



CHINA BEST GROUP HOLDING LIMITED
國華集團控股有限公司*

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 370)

ANNUAL REPORT
2018
年報

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Corporate Information

公司資料

BOARD OF DIRECTORS

Non-Executive Director

Ms. Wang Yingqian (*Chairman*)
(Appointed on 19 June 2018)

Executive Directors

Mr. Liu Wei (*Chief Executive Officer*)

Mr. Chen Wei

Mr. Fan Jie

Mr. Li Yang (*Deputy Chairman*)

(Resigned on 19 June 2018)

Independent Non-Executive Directors

Mr. Ru Xiangnan

Mr. Liu Haiping

Mr. Liu Tonghui

EXECUTIVE COMMITTEE

Mr. Liu Wei (*Chairman*)

(Appointed on 19 June 2018)

Mr. Chen Wei

Mr. Fan Jie

Mr. Li Yang (*Resigned on 19 June 2018*)

AUDIT COMMITTEE

Mr. Ru Xiangnan (*Chairman*)

Mr. Liu Haiping

Mr. Liu Tonghui

NOMINATION COMMITTEE

Ms. Wang Yingqian (*Chairman*)

(Appointed on 19 June 2018)

Mr. Ru Xiangnan

Mr. Liu Haiping

Mr. Liu Tonghui

Mr. Li Yang (*Resigned on 19 June 2018*)

REMUNERATION COMMITTEE

Mr. Ru Xiangnan (*Chairman*)

Mr. Liu Haiping

Mr. Liu Tonghui

Mr. Li Yang (*Resigned on 19 June 2018*)

董事局

非執行董事

王穎千女士 (*主席*)

(於二零一八年六月十九日獲委任)

執行董事

劉煒先生 (*行政總裁*)

陳偉先生

樊捷先生

李陽先生 (*副主席*)

(於二零一八年六月十九日辭任)

獨立非執行董事

茹祥安先生

劉海屏先生

劉彤輝先生

執行委員會

劉煒先生 (*主席*)

(於二零一八年六月十九日獲委任)

陳偉先生

樊捷先生

李陽先生 (於二零一八年六月十九日辭任)

審計委員會

茹祥安先生 (*主席*)

劉海屏先生

劉彤輝先生

提名委員會

王穎千女士 (*主席*)

(於二零一八年六月十九日獲委任)

茹祥安先生

劉海屏先生

劉彤輝先生

李陽先生 (於二零一八年六月十九日辭任)

薪酬委員會

茹祥安先生 (*主席*)

劉海屏先生

劉彤輝先生

李陽先生 (於二零一八年六月十九日辭任)

Corporate Information 公司資料

COMPANY SECRETARY

Mr. Ho Yu

REGISTERED OFFICE

Clarendon House, 2 Church Street
Hamilton HM11, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

26/F, World-Wide House
19 Des Voeux Road Central
Central, Hong Kong

AUDITORS

ZHONGHUI ANDA CPA Limited
Unit 701, 7/F., Citicorp Centre
18 Whitfield Road, Causeway Bay
Hong Kong

PRINCIPAL BANKERS

Bank of Communications
Guangdong Huaxing Bank
Shanghai Pudong Development Bank
Industrial Bank Co., Ltd.
China Minsheng Bank

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

公司秘書

何瑜先生

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM11, Bermuda

總辦事處及香港主要營業地點

香港中環
德輔道中19號
環球大廈26樓

核數師

中匯安達會計師事務所有限公司
香港
銅鑼灣威非路道18號
萬國寶通中心7樓701室

主要往來銀行

交通銀行
廣東華興銀行
上海浦東發展銀行
興業銀行股份有限公司
中國民生銀行

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

Chairman's Message

主席訊息

On behalf of the board of directors (the "Board") of China Best Group Holding Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2018.

During the year, the Group strived to consolidate and develop its existing principal businesses and sought suitable investment projects to explore new businesses. For the existing principal businesses, the aggregate revenue for financial services business (such as money lending and finance leasing) decreased as compared with last year; the trading business recorded a substantial decline in the revenue as compared with last year; for the brokerage business of licensed companies, the revenue recorded had yet to meet the expectation despite seeing certain increases, and therefore, the Group assessed and adjusted the profit forecast of the business and finally made some provision for impairment loss of relevant goodwill; the freight forwarding business, which accounted for a smaller proportion, also recorded a decline as compared with last year; in respect of securities investment, the Group had taken a wait-and-see attitude without adjusting its investment portfolio in view of the volatile securities market. During the year, The Group's annual results suffered substantial losses due to the absence of extraordinary gain from the disposal of associates during the year as compared with last year coupled with an overall decline in the revenue, provision made for certain impairment losses and fair value loss. As for exploring new businesses, the Group managed to acquire commercial properties located in Beijing in the form of equity transfer at the end of the year, for the purposes of earning rental returns and grasping the appreciation potential of such properties and hence starting to develop the real estate-related businesses.

