘物業、廠房及設備項目各部份的可使用年期有所不同，則該項目的成本按合理基準分配至各部份，而各部份將分別折舊。剩餘價值、可使用年期及折舊方法將至少於各財政年度末檢討及作出調整（如適用）。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5. 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 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 a 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:

Buildings	1.9%
Leasehold improvements	19.4%-33.3%
Motor vehicles	19.4%
Furniture and fixtures	12.1%
Electronic devices	19.4%-32.3%

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.

3. 重大會計政策概要 (續)

物業、廠房及設備以及折舊 (續)

初步確認的物業、廠房及設備項目以及任何重要部份於出售後或預期使用或出售該項目不會產生未來經濟利益時終止確認。於資產被終止確認年度在損益確認的任何出售或報廢的收益或虧損，乃有關資產出售所得款項淨額與賬面值的差額。

在建工程按成本減任何減值虧損列賬且不計算折舊。成本包括在建期間的直接建造成本。在建工程於竣工並可供使用時重新分類至物業、廠房及設備或投資物業的適當類別。

土地使用權

所有於中國內地的土地均屬國有且並不存在個人土地所有權。本集團獲得使用若干土地的權利且該等權利的代價支付入賬作土地使用權，代價使用直線法於介乎20至50年的租賃期限內攤銷。

投資物業

投資物業乃於持作賺取租金收益及／或資本增值，而非作生產或供應貨品或服務或作行政用途，亦非作一般業務過程中銷售的土地及樓宇的權益（包括將可能會以其他方式符合投資物業的定義的物業的經營租賃下的租賃權益）。該等物業首次按成本計量，當中包括交易成本。首次確認後，投資物業採用歷史成本減去累計折舊和任何減值撥備的金額計量。折舊乃使用直線基準，將投資物業之成本按其50年估計可使用年期攤銷至其剩餘價值計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION (CONTINUED)

An item of property, plant and equipment and 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 profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

LAND USE RIGHTS

All land in Mainland China is state-owned and no individual land ownership rights exist. The Group acquires the rights to use certain land and the considerations paid for such rights are recorded as land use rights, which are amortised over the lease terms ranging from 20 to 50 years using the straight-line method.

INVESTMENT PROPERTIES

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at historical cost less accumulated depreciation and provision for any impairment in value. Depreciation is calculated on the straight-line basis to write off the cost of an investment property to its residual value over its estimated useful life of 50 years.

3. 重大會計政策概要 (續)

投資物業 (續)

後續支出僅在未來與該項相關的經濟利益很可能流入本集團，並且該項目的成本能可靠計量時計入資產的賬面金額；否則，支出在其發生當年於損益內確認。

倘投資物業成為業主自用，則重新分類為物業、廠房及設備，而就會計目的而言，於重新分類當日的賬面金額為其成本。倘物業、廠房及設備的某個項目因其用途改變而成為投資物業，就計量或披露而言，該轉撥並無改變所轉撥物業的賬面值，亦無改變該物業的成本。

無形資產 (商譽除外)

單獨收購的無形資產初步確認時按成本計量。於業務合併中購入的無形資產的成本為收購當日的公平值。無形資產的可使用年期被評定為有限期或無限期。具有有限年期的無形資產按可使用經濟年期攤銷，並於該無形資產可能出現減值的跡象時作減值評估。具有有限使用年期的無形資產的攤銷年期及攤銷方法至少於每個財政年度結束時進行檢討。

軟件

已購入的軟件按成本減任何減值虧損列賬，並以直線法於其五年估計可使用年期攤銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENT PROPERTIES (CONTINUED)

Subsequent expenditure is capitalised in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the costs of the item can be measured reliably; otherwise, the expenditures are recognised in profit or loss in the year in which they are incurred.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its carrying amount at the date of reclassification becomes its cost for accounting purposes. If an item of property, plant and equipment becomes an investment property because its use has changed, the transfer does not change the carrying amount of the property transferred, nor does it change the cost of that property for measurement or disclosure purposes.

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.

Software

Purchased software is stated at cost less any impairment losses and amortised on the straight-line basis over its estimated useful life of five years.

3. 重大會計政策概要 (續)

研發成本

所有研發成本在產生時於損益表扣除。

開發新產品項目所產生的開支僅在本集團能夠展示其在技術上能夠完成無形資產以供使用或出售、其完成資產的意向並能夠加以使用或將之出售、資產如何產生未來經濟利益、有足夠資源以完成項目並且有能力可靠地計量開發期間的開支之情況下，才會資本化及遞延。未能符合此等條件的產品開發開支於產生時列作開支。

遞延開發成本按成本扣除任何減值虧損列賬，並按有關產品自產品投入商業生產日期起計不超過五至七年的商業可用年期以直線法攤銷。

租賃

將資產所有權 (合法業權除外) 的絕大部份回報及風險撥歸本集團的租約列為融資租賃。於融資租賃訂立時，租賃資產的成本按最低租賃款項的現值資本化，並連同債項 (不包括利息部份) 列賬，以反映購買及融資事項。以資本化融資租賃持有的資產 (包括融資租賃項下的預付土地租賃款項) 計入物業、廠房及設備，並按其租期及估計可使用年期折舊 (以較短者為準)。租約的融資成本自損益中扣除，以便在租期內提供固定支銷率。

資產所有權的絕大部份回報及風險仍歸出租人所有的租賃均列為經營租賃。倘本集團為出租人，則其按經營租賃出租的資產均列為非流動資產，經營租賃下的租金收入於租期內按直線法計入損益。倘本集團為承租人，經營租賃的應付租金 (扣除從出租人所收取的任何優惠) 於租期內按直線法於損益中扣除。

經營租賃的預付土地租賃款項初始按成本列賬，其後則於租期內按直線法確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RESEARCH AND DEVELOPMENT COSTS

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five to seven years, commencing from the date when the products are put into commercial production.

LEASES

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to profit or loss so as to provide a constant periodic rate of charge over the lease terms.

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 lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

3. 重大會計政策概要 (續)

投資及其他金融資產 (根據香港財務報告準則第9號自2018年1月1日起適用的政策)

初始確認及計量

金融資產於初步確認時分類為其後按攤銷成本計量。

初始確認金融資產分類取決於金融資產的合約現金流特徵，以及本集團管理金融資產的業務模式。本集團最初按其公平值計量金融資產，倘金融資產並非按公平值計入損益，則加上交易成本。

金融資產需要令現金流量僅為償還本金及未償還本金利息 (「僅為償還本金及利息」)，方可分類為按攤銷成本計量的金融資產。

本集團管理金融資產的業務模式指本集團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因收取合約現金流量、出售金融資產或因前述兩者而引起。

所有金融資產的常規買賣於交易日 (即本集團承諾購買或出售該資產之日) 確認。常規買賣指須在法規或市場慣例普遍規定的期間交付資產的金融資產買賣。

後續計量

金融資產的後續計量取決於彼等的分類並載列如下：

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS AND OTHER FINANCIAL ASSETS (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

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. 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.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

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:

3. 重大會計政策概要 (續)

投資及其他金融資產 (根據香港財務報告準則第9號自2018年1月1日起適用的政策) (續)

按攤銷成本列賬的金融資產 (債務工具)

倘符合以下兩項條件，則本集團會按攤銷成本計量金融資產：

- 金融資產乃於以持有金融資產為目標的業務模式內持有，旨在收取合約現金流量。
- 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。

按攤銷成本列賬之金融資產其後使用實際利率法計量，並可予減值。倘資產終止確認、修訂或減值，則收益及虧損會於損益表確認。

投資及其他金融資產 (根據香港會計準則第39號於2018年1月1日前適用的政策)

初始確認及計量

金融資產於初始確認時分為貸款及應收款項。初步確認金融資產時按公平值加上收購金融資產應佔的交易成本計量，惟按公平值計入損益的金融資產則除外。

所有金融資產的常規買賣於交易日 (即本集團承諾購買或出售該資產之日) 確認。常規買賣指須在法規或市場慣例普遍規定的期間交付資產的金融資產買賣。

後續計量

金融資產的後續計量取決於彼等的分類並載列如下：

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS AND OTHER FINANCIAL ASSETS (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018) (CONTINUED)

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 solely payments of principal and interest 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.

INVESTMENTS AND OTHER FINANCIAL ASSETS (POLICIES UNDER HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as loans and receivables. 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.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

3. 重大會計政策概要 (續)

投資及其他金融資產 (根據香港會計準則第39號於2018年1月1日前適用的政策) (續)

貸款及應收款項

貸款及應收款項指有固定或可確定付款 (在活躍市場並無報價) 的非衍生金融資產。初始計量後, 該等資產隨後採用實際利率法以攤銷成本減任何減值準備計量。計算攤銷成本時, 計及收購產生的任何折價或溢價, 並計入作為實際利率不可或缺部份的費用或成本。實際利率攤銷計入損益的其他收益及增益。減值虧損於損益中確認為貸款融資成本及應收款項的其他開支。

終止確認金融資產 (根據香港財務報告準則第9號自2018年1月1日起適用的政策及根據香港會計準則第39號於2018年1月1日前適用的政策)

金融資產 (或 (如適用) 一項金融資產的一部份或一組類似金融資產的一部份) 在下列情況將被初步終止確認 (即自本集團綜合財務狀況表移除) :

- 收取該項資產所得現金流量的權利經已屆滿; 或
- 本集團已轉讓其收取該項資產所得現金流量的權利, 或根據一項「轉付安排」, 在沒有嚴重推遲的情況下, 已承擔全數支付已收現金流量予第三方的義務; 且 (a) 本集團已轉讓該項資產的絕大部份風險及回報; 或 (b) 本集團並未轉讓或保留該項資產絕大部份風險及回報, 但已轉讓該項資產的控制權。

當本集團已轉讓其收取該項資產所得現金流量的權利或訂立轉付安排, 其將評估是否仍保留資產所有權的風險及回報及其程度。如並未轉讓或保留該項資產的絕大部份風險及回報, 且並未轉讓該項資產的控制權, 該項已轉讓資產將按本集團持續參與程度確認。在該情況下, 本集團亦確認一項相關責任。已轉讓資產及相關責任按可反映本集團所保留權利及責任的基準計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS AND OTHER FINANCIAL ASSETS (POLICIES UNDER HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018) (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. 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 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 and gains in profit or loss. The loss arising from impairment is recognised in profit or loss in finance costs for loans and in other expenses for receivables.

DERECOGNITION OF FINANCIAL ASSETS (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018 AND POLICIES UNDER HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primary 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 assets. 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.

3. 重大會計政策概要 (續)

終止確認金融資產 (根據香港財務報告準則第9號自2018年1月1日起適用的政策及根據香港會計準則第39號於2018年1月1日前適用的政策) (續)

通過對已轉讓資產作出擔保的形式持續參與，按該項資產的原賬面值與本集團或須償還的最高代價金額的較低者計量。

金融資產減值 (根據香港財務報告準則第9號自2018年1月1日起適用的政策)

本集團就所有並非按公平值計入損益持有的債務工具確認預期信貸虧損準備。預期信貸虧損乃以根據合約應付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為基準，按原有實際利率相近的差額貼現。預期現金流量將包括來自銷售所持有抵押品或其他信用增級的現金流量，此乃合約條款不可或缺的部分。

一般模式

預期信貸虧損於兩個階段進行確認。對於自初始確認後並無顯著增加的信貸風險，預期信貸虧損就可能於未來12個月內出現的違約事件產生的信貸虧損計提撥備 (12個月預期信貸虧損)。對於自初始確認後有顯著增加的信貸風險，須在信貸虧損預期的剩餘年期計提虧損撥備，不論違約事件於何時發生 (全期預期信貸虧損)。

於各報告日期，本集團評估自初始確認後金融工具的信貸風險是否顯著增加。本集團作出評估時會對於報告日期金融工具發生的違約風險及於初始確認日期起金融工具發生的違約風險進行比較，並考慮無需付出不必要成本或努力而可得到的合理及可支持資料，包括歷史及前瞻性資料。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DERECOGNITION OF FINANCIAL ASSETS (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018 AND POLICIES UNDER HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018) (CONTINUED)

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.

IMPAIRMENT OF FINANCIAL ASSETS (POLICIES UNDER HKFRS 9 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 ECL). 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 ECL).

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.

3. 重大會計政策概要 (續)

金融資產減值 (根據香港財務報告準則第9號自2018年1月1日起適用的政策) (續)

當內部或外部資料顯示本集團不可能在本集團採取任何信貸提升前悉數收回未償還合約金額時，本集團認為該金融資產違約。金融資產於不能合理預期收回合約現金流量時撇銷。

按攤銷成本計量的金融資產，在一般模式下可能會發生減值，並且在以下階段分類用於預期信貸虧損計量，惟採用下文詳述的簡化模式的貿易應收款項及合約資產除外。

第一階段 — 金融工具自初始確認以來並無顯著增加信貸風險，且其虧損撥備按相等於12個月預期信貸虧損的金額計量

第二階段 — 金融工具自初始確認以來顯著增加信貸風險，但並不屬信貸減值金融資產，且其虧損撥備按相等於全期預期信貸虧損的金額計量

第三階段 — 於報告日期信貸減值的金融資產 (但不是購買或原始信貸減值)，其虧損撥備按相等於全期預期信貸虧損的金額計量

簡化模式

對於不包括重大融資成分的其他應收款項，或本集團採用實際權宜措施不就重大融資成分的影響作出調整時，本集團採用簡化模式進行預期信貸虧損計量。根據簡化模式，本集團不會追蹤信貸風險的變化，而是於各報告日期根據全期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗建立撥備矩陣，並根據債務人及經濟環境的前瞻性因素作出調整。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IMPAIRMENT OF FINANCIAL ASSETS (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018) (CONTINUED)

The Group considers a financial asset 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.

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 and contract assets which apply the simplified approach as detailed below.

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 other 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.

3. 重大會計政策概要 (續)

金融資產減值 (根據香港會計準則第39號於2018年1月1日前適用的政策)

本集團於各報告期末評估是否有客觀跡象表明一項金融資產或一組金融資產出現減值。一項金融資產或一組金融資產僅於因於資產初始確認後已發生一項或多項事件導致出現客觀減值跡象 (已發生「虧損事件」) 且該虧損事件對金融資產或該組金融資產的估計未來現金流量造成的影響能可靠地估計時被視為已減值。減值跡象包括債務人或一組債務人遇到重大財務困難、違約或拖欠利息或本金、可能宣佈破產或進行其他財務重組，及有可觀察數據 (如欠款數目變動或出現與違約相關的經濟狀況) 顯示估計未來現金流量大幅下跌。

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先會按個別基準就個別屬重大的金融資產或按組合基準就個別不屬重大的金融資產，評估是否存在客觀減值跡象。倘本集團認定按個別基準經評估的金融資產 (無論具重要性與否) 並無客觀跡象顯示存有減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產內，並按組合基準評估該組金融資產是否存在減值。經個別評估減值的資產，其減值虧損會予確認或繼續確認入賬，而不會納入組合減值評估之內。

已識別減值虧損金額以資產的賬面值與估計未來現金流量現值 (不包括尚未發生的未來信用損失) 的差額計量。估計未來現金流量的現值按金融資產的原實際利率 (即初始確認時計算的實際利率) 貼現。

該資產的賬面值透過使用撥備賬扣減，而虧損金額於損益確認。利息收益於經扣減後的賬面值中持續產生，並採用就計量減值虧損時用以折現未來現金流量的利率計提。倘若現實上日後無望收回及所有抵押品已變現或已轉入本集團，則貸款及應收款項連同任何其相關的撥備將予以撇銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IMPAIRMENT OF FINANCIAL ASSETS (POLICIES UNDER HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018)

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has 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 reorganization 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 individually whether objective evidence of impairment exists 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).

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in 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.

3. 重大會計政策概要 (續)

金融資產減值 (根據香港會計準則第39號於2018年1月1日前適用的政策) (續)

按攤銷成本列賬的金融資產 (續)

倘若在其後期間估計減值虧損金額由於確認減值之後所發生的事件而增加或減少，則透過調整撥備賬，增加或減少過往已確認的減值虧損。倘撇銷於其後收回，收回金額將計入損益表的其他開支內。

金融負債 (根據香港財務報告準則第9號自2018年1月1日起適用的政策及根據香港會計準則第39號於2018年1月1日前適用的政策)

初始確認及計量

金融負債於初始確認時被分類為貸款及借款、應付款項 (倘適用)。

所有金融負債初步按公平值確認及倘為貸款及借款以及應付款項，則應減去直接應佔交易成本。

本集團的金融負債包括其他應付款項及計息銀行及其他借款。

後續計量

金融負債的後續計量取決於彼等的分類並載列如下：

貸款及借款

於初始確認後，計息銀行及其他借款隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認以及按實際利率法進行攤銷程序時，其收益及虧損在損益內確認。

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份的費用或成本後計算。實際利率攤銷計入損益的融資成本內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IMPAIRMENT OF FINANCIAL ASSETS (POLICIES UNDER HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018) (CONTINUED)

Financial assets carried at amortised cost (Continued)

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 other expenses in profit or loss.

FINANCIAL LIABILITIES (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018 AND HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018)

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables 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 other payables and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing bank and other 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 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 profit or loss.

3. 重大會計政策概要 (續)

終止確認金融負債 (根據香港財務報告準則第9號自2018年1月1日起適用的政策及根據香港會計準則第39號於2018年1月1日前適用的政策)

當負債項下的責任被解除或取消或屆滿，金融負債將被終止確認。

如現有金融負債被同一貸款人明顯不同的條款的另一負債所取代，或現有負債的條款作出重大修訂，此類交換或修訂將被視為終止確認原負債及確認新負債處理，有關賬面值的差額在損益中確認。

金融工具的抵銷 (根據香港財務報告準則第9號自2018年1月1日起適用的政策及根據香港會計準則第39號於2018年1月1日前適用的政策)

當目前有強制執行的法律權力要求抵銷已確認金額並有意以淨額結算或同時變現資產及償還負債時，金融資產和金融負債可抵銷並按淨值列報於財務狀況表內。

現金及現金等價物

綜合現金流量表的現金及現金等價物包括手頭現金、活期存款及短期流動性強、易於轉換為已知現金金額、受價值變動風險影響很小、到期期限短 (通常不超過購置日後三個月) 的投資，減按要求償還銀行透支，以及構成本集團現金管理的一部份。

綜合財務狀況表的現金及現金等價物包括手頭及銀行現金，其中包括使用不受限制的定期存款及類似現金性質的資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DERECOGNITION OF FINANCIAL LIABILITIES (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018 AND HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018)

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 profit or loss.

OFFSETTING OF FINANCIAL INSTRUMENTS (POLICIES UNDER HKFRS 9 APPLICABLE FROM 1 JANUARY 2018 AND HKAS 39 APPLICABLE BEFORE 1 JANUARY 2018)

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.

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.

3. 重大會計政策概要 (續)

所得稅

所得稅包括即期及遞延稅項。與於損益外確認項目有關的所得稅於損益外的其他全面收益或直接於權益確認。

即期稅項資產和負債是根據於年末前已頒佈或實質頒佈的稅率(及稅法)並考慮到本集團業務所在國家的現行詮釋及慣例後計算的預計從稅務機關收回或向其支付的金額。

遞延稅項採用債務法，按報告期末資產及負債稅基與其就財務報告用途所使用的賬面值之間的所有暫時差額計提撥備。

就所有應課稅暫時差額確認遞延稅項負債，但不包括：

- 在非業務合併的交易中初次確認的資產或負債產生且在交易發生時並未對會計溢利或應課稅溢利或虧損產生影響的遞延稅項負債；及
- 對於與附屬公司投資相關的應課稅暫時差額，如該暫時差額的撥回時間可以控制且在可預見的未來內可能不會被撥回。

遞延稅項資產乃於可能有可抵扣暫時差額、未利用稅務抵免及未利用稅務損失結轉被用於抵銷應課稅溢利的部份時，則就所有可抵扣暫時差額、未利用稅務抵免及未利用稅務損失結轉確認，但不包括：

- 當與可抵扣暫時差額相關的遞延稅項資產產生於非業務合併交易中的資產或負債的初次確認，且在交易發生時既不影響會計溢利也不影響應課稅溢利或虧損時；及
- 對於與附屬公司投資相關的可抵扣暫時差額，只在暫時差額在可預見的未來內可能被撥回，且可獲得將被暫時差額抵銷的應課稅溢利時確認遞延稅項資產。

3. 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 year, 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:

- where the deferred tax liability 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 taxable temporary differences associated with investments in subsidiaries where 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.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and 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, 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.

3. 重大會計政策概要 (續)

所得稅 (續)

遞延稅項資產之賬面值於各報告期末進行審閱，當不再可能有足夠應課稅溢利可供動用全部或部份遞延稅項資產時將其相應扣減。未確認遞延稅項資產於各報告期末重新評估，並於可能存有足夠應課稅溢利可供收回全部或部份遞延稅項資產時予以確認。

遞延稅項資產及負債應按預期變現資產或清償負債期間適用的稅率計量，該預計稅率應以在報告期末前已頒佈或實質頒佈的稅率（及稅法）為基礎計算。

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收回時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債之相同稅務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。

政府補助

政府補助在合理確保可收取且能滿足政府補助所有附帶條件的情況下，按其公平值予以確認。當補助涉及開支項目，則以系統基準，於對應擬作繳付的成本產生的期間，確認為收益。

當補助涉及某項資產，則將其公平值計入遞延收益賬目內，並於有關資產的預計使用年內按年將其公平值等分至損益內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAX (CONTINUED)

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.

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.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

3. 重大會計政策概要 (續)

收入確認 (自2018年1月1日起適用)

來自客戶合約之收入

當服務的控制權轉移予客戶時，與客戶簽訂的合約收入即確認，其金額反映了本集團希望有權獲得的代價，以換取該等服務。

對於客戶付款與承諾服務轉讓之間的期限為一年或一年以下的合約，交易價格不因重大融資部分的影響而調整，使用香港財務報告準則第15號的實務權宜之計。

提供教育服務

提供教育服務的收入於預定期間內以直線法確認，由於學生持續接受及消費本集團提供的利益。

所收學院的學費及寄宿費一般於各學年開始前預先繳納，初始入賬為遞延收入。學費及寄宿費於適用課程相關期間按比例確認入賬。已收但尚未入賬的學生學費及寄宿費部份會計入遞延收入，並以流動負債表示，原因為有關數額指本集團預計於一年內應收的收入。本集團學校的學年一般由每年九月開始至翌年六月止。

來自其他來源的收入

租金收益於租期內按時間比例基準確認。

其他收益

服務收益按完成百分比基準於提供服務期內確認。

利息收益按累計基準使用實際利率法以將金融工具預計有效期或較短期間 (如適用) 內的估計未來現金收入折現至金融資產賬面淨值的利率確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (APPLICABLE FROM 1 JANUARY 2018)

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of 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 services.

For a contract where the period between the payment and the transfer of the promised 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.

Provision of education services

Revenue from the provision of education services is recognised over the scheduled period on a straight-line basis because the students simultaneously receive and consume the benefits provided by the Group.

Tuition and boarding fees received from college are generally paid in advance prior to the beginning of each academic year, and are initially recorded as deferred revenue. Tuition and boarding fees are recognised proportionately over the relevant period of the applicable program. The portion of tuition and boarding payments received from students but not earned is recorded as deferred revenue and is reflected as a current liability as such amount represents revenue that the Group expects to earn within one year. The academic year of the Group's colleges is generally from September to June of the following year.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Service income is recognised on the percentage of completion basis, in the period in which the services are rendered.

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 or a shorter period, when appropriate, to the net carrying amount of the financial asset.

3. 重大會計政策概要 (續)

收入確認 (於2018年1月1日前適用)

收入乃按已收或應收代價的公平值計量，於日常業務過程中提供服務的應收款項，經扣除退貨、折扣及銷售相關稅項。

本集團學校的學費於各學年開始前預先繳納。收入於價格已固定或可釐定及已提供服務後確認。

所收學院的學費及寄宿費一般於各學年開始前預先繳納，初始入賬為遞延收入。學費及寄宿費於適用課程相關期間按比例確認入賬。已收但尚未入賬的學生學費及寄宿費部份會計入遞延收入，並以流動負債表示，原因為有關數額指本集團預計於一年內應收的收入。本集團學校的學年一般由每年九月開始至翌年六月止。

服務收益按完成百分比基準於提供服務期內確認。

租金收益於租期內按時間比例基準確認。

金融資產的利息收益按累計基準使用實際利率法以將金融工具預計有效期或較短期間 (如適用) 內的估計未來現金收入折現至金融資產賬面淨值的利率確認。

以股份為基礎的付款

本公司設有一項購股權計劃，旨在向對本集團成功營運作出貢獻的合資格參與者提供獎勵及回報。本集團僱員 (包括董事) 藉以股份為基礎支付的款項方式收取薪酬，據此，僱員提供服務作為收取股本工具的代價 (「以權益結算的交易」)。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (APPLICABLE BEFORE 1 JANUARY 2018)

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of returns, discounts, and sales related tax.

The tuition fees from the schools of the Group are paid in advance at the beginning of each academic year. Revenue is recognised after the price is fixed or determinable, and services are provided.

Tuition and boarding fees received from college are generally paid in advance prior to the beginning of each academic year, and are initially recorded as deferred revenue. Tuition and boarding fees are recognised proportionately over the relevant period of the applicable program. The portion of tuition and boarding payments received from students but not earned is recorded as deferred revenue and is reflected as a current liability as such amount represents revenue that the Group expects to earn within one year. The academic year of the Group's colleges is generally from September to June of the following year.

Service income is recognised on the percentage of completion basis, in the period in which the services are rendered.

Rental income is recognised on a time proportion basis over the lease terms.

Interest income from a financial asset 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 or a shorter period, when appropriate, to the net carrying amount of the financial asset.

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").

3. 重大會計政策概要 (續)

以股份為基礎的付款 (續)

與僱員進行以權益結算的交易的成本，乃參照於授出日期的公平值計量。該公平值由外聘估值師採用二項式模型釐定，其進一步詳情載於財務報表附註29。

以權益結算的交易的成本連同相應增加的權益，在績效及／或服務條件獲履行的期間於僱員福利開支確認。在歸屬日期前，於各報告期末確認的以權益結算的交易累計開支，反映歸屬期已屆滿部分及本集團對最終將會歸屬的股本工具數目的最佳估計。在某一期間內在損益表的扣除或進賬金額，反映於期初及期終確認的累計開支變動。

釐定獎勵於授出日期的公平值時不會計及服務及非市場績效條件，但達成有關條件的可能性會評估為本集團對將最終歸屬的股本工具數目的最佳估計的一部分。市場績效條件在授出日期公平值中反映。獎勵所附帶但無相關服務要求的任何其他條件被視為非歸屬條件。除非同時附有服務及／或績效條件，否則非歸屬條件在獎勵的公平值中反映，並會導致獎勵即時支銷。

因非市場績效及／或服務條件並未達成而最終未歸屬的獎勵不會確認任何開支。倘獎勵包括一項市場或非歸屬條件，則只要所有其他績效及／或服務條件已經達成，不論市場或非歸屬條件是否達成，該等交易均會被視為已歸屬。

倘以權益結算的獎勵的條款有所修訂，而原先獎勵的條款已達成，則所確認開支最少須達到猶如條款並無任何修訂的水平。此外，倘有關修訂導致以股份為基礎的付款的總公平值有所增加，或於修訂日期經計量為僱員帶來其他利益，則須就該等修訂確認開支。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SHARE-BASED PAYMENTS (CONTINUED)

The cost of equity-settled transactions with employees 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 binomial model, further details of which are given in note 29 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.

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.

3. 重大會計政策概要 (續)

以股份為基礎的付款 (續)

倘以權益結算的獎勵被註銷，將被視為猶如已於註銷日期歸屬處理，任何尚未確認的獎勵開支則即時確認。此包括未符合屬本集團或僱員控制範圍內的非歸屬條件所涉及的任何獎勵。然而，倘有新獎勵取代已註銷獎勵，並於授出日期指定為取代獎勵，則已註銷獎勵及新獎勵，均如前段所述被視為猶如原先獎勵的修訂。

未行使購股權的攤薄效應於計算每股盈利時列為額外股份攤薄。

僱員福利

退休金計劃

本集團在中國內地經營業務的附屬公司的僱員須參與地方市政府運作的中央退休金計劃。該等附屬公司須根據薪金成本按特定比率向中央退休金計劃供款。除年度供款外，本集團並無支付退休福利的責任。供款將於根據中央退休金計劃規則於應付時自損益扣除。

借貸成本

可直接歸屬於購置、建設或生產須經過一段較長時間方可達到其計劃用途或可出售狀態的資產的借貸成本撥充資本作為相關資產部份成本。當資產大致上可達到其計劃用途或可出售狀態時，該借貸成本停止撥充資本。合格資產未付支出的專項借款臨時投資賺取的投資收益應從資本化借貸成本中扣除。所有其他借貸成本於產生期內支銷。借貸成本包括實體就借入資金而產生的利息及其他費用。

倘資金已按一般途徑借入並用於獲取合資格資產，則個別資產按資本化率6.18%及10.28%區間計算支出。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SHARE-BASED PAYMENTS (CONTINUED)

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.

EMPLOYEE BENEFITS

Pension scheme

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme managed by the local municipal government. The subsidiaries are required to contribute a certain percentage of the payroll costs to the central pension scheme. The Group has no obligation for the payment of retirement benefits beyond the annual contributions. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

BORROWING COSTS

Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds have been borrowed generally, and used for the purpose of obtaining qualifying assets, a capitalisation rate ranging between 6.18% and 10.28% has been applied to the expenditure on the individual assets.

3. 重大會計政策概要 (續)

股息

當末期股息於股東大會上獲股東批准時，即確認為負債。擬派末期股息已於財務報表附註披露。

中期股息同時予以擬派及宣派，因為本公司的大綱及組織章程細則授予董事權力宣派中期股息。因此，中期股息於擬派及宣派時即確認為負債。

外幣

該等財務報表以人民幣（本集團之功能貨幣）呈報。本集團旗下各實體決定自身的功能貨幣，而計入各實體財務報表的項目均採用功能貨幣計量。本集團旗下實體入賬的外幣交易初步按其各自於交易日當時的功能貨幣匯率入賬。以外幣計值的貨幣資產及負債，按於報告期末的功能貨幣匯率換算。結算或換算貨幣項目產生的差額於損益表確認。

以外幣按過往成本計量的非貨幣項目，採用初始交易日期的匯率換算。以外幣按公平值計量的非貨幣項目，採用計量公平值當日的匯率換算。換算以公平值計量的非貨幣項目所產生的收益或虧損視為等同於確認該項目公平值變動的收益或虧損（即於其他綜合收益或損益確認公平值收益或虧損的項目的換算差額，亦分別於其他綜合收益或損益確認）。

終止確認與墊付代價有關的非貨幣資產或非貨幣負債時，釐定初步確認相關資產、開支或收益所用的匯率，初步交易日期為本集團初步確認墊付代價產生的非貨幣資產或非貨幣負債當日。倘涉及多筆墊付款項或預收款項，則本集團釐定每次支付或收取墊付代價的交易日期。

3. 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 articles of association 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 RMB, 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.

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).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

3. 重大會計政策概要 (續)

外幣 (續)

若干海外附屬公司的功能貨幣乃人民幣以外的貨幣。於報告期末，該等實體的資產及負債會按報告期末的現有匯率換算為人民幣，而該等實體的損益表則按年內加權平均匯率換算為人民幣。

就此產生的匯兌差額於其他綜合收益確認並於外匯波動儲備累計。

任何因收購海外業務產生的商譽及因收購而產生的資產及負債賬面值的任何公平值調整，被視為海外業務的資產及負債，並以收盤匯率換算。

4. 重大會計判斷及估計

編製財務報表需要管理層作出判斷、估計及假設，而此等將影響收入、開支、資產及負債的呈報金額及其隨附披露以及或然負債的披露。該等假設及估計的不確定性可能導致需要對未來有關資產或負債的賬面值作出重大調整。

判斷

在應用本集團會計政策的過程中，管理層作出了以下對財務報表中確認的金額影響最為重大的判斷（與估計相關的判斷除外）：

合約安排

若干附屬公司從事提供教育服務業務，屬於《限制外商投資產業目錄》範圍內，且禁止外國投資者投資有關業務。

本集團透過結構性合約對該等附屬公司行使控制權及享有若干附屬公司的所有經濟利益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FOREIGN CURRENCIES (CONTINUED)

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB 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.

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.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the 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.

JUDGEMENTS

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Contractual arrangements

Certain subsidiaries are engaged in the provision of education services, which falls in the scope of "Catalogue of Restricted Foreign Investment Industries". Foreign investors are prohibited to invest in such business.

The Group exercises control over these subsidiaries and enjoys all economic benefits of certain subsidiaries through the Structured Contracts.

4. 重大會計判斷及估計 (續)

判斷 (續)

合約安排 (續)

儘管本集團並無持有若干附屬公司的直接股權，惟因其透過結構性合約擁有若干附屬公司的財務及經營政策控制權並收取來自若干附屬公司業務活動的絕大部份經濟利益，故本集團認為其控制該等附屬公司。因此，若干附屬公司於年內作為附屬公司入賬。

經營租賃承擔 – 本集團作為出租人

本集團已就其投資物業組合訂立商用物業租約。本集團根據對該等安排之條款及條件之評核釐定其將保留按經營租約出租之該等物業之擁有權之全部重大風險及回報。

所得稅

詮釋相關稅項條例及法規時需作出重大判斷，以確定本集團是否須就提供學歷教育服務所得收入繳納企業所得稅。有關評估利用估計及假設，並可能需對未來事項作出一系列判斷。本集團可能因獲悉新資料而變更對現有稅項負債是否充足的判斷；該等稅項負債變動會影響決定變更期間的稅項開支。

估計不確定性

於年末，有關未來及估計不確定性的其他主要來源的主要假設（這些假設具有導致下一財政年度資產與負債賬面值發生重大調整的重要風險）概述如下：

商譽減值

本集團最少每年釐定商譽是否減值。此須估計獲分配商譽之現金產生單位之現值。本集團估計使用價值，需要估計來自現金產生單位的預期未來現金流量，以及需要選出合適的貼現率，以計算現金流量的現值。於2018年12月31日商譽之賬面值為人民幣196,114,000元（2017年：零）。進一步詳情載於附註17。

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

JUDGEMENTS (CONTINUED)

Contractual arrangements (Continued)

The Group considers that it controls these subsidiaries, notwithstanding the fact that it does not hold direct equity interest in the certain subsidiaries, as it has power over the financial and operating policies of the certain subsidiaries and receives substantially all of the economic benefits from the business activities of the certain subsidiaries through the Structured Contracts. Accordingly, the certain subsidiaries have been accounted for subsidiaries during the year.

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Income tax

Significant judgement is required in interpreting the relevant tax rules and regulations so as to determine whether the Group is subject to corporate income tax in respect of income from provision of formal educational services. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of the tax liabilities. Such changes to tax liabilities will impact the tax expense in the period that such determination is made.

ESTIMATION UNCERTAINTY

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

Impairment of goodwill

The Group determines whether goodwill is 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 is 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 amount of goodwill at 31 December 2018 was RMB196,114,000 (2017: Nil). Further details are given in note 17.

4. 重大會計判斷及估計 (續)

估計不確定性 (續)

其他應收款項預期信貸虧損撥備

本集團使用撥備矩陣計算其他應收款項的預期信貸虧損。撥備率乃基於具有類似虧損模式的分組的逾期天數而定。

撥備矩陣最初基於本集團的過往觀察違約率。本集團將通過調整矩陣以調整過往信貸虧損經驗與前瞻性資料。例如，倘預測狀況將在未來一年內惡化，可能導致教育分部違約率增加，過往違約率將予以調整。於各報告日期，過往觀察違約率會予以更新，並分析前瞻性估計的變動。

過往觀察違約率、狀況預測及預期信貸虧損之間的相關性評估為一個重要估計。預期信貸虧損金額對環境變化及狀況預測極為敏感。本集團的過往信貸虧損經驗及狀況預測亦或不能代表學生未來的實際違約。

非金融資產減值 (商譽除外)

本集團於各報告期末評估所有非金融資產有否任何減值跡象。非金融資產會於有跡象顯示無法收回賬面值時進行減值測試。當資產或現金產生單位的賬面值高於其可收回金額 (即資產或現金產生單位的公平值減銷售成本及其使用價值兩者的較高者) 時，便會出現減值。公平值減出售成本的計算乃基於公平磋商且具約束力的同類資產銷售交易的可用數據，或可觀察市價減出售資產的遞增成本。計算使用價值時，管理層須估計資產或現金產生單位的預計未來現金流量，並選用合適的折現率計算該等現金流量的現值。

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

ESTIMATION UNCERTAINTY (CONTINUED)

Provision for expected credit losses on other receivables

The Group uses a provision matrix to calculate ECLs for other receivables. The provision rates are based on days past due for groupings 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. For instance, if forecast conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the education sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast conditions. The Group's historical credit loss experience and forecast of conditions may also not be representative of student's actual default in the future.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

4. 重大會計判斷及估計（續）

估計不確定性（續）

物業、廠房及設備項目的可使用年期及剩餘價值

釐定物業、廠房及設備項目的可使用年期及剩餘價值時，本集團須考慮多項因素，例如因生產及所提供服務變動或改進或市場對有關資產提供的產品或服務的需求有所改變而導致的技術性或商業性過時、資產預期用途、預期自然損耗、資產保養及維修和使用資產所受到的法律或類似限制。資產的可使用年期乃根據本集團使用具類似用途的類似資產之經驗而估計。倘物業、廠房及設備項目的估計可使用年期及／或剩餘價值與先前估計不同，則會作出額外折舊。可使用年期及剩餘價值於年末按情況變化進行檢討。物業、廠房及設備的進一步詳情載於綜合財務報表附註14。

5. 經營分部資料

本集團主要在中國提供教育服務。

香港財務報告準則第8號「經營分部」要求按有關主要經營決策者進行定期審閱以向各分部分配資源及評估其績效的本集團的組成部份的內部報告的基準確定經營分部。為資源分配及績效評估目的向本公司董事（主要經營決策者）報告的資料並不包含獨立經營分部的財務資料，及董事已將本集團的財務業績作為一個整體進行審閱。因此，並無呈列有關經營分部的進一步資料。

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

ESTIMATION UNCERTAINTY (CONTINUED)

Useful lives and residual values of items of property, plant and equipment

In determining the useful lives and residual values of items of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in the production and provision of services, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation is made if the estimated useful lives and/or residual values of items of property, plant and equipment are different from previous estimation. Useful lives and residual values are reviewed at the end of each year based on changes in circumstances. Further details of the property, plant and equipment are set out in note 14 to the consolidated financial statements.

5. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of education services in the PRC.

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

5. 經營分部資料 (續)

地區資料

於本年度內，本集團於一個地理位置內運營，因為所有的收入均在中國產生及所有的長期資產／資本開支均位於中國／在中國發生。因此，並無呈列地區資料。

關於主要客戶的資料

於本年度內，並無對單一客戶的銷售收入佔本集團總收入的10%或以上。

6. 收入、其他收益及增益

收入分析如下：

5. OPERATING SEGMENT INFORMATION (CONTINUED) GEOGRAPHICAL INFORMATION

During the year, the Group operated within one geographical location because all of its revenue was generated in the PRC and all of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

INFORMATION ABOUT MAJOR CUSTOMERS

No revenue from sales to a single customer amounted to 10% or more of the total revenue of the Group during the year.

6. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
來自客戶合約之收入	Revenue from contracts with customers		
學費	Tuition fees	512,487	380,711
住宿費	Boarding fees	48,963	33,694
		<u>561,450</u>	<u>414,405</u>

來自客戶合約之收入

REVENUE FROM CONTRACTS WITH CUSTOMERS

(i) 分類收益的資料

(i) Disaggregated revenue information

		2018年 2018
		人民幣千元 RMB'000
分部	Segments	
貨品或服務種類	Type of goods or services	
教育服務	Education services	<u>561,450</u>
地區市場	Geographical markets	
中國大陸	Mainland China	<u>561,450</u>
確認收益的時間	Timing of revenue recognition	
於一段時間轉讓的服務	Services transferred over time	<u>561,450</u>

6. 收入、其他收益及增益 (續)

來自客戶合約之收入 (續)

(ii) 履行責任

教育服務

履行責任於服務獲提供及學費及住宿費通常於各學術年度開始前提前支付後達成。

6. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

(ii) Performance obligations

Education services

The performance obligation is satisfied over time as services are rendered and tuition and boarding fees are generally paid in advance prior to the beginning of each academic year.

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
其他收益及增益	Other income and gains		
服務收益	Service income	128,163	84,931
租金收益	Rental income	14,086	10,456
利息收益	Interest income	8,187	2,808
政府補助	Government grants	12,515	6,595
食堂收益	Canteen income	1,158	–
外匯收益，淨值	Foreign exchange gains, net	–	22,306
其他	Others	1,935	1,251
		<u>166,044</u>	<u>128,347</u>

7. 融資成本

融資成本分析如下：

7. FINANCE COSTS

An analysis of finance costs is as follows:

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
銀行貸款及其他貸款利息	Interest on bank loans and other loans	73,469	43,197
融資租賃利息	Interest on finance leases	14,883	–
並非按公平值計入損益的 金融負債的利息開支總額	Total interest expense on financial liabilities not at fair value through profit or loss	88,352	43,197
減：資本化利息	Less: Interest capitalised	(10,382)	(3,643)
		<u>77,970</u>	<u>39,554</u>

8. 除稅前溢利

本集團所得除稅前溢利乃經扣除／（計入）
以下各項後達致：

8. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	附註 Notes	2018年 2018 人民幣千元 RMB'000	2017年 2017 人民幣千元 RMB'000
僱員福利開支（不包括董事及最高行政人員薪酬（附註(9)）：	Employee benefit expense (excluding directors' and chief executive's remuneration (Note 9)):		
工資及薪金	Wages and salaries	179,036	129,997
以股權支付之購股權開支	Equity-settled share option expense	5,772	—
退休金計劃供款（定額供款計劃）	Pension scheme contributions (defined contribution plan)	15,919	15,333
		<u>200,727</u>	<u>145,330</u>
物業、廠房及設備項目折舊	Depreciation of items of property, plant and equipment	14	32,374
投資物業折舊	Depreciation of investment properties	15	906
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	16	2,263
其他無形資產攤銷*	Amortisation of other intangible assets *	18	2,448
租金收益	Rental income	6	(10,456)
經營租賃下最低租賃款項	Minimum lease payments under operating leases	5,387	5,075
利息收益	Interest income	6	(2,808)
預付款項、其他應收款項及其他資產減值	Impairment of prepayments, other receivables and other assets	1,023	167
計入其他非流動資產之預付款項減值	Impairment of prepayment included in other non-current assets	19	—
出售物業、廠房及設備項目的虧損	Loss on disposal of items of property, plant and equipment	27	—

* 本年度內其他無形資產攤銷計入綜合損益表「銷售成本」。

* The amortisation of other intangible assets during the year is included in "Cost of sales" in the consolidated statement of profit or loss.

9. 董事及最高行政人員薪酬

李先生、趙帥先生、朱立東先生及張柯先生於2016年8月19日獲委任為本公司執行董事。朱立東先生及張柯先生分別於2018年3月23日及2018年7月6日辭任本公司執行董事，而丁瑜先生於2018年7月6日獲委任為本公司執行董事。鄭偉信先生及黃文宗先生於2017年3月20日獲委任為本公司獨立非執行董事。胡建波先生於2017年12月22日獲委任為本公司獨立非執行董事。

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部披露之本年度董事及最高行政人員薪酬如下：

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Mr. Li, Mr. Zhao Shuai, Mr. Zhu Lidong and Mr. Zhang Ke were appointed as executive directors of the Company on 19 August 2016. Mr. Zhu Lidong and Mr. Zhang Ke resigned as executive directors of the Company on 23 March 2018 and 6 July 2018, respectively, and Mr. Ding Yu was appointed as an executive director of the Company on 6 July 2018. Mr. Kwong Wai Sun Wilson and Mr. Wong Man Chung Francis were appointed as independent non-executive directors of the Company on 20 March 2017, and Mr. Hu Jianbo was appointed as an independent non-executive director of the Company on 22 December 2017.

Directors' and chief executive's remuneration for the year, 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:

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
袍金	Fees	786	547
其他報酬：	Other emoluments:		
薪金、津貼及實物福利	Salaries, allowances and benefits in kind	1,692	2,043
表現相關花紅	Performance related bonuses	1,322	1,400
以股權支付之購股權開支	Equity-settled share option expense	2,069	-
退休金計劃供款	Pension scheme contributions	39	44
		<u>5,908</u>	<u>4,034</u>

於年度內，若干董事就彼等向本集團提供服務而根據本公司的購股權計劃獲授購股權，有關進一步詳情載於財務報表附註29。該等購股權的公平值於授出日期釐定，乃於歸屬期內在損益表中確認，而計入於本年度財務報表的金額包括在上述的董事及最高行政人員酬金披露。

During the year, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 29 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' and chief executive's remuneration disclosures.

9. 董事及最高行政人員薪酬（續）

(A) 獨立非執行董事

於本年度內支付予獨立非執行董事的袍金如下：

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

(A) INDEPENDENT NON-EXECUTIVE DIRECTORS

The fees paid to independent non-executive directors during the year were as follows:

		截至2018年12月31日止年度 Year ended 31 December 2018					
		袍金	薪金、津貼及 實物福利	表現相關 之花紅	以股權支付 購股權開支	退休金計劃 供款	總計
		Fee	Salaries, allowance, and benefits in kind	Performance related bonuses	Equity- settled share option expense	Pension scheme contributions	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
黃文宗先生	Mr. Wong Man Chung Francis	305	-	-	115	-	420
鄭偉信先生	Mr. Kwong Wai Sun Wilson	241	-	-	115	-	356
胡建波先生	Mr. Hu Jianbo	240	-	-	115	-	355
		786	-	-	345	-	1,131

		截至2017年12月31日止年度 Year ended 31 December 2017				
		袍金	薪金、津貼及 實物福利	表現相關 花紅	退休金計劃 供款	總計
		Fee	Salaries, allowance, and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
黃文宗先生	Mr. Wong Man Chung Francis	213	-	-	-	213
鄭偉信先生	Mr. Kwong Wai Sun Wilson	167	-	-	-	167
鍾宇平先生	Mr. Chung Yue Ping Stephen	161	-	-	-	161
胡建波先生	Mr. Hu Jianbo	6	-	-	-	6
		547	-	-	-	547

9. 董事及最高行政人員薪酬(續)

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

(B) 執行董事及一名非執行董事

(B) EXECUTIVE DIRECTORS AND A NON-EXECUTIVE DIRECTOR

		截至2018年12月31日止年度 Year ended 31 December 2018					
		袍金	薪金、津貼及 實物福利	表現相關 之花紅	以股權支付 購股權開支	退休金計劃 供款	總計
		Fee	Salaries, allowance, and benefits in kind	Performance related bonuses	Equity- settled share option expense	Pension scheme contributions	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
執行董事	Executive directors						
李先生*	Mr. Li *	-	520	520	648	11	1,699
趙帥先生	Mr. Zhao Shuai	-	441	360	461	11	1,273
丁瑜先生	Mr. Ding Yu	-	382	255	506	9	1,152
張柯先生	Mr. Zhang Ke	-	212	141	-	5	358
朱立東先生	Mr. Zhu Lidong	-	137	46	-	3	186
		-	1,692	1,322	1,615	39	4,668
非執行董事	Non-executive director						
陳爍先生	Mr. Chen Shuo	-	-	-	109	-	109
		-	1,692	1,322	1,724	39	4,777

		截至2017年12月31日止年度 Year ended 31 December 2017				
		袍金	薪金、津貼及 實物福利	表現相關 花紅	退休金計劃 供款	總計
		Fee	Salaries, allowance, and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
執行董事	Executive directors					
李先生*	Mr. Li *	-	520	520	11	1,051
趙帥先生	Mr. Zhao Shuai	-	441	360	11	812
朱立東先生	Mr. Zhu Lidong	-	601	200	11	812
張柯先生	Mr. Zhang Ke	-	481	320	11	812
		-	2,043	1,400	44	3,487

* 李先生出任本公司執行董事，亦為本公司首席執行官。年內，並無安排致使董事或最高行政人員放棄或同意放棄任何酬金。

* Mr. Li, who acts as an executive director of the Company, is also the chief executive officer of the Company. There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

10. 五名最高薪酬僱員

於本年度內，五名最高薪酬僱員包括3名董事(2017年：4名)，其薪酬詳情載於上文附註9。餘下2名(2017年：1名)非本公司董事或最高行政人員的最高薪酬僱員詳情如下：

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
薪金、津貼及實物福利	Salaries, allowances and benefits in kind	961	304
表現相關花紅	Performance related bonuses	641	304
以股權支付之購股權開支	Equity-settled share option expense	735	–
退休金計劃供款	Pension scheme contributions	23	11
		<u>2,360</u>	<u>619</u>

薪酬介乎以下範圍的非董事及非最高行政人員的最高薪酬僱員數目如下：

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included 3 directors (2017: 4), details of whose remuneration are set out in note 9 above. Details of the remaining 2 (2017: 1) highest paid employees who are neither a director nor chief executive of the Company are as follows:

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

		2018年 2018	2017年 2017
零至人民幣1,000,000元	Nil to RMB1,000,000	–	1
人民幣1,000,000元至 人民幣1,500,000元	RMB1,000,000 to RMB1,500,000	2	–
		<u>2</u>	<u>1</u>

於年度，已向該名非董事及非主要行政人員最高薪酬僱員就其為本集團提供服務授出購股權，有關進一步詳情載於財務報表附註29的披露事項內。在歸屬期內於損益表確認的有關購股權公平值乃按於授出日期公平值釐定，而計入本年度財務報表內的金額已載於上文非董事及非主要行政人員最高薪酬僱員酬金的披露事項內。

During the year, share options were granted to the non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 29 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

於本年度內，概無最高薪酬僱員放棄或同意放棄任何薪酬，本集團亦無向任何五名最高薪酬僱員支付任何薪酬作為彼等加入或即將加入本集團的獎勵或作為離職補償。

During the year, no highest paid employees waived or agreed to waive any remuneration and no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

11. 所得稅

本公司根據《開曼群島公司法》於開曼群島註冊成立為獲豁免有限責任公司，因此毋須繳納所得稅。

由於本集團於年內並無任何源自香港或於香港賺取的應課稅溢利，故並無就香港利得稅計提撥備。

根據《中華人民共和國民辦教育促進法實施條例》（「實施條例」），民辦學校無論是否要求合理回報，均可享受稅收優惠待遇。實施條例規定舉辦者不要求合理回報的民辦學校合資格享受與公辦學校相同的稅收優惠待遇，而國務院下屬相關部門或會推行適用於要求合理回報民辦學校的稅收優惠待遇及相關政策。然而，截止目前，當局並無就有關方面推行個別政策、法規及規則。根據本公司提交予相關稅務當局的過往報稅單及自彼等先前獲得的確認，本集團學校自彼等成立以來已享受優惠稅務待遇。並無就本集團學校提供學歷教育服務所得收入徵收企業所得稅。因此，於年內並無就提供學歷教育服務所得收入確認所得稅開支。

輝煌公司的企業所得稅稅率乃根據西藏自治區的相關稅務法規的15%計算。西藏地方政府自2015年1月1日起至2017年12月31日止三年期間，對西藏自治區的企業免徵企業所得稅40%。實際企業所得稅稅自2018年三年免稅優惠期屆滿時增加至15%。

其他地區應課稅溢利的稅項乃根據本集團經營所在司法權區的現行稅率計算。

11. INCOME TAX

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

According to the Implementation Rules for the Law for Promoting Private Education ("Implementation Rules"), private schools, whether requiring reasonable returns or not, may enjoy preferential tax treatment. The Implementing Rules provide that the private schools for which the sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools, and relevant authorities under the State Council may introduce preferential tax treatments and related policies applicable to private schools requiring reasonable returns. To date, however, no separate policies, regulations or rules have been introduced by the authorities in this regard. In accordance with the historical tax returns filed to the relevant tax authorities and the confirmation obtained therefrom previously, schools of the Group have historically enjoyed preferential tax treatment since their establishment. There was no corporate income tax imposed on the income from the provision of formal educational services of schools of the Group. As a result, no income tax expense was recognised for the income from the provision of formal educational services during the year.

The corporate income tax rate for Huihuang Company is 15% based on the relevant tax regulations of Tibet Autonomous Region. The Tibet local government has exempted 40% of corporate income tax payable from enterprises in Tibet Autonomous Region for a period of three years commencing from 1 January 2015 to 31 December 2017. The effective corporate income tax rate increased to 15% beginning in 2018 since the three year preferential tax exemption expired.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

11. 所得稅 (續)

本集團所得稅開支的主要組成部份如下：

11. INCOME TAX (CONTINUED)

The major components of income tax expense of the Group are as follows:

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
即期一年內中國內地 支出	Current – Mainland China Charge for the year	23,479	12,659
遞延 (附註27)	Deferred (note 27)	(954)	3,975
年內稅項支出總額	Total tax charge for the year	<u>22,525</u>	<u>16,634</u>

按本公司及其大部分附屬公司所在司法權區的法定稅率計算的除稅前溢利適用的稅項開支與按實際稅率計算的稅項開支對賬，以及法定稅率與實際稅率的對賬如下：

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the statutory tax rates to the effective tax rates, are as follows:

		2018年 2018		2017年 2017	
		人民幣千元 RMB'000	%	人民幣千元 RMB'000	%
除稅前溢利	Profit before tax	<u>276,793</u>		<u>249,956</u>	
按法定稅率計算的稅項	Tax at the statutory tax rate	69,198	25.0	62,489	25.0
由附屬公司匯入或 預期匯入盈利之 預扣稅影響	Effect of withholding tax on earnings remitted and anticipated to be remitted by subsidiaries	7,315	2.6	7,314	2.9
特定省份或當地機關 實行的較低稅率	Lower tax rates for specific provinces or enacted by local authority	(8,331)	(3.0)	(7,038)	(2.8)
毋須課稅收入	Income not subject to tax	(140,363)	(50.7)	(103,601)	(41.4)
就過往年度的即期稅項 作出調整	Adjustments in respect of current tax of previous years	–	–	20	–
於過往年度動用的稅項虧損	Tax losses utilised from previous periods	–	–	(3,321)	(1.3)
未確認的稅項虧損及 可抵扣暫時差額	Tax losses and deductible temporary differences not recognised	10,534	3.8	7,408	3.0
毋須扣稅開支	Expenses not deductible for tax	<u>84,172</u>	<u>30.4</u>	<u>53,363</u>	<u>21.3</u>
按本集團實際利率計算的 稅項支出	Tax charge at the Group's effective rate	<u>22,525</u>	<u>8.1</u>	<u>16,634</u>	<u>6.7</u>

12. 股息

12. DIVIDENDS

	2018年 2018	2017年 2017
	人民幣千元 RMB'000	人民幣千元 RMB'000
中期－每股普通股人民幣0.027元 (2017年：人民幣0.021元)	Interim – RMB0.027 (2017: RMB0.021) per ordinary share	38,640
建議末期－每股普通股 人民幣0.019元 (2017年：人民幣0.025元)	Proposed final – RMB0.019 (2017: RMB0.025) per ordinary share	27,191
	<u>65,831</u>	<u>65,831</u>

年內建議末期股息須於應屆股東週年大會上經本公司股東批准後方可作實。

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

13. 母公司普通股股東應佔每股盈利

每股基本盈利金額乃根據年內母公司普通股股東應佔溢利及年內1,431,100,000股(2017年：1,347,619,167股)已發行普通股加權平均數計算。

每股攤薄盈利金額乃根據年內母公司普通股股東應佔溢利計算。計算時所用的普通股加權平均數為計算每股基本盈利所用的年內已發行的普通股數目，以及假設普通股加權平均數於所有具攤薄潛力的普通股被視作獲行使或兌換成普通股時已以零代價形式發行。

每股基本及攤薄盈利的計算乃基於：

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,431,100,000 (2017: 1,347,619,167) in issue during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2018年 2018	2017年 2017
	人民幣千元 RMB'000	人民幣千元 RMB'000
盈利 按每股基本及攤薄盈利計算之 母公司普通股股東應佔溢利	Earnings Profit attributable to ordinary equity holders of the parent used in the basic and diluted earnings per share calculation	242,530
股份 按每股基本盈利計算之 年內已發行普通股加權平均數	Shares Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	1,431,100,000
攤薄影響－普通股加權平均數： 購股權	Effect of dilution – weighted average number of ordinary shares: Share options	1,508,235
	<u>1,432,608,235</u>	<u>1,347,619,167</u>

14. 物業、廠房及設備

2018年12月31日

14. PROPERTY, PLANT AND EQUIPMENT

31 December 2018

		樓宇	租賃裝修	汽車	傢俱及裝置	電子設備	在建工程	總計
		Buildings	Leasehold improvements	Motor vehicles	Furniture and fixtures	Electronic devices	Construction in progress	Total
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於2018年1月1日：	At 1 January 2018:							
成本	Cost	965,484	4,868	10,634	85,418	45,724	27,712	1,139,840
累計折舊	Accumulated depreciation	(80,306)	(2,951)	(7,257)	(40,485)	(23,540)	-	(154,539)
賬面淨值	Net carrying amount	<u>885,178</u>	<u>1,917</u>	<u>3,377</u>	<u>44,933</u>	<u>22,184</u>	<u>27,712</u>	<u>985,301</u>
於2018年1月1日， 經扣除累計折舊	At 1 January 2018, net of accumulated depreciation	885,178	1,917	3,377	44,933	22,184	27,712	985,301
添置	Additions	26,650	153	1,455	32,709	22,209	321,880	405,056
收購附屬公司	Acquisition of subsidiaries	651,259	-	4,788	38,497	14,354	63,769	772,667
出售	Disposals	-	-	-	(1,069)	(3)	-	(1,072)
年內計提折舊	Depreciation provided during the year	(19,994)	(459)	(987)	(11,900)	(11,464)	-	(44,804)
轉撥自在建工程	Transfers from construction in progress	74,641	-	-	-	1,060	(75,701)	-
轉撥至投資物業	Transfer to investment properties	(1,030)	-	-	-	-	-	(1,030)
匯兌調整	Exchange realignment	-	-	-	-	1	-	1
於2018年12月31日， 經扣除累計折舊	At 31 December 2018, net of accumulated depreciation	<u>1,616,704</u>	<u>1,611</u>	<u>8,633</u>	<u>103,170</u>	<u>48,341</u>	<u>337,660</u>	<u>2,116,119</u>
於2018年12月31日：	At 31 December 2018:							
成本	Cost	1,716,997	5,021	16,877	154,152	83,320	337,660	2,314,027
累計折舊	Accumulated depreciation	(100,293)	(3,410)	(8,244)	(50,982)	(34,979)	-	(197,908)
賬面淨值	Net carrying amount	<u>1,616,704</u>	<u>1,611</u>	<u>8,633</u>	<u>103,170</u>	<u>48,341</u>	<u>337,660</u>	<u>2,116,119</u>

14. 物業、廠房及設備 (續)
2017年12月31日

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)
31 December 2017

		樓宇	租賃裝修	汽車	傢俱及裝置	電子設備	在建工程	總計
		Buildings	Leasehold improvements	Motor vehicles	Furniture and fixtures	Electronic devices	Construction in progress	Total
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於2017年1月1日：	At 1 January 2017:							
成本	Cost	785,631	4,868	9,356	71,343	37,245	81,559	990,002
累計折舊	Accumulated depreciation	63,328	2,454	5,814	32,832	18,334	-	122,762
賬面淨值	Net carrying amount	<u>722,303</u>	<u>2,414</u>	<u>3,542</u>	<u>38,511</u>	<u>18,911</u>	<u>81,559</u>	<u>867,240</u>
於2017年1月1日， 經扣除累計折舊	At 1 January 2017, net of accumulated depreciation	722,303	2,414	3,542	38,511	18,911	81,559	867,240
添置	Additions	19,091	-	1,278	14,208	8,943	123,335	166,855
年內計提折舊	Depreciation provided during the year	(16,978)	(497)	(1,443)	(7,786)	(5,670)	-	(32,374)
轉撥自在建工程	Transfers from construction in progress	177,182	-	-	-	-	(177,182)	-
轉撥至投資物業	Transfer to investment properties	(16,420)	-	-	-	-	-	(16,420)
於2017年12月31日， 經扣除累計折舊	At 31 December 2017, net of accumulated depreciation	<u>885,178</u>	<u>1,917</u>	<u>3,377</u>	<u>44,933</u>	<u>22,184</u>	<u>27,712</u>	<u>985,301</u>
於2017年12月31日：	At 31 December 2017:							
成本	Cost	965,484	4,868	10,634	85,418	45,724	27,712	1,139,840
累計折舊	Accumulated depreciation	(80,306)	(2,951)	(7,257)	(40,485)	(23,540)	-	(154,539)
賬面淨值	Net carrying amount	<u>885,178</u>	<u>1,917</u>	<u>3,377</u>	<u>44,933</u>	<u>22,184</u>	<u>27,712</u>	<u>985,301</u>

於2018年12月31日，賬面淨值約為人民幣135,222,000元（2017年：人民幣122,417,000元）的若干樓宇仍在申領物業所有權證。

於2018年12月31日，賬面淨值約為人民幣219,024,000元的本集團若干樓宇、傢俱及裝置以及電子設備已質押予擔保銀行及其他借貸（附註24）。

The application for the property ownership certificates for certain buildings with a net book value of approximately RMB135,222,000 as at 31 December 2018 (2017: 122,417,000) was still in progress.