In terms of capital management, the Company completed two placements of new shares during the year and raised net proceeds of approximately HK\$243 million, which had strengthened the financial resources of the Group and also expanded the shareholder base as well as capital base of the Company. Such proceeds were mainly used for mergers and acquisitions, the carrying out of the money lending business and the replenishment of the working capital.

本人謹代表董事局（「董事局」）欣然提呈國華集團控股有限公司（「本公司」）及其附屬公司（「本集團」）截至二零一八年十二月三十一日止年度之全年業績。

本年度內，本集團一方面致力於鞏固及發展現有主營業務，另一方面尋找合適投資項目開掘新業務。就現有主營業務而言，金融服務類業務，如借貸與融資租賃，之綜合收入相對去年有所下跌；貿易業務收入對比去年則錄得較大跌幅；持牌公司的經紀業務錄得的收入雖有部份增長但仍未符預期，亦因此本集團對該業務盈利預測進行了評估及調整，最後為相關的商譽做了部份的減值虧損撥備；占比較小的貨運業務表現與去年相比亦有下滑情況；證券投資方面，因應證券市場波動，本集團保持觀望不作投資組合上的調整。年內沒有如去年般錄得出售聯營公司的特殊收益，再加上整體收入下跌以及若干減值虧損撥備與公允值虧損，本集團全年業績出現較大幅度的虧損。就開拓新業務而言，本集團於年末落實以股權轉讓形式收購處於北京市的商用物業，除了考慮到爭取租金回報以及物業的升值潛力外，亦希望藉此開啟發展房地產相關的業務。

資本管理方面，本公司於本年度完成了兩次配售新股，募集資金淨額約2.43億港元，既加強了本集團的財務資源，同時也擴大了本公司的股東和資本基礎。募集所得款項主要用於收購合併、開展借貸業務以及補充營運資金。

Chairman's Message

主席訊息

Looking forward, the geopolitical risks, European and US fiscal and monetary policies and potential risks arising from international trade conflicts will continue to bring challenges to the financial market. It is predicted that the future will be filled with both challenges and opportunities. The Group will make full preparations to grasp the new growth opportunities. Looking at the current market situation, the Group is concerned about the real estate-related business opportunities in Mainland China and intends to continue to develop its financial services business while doing the layout for the Group's real estate-related business segments, in the hope of creating a new strategic direction for diversifying its business.

Last but not least, on behalf of the Board, I would like to extend my heartfelt thanks to the management, our employees and partners for their contributions to the development of the Group as well as to shareholders for their continued support to the Company. With the support and contributions from all parties, the Group will continue to strive for the best to achieve better performance and create greater value for shareholders!

Wang Yingqian

Chairman

Hong Kong, 28 March 2019

展望未來，地緣政治風險、歐美財政和貨幣政策、以及國際貿易衝突的潛在風險，繼續為金融市場帶來挑戰。預期面前將是一個充滿挑戰但同時也存在機遇的形勢，本集團將盡可能作好準備，務求把握新的增長契機。綜觀目前市場情況，本集團關注中國內地房地產相關的業務機會，並有意在繼續發展金融服務類業務的同時，為本集團房地產相關的產業板塊進行佈局，期望打造產業多元化的戰略新方向。

最後，本人謹代表董事局向所有對本集團發展作出貢獻的管理層、員工、合作夥伴及一直支持本公司的股東致以真摯感謝。本集團將繼續努力，以更出色的業務表現回饋各方的支持，為股東創造更大的價值！

主席

王穎千

香港，二零一九年三月二十八日

Management Discussion and Analysis

管理層討論及分析

	Year ended	
	截至以下日期止年度	
	31.12.2018	31.12.2017
	二零一八年	二零一七年
	十二月三十一日	十二月三十一日
	HK\$'M	HK\$'M
	百萬港元	百萬港元

Financial Results Highlight

財務業績摘要

Turnover	營業額	218.0	537.5
Other operating (loss) gain (net)	其他經營(虧損)收益(淨額)	(7.2)	8.5
Total expenses	支出總額	(81.2)	(73.9)
Gain on disposal of asset classified as held for sale	出售分類為持作出售資產之收益	-	0.3
Gain on disposal of an associate	出售一間聯營公司之收益	-	29.4
Share of losses of associates	分佔聯營公司虧損	-	(2.2)
Impairment loss on finance lease receivable	應收融資租賃款項之減值虧損	(13.6)	-
Impairment loss on goodwill	商譽減值虧損	(29.0)	-
Net (loss) profit before tax & non-controlling interests	未扣除稅項及非控股權益前之(虧損)溢利淨額	(74.1)	32.5
(Loss) profit for the year attributable to owners of the Company	本公司擁有人應佔年內(虧損)溢利	(75.5)	24.5

As at 於

31.12.2018	31.12.2017
二零一八年	二零一七年
十二月三十一日	十二月三十一日
HK\$'M	HK\$'M
百萬港元	百萬港元
	(Restated)
	(經重列)

Extract of Financial Position

財務狀況節錄

Total assets	資產總值	1,288.1	1,180.2
Total liabilities	負債總額	(53.0)	(76.6)
Net current assets	流動資產淨值	1,038.2	976.9
Bank balances and cash	銀行結餘及現金	274.8	173.3
Total net assets	資產淨值總額	1,235.1	1,103.6

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

For the year ended 31 December 2018, the Group's turnover was approximately HK\$218.0 million, representing a decrease of 59.4% as compared with HK\$537.5 million last year. The net loss for the year ended 31 December 2018 was approximately HK\$75.5 million as compared with the net profit of approximately HK\$24.5 million last year. The decline in the Group's financial result was mainly attributable to, among other things, (i) the gain on disposal of an associate of approximately HK\$29.4 million recognised in 2017 which was a non-recurring income; (ii) the recognition of impairment loss of approximately HK\$13.6 million in relation to a finance lease receivable for a customer's default in payment; (iii) the recognition of impairment loss of approximately HK\$29.0 million on goodwill in relation to regulated financial services business; (iv) the increase in unrealised loss on fair value change on financial assets at fair value through profit or loss by approximately HK\$11.8 million and (v) the decrease in the Group's turnover for the year ended 31 December 2018.

BUSINESS AND FINANCIAL REVIEW

Finance Leasing Business

The Group commenced its finance leasing business in July 2015 and has been engaged in providing finance lease services in the PRC. The sale and lease back arrangement is the main business model for existing customers. The leased assets primarily consist of plant and equipment, motor vehicles and other tangible assets. For the year ended 31 December 2018, the turnover of the Group's finance leasing business amounted to approximately HK\$28.0 million (2017: approximately HK\$28.6 million). During the year ended 31 December 2018, the Group took legal actions against one lessee for its default in payment and an impairment loss of approximately HK\$13.6 million was recognised with reference to this lessee's financial status and legal opinion from independent legal adviser. Subsequent to the reporting date, the Group agreed on debts settlement arrangement with several leasees, among which, finance lease interest of approximately RMB441,000 (equivalent to approximately HK\$521,000) and consultancy income of approximately RMB16,323,000 (equivalent to approximately HK\$19,291,000) have been agreed by the parties to be waived. A total of waived amount of approximately HK\$17,004,000 was accounted for in the year ended 31 December 2018. Corresponding segment loss of approximately HK\$0.9 million, including the impairment loss on finance lease receivable of approximately HK\$13.6 million, was incurred for the year ended 31 December 2018 (2017: segment profit of approximately HK\$14.8 million).

概要

截至二零一八年十二月三十一日止年度，本集團之營業額約為218,000,000港元，較去年之537,500,000港元減少59.4%。截至二零一八年十二月三十一日止年度之虧損淨額約為75,500,000港元，而去年同期錄得溢利淨額約24,500,000港元。本集團之財務業績下跌乃主要由於（其中包括）(i)二零一七年確認出售一間聯營公司之收益約29,400,000港元（為非經常性收入）；(ii)就客戶拖欠付款之應收融資租賃款項確認減值虧損約13,600,000港元；(iii)就受規管金融服務業務確認商譽減值虧損約29,000,000港元；(iv)按公平值計入損益之金融資產公平值變動之未變現虧損增加約11,800,000港元及(v)本集團截至二零一八年十二月三十一日止年度之營業額減少所致。

業務及財務回顧

融資租賃業務

本集團於二零一五年七月開展其融資租賃業務，並於中國從事提供融資租賃服務。售後租回安排為對現有客戶之主要業務模式。租賃資產主要包括廠房及設備、汽車及其他有形資產。截至二零一八年十二月三十一日止年度，本集團融資租賃業務之營業額約為28,000,000港元（二零一七年：約28,600,000港元）。截至二零一八年十二月三十一日止年度，本集團已就一名承租人拖欠付款對其採取法律行動，經參考該承租人之財務狀況以及獨立法律顧問之法律意見，確認減值虧損約13,600,000港元。於報告日期後，本集團與若干承租人協定債務清償安排，其中訂約各方已協定豁免融資租賃利息約人民幣441,000元（相當於約521,000港元）及顧問收入約人民幣16,323,000元（相當於約19,291,000港元）。截至二零一八年十二月三十一日止年度，入賬豁免總金額約17,004,000港元。截至二零一八年十二月三十一日止年度，產生相應分部虧損約900,000港元（包括應收融資租賃款項之減值虧損約13,600,000港元）（二零一七年：分部溢利約14,800,000港元）。

Management Discussion and Analysis

管理層討論及分析

Money Lending Business

The Group holds a money lenders licence in Hong Kong and provides loan facilities to prospective customers including enterprises and individuals. This segment has begun to generate returns to the Group since April 2016. For the year ended 31 December 2018, the turnover of the Group's money lending business amounted to approximately HK\$24.0 million (2017: approximately HK\$32.1 million). Corresponding segment profit of approximately HK\$16.6 million was made for the year ended 31 December 2018 (2017: approximately HK\$23.7 million).