At 31 December 2018, certain of the Group's buildings, furniture and fixtures and electronic devices with net carrying amount of approximately RMB219,024,000 were pledged to secure bank and other borrowings (note 24).

15. 投資物業

15. INVESTMENT PROPERTIES

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
年初成本	Cost at beginning of the year	55,562	39,142
自收購事項添置	Additions from acquisition	114,500	–
轉撥自物業、廠房及設備	Transfer from property, plant and equipment	1,030	16,420
累計折舊	Accumulated depreciation	(9,666)	(8,231)
賬面淨值	Net carrying amount	161,426	47,331
年初的賬面值	Carrying amount at beginning of the year	47,331	31,817
自收購事項添置	Additions from acquisition	114,500	–
轉撥自物業、廠房及設備	Transfer from property, plant and equipment	1,030	16,420
年內計提折舊	Depreciation provided during the year	(1,435)	(906)
年終的賬面值	Carrying amount at end of the year	161,426	47,331

於2018年12月31日，投資物業之公平值估計約為人民幣429,500,000元（2017年：人民幣143,300,000元）。該估值由獨立專業合資格估值師進行。外部估值師的篩選標準包括市場知識、聲譽、獨立性及是否合乎專業標準。估值採用銷售比較法釐定。相近可比較物業的銷售價格會因應如物業大小的關鍵屬性差異而調整。該估值法輸入之最重要可觀察資料是每平方呎之價格。投資物業之公平值計量層級需要若干重大不可觀察輸入數據（第三級）。

該投資物業根據經營租賃出租予第三方。

As at 31 December 2018, the fair value of the investment property was estimated to be approximately RMB429,500,000 (2017: RMB143,300,000). The valuation was performed by an independent professionally qualified valuer. Selection criteria of the external valuer include market knowledge, reputation, independence and whether professional standards are maintained. The valuation was determined using the sale comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is the price per square metre. The fair value measurement hierarchy of the investment property requires certain significant unobservable inputs (Level 3).

The investment property is leased to a third party under an operating lease.

16. 預付土地租賃款項

16. PREPAID LAND LEASE PAYMENTS

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
年初賬面值	Carrying amount at beginning of the year	96,910	99,173
收購附屬公司	Acquisition of subsidiaries	109,844	–
年內攤銷	Amortisation during the year	(2,824)	(2,263)
年末賬面值	Carrying amount at end of the year	203,930	96,910

該等租賃土地位於中國內地，並按長期租約持有。

These pieces of leasehold land are located in Mainland China and are held under long term leases.

17. 商譽

17. GOODWILL

		人民幣千元 RMB'000
於2018年1月1日：	At 1 January 2018:	
成本	Cost	–
累計減值	Accumulated impairment	–
賬面淨值	Net carrying amount	–
於2018年1月1日成本，扣除累計減值 收購附屬公司 (附註31)	Cost at 1 January 2018, net of accumulated impairment Acquisition of subsidiaries (note 31)	196,114
於2018年12月31日成本及賬面淨值	Cost and net carrying amount at 31 December 2018	196,114
於2018年12月31日：	At 31 December 2018:	
成本	Cost	196,114
累計減值	Accumulated impairment	–
賬面淨值	Net carrying amount	196,114

17. 商譽 (續)

商譽減值測試

透過業務合併收購的商譽乃分配至下列現金產生單位以進行減值測試：

- 河南學校現金產生單位；及
- 東北學校現金產生單位。

河南學校現金產生單位

分配至河南學校之商譽賬面值為人民幣195,364,000元。河南學校現金產生單位的可收回金額乃按基於高級管理層批准的五年期財務預算編製的現金流量預測以使用價值計算法釐定。用於推算超過五年期河南學校單位現金流量之增長率為3%。於2018年12月31日適用於現金流量預測之稅前折讓率為17.6%。

東北學校現金產生單位

分配至東北學校之商譽賬面值為人民幣750,000元。東北學校現金產生單位的可收回金額乃按基於高級管理層批准的五年期財務預算編製的現金流量預測以使用價值計算法釐定。用於推算超過五年期東北學校單位現金流量之增長率為3%。於2018年12月31日適用於現金流量預測之稅前折讓率為16.9%。

計算上述現金產生單位於各報告日期的使用價值時，本集團已使用多項假設。下文描述高級管理層為進行減值測試而編製的現金流量預測所依據的各項主要假設：

預算收入－預算銷售金額乃基於歷史數據及管理層對未來市場的預期。

預算毛利率－釐定賦予預算毛利率的價值的基礎為於緊接預算年度前一年達致的平均毛利率（就預期效率提升調升）及預期市場發展。

17. GOODWILL (CONTINUED)

IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations is allocated to the following cash-generating units for impairment testing:

- Henan School cash-generating unit; and
- Northeast School cash-generating unit.

Henan School cash-generating unit

The carrying amount of goodwill allocated to Henna School is RMB195,364,000. The recoverable amount of Henan School has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The growth rate used to extrapolate the cash flows of Henan School unit beyond the five-year period is 3%. The pre-tax discount rate applied to the cash flow projections as at 31 December 2018 was 17.6%.

Northeast School cash-generating unit

The carrying amount of goodwill allocated to Northeast School is RMB750,000. The recoverable amount of Northeast School cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The growth rate used to extrapolate the cash flows of Northeast School unit beyond the five-year period is 3%. The pre-tax discount rate applied to the cash flow projections as at 31 December 2018 was 16.9%.

Assumptions were used in the value in use calculation of the above cash-generating units for each reporting date. The following describes each key assumption on which senior management has based its cash flow projections to undertake impairment testing:

Budgeted revenue – The budgeted sales amounts are based on the historical data and management's expectation on the future market.

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

17. 商譽 (續)

商譽減值測試 (續)

東北學校現金產生單位 (續)

貼現率—所用貼現率為除稅前利率，且反映與相關單位有關的特定風險，乃參考變異係數及於中國教育行業開展業務之若干公開上市公司之債務比率以使用資本資產定價模式釐定。

長期增長率—長期增長率乃基於歷史數據及管理層對未來市場的預期而釐定。

就有關現金產生單位的市場發展及貼現率的各項主要假設所賦予的價值與外部資料來源相一致。

管理層釐定商譽可收回金額所依據的最主要假設為預算銷售額，乃取決於學生人數及單位學費及寄宿費而定。

本公司的董事已估計該等風險的合現可能變動，並確認即使對該等風險賦予最不利的可能性價值，在綜合該等賦予價值對用以計量現金產生單位可收回金額的其他變數帶來的任何後續影響後，計算得出的金額仍會高於其賬面值。

18. 其他無形資產

17. GOODWILL (CONTINUED)

IMPAIRMENT TESTING OF GOODWILL (CONTINUED)

Northeast School cash-generating unit (Continued)

Discount rate – The discount rate used are before tax and reflects specific risks relating to the relevant unit, which is determined using the capital asset pricing model with reference to the beta coefficient and debt ratio of certain publicly listed companies conducting business in the PRC education industry.

Long term growth rate – The long term growth rate is based on the historical data and management's expectation on the future market.

The values assigned to the key assumptions on market development of the cash-generating unit and discount rate are consistent with external information sources.

The most key assumption on which management has based its determination of goodwill's recoverable amount is budgeted sales amounts, which are dependent on the number of students and unit tuition and boarding fees.

The Directors of the Company have estimated the reasonably possible changes in those factors and acknowledged that, even if the most unfavourable possible values were assigned to those factors, the recoverable amount then calculated, after incorporating any consequential effects of such assignments on the other variables used to measure the recoverable amount of the cash-generating unit, would still exceed its carrying amount.

18. OTHER INTANGIBLE ASSETS

		軟件 Software
		人民幣千元 RMB'000
2018年12月31日	31 December 2018	
於2018年1月1日的成本，經扣除累計攤銷	Cost at 1 January 2018, net of accumulated amortisation	11,127
添置	Additions	9,683
收購附屬公司	Acquisition of subsidiaries	2,070
年內計提攤銷	Amortisation provided during the year	(4,349)
		<hr/>
於2018年12月31日	At 31 December 2018	18,531
		<hr/>
於2018年12月31日：	At 31 December 2018:	
成本	Cost	28,804
累計攤銷	Accumulated amortisation	(10,273)
		<hr/>
賬面淨值	Net carrying amount	18,531
		<hr/>

18. 其他無形資產 (續)

18. OTHER INTANGIBLE ASSETS (CONTINUED)

		軟件 Software
		人民幣千元 RMB'000
2017年12月31日	31 December 2017	
於2017年1月1日的成本，經扣除累計攤銷	Cost at 1 January 2017, net of accumulated amortisation	8,318
添置	Additions	5,257
年內計提攤銷	Amortisation provided during the year	(2,448)
於2017年12月31日	At 31 December 2017	<u>11,127</u>
於2017年12月31日：	At 31 December 2017:	
成本	Cost	17,050
累計攤銷	Accumulated amortisation	(5,923)
賬面淨值	Net carrying amount	<u>11,127</u>

19. 其他非流動資產

19. OTHER NON-CURRENT ASSETS

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
投資預付款項 (附註(i))	Prepayment for investments (note (i))	1,314,442	1,019,667
土地使用權預付款項	Prepayment for land use rights	67,083	155,130
其他無形資產預付款項	Prepayment for other intangible assets	735	1,659
物業、廠房及設備預付款項	Prepayment for property, plant and equipment	56,405	9,517
		<u>1,438,665</u>	1,185,973
減值撥備	Impairment allowance	(30,975)	-
		<u>1,407,690</u>	<u>1,185,973</u>

預付款項主要指投資及收購新學校之首期付款。

Prepayments mainly represent down payments for investments and acquisition of new schools.

附註(i)：投資預付款項包括收購新疆財經大學商務學院(「新疆學校」)之首期付款人民幣147,993,000元。

Note (i): Included in prepayment for investments is the down payment of RMB147,993,000 for acquisition of Xinjiang Institute of Finance and Economics ("Xinjiang School").

19. 其他非流動資產(續)

截至2018年12月31日止財政年度期間，有關建議收購新疆學校，本集團宣佈，就對手方未滿足股本轉讓協議之若干先決條件及持續要求建議收購事項可能無法符合本集團及股東之最佳利益，故，本公司董事決定於2018年10月終止建議收購事項。

本公司委聘一名外部獨立法律顧問為董事會就有關終止新疆學校事宜提供專業意見，並採取適當行動，包括但不限於跟進對手方關於清算預付款項金額。受法律觀點支持，本公司通過考慮違約可能性開展減值分析評估並經參照當前條件及預期未來經濟狀況應用虧損率方法估計預期信貸虧損(倘適用)。於2018年12月31日，管理層估計減值撥備金額為人民幣30,975,000元，並採取合適的法律行為收回自來對手方之首期付款，及緊隨資產負債表日期後，與對手方之磋商仍處於進行中。倘有關此事宜有任何進展，本公司將於合適時候進一步發佈公告。

20. 預付款項、其他應收款項及其他資產

19. OTHER NON-CURRENT ASSETS (CONTINUED)

During the financial year ended 31 December 2018, in relation to the proposed acquisition of Xinjiang School, the Group announced that, in view of certain closing conditions under the equity transfer agreements not satisfied by the counterparties, and continuing to pursue the proposed acquisition may not be in the best interest of the Group and the shareholders, the Directors of the Company decided to terminate the proposed acquisition in October 2018.

The Company engaged an external independent legal counsel to provide professional advice to the Board in relation to the termination of Xinjiang School matter, and to take appropriate actions, including but not limited to, in following up with the counterparties for settlement of the prepayment amount. The Company performed an impairment analysis assessment, as supported by the legal opinion, by considering the probability of default and estimated an expected credit loss by applying a loss rate approach with reference to the current conditions and forecasts of future economic conditions, as appropriate. The management estimates the impairment allowance amounted to RMB30,975,000 as at 31 December 2018, with appropriate legal action to recover the down payment from the counterparties, and subsequent to the balance sheet date, the process of negotiation with the counterparties is still in progress. Should there be any development progress on this matter, the Company will release further announcement as and when appropriate.

20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
預付租金及其他預付費用	Prepaid rent and other prepaid expenses	2,008	2,541
墊款及其他應收款項	Advance and other receivables	89,857	68,329
應收教育局款項	Receivables from educational bureaus	11,586	1,413
員工墊款	Staff advances	2,487	757
按金及其他應收雜項款項	Deposits and other miscellaneous receivables	25,532	15,626
		<u>131,470</u>	<u>88,666</u>

該等款項為免息及無抵押品作抵押。

The amounts are interest-free and are not secured with collateral.

上述資產概無逾期或減值。上述結餘包含的金融資產與近期並無違約記錄的應收款項有關。

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.

21. 現金及現金等價物及已抵押存款 21. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
現金及銀行結餘	Cash and bank balances	294,630	73,648
定期存款	Time deposits	118,534	75,000
		413,164	148,648
減：受限制銀行結餘	Less: Restricted bank balances	(63,534)	(30,000)
現金及現金等價物	Cash and cash equivalents	<u>349,630</u>	<u>118,648</u>
計值幣種：	Denominated in:		
人民幣	RMB	340,082	109,801
美元	USD	1,541	4,686
港元	HKD	8,007	4,161
現金及現金等價物	Cash and cash equivalents	<u>349,630</u>	<u>118,648</u>

於年末，本集團以人民幣計值的現金及銀行結餘為人民幣340,082,000元(2017年：人民幣109,801,000元)。人民幣不能自由兌換成其他貨幣。然而，根據中國《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開展外匯業務的銀行將人民幣兌換成其他貨幣。

銀行現金按根據每日銀行存款利率計算的浮動利率計息。短期定期存款的存款期視乎本集團的即時現金需求而有所不同，並按各自短期定期存款利率計息。銀行結餘及已抵押存款乃存放於並無近期違約記錄且信譽良好的銀行。

At the end of the year, the cash and bank balances of the Group denominated in RMB amounted to RMB340,082,000 (2017: RMB109,801,000). The RMB is not freely convertible into other currencies, however, under the Mainland 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.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

22. 遞延收入

22. DEFERRED REVENUE

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
合約負債 (附註(i))	Contract liabilities (Note (i))	472,928	–
學費	Tuition fees	–	224,629
住宿費	Boarding fees	–	24,970
		<u>472,928</u>	<u>249,599</u>

附註(i)：於2018年12月31日及2018年1月1日之合約負債詳情如下：

Note (i): Details of contract liabilities as at 31 December 2018 and 1 January 2018 are as follows:

		2018年12月31日 31 December 2018	2018年1月1日 1 January 2018
		人民幣千元 RMB'000	人民幣千元 RMB'000
學費	Tuition fees	417,108	224,629
住宿費	Boarding fees	55,820	24,970
合約負債總額	Total contract liabilities	<u>472,928</u>	<u>249,599</u>

合約負債為學費及住宿費。

Contract liabilities are tuition fees and boarding fees.

23. 其他應付款項及應計費用

23. OTHER PAYABLES AND ACCRUALS

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
購買物業、廠房及設備的 應付款項	Payables for purchase of property, plant and equipment	70,677	19,029
應計花紅及社會保險	Accrued bonus and social insurance	44,833	42,380
向學生收取的雜項費用 (附註(i))	Miscellaneous expenses received from students (Note (i))	83,530	63,016
其他應付款項 (附註(ii))	Other payables (Note (ii))	289,121	64,014
應計費用	Accrued expenses	601	4,544
		<u>488,762</u>	<u>192,983</u>

23. 其他應付款項及應計費用 (續)

上述結餘乃無抵押及不計息。於年末，因於短時間內到期，其他應付款項及應計費用的賬面值與其公平值相若。

附註(i)：有關款項乃收取自學生的雜項費用，將代學生支付。

附註(ii)：其他應付款項為附註31所述之因業務合併而未結算之代價，其將分別通過向學校舉辦者現金支付人民幣80,000,000元的方式及以向河南學校注資金額為人民幣80,000,000元的方式結算。

23. OTHER PAYABLES AND ACCRUALS (CONTINUED)

The above balances are unsecured and non-interest-bearing. The carrying amount of other payables and accruals at the end of the year approximated to their fair value due to their short term maturity.

Note (i): The amount represents the miscellaneous expenses received from students which will be paid out on behalf of students.

Note (ii): Included in other payables was the unsettled consideration for business combination as described in note 31, which is to be settled by way of cash payment amounting to RMB80 million to the Schools sponsors, and in the form of capital injection amounting to RMB80 million into Henan School, respectively.

24. 計息銀行及其他借款

24. INTEREST-BEARING BANK AND OTHER BORROWINGS

		2018年 2018			2017年 2017		
		實際利率(%) Effective interest rate (%)	到期 Maturity	人民幣千元 RMB'000	實際利率(%) Effective interest rate (%)	到期 Maturity	人民幣千元 RMB'000
即期	Current						
應付融資租賃 (附註26)	Finance lease payables (note 26)	7.28%-13.97%	2019	85,934			-
有抵押銀行貸款	Bank loans – secured	5.22%-6.37%	2019	156,837	5.22%-6.86%	2018	152,819
有抵押其他貸款	Other loans – secured	10%-10.25%	2019	198,989			-
長期有抵押銀行貸款的即期部分	Current portion of long term bank loans – secured	4.99%-6.65%, HIBOR+2.25%	2019	181,918	4.75%-7.13%	2018	55,000
有抵押其他貸款的即期部分	Current portion of other loans – secured	10.31%-19.72%	2019	1,646			-
				625,324			207,819
非即期	Non-current						
應付融資租賃 (附註26)	Finance lease payables (note 26)	7.28%-13.97%	2020-2023	168,261			
有抵押銀行貸款	Bank loans – secured	4.99%-6.65%, HIBOR+2.25%	2020-2023	474,110	4.75%-7.13%	2019	144,440
有抵押其他貸款	Other loans – secured	10.31%-19.72%	2020-2029	27,187			-
交易成本	Transaction costs			(8,035)			-
				661,523			144,440
				1,286,847			352,259

24. 計息銀行及其他借款 (續)

24. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
分析：	Analysed into:		
應償還銀行貸款及透支：	Bank loans and overdrafts repayable:		
於一年內或按要求	Within one year or on demand	338,755	207,819
於第二年	In the second year	145,508	144,440
於第三年至第五年 (包括首尾兩年)	In the third to fifth years, inclusive	320,567	—
		804,830	352,259
應償還其他借貸：	Other borrowings repayable:		
於一年內	Within one year	286,569	—
於第二年	In the second year	86,062	—
於第三年至第五年 (包括首尾兩年)	In the third to fifth years, inclusive	90,384	—
超過五年	Beyond five years	19,002	—
		482,017	—
		1,286,847	352,259

所有銀行貸款由下列各項共同作出擔保抵押：

- (i) 於2018年12月31日本集團樓宇、傢俱及裝置以及電子設備之總賬面淨值約為人民幣219,024,000元(附註14)；
- (ii) 雲南大愛方舟信息諮詢有限公司、恩常公司、輝煌公司、Aspire Education Holding Co., Ltd.及Aspire Education Information Co., Ltd.的全部股份；
- (iii) 哈軒公司的73.91%股權；
- (iv) 本公司230,000,000股普通股股份；
- (v) 本公司董事李先生及楊旭青女士(「楊女士」，李先生之配偶)簽立的個人擔保(附註35)；
- (vi) 本公司董事李先生控制的本集團及本集團附屬公司簽立的公司擔保；
- (vii) Aspire Education Management Co., Ltd簽立的公司擔保；及
- (viii) 本集團的按金，於2018年12月31日金額為人民幣40,000,000元(2017年：人民幣30,000,000元)。

All of the bank loans are jointly secured and pledged by:

- (i) the Group's buildings, furniture and fixtures and electronic devices with an aggregate net carrying amount of approximately RMB219,024,000 as at 31 December 2018 (note 14);
- (ii) all shares of Yunnan Daai Fangzhou Information Consultancy Co., Ltd., Enchang Company, Huihuang Company, Aspire Education Holding Co., Ltd. and Aspire Education Information Co., Ltd.;
- (iii) 73.91% equity interest of Haxuan Company;
- (iv) 230,000,000 ordinary shares of the Company;
- (v) personal guarantees executed by Mr. Li, a director of the Company, and Ms. Yang Xuqing ("Ms. Yang", spouse of Mr. Li) (note 35);
- (vi) corporate guarantees executed by the Group and subsidiaries of the Group, which are controlled by Mr. Li, a director of the Company;
- (vii) corporate guarantees executed by Aspire Education Management Co., Ltd.; and
- (viii) deposits of the Group with an amount of RMB40,000,000 as at 31 December 2018 (2017: RMB30,000,000).

25. 遞延收益

25. DEFERRED INCOME

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
於年初	At beginning of year	32,725	32,634
年內添置	Additions during the year	6,808	6,686
收購附屬公司	Acquisition of subsidiaries	13,758	–
撥入損益	Released to profit or loss	(12,515)	(6,595)
於年末	At end of year	40,776	32,725
減：即期部份	Less: Current portion	(9,775)	(4,088)
非即期部份	Non-current portion	31,001	28,637

遞延收益指就若干租賃裝修補助所收取的政府補助以及售後租回交易所產生的額外金額。該等政府補助於有關資產的預期可使用年內撥入損益。

Deferred income represents the government grants received for subsidies in connection with certain leasehold improvements and the excess amount arising from sales and lease back transactions. These government grants are released to profit or loss over the expected useful lives of the relevant assets.

26. 應付融資租賃

於2018年12月31日，應付融資租賃為本集團與第三方租賃公司以售後回租交易形成融資租賃且附帶回購選擇的形式簽訂的融資協議。融資安排項下售後回租的主體為本集團擁有的辦公室物業及辦公室設備。由於回購價格設為人民幣100元至人民幣300元，遠小於相關資產於三至五年將租賃期末時的預期公平值，因此本集團確定會執行回購選擇，同時考慮到基於出售價需支付的租賃款項金額，上述融資安排入賬為擔保借款，使用實際利率法按照攤銷成本列賬。

26. FINANCE LEASE PAYABLES

Finance lease payables as at 31 December 2018 represent the borrowings under financing arrangements entered into by the Group with third-party leasing companies, in the form of a sale and leaseback transaction which results in a finance lease and bears a repurchase option. The subjects sold and leased back under the financing arrangements are the office properties and office equipment owned by the Group. As the repurchase prices are set at RMB100 and RMB300 which are minimal compared to the expected fair values of the underlying assets at the end of the lease periods of three to five years and the Group is certain that it will exercise the repurchase option, and considering the amounts of the lease payments to be paid on the selling prices, the above financing arrangements are accounted for as collateralised borrowings at amortised cost using the effective interest method.

26. 應付融資租賃 (續)

於2018年12月31日，融資租賃項下未來最低租賃付款總額及彼等現值如下：

26. FINANCE LEASE PAYABLES (CONTINUED)

At 31 December 2018, the total future minimum lease payments under finance leases and their present values were as follows:

		最低租賃 付款	最低租賃 付款	最低租賃 付款現值 Present value of minimum lease payments	最低租賃 付款現值 Present value of minimum lease payments
		Minimum lease payments 2018年 2018	Minimum lease payments 2017年 2017	2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
應付金額：	Amounts payable:				
於一年內	Within one year	107,960	–	85,934	–
於第二年	In the second year	98,417	–	84,446	–
於第三年至第五年 (包括首尾兩年)	In the third to fifth years, inclusive	92,575	–	83,815	–
最低融資租賃付款總額	Total minimum finance lease payments	298,952	–	254,195	–
未來融資支出	Future finance charges	(44,757)	–		
總應付融資租賃淨額	Total net finance lease payables	254,195	–		
分類為流動負債部分 (附註24)	Portion classified as current liabilities (note 24)	(85,934)	–		
非流動部分 (附註24)	Non-current portion (note 24)	168,261	–		

27. 遞延稅項

本年度內本集團之遞延稅項負債之變動如下：

27. DEFERRED TAX

The movements in deferred tax liabilities of the Group during the year are as follows:

		2018年 2018		
		預扣稅	收購附屬公司 產生之公平值調整 Fair value adjustments arising from acquisition of subsidiaries	總計
		Withholding taxes		Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018	3,975	–	3,975
本年度內計入損益表內的 遞延稅項	Deferred tax credited to the statement of profit or loss during the year	(954)	–	(954)
來自收購事項之添置	Addition from acquisition	–	46,398	46,398
於2018年12月31日的 遞延稅項負債總額	Gross deferred tax liabilities at 31 December 2018	3,021	46,398	49,419
		2017年 2017 預扣稅 Withholding taxes		
		人民幣千元 RMB'000		
於2017年1月1日	At 1 January 2017	–		
本年度內於損益表內扣除的遞延稅項	Deferred tax charged to the statement of profit or loss during the year	3,975		
於2017年12月31日的遞延稅項負債總額	Gross deferred tax liabilities at 31 December 2017	3,975		

27. 遞延稅項 (續)

根據《中華人民共和國企業所得稅法》，於中國內地成立的外商投資企業向外商投資者宣派的股息須按10%稅率繳納預扣稅。該規定自2008年1月1日起生效，且適用於2007年12月31日後盈利。倘中國內地及外商投資者司法權區訂立稅收協定，或採用較低預扣稅稅率。就本集團而言，適用稅率為10%。因此，本集團就該等於中國內地成立的附屬公司自2008年1月1日起所產生盈利分派的股息繳納預扣稅。

於2018年12月31日，本集團確認於可見的將來由若干附屬公司預期滙入盈利之相關遞延所得稅負債人民幣49,419,000元（2017年：人民幣3,975,000元），及亦確認於2018年中期若干附屬公司分派盈利之預扣稅負債人民幣4,293,000元（2017年：人民幣3,339,000元）。除於綜合財務報表確認的金額外，概無就預期將由中國附屬公司保留而不會於可見的將來滙入外國投資者的盈利預扣稅約人民幣377,800,000元（2017年：人民幣300,400,000元）確認遞延稅項。董事認為，該等餘下盈利將保留在中國內地用於本集團經營的擴張，因此相關附屬公司於可預見的將來可能不會分派該等餘下盈利。

因該等虧損乃由已錄得虧損一段時間的附屬公司產生及認為將不大可能有應課稅溢利可用作抵銷稅項虧損，故並未就該等虧損確認於2018年12月31日的遞延稅項資產人民幣11,328,000元（2017年：人民幣794,000元）。

27. DEFERRED TAX (CONTINUED)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

As at 31 December 2018, the Group recognised relevant deferred income tax liabilities of RMB49,419 thousand (2017: RMB3,975 thousand) on earnings anticipated to be remitted by certain subsidiaries in the foreseeable future, and also recognised withholding tax liabilities of RMB4,293 thousand (2017: RMB3,339 thousand) on earnings distributed by certain subsidiaries in 2018 interim. Other than the amount recognised in the consolidated financial statements, deferred tax has not been recognised for withholding taxes for the earnings of approximately RMB377.8 million (2017: RMB300.4 million) expected to be retained by the PRC subsidiaries and not to be remitted to a foreign investor in the foreseeable future. In the opinion of the Directors, such remaining earnings will be retained in Mainland China for the expansion of the Group's operation, so it is not probable that these subsidiaries will distribute such remaining earnings in the foreseeable future.

Deferred tax assets amounting to RMB11,328,000 as at 31 December 2018 (2017: RMB794,000) have not been recognised in respect of the losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the taxable losses can be utilised.

28. 股本
股份

28. SHARE CAPITAL
SHARES

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
已發行及繳足：	Issued and fully paid:		
1,431,100,000股普通股	1,431,100,000 (2017: 1,431,100,000)		
(2017年：1,431,100,000股)	ordinary shares	983	983

本公司的股本變動概述如下：

A summary of movements in the Company's share capital is as follows:

		股份數目 Number of shares	金額 Amount	金額 Amount
			千美元 USD'000	人民幣千元 等值 RMB'000 Equivalent
已註冊：	Registered:	2,000,000,000	200	1,355
已發行及繳足：	Issued and fully paid:			
於2017年1月1日	At 1 January 2017	14,311	-	-
資本化股份溢價賬	Capitalisation of share premium account	1,144,865,689	114	786
發行新股份	Issue of new shares	286,220,000	29	197
於2017年12月31日及 2018年1月1日	At 31 December 2017 and 1 January 2018	1,431,100,000	143	983
於2018年12月31日	At 31 December 2018	1,431,100,000	143	983

購股權

本公司購股權計劃及根據該計劃發行項下之購股權詳情載於財務報表附註29。

SHARE OPTIONS

Details of the Company's share option scheme and the share options issued under the scheme are included in note 29 to the financial statements.

29. 購股權計劃

本公司經營一項購股權計劃（「計劃」），旨在為有助本集團營運成功的合資格參與者提供獎勵及回報。該計劃的合資格參與者包括本公司董事（包括本集團獨立非執行董事、其他僱員及本集團貨品或服務之供應商）。該計劃於2017年3月20日生效，除非另行取消或修訂，否則將自該日起生效十年。

根據該計劃，目前准許授予的未行使購股權的最高數目為行使時相當於本公司已發行股份的10%的上市日期（即2017年4月19日）。在任何十二個月期間，根據購股權向該計劃的每名合資格參與者發行的股份最高數目，均限於本公司任何時間已發行股份的1%。任何超出此限額的進一步授出購股權須經股東大會批准。

授予本公司董事，行政總裁或主要股東或其任何關係人的購股權須經獨立非執行董事事先批准。此外，授予本公司主要股東或獨立非執行董事或其任何關係人的任何購股權，超過本公司任何時間已發行股份的0.1%或總值（根據本公司於授出日期的股份價格）超過五百萬港元，在任何十二個月內，須經股東批准。在股東大會上進行。

授予購股權的要約可於要約日期起計二十八日內接納，並由承授人支付名義代價總額1港元。所授出購股權之行使期乃由董事釐定，並於三至五年歸屬期後開始，及於不遲於購股權要約日期起計五年或計劃屆滿日期完結（以較早者為準）。

購股權之行使價由董事釐定，惟不得低於以下之較高者：(i)本公司股份之面值；(ii)本公司股份於購股權要約日期在聯交所之收市價；及(iii)本公司股份於緊接要約日期前五個交易日在聯交所之平均收市價。

29. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group and suppliers of goods or services to the Group. The Scheme became effective on 20 March 2017 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at the listing date, i.e. 19 April 2017. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a vesting period of three to five years and ends on a date which is not later than five years from the date of offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) the nominal value of the Company's shares; (ii) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; and (iii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer.

29. 購股權計劃 (續)

購股權並不賦予持有人收取股息或於股東大會投票之權利。

根據本公司於2017年3月20日採納之購股權計劃，於2018年授出質購股權詳情如下：

- 1) 於2018年3月1日，承授人按行使價5.55港元授出及接納7,112,000份購股權。於2018年10月26日，為降低與股價大幅下降一致之行使價，本集團取消該等購股權，惟已沒收之1,385,700份購股權除外。同時，本集團以行使價4.202港元授出5,726,300份購股權作為替換。
- 2) 於2018年6月8日，承授人按行使價7.652港元授出及接納1,674,500份購股權。於2018年7月12日，承授人按行使價7.95港元授出及接納404,200份購股權。於2018年9月3日，為降低與股價大幅下降一致之行使價，本集團取消該等1,574,200份購股權，惟已沒收之504,500份購股權除外。同時，本集團以行使價5.92港元授出2,630,500份購股權，其中，1,056,300授予新承授人及餘下1,574,200份購股權指定為該等已取消原有獎勵之替代獎勵。於2018年10月26日，由於股價進一步大幅下降，本集團再次取消於2018年9月3日已授出的該等1,919,100份購股權，惟已沒收的2,100份購股權及授予本集團主席之709,300份購股權除外。同時，本集團以行使價4.202港元授出1,919,100份購股權作為替換。
- 3) 於2018年9月11日，本集團亦宣佈12,000,000份購股權將授予本集團將於日後提供有關收購事項之諮詢服務之若干顧問。於2018年12月31日，該服務尚未獲提供，該等購股權之歸屬條件尚未確定及獲承授人接納。
- 4) 於2018年11月2日，122,100份購股權授出並由承授人按4.32港元行使價接納。

29. SHARE OPTION SCHEME (CONTINUED)

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

Under the share option scheme adopted by the Company on 20 March 2017, details of share options granted in 2018 are as follows:

- 1) On 1 March 2018, 7,112,000 share options were granted and accepted by grantees at an exercise price of HK\$5.55. On 26 October 2018, in order to lower the exercise price which is corresponding to a significant decrease of share price, the Group cancelled these share options, except for 1,385,700 share options that were forfeited. Meanwhile, the Group granted 5,726,300 share options with an exercise price of HK\$4.202 as substitution.
- 2) On 8 June 2018, 1,674,500 share options were granted and accepted by grantees at an exercise price of HK\$7.652. And on 12 July 2018, 404,200 share options were granted and accepted by grantees at an exercise price of HK\$7.95. On 3 September 2018, in order to lower the exercise price which is corresponding to a significant decrease of share price, the Group cancelled these share options of 1,574,200, except for 504,500 share options that were forfeited. Meanwhile, the Group granted 2,630,500 share options with an exercise price of HK\$5.92, among which 1,056,300 share options were granted to new grantees and the remaining 1,574,200 share options were designated as replacement award for those cancelled original award. On 26 October 2018, arising from a further significant decrease of share price, the Group further cancelled those share options of 1,919,100 granted on 3 September 2018, except for 2,100 share options that were forfeited and 709,300 share options that were granted to the chairman of the Group. At the same time, the Group granted 1,919,100 share options with an exercise price of HK\$4.202 as substitution.
- 3) On 11 September 2018, the Group also announced 12,000,000 share options will be granted to some consultants of the Group, who will provide consulting service relating to acquisitions in the future. As of 31 December 2018, the services are not provided yet, vesting conditions of these share options are also not fixed and accepted by the grantees.
- 4) On 2 November 2018, 122,100 share options were granted and accepted by grantees at an exercise price of HK\$4.32.

29. 購股權計劃 (續)

以下為於年內根據計劃尚未行使之購股權：

29. SHARE OPTION SCHEME (CONTINUED)

The following share options were outstanding under the Scheme during the year:

		2018年 2018	
		加權平均行使價 Weighted average exercise price	購股權數目 Number of options
		每股港元 HK\$ per share	千股 '000
於1月1日	At 1 January	—	—
年內已授出	Granted during the year	4.515	9,911
年內已沒收	Forfeited during the year	5.293	(1,716)
於12月31日	At 31 December	<u>4.352</u>	<u>8,195</u>

於報告期末尚未獲行使之購股權行使價及行使期如下：

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2018年		2018	
購股權數目 Number of options	行使價 Exercise price	行使期間	Exercise period
千股 '000	每股港元 HK\$ per share		
709	5.920	2019年9月3日至2023年9月2日	3 September 2019 to 2 September 2023
7,367	4.202	2019年3月1日至 2023年10月25日	1 March 2019 to 25 October 2023
119	4.320	2019年11月2日至 2023年11月1日	2 November 2019 to 1 November 2023
<u>8,195</u>			

於年內授出之購股權公平值為人民幣19,699,000元(加權平均值每股人民幣1.99元)，其中本集團於截至2018年12月31日止年度確認購股權開支人民幣5,772,000元。

The fair value of the share options granted during the year was RMB19,699,000 (weighted average of RMB1.99 each), of which the Group recognised a share option expense of RMB5,772,000 during the year ended 31 December 2018.

29. 購股權計劃 (續)

於年內以股權支付的購股權公平值使用二項式模式估值，經計及購股權條款及條件後授出。下表列出所用模式之輸入數據：

		2018年 2018
股息率(%)	Dividend yield (%)	27%-30%
波幅(%)	Volatility (%)	46%-53%
無風險利率(%)	Risk-free interest rate (%)	1.65%-2.33%
預計購股權年期(年數)	Expected life of options (year)	5
加權平均股價(每股人民幣)	Weighted average share price (RMB per share)	1.99

購股權之預計可使用年期乃以管理層最佳估計為基準，不一定為可能出現之行使模式之指標。預期波幅反映假設過往波幅乃未來趨勢之指標，此亦不一定為實際結果。

計量公平值時並無納入所授出購股權之任何其他特徵。

於報告期末，本公司根據該計劃擁有8,195,200份尚未行使之購股權。根據本公司當前資本架構，悉數行使尚未行使之購股權將導致本公司發行8,195,200股額外普通股股份及額外股本819.52美元(發行開支前)。

30. 儲備

本集團於本年度內的儲備金額及其變動在財務報表的綜合權益變動表內呈列。

資本儲備

本集團的資本儲備指本集團附屬公司彼時股權持有人的股本注資。本年度內的添置指本集團附屬公司彼時股權持有人額外注資已繳足股本(於呈列最早日期或自附屬公司及/或業務由李先生最初共同控制的日期起綜合)。本年度內的扣減指本集團收購李先生就共同控制下業務合併於附屬公司股權造成的資產淨值減少。

29. SHARE OPTION SCHEME (CONTINUED)

The fair value of equity-settled share options granted during the year was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

The expected life of the options is based on the management's best estimate and is not necessarily indicative of the exercise patterns that may occur. The volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At the end of the reporting period, the Company had 8,195,200 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 8,195,200 additional ordinary shares of the Company and additional share capital of US\$819.52 (before issue expenses).