Brokerage Business

The Group acquired several companies which are principally engaged in the provision of financial services, including securities and futures dealing, margin financing, asset management and stock broking in Hong Kong on 14 August 2017. Since then the Group has provided brokerage services for securities and futures traded on exchanges in Hong Kong and major overseas countries. For the year ended 31 December 2018, the turnover of the Group's brokerage business amounted to approximately HK\$1.5 million (2017: approximately HK\$1.3 million). Considering this segment's past performance since completion of the aforesaid acquisition and the current conditions, in particular uncertainties in the financial market, an impairment loss on goodwill of approximately HK\$29.0 million was recognised in the year ended 31 December 2018 with reference to the valuation result of independent professional valuers. Corresponding segment loss of approximately HK\$38.6 million, including the impairment loss on goodwill, was incurred for the year ended 31 December 2018 (2017: approximately HK\$4.2 million).

Trading Business

The Group is trading goods, including radio system and electronic appliance, in the PRC. For the year ended 31 December 2018, the turnover of the Group's trading business amounted to approximately HK\$159.3 million (2017: approximately HK\$356.9 million) whereas the gross profit was approximately HK\$2.8 million (2017: approximately HK\$7.3 million). The Group recorded a loss of approximately HK\$6.6 million for the year ended 31 December 2018 (2017: a profit of approximately HK\$1.5 million) in this segment.

借貸業務

本集團持有香港放債人牌照並向包括企業及個人在內之潛在客戶提供貸款融資。此分部已自二零一六年四月起開始為本集團產生回報。截至二零一八年十二月三十一日止年度，本集團借貸業務之營業額約為24,000,000港元（二零一七年：約32,100,000港元）。截至二零一八年十二月三十一日止年度，錄得相應分部溢利約16,600,000港元（二零一七年：約23,700,000港元）。

經紀業務

本集團已於二零一七年八月十四日收購若干公司，該等公司主要於香港從事提供金融服務，包括證券及期貨買賣、孖展融資、資產管理及股票經紀。自此，本集團為於香港及主要海外國家交易所買賣之證券及期貨提供經紀服務。截至二零一八年十二月三十一日止年度，本集團經紀業務之營業額約為1,500,000港元（二零一七年：約1,300,000港元）。考慮到該分部自上述收購完成以來的過往表現及當前狀況（尤其是金融市場的不確定因素），經參考獨立專業估值師的估值結果，截至二零一八年十二月三十一日止年度確認商譽減值虧損約29,000,000港元。截至二零一八年十二月三十一日止年度產生相應分部虧損約38,600,000港元（包括商譽減值虧損）（二零一七年：約4,200,000港元）。

買賣業務

本集團於中國買賣商品（包括無線電系統及電子用品）。截至二零一八年十二月三十一日止年度，本集團買賣業務之營業額約為159,300,000港元（二零一七年：約356,900,000港元），而毛利約為2,800,000港元（二零一七年：約7,300,000港元）。截至二零一八年十二月三十一日止年度，本集團在此分部錄得虧損約6,600,000港元（二零一七年：溢利約1,500,000港元）。

Management Discussion and Analysis

管理層討論及分析

Securities Investment Business

It represents trading of listed equity securities in the Hong Kong stock market and dividend income (if any) from such listed equity securities. For the year ended 31 December 2018, the Group did not trade any listed equity securities and hence no turnover and realised gain/loss of the Group's securities investment business was generated (2017: turnover of approximately HK\$112.0 million and realised loss of approximately HK\$3.3 million). During the year ended 31 December 2018, the Group recorded an unrealised fair value loss of the listed securities of approximately HK\$13.4 million (2017: net unrealised fair value loss of approximately HK\$1.6 million). For the year ended 31 December 2018, the Group did not receive any dividend income (2017: nil). As at 31 December 2018, the Group held trading securities with value of approximately HK\$3.0 million (2017: approximately HK\$16.4 million).

Freight Forwarding Business

This segment represents the provision of international air and sea freight forwarding and logistic services to customers in Singapore and United States of America. For the year ended 31 December 2018, the turnover of the Group's freight forwarding business amounted to approximately HK\$5.2 million (2017: approximately HK\$6.6 million). Corresponding gross profit of approximately HK\$1.6 million and segment loss of approximately HK\$0.4 million were made for the year ended 31 December 2018 respectively (2017: gross profit of approximately HK\$1.9 million and segment loss of approximately HK\$3,000).

OUTLOOK

Looking forward, apart from the existing business operations, the Group will from time to time explore investment opportunities in the market, in particular the PRC market, for business development of the Group. During the year ended 31 December 2018, the Group was considering several potential projects and realised one project in relation to investment properties located in a prime location in Beijing as a start for the Group to develop its property-related business. The PRC property market has gone through a rapid growth stage in the past decades and come to a steady status by introducing city-based adjustments, rational policies and restructuring. The Group wishes to leverage its client base and resources to strengthen its position in this new business segment and accelerate its growth to become one of the Group's principal businesses. In addition, the Group is formulating its development in the assets management industry and is in negotiation for a possible acquisition as disclosed in the Company's announcement dated 16 January 2019.

證券投資業務

該業務指於香港股票市場買賣上市股本證券及來自有關上市股本證券之股息收入(如有)。截至二零一八年十二月三十一日止年度,本集團並無買賣任何上市股本證券及因此本集團之證券投資業務並無產生營業額及已變現收益/虧損(二零一七年:營業額約112,000,000港元及已變現虧損約3,300,000港元)。截至二零一八年十二月三十一日止年度,本集團錄得上市證券未變現公平值虧損約13,400,000港元(二零一七年:未變現公平值虧損淨額約1,600,000港元)。截至二零一八年十二月三十一日止年度,本集團並無收取任何股息收入(二零一七年:無)。於二零一八年十二月三十一日,本集團持有之交易證券價值約為3,000,000港元(二零一七年:約16,400,000港元)。

貨運業務

此分部指向新加坡及美利堅合眾國之客戶提供國際航空及海上貨運以及物流服務。截至二零一八年十二月三十一日止年度,本集團貨運業務之營業額約為5,200,000港元(二零一七年:約6,600,000港元)。截至二零一八年十二月三十一日止年度,分別錄得相應毛利約1,600,000港元及分部虧損約400,000港元(二零一七年:毛利約1,900,000港元及分部虧損約3,000港元)。

前景

展望未來,除現行業務營運外,本集團將不時發掘本集團於市場(尤其是中國市場)發展業務的投資機會。截至二零一八年十二月三十一日止年度,本集團考慮過多個潛在項目並已落實一個位於北京黃金地段的投資物業項目,標誌著本集團開始發展其物業相關業務。隨著以城市為基礎宏觀調整、推行理性政策及重組,中國物業市場在經歷過一段長時期的迅速增長後趨於穩定狀態。本集團擬利用其客戶基礎及資源鞏固其於該新業務分部的地位並加速其發展成為本集團其中一項主要業務。此外,誠如本公司日期為二零一九年一月十六日之公佈所披露,本集團正規劃其於資產管理行業的發展並磋商潛在收購事項。

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While the outlook for the global economy is uncertain with worries of international trade conflicts and geopolitics, the Group will continue reviewing its strategy of and resources allocation for respective business segments and developments and prioritise its resources into growing businesses. The Board is convinced that it is the fundamental basis on which the Company generates and preserves value over the longer term and the strategy for delivering the objectives of the Company. The Board will closely monitor the business environment with the aim to maximise the returns of the shareholders of the Company.

LIQUIDITY AND CASHFLOW RESOURCES

As at 31 December 2018, the equity and net current assets of the Group amounted to approximately HK\$1,235.1 million (2017: approximately HK\$1,103.6 million (restated)) and HK\$1,038.2 million (2017: approximately HK\$976.9 million) respectively. On the same date, the Group had bank balances and cash of approximately HK\$274.8 million (2017: approximately HK\$173.3 million) and the current ratio was 20.58 (2017: 13.76). As at 31 December 2018 and 2017, the Group had no interest bearing borrowing.

The Group has sufficient and readily available financial resources for both general working capital purposes and existing business operation.

PLEDGE OF ASSETS

As at 31 December 2018 and 2017, none of the Group's securities was pledged to brokers to secure the margin loan. As at 31 December 2018 and 2017, there were no other significant assets pledged to banks to secure general banking facilities granted to the Group.

CONTINGENT LIABILITIES

As at 31 December 2018 and 2017, the Group had no material contingent liabilities.

CAPITAL EXPENDITURE

During the year ended 31 December 2018, the Group incurred approximately HK\$0.2 million (2017: approximately HK\$1.3 million) as capital expenditure mainly in respect of plant and equipment situated in Hong Kong and PRC offices.

CAPITAL COMMITMENTS

As at 31 December 2018, the Group had capital commitment of HK\$68.0 million in relation to the acquisition of a subsidiary (2017: nil).