30. RESERVES

The amounts of the Group's reserves and the movements therein for the year are presented in the consolidated statement of changes in equity of the financial statements.

CAPITAL RESERVE

The capital reserve of the Group represents the capital contributions from the then equity holders of the Group's subsidiaries. The additions during the year represent the injection of additional paid-up capital by the then equity holders of the Group's subsidiaries, which were consolidated from the earliest date presented or since the date when the subsidiaries and/or businesses first came under the common control of Mr. Li. The deduction during the year represents the decrease in the Group's net assets resulting from the acquisition of equity interests in subsidiaries from Mr. Li for business combination under common control.

30. 儲備 (續)

資本儲備 (續)

法定及其他盈餘儲備

根據中國有關法律，本公司的中國附屬公司應將部份稅後溢利分撥至不可分派儲備金（具體金額由有關中國附屬公司的董事會釐定）。該等儲備包括(i)有限責任公司的一般儲備及(ii)學校的發展基金。

- i) 根據中國公司法，本集團若干附屬公司作為內資企業，須將根據有關中國會計準則所釐定的除稅後溢利的10%分配至其各自的法定盈餘儲備，直至儲備達到其各自註冊資本的50%。在中國公司法所載若干限制的規限下，部份法定盈餘儲備可轉增股本，惟資本化後的結餘不低於註冊資本的25%。
- ii) 根據中國的有關法律法規，對於要求合理回報的民辦學校，須將有關學校不少於25%的純收益（根據中國公認會計準則釐定）分撥至發展基金。發展基金用於學校的建設及維護或教育設備的採購升級。

31. 業務合併

於截至2018年12月31日止財政年度內，本集團完成收購河南學校及東北學校。該等收購為本集團於中國西北部、中部及東北部資本城市擴大學校網絡之戰略。河南學校為一所於中國成立的提供專科教育的民辦高等院校，東北學校為一所於中國成立的應用型民辦高等學歷教育機構。該等收購事項使用收購方法列賬。

誠如本公司公告所述，於2018年10月8日，本集團完成自兩名個人及河南榮豫（河南學校獨立第三方及舉辦者）收購學校舉辦者於河南學校之55%權益，代價為人民幣395,500,000元。收購事項之購買代價包括就彼等於河南榮豫之55%股權應付榮先生及孔女士人民幣101,500,000元及餘下人民幣294,000,000元將以注資形式注入河南學校。於2018年12月31日，已支付總代價之人民幣285,500,000元，餘下人民幣110,000,000元將於資產負債表日期未來十二個月內結算。

30. RESERVES (CONTINUED)

CAPITAL RESERVE (CONTINUED)

Statutory and other surplus reserves

Pursuant to the relevant laws in the PRC, the Company's subsidiaries in the PRC shall make appropriations from after-tax profit to non-distributable reserve funds as determined by the boards of directors of the relevant PRC subsidiaries. These reserves include (i) general reserve of the limited liability companies and (ii) the development fund of schools.

- i) In accordance with the Company Law of the PRC, certain subsidiaries of the Group which are domestic enterprises are required to allocate 10% of their profit after tax, as determined in accordance with the relevant PRC accounting standards, to their respective statutory surplus reserves until the reserves reach 50% of their respective registered capital. Subject to certain restrictions set out in the Company Law of the PRC, part of the statutory surplus reserve may be converted to share capital, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital.
- ii) According to the relevant PRC laws and regulations, for private schools that require reasonable returns, they are required to appropriate to the development fund not less than 25% of the net income of the relevant schools as determined in accordance with generally accepted accounting principles in the PRC. The development fund is for the construction or maintenance of the schools or the procurement or upgrade of educational equipment.

31. BUSINESS COMBINATION

During the financial year ended 31 December 2018, the Group completed acquisitions of Henan School and Northeast School. These acquisitions were part of the Group's strategy to expand school network in capital cities in the northwestern, central and northeastern of the PRC. The Henan School is a private higher education institution established in the PRC providing junior college education, and the Northeast School is a private institution of formal higher education established in the PRC focusing on applied sciences. These acquisitions have been accounted for using the acquisition method.

As detailed in the Company announcement, on 8 October 2018, the Group completed the acquisition of 55% school sponsor's interest in Henan School from two individuals and Henan Rongyu, independent third parties and sponsors of Henan School, at a consideration of RMB395,500,000. The purchase consideration for the acquisition comprises RMB101,500,000 payable to Mr. Rong and Ms. Kong for their 55% equity interest in Henan Rongyu, and the remaining of RMB294,000,000 was in the form of capital injection into Henan School. As at 31 December 2018, RMB285,500,000 out of the total consideration was paid, and the remaining of RMB110,000,000 is to be settled within the next twelve months of the balance sheet date.

31. 業務合併 (續)

誠如本公司公告所述，於2018年12月10日，本公司完成自五名個人、獨立第三方及東北學校舉辦者收購學校舉辦者於東北學校73.91%權益，代價為人民幣381,865,000元。於2018年12月31日，已支付總代價之人民幣331,865,000元，餘下人民幣50,000,000元將於資產負債表日期未來十二個月內結算。

本集團委聘外部獨立評估師評估公平值之確認及釐定以於收購日期指派被收購方之資產及負債。

河南學校

於收購日期河南學校可識別之資產及負債公平值如下：

31. BUSINESS COMBINATION (CONTINUED)

As detailed in the Company announcement, on 10 December 2018, the Group completed the acquisition of 73.91% school sponsor's interest in Northeast School from five individuals, independent third parties and sponsors of Northeast School, at a consideration of RMB381,865,000. As at 31 December 2018, RMB331,865,000 out of the total consideration was paid, and the remaining of RMB50,000,000 is to be settled within the next twelve months of the balance sheet date.

The Group engaged an external independent appraiser to perform the valuation with the identification and determination of fair values to be assigned to the acquirees' assets and liabilities as at acquisition date.

HENAN SCHOOL

The fair values of the identifiable assets and liabilities of Henan School as at the date of acquisition were as follows:

		附註 Notes	於收購時確認 之公平值 Fair value recognised on acquisition 人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	14	378,185
投資物業	Investment properties	15	68,500
預付土地租賃款項	Prepaid land lease payments	16	39,043
其他無形資產	Other intangible assets	18	1,593
其他非流動資產	Other non-current assets		53,257
現金及銀行結餘	Cash and bank balances		3,402
預付款項、其他應收款項及其他資產	Prepayments, other receivables and other assets		220,474
學費及住宿費應收款項	Receivables for tuition and boarding fee		6,347
遞延收入	Deferred revenue		(132,728)
其他應付款項及應計費用	Other payables and accruals		(225,227)
計息銀行及其他借貸－即期	Interest-bearing bank and other borrowings – current		(2,917)
遞延收益－即期	Deferred income – current	25	(2,076)
應付稅項	Tax payable		(30)
計息銀行及其他借貸－非即期	Interest-bearing bank and other borrowings – non-current		(11,530)
遞延收益－非即期	Deferred income – non-current	25	(5,060)
遞延稅項負債	Deferred tax liabilities		(27,350)
按公平值計量之可識別資產淨值總額	Total identifiable net assets at fair value		363,883
非控股權益	Non-controlling interests		(163,747)
於收購時商譽	Goodwill on acquisition	17	195,364
透過現金償付	Satisfied by cash		285,500
應付代價	Consideration payable	23	110,000
			395,500

31. 業務合併 (續)

東北學校

於收購日期東北學校可識別之資產及負債公平值如下：

31. BUSINESS COMBINATION (CONTINUED)

NORTHEAST SCHOOL

The fair values of the identifiable assets and liabilities of Northeast School as at the date of acquisition were as follows:

		附註 Notes	於收購時確認 之公平值 Fair value recognised on acquisition 人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	14	394,483
投資物業	Investment properties	15	46,000
預付土地租賃款項	Prepaid land lease payments	16	70,801
其他無形資產	Other intangible assets	18	477
現金及銀行結餘	Cash and bank balances		91,400
預付款項、其他應收款項及其他資產	Prepayments, other receivables and other assets		160,192
學費及住宿費應收款項	Receivables for tuition and boarding fee		52
遞延收入	Deferred revenue		(95,697)
其他應付款項及應計費用	Other payables and accruals		(126,389)
遞延收益 – 即期	Deferred income – current	25	(1,583)
遞延收益 – 非即期	Deferred income – non-current	25	(5,039)
遞延稅項負債	Deferred tax liabilities		(19,049)
按公平值計量之可識別資產淨值總額	Total identifiable net assets at fair value		515,648
非控股權益	Non-controlling interests		(134,533)
於收購時商譽	Goodwill on acquisition	17	750
透過現金償付	Satisfied by cash		331,865
應付代價	Consideration payable	23	50,000
			381,865

已確認之商譽主要歸因於收購產生之預期業務協同效應，其並不單獨確認。概無已確認商譽預期就所得稅可抵扣。

The goodwill recognised is primarily attributed to the expected business synergies arising from the acquisitions, which is not separately recognised. None of the goodwill recognised is expected to be deductible for income tax purposes.

本集團已選擇上述所載兩所學校按可識別資產淨值應佔非控股權益比例計量非控股權益。

The Group has elected to measure the non-controlling interests in two schools set out above at the non-controlling interests' proportionate share of the identifiable net assets.

31. 業務合併 (續)

東北學校 (續)

有關收購附屬公司之現金流量分析如下：

		人民幣千元 RMB'000
於2018年已付現金代價	Cash consideration paid in 2018	(285,500)
已收購現金及銀行結餘	Cash and bank balances acquired	94,802
計入用於投資活動現金流量之現金及 現金等價物流出淨值	Net outflow of cash and cash equivalents included in cash flows used in investing activities	<u>(190,698)</u>

根據香港財務報告準則第3號(修改)「業務合併」,收購所錄得的金額屬暫定,於計量期間(從收購日起不超過一年),倘已取得於收購日期已存在並且(倘知悉)影響當日所確認該等金額計量之事實及情況的新資料,則收購所確認的金額可予調整。

自收購事項以來,河南學校及東北學校分別向本集團收益貢獻人民幣47,565,000元及人民幣19,623,000元,且於截至2018年12月31日止年度向本集團綜合溢利分別貢獻人民幣22,781,000元及人民幣3,852,000元。

倘河南學校及東北學校合併於年初發生,則本集團年內收益將分別為人民幣635,938,000元及人民幣683,267,000元,年內本集團溢利分別為人民幣251,754,000元及人民幣284,259,000元。

31. BUSINESS COMBINATION (CONTINUED)

NORTHEAST SCHOOL (CONTINUED)

An analysis of the cash flows in respect of the acquisition of subsidiaries is as follows:

		人民幣千元 RMB'000
Cash consideration paid in 2018		(285,500)
Cash and bank balances acquired		94,802
Net outflow of cash and cash equivalents included in cash flows used in investing activities		<u>(190,698)</u>

In accordance with HKFRS 3 (Revised) Business Combinations, the amounts recorded for the acquisition are provisional and are subject to adjustments during the measurement period of not exceeding one year from the acquisition date if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

Since the acquisition, Henan School and Northeast School contributed RMB47,565,000 and RMB19,623,000 respectively to the Group's revenue; and contributed RMB22,781,000 and RMB3,852,000 respectively to the Group's consolidated profit for the year ended 31 December 2018.

Had the combination of Henan School and Northeast School taken place at the beginning of the year, the revenue of the Group for the year would have been RMB635,938,000 and RMB683,267,000 respectively, and the profit of the Group for the year would have been RMB251,754,000 and RMB284,259,000 respectively.

32. 綜合現金流量表附註

(A) 主要非現金交易

於本財政年度並無主要非現金交易。

(B) 融資活動產生之負債變動

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(A) MAJOR NON-CASH TRANSACTIONS

There were no major non-cash transactions during the current financial year.

(B) CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

		2018年 2018		
		銀行及其他借款 Bank and other loans	應付融資租賃 Finance lease payables	合計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於2018年1月1日	At 1 January 2018	352,259	—	352,259
融資現金流量之變動	Changes from financing cash flows	665,948	254,194	920,142
來自收購附屬公司之增加	Increase arising from acquisition of subsidiaries	14,446	—	14,446
於2018年12月31日	At 31 December 2018	<u>1,032,653</u>	<u>254,194</u>	<u>1,286,847</u>
		2017年 2017		
		銀行及其他借款 Bank and other loans		
		人民幣千元 RMB'000		
於2017年1月1日	At 1 January 2017	578,628		
融資現金流量之變動	Changes from financing cash flows	<u>(226,369)</u>		
於2017年12月31日	At 31 December 2017	<u>352,259</u>		

33. 經營租賃承擔

作為出租人

本集團根據經營租賃安排出租其投資物業，租賃的洽租期介乎一年至十六年。租賃條款通常亦要求租戶支付保證金，並根據當前市況定期對租金作出調整。

於2018年12月31日，本集團即將到期的與其租戶簽訂的不可撤銷經營租賃項下的未來最低租賃應收款項總額如下：

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
一年內	Within one year	26,893	16,886
一年以上但不超過五年	After one year but not more than five years	40,978	21,613
五年以上	More than five years	7,884	280
		<u>75,755</u>	<u>38,779</u>

作為承租人

本集團根據經營租賃安排承租其樓宇及汽車。物業租賃的洽租期介乎一至三年，而辦公設備的洽租期介乎一至十年。

於2018年12月31日，本集團即將到期的不可撤銷經營租賃項下的未來最低租賃應收款項總額如下：

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
一年內	Within one year	7,824	5,243
一年以上但不超過五年	After one year but not more than five years	19,542	4,790
		<u>27,366</u>	<u>10,033</u>

33. OPERATING LEASE COMMITMENTS

AS LESSOR

The Group leased its investment properties under operating lease arrangements, with leases negotiated for terms ranging from one to sixteen years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2018, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

AS LESSEE

The Group leases certain of its buildings and motor vehicles under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years, and those for office equipment are for terms ranging from one to ten years.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

34. 承擔

除上文附註33詳述的經營租賃承擔外，本集團於本年度未有以下資本承擔：

34. COMMITMENTS

In addition to the operating lease commitments detailed in note 33 above, the Group had the following capital commitments as at the end of the year:

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
已訂約但未撥備： 物業、廠房及設備 投資	Contracted but not provided for: Property, plant and equipment Investments	72,310 123,000	30,935 124,000
		<u>195,310</u>	<u>154,935</u>

於2018年12月31日，本集團並無重大已授權但未訂約資本承擔（2017年：無）。

As at 31 December 2018, the Group had no significant capital commitments authorised but not contracted for (2017: Nil).

35. 關聯方交易及結餘

本公司董事認為，於本年度，以下各方／公司為與本集團有交易或結餘的關聯方。

35. RELATED PARTY TRANSACTIONS AND BALANCES

The directors of the Company are of the view that the following parties/companies are related parties that had transactions or balances with the Group during the year.

(A) 名稱及關係

關聯方名稱	與本集團及 本公司之關係
李先生	董事會主席
楊女士	李先生配偶
Aspire Education Management Co., Ltd.	本公司 股東之一

(A) NAME AND RELATIONSHIP

Name of related parties	Relationship with the Group and the Company
Mr. Li	Chairman of the Board
Ms. Yang	Spouse of Mr. Li
Aspire Education Management Co., Ltd.	One of the shareholders of the Company

(B) 與關聯方之其他交易：

如附註24所載，本集團若干計息銀行及其他貸款由本公司董事李先生、李先生的配偶楊女士及Aspire Education Management Co., Ltd共同擔保。

(B) OTHER TRANSACTIONS WITH RELATED PARTIES:

As set out in note 24, certain of the Group's interest-bearing bank and other loans were jointly guaranteed by Mr. Li, a director of the Company, Ms. Yang, spouse of Mr. Li and Aspire Education Management Co., Ltd.

35. 關聯方交易及結餘 (續)

(C) 本集團主要管理人員的酬金

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
短期僱員福利	Short term employee benefits	5,759	5,554
退休金計劃供款	Contributions to the pension scheme	96	91
以股權支付的購股權開支	Equity-settled share option expense	2,848	—
		<u>8,703</u>	<u>5,645</u>

有關董事及主要行政人員酬金的進一步詳情載於財務報表附註9。

35. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(C) COMPENSATION OF KEY MANAGEMENT PERSONNEL OF THE GROUP

Further details of directors' and the chief executive's emoluments are included in note 9 to the financial statements.

36. 金融工具的分類

於本年度末，各類金融工具的賬面值如下：

於2018年12月31日

金融資產

36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the year were as follows:

AS AT 31 DECEMBER 2018

Financial assets

		按攤銷成本計量 之金融資產 Financial assets at amortised cost
		人民幣千元 RMB'000
計入預付款項、其他應收款項及其他資產的金融資產	Financial assets included in prepayments, other receivables and other assets	129,462
已抵押存款	Pledged deposits	63,534
投資預付款項	Prepayment for investments	1,283,467
現金及現金等價物	Cash and cash equivalents	349,630
		<u>1,826,093</u>

36. 金融工具的分類 (續)

於2018年12月31日 (續)

金融負債

36. FINANCIAL INSTRUMENTS BY CATEGORY
(CONTINUED)

AS AT 31 DECEMBER 2018 (CONTINUED)

Financial liabilities

		按攤銷成本計量 之金融負債 Financial liabilities at amortised cost
		人民幣千元 RMB'000
計入其他應付款項及應計費用的 金融負債	Financial liabilities included in other payables and accruals	443,929
計息銀行及其他借款	Interest-bearing bank and other borrowings	1,286,847
		<u>1,730,776</u>

於2017年12月31日

金融資產

AS AT 31 DECEMBER 2017

Financial assets

		貸款及應收款項 Loans and receivables
		人民幣千元 RMB'000
計入預付款項、其他應收款項及 其他資產的金融資產	Financial assets included in prepayments, other receivables and other assets	86,125
已抵押存款	Pledged deposits	30,000
投資預付款項	Prepayment for investments	1,019,667
現金及現金等價物	Cash and cash equivalents	118,648
		<u>1,254,440</u>

36. 金融工具的分類 (續)

於2017年12月31日 (續)

金融負債

36. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

AS AT 31 DECEMBER 2017 (CONTINUED)

Financial liabilities

		按攤銷成本計量 之金融負債 Financial liabilities at amortised cost
		人民幣千元 RMB'000
計入其他應付款項及應計費用的 金融負債	Financial liabilities included in other payables and accruals	150,603
計息銀行及其他借款	Interest-bearing bank and other borrowings	352,259
		<u>502,862</u>

37. 金融工具的公平值及公平值層級

本集團金融工具的賬面值及公平值 (賬面值須按經常性公平值計量者) 如下:

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, for those with carrying amounts that require recurring fair value measurement, are as follows:

本集團	Group	賬面值		公平值	
		Carrying amount		Fair value	
		2018年	2017年	2018年	2017年
		2018	2017	2018	2017
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
金融負債	Financial liabilities				
計息銀行貸款及其他借款	Interest-bearing bank loans and other borrowings	1,286,847	352,259	1,286,847	352,259

管理層已評估，現金及現金等價物、已抵押存款即期部份、計入預付款項、其他應收款項及其他資產的金融資產、計入其他應付款項及應計費用的金融負債的公平值與其賬面值相若，主要是由於該等工具的期限短。

Management has assessed that the fair values of cash and cash equivalents, the current portion of pledged deposits, financial assets included in prepayments, other receivables and other assets, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

37. 金融工具的公平值及公平值層級 (續)

本集團以財務經理為首的財務部負責就金融工具的公平值計量釐定政策及程序。財務經理向首席財務官直接匯報。於各年度末，財務部門分析金融工具的價值變動並釐定用於估值的主要輸入數據。估值已由首席財務官進行審閱及已獲批准。

金融資產及負債的公平值以該工具於自願交易方在目前的交易（強迫或清算銷售除外）中的交易金額入賬。下文載列用於估計公平值的方法及假設：

計息銀行及其他借款非即期部份的公平值按擁有相若條款、信貸風險及餘下年期工具的現時可用比率以貼現預期未來現金流量計算。經評估，於2018年12月31日，本集團計息銀行及其他借款的不被履約的風險不大。

公平值層級

下表說明本集團金融工具的公平值計量層級：

披露公平值的負債

2018年	2018	公平值計量所用數據			
		Fair value measurement using			
		於活躍 市場的報價 第一級 Quoted prices in active markets Level 1	重大可觀察 輸入數據 第二級 Significant observable inputs Level 2	重大不可觀察 輸入數據 第三級 Significant unobservable inputs Level 3	
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
計息銀行貸款及其他借款	Interest-bearing bank loans and other borrowings	1,286,847	–	1,286,847	–

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer. At the end of each of the year, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of the non-current portion of interest-bearing bank and other borrowings has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2018 was assessed to be insignificant.