國際貿易衝突及地緣政治憂慮導致全球經濟前景不明朗，本集團將繼續檢討其各業務分部及發展的策略及資源分配並將其資源優先投放在增長型業務。董事局深信，此乃本公司長期產生及保留價值的基本基礎，並為實現本公司目標的策略。董事局將密切監察營商環境，務求為本公司股東帶來最大回報。

流動資金及流動現金資源

於二零一八年十二月三十一日，本集團之權益及流動資產淨值分別約為1,235,100,000港元（二零一七年：約1,103,600,000港元（經重列））及1,038,200,000港元（二零一七年：約976,900,000港元）。同日，本集團有銀行結餘及現金約為274,800,000港元（二零一七年：約173,300,000港元），流動比率為20.58（二零一七年：13.76）。於二零一八年及二零一七年十二月三十一日，本集團並無計息借款。

本集團有充裕及可隨時使用之財務資源，可用作一般營運資金用途及現有業務營運。

資產抵押

於二零一八年及二零一七年十二月三十一日，本集團並無將證券抵押予經紀行，作為孖展貸款之擔保。於二零一八年及二零一七年十二月三十一日，並無其他重大資產抵押予銀行，作為本集團獲授一般銀行融資之擔保。

或然負債

於二零一八年及二零一七年十二月三十一日，本集團概無重大或然負債。

資本開支

截至二零一八年十二月三十一日止年度，本集團主要就於香港及中國辦事處之廠房及設備產生資本開支約200,000港元（二零一七年：約1,300,000港元）。

資本承擔

於二零一八年十二月三十一日，本集團就收購一間附屬公司而有資本承擔68,000,000港元（二零一七年：無）。

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SIGNIFICANT INVESTMENTS HELD

As at 31 December 2018, the Group held equity investments at fair value through other comprehensive income of approximately HK\$16.2 million (2017: approximately HK\$30.8 million (restated)), and investments at fair value through profit or loss of approximately HK\$3.0 million (2017: approximately HK\$16.4 million).

所持重大投資

於二零一八年十二月三十一日，本集團持有按公平值計入其他全面收益之股本投資約16,200,000港元（二零一七年：約30,800,000港元（經重列））及按公平值計入損益之投資約3,000,000港元（二零一七年：約16,400,000港元）。

Company Name/Stock Code	公司名稱/股份代號	Number of shares held ('000)		% of shareholding (%)		Unrealised loss on fair value change (HK\$'000) 公平值變動之未變現虧損 (千港元) For the year ended 31.12.2018 截至二零一八年十二月三十一日止年度	Fair value (HK\$'000)		% of Net Assets (%)		Dividend received (HK\$'000)		Total investment cost (HK\$'000) 總投資成本 (千港元) As at 31.12.2018
		As at 31.12.2018	As at 31.12.2017	As at 31.12.2018	As at 31.12.2017		As at 31.12.2018	As at 31.12.2017	As at 31.12.2018	As at 31.12.2017	As at 31.12.2018	As at 31.12.2017	
Elegance Optical International Holdings Limited (907) ("EOIH")	高雅光學國際集團有限公司 (907) (「高雅光學國際集團」)	7,800	7,800	2%	2%	(13,377)	3,003	16,380	0.24	1.48	-	-	18,004

Based on public information available at the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as at the date of this report, EOIH is principally engaged in manufacturing and trading of optical frames and sunglasses, property investment, investment in debts and securities, money lending and film distribution and investment business.

The Group's equity investments at fair value through other comprehensive income as at 31 December 2018 comprised of (i) listed equity investment in London at a fair value of approximately HK\$5.3 million; and (ii) unlisted equity securities in Hong Kong at fair value of approximately HK\$10.9 million.

As at 31 December 2018 and 2017, all investments at fair value through profit or loss represented listed securities in Hong Kong. As at 31 December 2018, the Group recorded an unrealised fair value loss of approximately HK\$13.4 million in respect of investment in listed securities held for trading.

The Board acknowledges that the performance of the equities may be affected by the degree of volatility in the stock market and susceptible to other external factors that may affect their values. Accordingly, in order to mitigate possible financial risks related to the equities, the Board will continue to closely monitor the performance of its investment portfolio from time to time.

根據於本報告日期於香港聯合交易所有限公司（「聯交所」）網站可取得之公開資料，高雅光學國際集團主要從事眼鏡架及太陽眼鏡之製造及買賣、物業投資、債務及證券投資、放債以及電影發行及投資業務。

本集團於二零一八年十二月三十一日之按公平值計入其他全面收益之股本投資包括(i)公平值約為5,300,000港元之於倫敦之上市股本投資；及(ii)公平值約為10,900,000港元之於香港之非上市股本證券。

於二零一八年及二零一七年十二月三十一日，所有按公平值計入損益之投資均指香港上市證券。於二零一八年十二月三十一日，本集團就持作交易之上市證券投資錄得未變現公平值虧損約13,400,000港元。

董事局確認股票之表現可能受股市之波動幅度影響及易受或會影響其價值之其他外部因素影響。因此，為降低與股票有關之潛在財務風險，董事局將繼續不時密切監控其投資組合之表現。

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MATERIAL ACQUISITION AND DISPOSAL

On 31 December 2018, Esteem Sun Limited (“Esteem Sun”), a wholly owned subsidiary of the Company, and Lucent Time Limited (“Lucent Time”), an independent third party, entered into the share transfer and loan assignment agreement, pursuant to which (i) Lucent Time conditionally agreed to sell, and Esteem Sun conditionally agreed to acquire, the entire issued share capital of Noble Realm Limited and (ii) Lucent Time conditionally agreed to assign and Esteem Sun conditionally agreed to assume all rights and benefits of the interest free shareholder’s loan, at an aggregate consideration of HK\$135 million. The acquisition was completed on 15 January 2019. Further details of the acquisition are set out in the Company’s announcements dated 31 December 2018 and 15 January 2019.

Save as disclosed above, there was no other material acquisition or disposal (including the acquisition or disposal of subsidiaries) for the year ended 31 December 2018.

FUND RAISING ACTIVITIES AND USE OF PROCEEDS

(i) On 30 May 2018, the Company entered in to a placing agreement with a placing agent pursuant to which the Company conditionally agreed to place, through the placing agent on a best efforts basis, up to 1,452,000,000 placing shares at the placing price of HK\$0.07 per placing share under a general mandate granted to the Directors at the annual general meeting of the Company held on 1 June 2017, to not less than six placees, who were independent professional, institutional or other investors and who and whose ultimate beneficial owners were independent third parties. The placing was completed on 25 June 2018 and the net proceeds were approximately HK\$99.3 million, which were intended to be used for developing the money lending business of the Group and/or enhancing its general working capital. As at 31 December 2018, the proceeds of HK\$45 million had been utilized for the money lending business of the Group as intended. In January 2019, the use of proceeds of HK\$30 million was changed to settle the refundable earnest money for a potential acquisition with the view of the Group’s long term development and investment strategy and the remaining proceeds of approximately HK\$24.3 million had been utilized for the money lending business of the Group as intended.

重大收購及出售事項

於二零一八年十二月三十一日，本公司全資附屬公司尚新有限公司（「尚新」）與獨立第三方Lucent Time Limited（「Lucent Time」）訂立股份轉讓及貸款轉讓協議，據此，(i) Lucent Time有條件同意出售而尚新有條件同意收購貴域有限公司全部已發行股本及(ii) Lucent Time有條件同意轉讓而尚新有條件同意接納免息股東貸款之全部權利及利益，總代價為135,000,000港元。該收購事項已於二零一九年一月十五日完成。有關該收購事項之進一步詳情載於本公司日期為二零一八年十二月三十一日及二零一九年一月十五日之公佈。

除上文所披露者外，截至二零一八年十二月三十一日止年度，概無其他重大收購或出售（包括收購或出售附屬公司）事項。

集資活動及所得款項用途

(i) 於二零一八年五月三十日，本公司與配售代理訂立配售協議，據此，本公司有條件同意根據於本公司於二零一七年六月一日舉行之股東週年大會上授予董事之一般授權，透過配售代理按盡力基準向不少於六名承配人（其為獨立專業、機構或其他投資者，且其及其最終實益擁有人均為獨立第三方）配售最多1,452,000,000股配售股份，配售價為每股配售股份0.07港元。配售事項已於二零一八年六月二十五日完成，而所得款項淨額約為99,300,000港元，擬用於發展本集團之放債業務及／或提升其一般營運資金。於二零一八年十二月三十一日，所得款項45,000,000港元已按擬定用途用於本集團之放債業務。於二零一九年一月，所得款項30,000,000港元之用途更改為就一項因應本集團長期發展及投資策略而作出的潛在收購結付可退還誠意金及餘下所得款項約24,300,000港元已按擬定用途用於本集團之放債業務。

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(ii) On 31 August 2018, the Company entered in to a placing agreement with a placing agent pursuant to which the Company conditionally agreed to place, through the placing agent on a best efforts basis, up to 1,452,000,000 placing shares at the placing price of HK\$0.101 per placing share under a general mandate granted to the Directors at the annual general meeting of the Company held on 1 June 2018, to not less than six placees, who were independent professional, institutional or other investors and who and whose ultimate beneficial owners were independent third parties. The placing was completed on 27 September 2018 and the net proceeds were approximately HK\$143.5 million, which were intended to be used as to (i) approximately 90% for financing the future potential investment opportunities; and (ii) approximately 10% for enhancing its general working capital of the Group. As at 31 December 2018, the proceeds of HK\$67 million had been utilized for payment of refundable deposit for an acquisition of a subsidiary as intended. In January 2019, the proceeds of HK\$68 million had been utilized for settlement of the consideration of the aforesaid acquisition as intended and the remaining proceeds of approximately HK\$8.5 million had been utilized for enhancing the Group's working capital as intended.