FAIR VALUE HIERARCHY

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Liabilities for which fair values are disclosed

37. 金融工具的公平值及公平值層級
(續)

公平值層級(續)

披露公平值的負債(續)

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF
FINANCIAL INSTRUMENTS (CONTINUED)

FAIR VALUE HIERARCHY (CONTINUED)

Liabilities for which fair values are disclosed (Continued)

2017年	2017	公平值計量所用數據			
		Fair value measurement using			
		於活躍 市場的報價 第一級 Quoted prices in active markets Level 1	重大可觀察 輸入數據 第二級 Significant observable inputs Level 2	重大不可觀察 輸入數據 第三級 Significant unobservable inputs Level 3	
		2017年 12月31日 31 December 2017			
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
計息銀行貸款及其他借款	Interest-bearing bank loans and other borrowings	352,259	-	352,259	-

於截至2018年12月31日止年度，第一級及第二級之間並無公平值計量轉換，而第三級公平值計量並無出現轉換或轉出。

於2018年12月31日，本公司並無任何金融資產及負債按公平值計量。

During the year ended 31 December 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The Company did not have any financial assets and liabilities measured at fair value as at 31 December 2018.

38. 財務風險管理目標及政策

本集團的主要金融工具包括計息銀行借款、其他應付款項、其他流動金融資產、現金及現金等價物及已抵押存款。該等金融工具的主要用途是為本集團的經營籌集資金。

本集團金融工具帶來的主要風險為利率風險、外幣風險、信貸風險及流動資金風險。董事會為管理各項風險而審閱及協定的政策概述如下。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank borrowings, other payables, other current financial assets, cash and cash equivalents and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks which are summarised below.

38. 財務風險管理目標及政策 (續)

利率風險

本集團面臨的市場利率變動的風險主要與本集團的浮息銀行借款有關。借款的利率及償還期於附註24披露。

本集團並無使用任何利息掉期以對沖其面臨的利率風險。

下表說明在所有其他變量維持不變的情況下，本集團除稅前溢利對利率合理可能變動的敏感度（透過浮息借款所受的影響）如下：

		上升／（下降） 基點 Increase/ (decrease) in basis points	除稅前溢利 （減少）／增加 (Decrease)/ increase in profit before tax
			人民幣千元 RMB'000
截至2018年12月31日止年度	Year ended 31 December 2018		
人民幣	RMB	50	(5,126)
人民幣	RMB	(50)	5,126
截至2017年12月31日止年度	Year ended 31 December 2017		
人民幣	RMB	50	(1,628)
人民幣	RMB	(50)	1,628

外匯風險

本集團面對交易貨幣風險。該等風險乃因計息銀行及其他借款而產生。遠期外幣合約必須與所對沖項目之貨幣相同。本集團的政策為取得確實承諾前概不訂立遠期合約。

本集團的政策是議定對沖衍生工具的條款來配對對沖項目的條款，以發揮對沖最大效益。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

INTEREST RATE RISK

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank borrowings with floating interest rates. The interest rates and terms of repayments of the borrowings are disclosed in note 24.

The Group has not used any interest swaps to hedge its exposure to interest rate risk.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) as follows:

FOREIGN CURRENCY RISK

The Group has transactional currency exposures. Such exposures arise from interest-bearing bank and other borrowings. The foreign currency forward contracts must be in the same currency as the hedged item. It is the Group's policy not to enter into forward contracts until a firm commitment is in place.

It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness.

38. 財務風險管理目標及政策 (續)

利率風險 (續)

下表闡述由於人民幣兌美元或港元匯率的合理可能變動，在所有其他變數保持不變的情況下，對本集團於報告期末的除稅前溢利（基於貨幣資產及負債的公平價值變動）及本集團權益（基於遠期貨幣合約的公平價值變動）的敏感度分析。

		美元及港元 匯率 (下跌) / 上升 (Decrease) / increase in USD and HKD rate	除稅前溢利 增加 / (減少) Increase / (decrease) in profit before tax	權益 增加 / (減少) Increase / (decrease) in equity
		%	人民幣千元 RMB'000	人民幣千元 RMB'000
2018年	2018			
倘人民幣兌美元貶值	If RMB weakens against USD	(5)	77	—
倘人民幣兌美元升值	If RMB strengthens against USD	5	(77)	—
倘人民幣兌港元貶值	If RMB weakens against HKD	(5)	(27,450)	—
倘人民幣兌港元升值	If RMB strengthens against HKD	5	27,450	—
2017年	2017			
倘人民幣兌美元貶值	If RMB weakens against USD	(5)	656	—
倘人民幣兌美元升值	If RMB strengthens against USD	5	(656)	—
倘人民幣兌港元貶值	If RMB weakens against HKD	(5)	187	—
倘人民幣兌港元升值	If RMB strengthens against HKD	5	(187)	—

信貸風險

本集團僅與知名且信譽良好的第三方進行交易。本集團的政策為對欲按信貸條款進行交易的所有學生及合作學校進行信貸核對程序。此外，應收款項結餘按持續基準監控且本集團面臨的壞賬並非重大。至於並非以相關營運單位功能性貨幣計值的交易，本集團在未得信貸控制部主管批准前不會授出信貸期。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

FOREIGN CURRENCY RISK (CONTINUED)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rate of RMB against USD and HKD, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity (due to changes in the fair values of forward currency contracts).

CREDIT RISK

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all students and cooperative schools 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. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

38. 財務風險管理目標及政策 (續)

信貸風險 (續)

截至2018年12月31日的最高風險和年終分期

下表顯示了根據本集團的信用政策提供的信用品質和最大信用風險敞口，該政策主要基於過去的逾期資料，除非其他資料在沒有過度之成本或投入的情況下可獲得的，以及截至2018年12月31日的年終分期分類。所呈列的金額為金融資產總賬面值及面臨的金融擔保合約之信貸風險。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

CREDIT RISK (CONTINUED)

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 and the exposure to credit risk for the financial guarantee contracts.

		整個預期信貸 虧損簡化方法 Lifetime ECLs Simplified approach
		人民幣千元 RMB'000
包括預付款項、其他應收款項及 其他資產在內的金融資產	Financial assets included in prepayments, other receivables and other assets	
– 正常*	– Normal*	131,470
已抵押按金	Pledged deposits	
– 尚未逾期	– Not yet past due	63,534
現金及現金等值	Cash and cash equivalents	
– 尚未逾期	– Not yet past due	349,630
投資預付款項	Prepayment for investments	
– 正常*	– Normal*	1,166,449
– 可疑*	– Doubtful*	117,018
		<u>1,828,101</u>

* 包括預付款項、其他應收款項及其他資產在內的金融資產的信用品質被認為是「正常」當他們還沒有過去到期和沒有資訊表明金融資產自最初確認以來其信用風險有顯著增加。否則，金融資產的信用品質被認為是「可疑」。

* The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

於2017年12月31日最大風險

本集團其他金融資產（包括現金及現金等價物以及其他應收款項）的信貸風險乃因交易對手違約導致，最大風險相當於該等工具的賬面值。

由於本集團僅與知名及信譽良好的第三方進行交易，故此毋須任何抵押品。信貸風險集中度按客戶／對手方、地區及行業管理。本集團並無高度集中的信貸風險。

Maximum exposure as at 31 December 2017

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents 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. There are no significant concentrations of credit risk within the Group.

38. 財務風險管理目標及政策（續）

流動資金風險

本集團利用經常性流動資金計劃工具監控其資金短缺的風險。該工具考慮金融投資及金融資產（例如，其他金融資產）兩者的到期情況及來自經營業務的預計現金流量。

本集團旨在透過利用銀行貸款維持資金持續性與靈活性之間的平衡。

下表概述本集團於年末基於合約未貼現付款的金融負債到期情況。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

LIQUIDITY RISK

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g., other financial assets) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans.

The tables below summarise the maturity profile of the Group's financial liabilities at the end of the year based on contractual undiscounted payments.

		於要求時	三個月內	三至 十二個月	一至五年	總計
		On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
2018年12月31日	31 December 2018					
計息銀行及其他借款	Interest-bearing bank and other borrowings	-	115,812	539,770	795,245	1,450,827
計入其他應付款項及應計費用 的金融負債	Financial liabilities included in other payables and accruals	443,929	-	-	-	443,929
		<u>443,929</u>	<u>115,812</u>	<u>539,770</u>	<u>795,245</u>	<u>1,894,756</u>
2017年12月31日	31 December 2017					
計息銀行及其他借款	Interest-bearing bank and other borrowings	-	19,909	197,313	166,858	384,080
計入其他應付款項及應計費用 的金融負債	Financial liabilities included in other payables and accruals	150,603	-	-	-	150,603
		<u>150,603</u>	<u>19,909</u>	<u>197,313</u>	<u>166,858</u>	<u>534,683</u>

38. 財務風險管理目標及政策 (續)

資本管理

本集團資本管理的主要目標為確保本集團的持續經營能力及維持穩健的資本比率，以支持其業務並使股東價值最大化。

本集團根據經濟狀況的變動及有關資產的風險特徵來管理其資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整派付予股東的股息，返還資本予股東或發行新股份。本集團未受任何外界施加的資本要求。於年內，本集團的資本管理目標、政策或程序概無任何變動。

於年末的資產負債比率如下：

		2018年 2018	2017年 2017
		人民幣千元 RMB'000	人民幣千元 RMB'000
負債總額	Total liabilities	2,374,298	845,048
資產總值	Total assets	4,653,509	2,569,903
資產負債比率	Debt-to-asset ratios	51%	33%

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year.

The debt-to-asset ratios at the end of the year were as follows:

39. 報告期後事項

誠如本公司公告詳情所述，於2018年9月14日，本集團訂立股東協議（「協議」），內容有關學校舉辦者於廣西英華國際職業學院、廣西欽州英華國際職業技術學校及廣西英華國際職業學院附屬中學（「廣西學校」）中之權益，且廣西學校涉及提供多種學科，例如經濟與管理、信息技術、建築工程、人文藝術等本科教育。

根據該協議，本集團將收以總購買代價人民幣146,721,000元收購廣西學校51%之學校舉辦者權益，其中該完成事項須受協議先決條件及相關機構合適批准後達成。於完成協議規定之條件後，廣西學校將成為本集團間接非全資附屬公司。

39. EVENTS AFTER THE REPORTING PERIOD

As detailed in the Company announcement, on 14 September 2018, the Group entered into Shareholders' Agreement (the "Agreement") in relation to the school sponsor's interest in Guangxi Yinghua International Occupation College (廣西英華國際職業學院), Guangxi Qinzhou Yinghua International Occupation and Technology School (廣西欽州英華國際職業技術學校) and Guangxi Yinghua International Occupation Middle School (廣西英華國際職業學院附屬中學) (the "Guangxi Schools"), and the Guangxi Schools cover undergraduate education in various disciplines such as economics and management, information technology, construction engineering, humanities and arts.

Pursuant to the Agreement, the Group would acquire 51% school sponsor's interest of Guangxi Schools for total purchase consideration of RMB146,721,000, of which the completion was subject to closing conditions of the Agreement and applicable approvals from the relevant authorities. Upon fulfillment of the conditions stipulated in the Agreement, the Guangxi Schools will become indirect non wholly-owned subsidiaries of the Group.

39. 報告期後事項 (續)

該收購事項於2019年1月完成，本集團仍在評估收購事項初步會計並將錄入2019年財年中期相關財務資料及年度財務報表內。

39. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

The acquisition was completed in January 2019, and the Group is in the process of assessing the initial accounting for the acquisition and will incorporate the relevant financial information in FY2019 interim and annual financial statements.

40. 本公司財務狀況表

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

		於2018年 12月31日 As at 31 December 2018 人民幣千元 RMB'000	於2017年 12月31日 As at 31 December 2017 人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS		
於附屬公司權益	Interests in subsidiaries	446,239	446,239
非流動資產總值	Total non-current assets	446,239	446,239
流動資產	CURRENT ASSETS		
現金及現金等價物	Cash and cash equivalents	3,627	994
應收附屬公司	Due from subsidiaries	27,568	705,238
流動資產總額	Total current assets	31,195	706,232
資產淨值	Net assets	477,434	1,152,471
權益	EQUITY		
股本	Share capital	983	983
資本儲備	Capital reserve	476,451	1,151,488
總權益	Total equity	477,434	1,152,471

41. 批准財務報表

財務報表已於2019年3月29日獲董事會批准及授權發佈。

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 29 March 2019.

經營業績 Results of operations		截至12月31日止年度 Year ended December 31				
		2014年 2014 人民幣千元 RMB in thousands	2015年 2015 人民幣千元 RMB in thousands	2016年 2016 人民幣千元 RMB in thousands	2017年 2017 人民幣千元 RMB in thousands	2018年 2018 人民幣千元 RMB in thousands
收益	Income	206,495	273,994	340,996	414,405	561,450
毛利	Gross profit	100,770	135,627	163,587	227,500	286,421
年內溢利	Profit for the year	81,308	103,821	112,197	233,322	254,268
經調整純利(附註1)	Adjusted net profit (note 1)	81,308	103,821	130,051	259,443	285,243
母公司權益持有人應佔	Attributable to equity holders of the parent	81,308	103,823	111,755	233,368	242,530

附註1：經調整純利乃按年內溢利並就上市開支(即本年度一項非經常性項目)調整後計算得出。

Note 1: The adjusted net profit as calculated based on the adjusted profit for the year and listing expenses (the non-recurring expenses of the year).

財務比率 Financial ratios		截至12月31日止年度 Year ended December 31				
		2014年 2014	2015年 2015	2016年 2016	2017年 2017	2018年 2018
毛利率(%)	Gross profit margin (%)	48.8%	49.5%	48.0%	54.9%	51.0%
純利率(%)	Net profit margin (%)	39.4%	37.9%	32.9%	56.3%	45.3%
經調整純利率(%)	Adjusted net profit margin (%)	37.8%	38.9%	38.1%	62.6%	50.8%

財務概要 FINANCIAL SUMMARY

資產及負債 Assets and liabilities		截至12月31日止年度 Year ended December 31				
		2014年 2014 人民幣千元 RMB in thousands	2015年 2015 人民幣千元 RMB in thousands	2016年 2016 人民幣千元 RMB in thousands	2017年 2017 人民幣千元 RMB in thousands	2018年 2018 人民幣千元 RMB in thousands
非流動資產	Non-current assets	757,485	1,044,878	1,727,133	2,326,642	4,103,810
流動資產	Current assets	356,549	171,815	285,465	243,261	549,699
流動負債	Current liabilities	401,456	681,541	563,442	667,996	1,632,355
流動負債淨額	Net current liabilities	(44,907)	(509,726)	(277,977)	(424,735)	(1,082,656)
資產總值減流動負債	Total assets less current liabilities	712,578	535,152	1,449,156	1,901,907	3,021,154
非流動負債	Non-current liabilities	331,520	153,528	506,640	177,052	741,943
總權益	Total equity	381,058	381,624	942,516	1,724,855	2,279,211
物業、廠房及設備	Property, plant and equipment	601,786	728,270	867,240	985,301	2,116,119
現金及現金等價物	Cash and cash equivalents	299,170	82,979	178,785	118,648	349,630
遞延收入	Deferred revenue	138,908	180,019	217,047	249,599	472,928
計息銀行及其他借款	Interest-bearing bank and other borrowings	417,795	450,996	578,628	352,259	1,286,847

財務比率 Financial ratios		截至12月31日／截至12月31日止年度 As of December 31/for the year ended December 31,				
		2014年 2014 人民幣千元 RMB in thousands	2015年 2015 人民幣千元 RMB in thousands	2016年 2016 人民幣千元 RMB in thousands	2017年 2017 人民幣千元 RMB in thousands	2018年 2018 人民幣千元 RMB in thousands
流動比率	Current Ratio	0.9	0.3	0.5	0.4	0.3
槓桿比率 (附註2)	Gearing ratio (Note 2)	109.6%	118.2%	61.4%	20.4%	56.5%

附註2：槓桿比率等於年末負債總額除以總權益。負債總額指計息銀行貸款及其他借款。

Note 2: Gearing ratio equals total debt divided by total equity as of the end of the year. Total debt refers to all interest-bearing bank loans and other borrowings.

現金流量 Cash flows		截至12月31日止年度 Year ended December 31				
		2014年 2014 人民幣千元 RMB in thousands	2015年 2015 人民幣千元 RMB in thousands	2016年 2016 人民幣千元 RMB in thousands	2017年 2017 人民幣千元 RMB in thousands	2018年 2018 人民幣千元 RMB in thousands
經營活動所得現金淨額	Net cash from operating activities	156,160	254,364	225,100	287,060	456,736

「聯屬人士」 “affiliate(s)”	指	就任何指定人士而言，任何直接或間接控制指定人士或直接或間接受其控制或受其直接或間接共同控制的其他人士 with respect to any specific person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
「組織章程細則」或 「細則」 “Articles of Association” or “Articles”	指	本公司於2017年3月20日有條件採納的組織章程細則（自上市日期起生效且經不時修訂） the articles of association of the Company conditionally adopted on 20 March 2017, as effective upon the Listing Date and as amended from time to time
「聯繫人」 “associate(s)”	指	具有上市規則所賦予的涵義 has the meaning ascribed to it under the Listing Rules
「北愛公司」 “Bei Ai Company”	指	北京愛因生教育投資有限責任公司，一間於2012年10月16日根據中國法律成立的有限公司，由雲愛集團全資擁有。北愛公司將於甘肅學院建成後擔任甘肅學院的學校舉辦者 Beijing Aiyinsheng Education Investment Co., Ltd.* (北京愛因生教育投資有限責任公司), a limited liability company established under the laws of the PRC on 16 October 2012, and wholly owned by Yun Ai Group. Bei Ai Company will act as the school sponsor of the Gansu College upon the official establishment of the Gansu College
「董事會」 “Board” or “Board of Directors”	指	本公司董事會 the board of Directors of the Company
「業務合作協議」 “Business Cooperation Agreement”	指	輝煌公司、中國綜合聯屬實體及記名股東於2016年9月8日、2018年10月8日、2018年12月10日及2019年1月11日簽訂的業務合作協議 the business cooperation agreement entered into by and among Huihuang Company, the PRC Consolidated Affiliated Entities and the Registered Shareholders dated 8 September 2016, 8 October 2018, 10 December 2018 and 11 January 2019
「營業日」 “Business Day” or “business day”	指	香港銀行一般向公眾開放辦理業務的日子（星期六、星期日或香港公眾假期除外） a day on which banks in Hong Kong are generally open for business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
「英屬維爾京群島」 “BVI”	指	英屬維爾京群島 the British Virgin Islands
「加州學校」 “California School”	指	本集團將於加利福尼亞州成立的民辦高等教育機構 a private higher education institute to be established by the Group in the State of California
「華中學校」 “Central China School”	指	湖北民族學院科技學院，一間於2003年根據中國法律成立的高等教育機構。 Science and Technology College of Hubei Minzu University* (湖北民族學院科技學院), an institution of higher education established under the laws of the PRC in 2003.

釋義 DEFINITIONS

<p>「華中學校合作協議」</p> <p>“Central China School Cooperation Agreement”</p>	<p>指</p>	<p>民族學院與恩好公司於2014年4月28日就華中學校簽訂的合作協議（關於舉辦湖北民族學院科技學院的合作協議），據此，恩好公司同意成為華中學校的聯合學校舉辦者</p> <p>the cooperation agreement in respect of the Central China School（關於舉辦湖北民族學院科技學院的合作協議）dated 28 April 2014, entered into between Minzu College and Enhao Company, pursuant to which Enhao Company agreed to become a joint school sponsor of the Central China School</p>
<p>「華中學校學校舉辦權轉讓協議」</p> <p>“Central China School Sponsor Right Transfer Agreement”</p>	<p>指</p>	<p>恩好公司、郭輝及恩常公司於2015年8月26日簽訂的學校舉辦權轉讓協議，據此，恩好公司及郭輝同意將彼等於華中學校合作協議項下的權利及責任轉讓予恩常公司</p> <p>the school sponsor right transfer agreement dated 26 August 2015, entered into between Enhao Company, Guo Hui（郭輝）and Enchang Company, pursuant to which Enhao Company and Guo Hui（郭輝）agreed to transfer their rights and obligations under the Central China School Cooperation Agreement to Enchang Company</p>
<p>「中國」</p> <p>“China” or “PRC”</p>	<p>指</p>	<p>中華人民共和國，就本報告而言，不包括香港、澳門特別行政區及台灣</p> <p>the People’s Republic of China excluding for the purpose of this report, Hong Kong, the Macau Special Administrative Region and Taiwan</p>
<p>「緊密聯繫人」</p> <p>“close associate(s)”</p>	<p>指</p>	<p>具有上市規則所賦予的涵義</p> <p>has the meaning ascribed to it under the Listing Rules</p>
<p>「公司條例」</p> <p>“Companies Ordinance”</p>	<p>指</p>	<p>香港法例第622章公司條例，經不時修訂、補充或以其他方式修改</p> <p>the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as the same may be amended, supplemented or otherwise modified from time to time</p>
<p>「公司（清盤及雜項條文）條例」</p> <p>“Companies (WUMP) Ordinance”</p>	<p>指</p>	<p>香港法例第32章公司（清盤及雜項條文）條例，經不時修訂、補充或以其他方式修改</p> <p>the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as the same may be amended, supplemented or otherwise modified from time to time</p>
<p>「本公司」</p> <p>“Company”</p>	<p>指</p>	<p>中國新高教集團有限公司，一間於2016年7月8日在開曼群島註冊成立的獲豁免有限公司</p> <p>China New Higher Education Group Limited（中國新高教集團有限公司），an exempted company incorporated in the Cayman Islands with limited liability on 8 July 2016</p>
<p>「關連人士」</p> <p>“connected person(s)”</p>	<p>指</p>	<p>具有上市規則所賦予的涵義</p> <p>has the meaning ascribed to it under the Listing Rules</p>
<p>「控股股東」</p> <p>“Controlling Shareholder(s)”</p>	<p>指</p>	<p>具有上市規則所賦予的涵義，及除文義另有所指外，指本公司控股股東，即Aspire Education Technology、Aspire Education Management、Aspire Education Consulting、Aspire Education International及李先生</p> <p>has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to the controlling shareholders of the Company, namely Aspire Education Technology, Aspire Education Management, Aspire Education Consulting, Aspire Education International and Mr. Li</p>

「核心關連人士」 “core connected person(s)”	指	具有上市規則所賦予的涵義 has the meaning ascribed to it under the Listing Rules
「董事」 “Director(s)”	指	本公司董事 the directors of the Company
「董事授權書」 “Directors’ Powers of Attorney”	指	各中國營運學校董事簽立日期為2016年9月8日、2018年10月8日、2018年12月10日及2019年1月11日的學校董事授權書 the school directors’ power of attorney executed by each of the directors of each PRC Operating School dated 8 September 2016, 8 October 2018, 10 December 2018 and 11 January 2019
「恩常公司」 “Enchang Company”	指	恩施自治州常青教育發展有限責任公司，一間於2014年11月13日根據中國法律成立的有限公司。其由雲愛集團全資擁有。於教育部最終審核核准及向省級民政主管部門登記後，恩常公司將成為華中學校的聯合學校舉辦者 Enshi Autonomous Prefecture Changqing Education Development Co., Ltd.* (恩施自治州常青教育發展有限責任公司)，a limited liability company established under the laws of the PRC on 13 November 2014. It is wholly owned by Yun Ai Group. Enchang Company will be a joint school sponsor of Central China School pending final approval of the MOE and registration with the provincial civil affairs authorities
「股權質押協議」 “Equity Pledge Agreement”	指	記名股東、雲愛集團及輝煌公司於2016年9月8日、2018年10月8日、2018年12月10日及2019年1月11日訂立的股權質押協議 the equity pledge agreement entered into by and among the Registered Shareholders, Yun Ai Group and Huihuang Company dated 8 September 2016, 8 October 2018, 10 December 2018 and 11 January 2019
「獨家認購期權協議」 “Exclusive Call Option Agreement”	指	輝煌公司、我們的中國綜合聯屬實體及記名股東等各方於2016年9月8日、2018年10月8日、2018年12月10日及2019年1月11日訂立的獨家認購期權協議 the exclusive call option agreement entered into by and among Huihuang Company, our PRC Consolidated Affiliated Entities and the Registered Shareholders dated 8 September 2016, 8 October 2018, 10 December 2018 and 11 January 2019
「獨家技術服務及 管理諮詢協議」 “Exclusive Technical Service and Management Consultancy Agreement”	指	輝煌公司及我們的中國綜合聯屬實體等各方於2016年9月8日、2018年10月8日、2018年12月10日及2019年1月11日訂立的獨家技術服務及管理諮詢協議 the exclusive technical service and management consultancy agreement entered into by and among Huihuang Company and our PRC Consolidated Affiliated Entities dated 8 September 2016, 8 October 2018, 10 December 2018 and 11 January 2019
「方舟公司」 “Fangzhou Company”	指	雲南大愛方舟信息諮詢有限公司，一間於2016年3月16日根據中國法律成立的外商獨資企業，並為本集團的全資附屬公司 Yunnan Daai Fangzhou Information Consultancy Co., Ltd.* (雲南大愛方舟信息諮詢有限公司)，a wholly foreign owned enterprise established under the laws of the PRC on 16 March 2016, and a wholly owned subsidiary of the Group
「甘肅學院」 “Gansu College”	指	蘭州理工大學技術工程學院，一間於2004年根據中國法律成立的獨立高等教育機構 College of Technology and Engineering* (蘭州理工大學技術工程學院)，an independent institution of higher education established under the laws of the PRC in 2004

釋義 DEFINITIONS

「本集團」或「我們」 “Group”, “we” or “us”	指	本公司、其不時的附屬公司、中國營運學校及綜合聯屬實體，或視乎文義所指，就於本公司成為目前附屬公司的控股公司之前的期間而言於有關時間經營本集團目前業務的實體 the Company, its subsidiaries, our PRC Operating Schools and the consolidated affiliated entities from time to time, or, where the context so requires in respect of the period before the Company became the holding company of our present subsidiaries, the entities which carried on the business of the present Group at the relevant time
「廣西學校」 “Guangxi Schools”	指	廣西英華國際職業學院、廣西英華國際職業技術學校及廣西英華國際職業學院附屬中學之統稱 together, Guangxi Yinghua International Occupation College* (廣西英華國際職業學院), Guangxi Yinghua International Occupation and Technology School* (廣西英華國際職業技術學校) and Guangxi Yinghua International Occupation Middle School* (廣西英華國際職業學院附屬中學)
「貴州學校」 “Guizhou School”	指	貴州工商職業學院，一間於2012年7月3日根據中國法律成立的民辦高等學歷教育機構，其學校舉辦者權益由雲愛集團全資擁有，為本公司的綜合聯屬實體 Guizhou Technology and Business Institute* (貴州工商職業學院), a private institution of formal higher education established under the laws of the PRC on 3 July 2012, of which the school sponsor’s interest is wholly owned by Yun Ai Group and a consolidated affiliated entity of the Company
「河南榮豫」 “Henan Rongyu”	指	河南榮豫教育諮詢有限公司，一間於二零一七年三月二日於中國成立之有限公司 Henann Rongyu Education Consulting Co., Ltd.* (河南榮豫教育諮詢有限公司), a limited liability company established in the PRC on 2 March 2017
「河南學校」 “Henan School”	指	洛陽科技職業學院，一間於二零一三年六月根據中國法律成立之民辦高等學歷教育機構 Luoyang Science and Technology Vocational College* (洛陽科技職業學院), a private institution of formal higher education established under the laws of the PRC in June 2013
「港元」及「港仙」 “HK\$”, “Hong Kong dollar(s)”, “HKD” or “cents”	指	分別為港元及港仙，香港現時的法定貨幣 Hong Kong dollars and cents respectively, the lawful currency for the time being of Hong Kong
「香港財務報告準則」 “HKFRSs”	指	香港財務報告準則 the Hong Kong Financial Reporting Standard(s)
「香港」 “Hong Kong” or “HK”	指	中國香港特別行政區 the Hong Kong Special Administrative Region of the PRC
「輝煌公司」 “Huihuang Company”	指	西藏大愛輝煌資訊科技有限公司，一間於2016年8月5日根據中國法律成立的有限公司 Tibet Daai Huihuang Information and Technology Co., Ltd.* (西藏大愛輝煌信息科技有限公司), a limited liability company established on 5 August 2016 under the laws of the PRC

「獨立協力廠商」	指	獨立於本公司、其附屬公司任何董事、主要行政人員或主要股東（定義見上市規則）或彼等各自的聯繫人及與彼等概無關連（定義見上市規則）的個人或公司
“Independent Third Party(ies)”		an individual(s) or a company(ies) who or which is/are independent of and not connected with (within the meaning of the Listing Rules) any Director, chief executive or substantial shareholder (within the meaning of the Listing Rules) of the Company, its subsidiaries or any of their respective associates
「上市」 “Listing”	指	股份於聯交所主板上市 the listing of our Shares on the Main Board of the Stock Exchange
「上市日期」 “Listing Date”	指	2017年4月19日 19 April 2017
「上市規則」 “Listing Rules”	指	聯交所證券上市規則（經不時修訂） The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
「貸款協議」 “Loan Agreement”	指	輝煌公司、中國營運學校與雲愛集團於2016年9月8日訂立的貸款協議 a loan agreement entered into by and among Huihuang Company, the PRC Operating Schools, and Yun Ai Group dated 8 September 2016
「主板」 “Main Board”	指	聯交所經營的證券交易所（不包括期權市場），獨立於聯交所GEM且與其並行運作 the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
「組織章程大綱」或 「大綱」 “Memorandum of Association” or “Memorandum”	指	本公司於2017年3月20日採用的組織章程大綱（經不時修訂） the memorandum of association of the Company adopted on 20 March 2017 and as amended from time to time
「李先生」 “Mr. Li”	指	李孝軒先生，我們的創辦人、其中一名控股股東、董事會主席及執行董事 Mr. Li Xiaoxuan (李孝軒), our founder, one of our Controlling Shareholders, chairman of the Board and an executive Director
「東北學校」 “Northeast School”	指	哈爾濱華德學院，一間於2004年根據中國法律成立的獨立機構。東北學校為本公司的綜合聯屬實體 Harbin Huade University* (哈爾濱華德學院), an independent institute established under the laws of the PRC in 2004. Northeast School is a consolidated affiliated entity of the Company
「西北學校」 “Northwest School”	指	西北工商職業學院 Northwest Technology and Business Institute* (西北工商職業學院)

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「中國綜合聯屬實體」 “PRC Consolidated Affiliated Entities”	指	即我們的學校舉辦者及中國營運學校，各自為本公司的綜合聯屬實體 namely, our School Sponsors and our PRC Operating Schools, each a consolidated affiliated entity of the Company
「中國營運學校」 “PRC Operating Schools”	指	本集團的綜合聯屬實體，即雲南學校、貴州學校、河南學校、東北學生及廣西 學校 our consolidated affiliated entities, namely, Yunnan School, Guizhou School, Henan School, Northeast School and Guangxi Schools
「招股章程」 “Prospectus”	指	本公司日期為2017年4月5日的招股章程 the prospectus of the Company dated 5 April 2017
「欽州英華」 “Qinzhou Yinghua”	指	欽州英華大唐教育投資有限公司，一間於二零一七年八月二十五日根據中國 法律成立之有限公司 Qinzhou Yinghua Datang Education Investment Company Limited (欽州英華大唐教育投 資有限公司)，a limited liability company established under the laws of the PRC on 25 August 2017
「記名股東」 “Registered Shareholders”	指	雲愛集團的股東，即李先生、排對排、巴木浦、大愛合夥、輝煌投資、誠信投資、 上海太富及中益公司 the shareholders of Yun Ai Group, namely Mr. Li, Pai Dui Pai, Ba Mu Pu, Daai Partnership, Huihuang Investment, Chengxin Investment, Shanghai Taifu and Zhongyi Company
「人民幣」 “RMB” or “Renminbi”	指	人民幣，中國現時的法定貨幣 Renminbi, the lawful currency for the time being of the PRC
「學校舉辦者」 “School Sponsors”	指	現有學校舉辦者雲愛集團，河南榮豫、哈軒公司、欽州英華以及未來學校舉辦 者恩常公司及北愛公司 the current school sponsors, Yun Ai Group, Henan Rongyu, Haxuan Company, Qinzhou Yinghua and the future school sponsor, Enchang Company and Bei Ai Company
「學校舉辦者及 董事權利委託協議」 “School Sponsors’ and Directors’ Rights Entrustment Agreement”	指	雲愛集團、北愛公司、中國營運學校、各中國營運學校董事及輝煌公司於2016 年9月8日、2018年10月8日、2018年12月10日及2019年1月11日簽訂的學校舉辦者 及董事權利委託協議 the school sponsors’ and directors’ rights entrustment agreement entered into by and among Yun Ai Group, Bei Ai Company, the PRC Operating Schools, the directors of each PRC Operating School and Huihuang Company dated 8 September 2016, 8 October 2018, 10 December 2018 and 11 January 2019
「學校舉辦者授權書」 “School Sponsors’ Powers of Attorney”	指	學校舉辦者以輝煌公司為受益人簽訂日期為2016年9月8日、2018年10月8日、 2018年12月10日及2019年1月11日 的學校舉辦者授權書 the school sponsors’ power of attorney executed by the School Sponsors in favor of Huihuang Company dated 8 September 2016, 8 October 2018, 10 December 2018 and 11 January 2019
「證券及期貨條例」 “SFO” or “Securities and Futures Ordinance”	指	香港法例第571章證券及期貨條例，經不時修訂及補充 the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time

「股份」 “Share(s)”	指	本公司股本中每股面值0.0001美元的普通股 ordinary share(s) of US\$0.0001 each in the share capital of the Company
「股東」 “Shareholder(s)”	指	股份持有人 holder(s) of the Share(s)
「股東授權書」 “Shareholders’ Powers of Attorney”	指	記名股東及雲愛集團以輝煌公司為受益人簽立日期為2016年9月8日的股東授權書 the shareholders’ power of attorney executed by the Registered Shareholders and Yun Ai Group in favor of Huihuang Company dated 8 September, 2016
「股東權利委託協議」 “Shareholders’ Rights Entrustment Agreement”	指	記名股東、學校舉辦者及輝煌公司於2016年9月8日、2018年10月8日及2019年1月11日簽訂的股東權利委託協議 the shareholders’ rights entrustment agreement entered into by and among the Registered Shareholders, the School Sponsors and Huihuang Company dated 8 September 2016, 8 October 2018 and 11 January 2019
「中國西南」 “Southwest China”	指	包括四川省、貴州省及雲南省以及重慶市 comprises Sichuan, Guizhou and Yunnan Provinces and Chongqing Municipality
「配偶承諾」 “Spouse Undertakings”	指	李先生的配偶楊女士於2016年9月8日、2018年10月8日及2019年1月11日簽立的配偶承諾 the spouse undertakings executed by Ms. Yang, the spouse of Mr. Li, dated 8 September 2016, 8 October 2018 and 11 January 2019
「聯交所」 “Stock Exchange”	指	香港聯合交易所有限公司 The Stock Exchange of Hong Kong Limited
「結構性合約」 “Structured Contracts”	指	業務合作協議、獨家技術服務及管理諮詢協議、獨家認購期權協議、股權質押協議、股東權利委託協議、學校舉辦者及董事權利委託協議、學校舉辦者授權書、董事授權書、股東授權書、貸款協議及配偶承諾的統稱 collectively, the Business Cooperation Agreement, the Exclusive Technical Service and Management Consultancy Agreement, the Exclusive Call Option Agreement, the Equity Pledge Agreement, the Shareholders’ Rights Entrustment Agreement, the School Sponsors’ and Directors’ Rights Entrustment Agreement, the School Sponsors’ Powers of Attorney, the Directors’ Powers of Attorney, the Shareholders’ Powers of Attorney, the Loan Agreement and the Spouse Undertakings
「附屬公司」 “subsidiary(ies)”	指	具有上市規則所賦予的涵義。為免生疑，附屬公司包括中國營運學校及學校舉辦者 has the meaning ascribed to it under the Listing Rules. For the avoidance of doubt, the Subsidiaries include the PRC Operating Schools and the School Sponsors
「主要股東」 “substantial Shareholder(s)”	指	具有上市規則所賦予的涵義 has the meaning ascribed to it under the Listing Rules

釋義 DEFINITIONS

「新疆學校」 “Xinjiang School”	指	新疆財經大學商務學院，一間於2003年根據中國法律成立的民辦高等學歷教育機構 Xinjiang University of Finance and Economics Business School (新疆財經大學商務學院)，a private higher education institution established in 2003 under the PRC law
「雲愛集團」 “Yun Ai Group”	指	雲南愛因森教育投資集團有限公司(前稱「雲南愛因森投資有限公司」及「雲南愛因森投資集團有限公司」)，一間於2005年9月19日根據中國法律成立的有限公司，由李先生、排對排、巴木浦、大愛合夥、輝煌投資、誠信投資、上海太富及中益公司分別擁有29.8806%、20.0568%、5.7305%、22.8102%、1.2956%、1.32%、15.5265%及3.3822%。其為雲南學校及貴州學校的學校舉辦者 Yunnan Einsun Education Investment Group Co., Ltd.* (雲南愛因森教育投資集團有限公司) (formerly known as “Yunnan Einsun Investment Co., Ltd.* (雲南愛因森投資有限公司)” and “Yunnan Einsun Investment Group Co., Ltd.* (雲南愛因森投資集團有限公司)”), a limited liability company established under the laws of the PRC on September 19, 2005, which is owned as to 29.8806% by Mr. Li, 20.0568% by Pai Dui Pai, 5.7305% by Ba Mu Pu, 22.8102% by Daai Partnership, 1.2956% by Huihuang Investment, 1.32% by Chengxin Investment, 15.5265% by Shanghai Taifu and 3.3822% by Zhongyi Company. It is the school sponsor of the Yunnan School and the Guizhou School
「雲南學校」 “Yunnan School”	指	雲南工商學院(前稱雲南愛因森軟件職業學院,「軟件學院」)，一間於2005年9月29日根據中國法律成立的民辦高等學歷教育機構，其學校舉辦者權益由雲愛集團全資擁有，為本公司的綜合聯屬實體 Yunnan Technology and Business University* (雲南工商學院) (formerly known as Yunnan Einsun Software Vocational College* (雲南愛因森軟件職業學院) (“Software College”)), a private institution of formal higher education established under the laws of the PRC on September 29, 2005, of which the school sponsor’s interest is wholly owned by Yun Ai Group and a consolidated affiliated entity of the Company
「%」 “%”	指	百分比 per cent



中國新高教集團有限公司
China New Higher Education Group Limited