Save as disclosed above, the Company did not conduct any other fund raising activities during the year ended 31 December 2018.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group's monetary assets and transactions are principally denominated in Hong Kong dollars, Renminbi and US dollars. During the year ended 31 December 2018, there was no significant fluctuation in the exchange rates of Hong Kong dollars and US dollars whereas Renminbi had a downward adjustment, resulting in an exchange loss of approximately HK\$20.9 million recognised as other comprehensive expense of the Group. The Group will take a prudent approach against any impact arising from the fluctuation in exchange rates but currently is not engaged in any derivative activities and not committed to any financial instruments to hedge its balance sheet exposure.

EMPLOYEE AND HUMAN RESOURCES POLICY

As at 31 December 2018, the Group had 67 staff (2017: 62 staff). The total staff cost incurred for the year ended 31 December 2018 was approximately HK\$35.6 million (2017: approximately HK\$34.3 million). The remuneration of employees was determined with reference to the qualification and experience of individual staff member, market circumstances and the Group's performance. In accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the staff of the Company's accounting and financial reporting function have adequate training programmes and budget.

(ii) 於二零一八年八月三十一日，本公司與配售代理訂立配售協議，據此，本公司有條件同意根據於本公司於二零一八年六月一日舉行之股東週年大會上授予董事之一般授權，透過配售代理按盡力基準向不少於六名承配人（其為獨立專業、機構或其他投資者，且其及其最終實益擁有人均為獨立第三方）配售最多1,452,000,000股配售股份，配售價為每股配售股份0.101港元。配售事項已於二零一八年九月二十七日完成，而所得款項淨額約為143,500,000港元，擬按下列方式動用：(i)約90%用作為未來潛在投資機會提供資金；及(ii)約10%用作提升本集團之一般營運資金。於二零一八年十二月三十一日，所得款項67,000,000港元已按擬定用途用於支付收購一間附屬公司之可退還按金。於二零一九年一月，所得款項68,000,000港元已按擬定用途用於結付上述收購之代價及餘下所得款項約8,500,000港元已按擬定用途用於提升本集團之營運資金。

除上文所披露者外，截至二零一八年十二月三十一日止年度，本公司並無進行任何其他集資活動。

匯率波動風險

本集團之貨幣資產及交易主要以港元、人民幣及美元計值。截至二零一八年十二月三十一日止年度，港元及美元之匯率並無重大波動，而人民幣匯率下調，引致出現匯兌虧損約20,900,000港元，乃確認為本集團之其他全面支出。本集團將採取審慎措施應付匯率波動帶來之任何影響，惟目前並無參與任何衍生工具活動，亦無使用任何金融工具對沖其資產負債表風險。

僱員及人力資源政策

於二零一八年十二月三十一日，本集團有67名員工（二零一七年：62名員工）。截至二零一八年十二月三十一日止年度產生員工成本總額約為35,600,000港元（二零一七年：約34,300,000港元）。僱員之薪酬乃經參考員工個人之資歷及經驗、市況及本集團之表現釐定。根據聯交所證券上市規則（「上市規則」），本公司員工在履行會計及財務申報職能方面已接受足夠培訓及獲得充足預算。

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Pursuant to a share option scheme adopted on 22 May 2012 (the "2012 Share Option Scheme"), the Board may grant options to Directors (including non-executive Directors and independent non-executive Directors), employees of the Company and any of its subsidiaries or associated companies, to subscribe for shares of the Company. During the year ended 31 December 2018, no options were granted under the 2012 Share Option Scheme.

FINAL DIVIDEND

The Board has resolved not to recommend any final dividend for the year ended 31 December 2018 (2017: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 27 May 2019 to Monday, 3 June 2019 (both days inclusive), during which no transfer of shares will be registered. In order to qualify to be shareholders of the Company to attend and vote at the annual general meeting to be held on Monday, 3 June 2019, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Friday, 24 May 2019.

AUDIT COMMITTEE

The Board has established the audit committee of the Company (the "Audit Committee") in accordance with the Listing Rules. The Audit Committee currently comprises Mr. Ru Xiangnan, Mr. Liu Haiping and Mr. Liu Tonghui, the three independent non-executive Directors of the Company. A summary of duties and works of the Audit Committee is set out in the "Corporate Governance Report" of this annual report.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters. The Audit Committee has reviewed the financial statements of the Group for the year ended 31 December 2018 in conjunction with the Company's external auditor, ZHONGHUI ANDA CPA Limited.

CORPORATE GOVERNANCE CODE OF THE LISTING RULES

During the year ended 31 December 2018, the Company has fully complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules, with deviation from code provisions A.2.1, A.6.7 and C.2.5. Details of the Company's corporate governance are set out in the section headed "Corporate Governance Report" of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for maintaining the Group's risk management and internal control systems to safeguard shareholders' investment and for reviewing the effectiveness of such on an annual basis under code provision C.2.1 of the CG Code.

根據二零一二年五月二十二日採納之購股權計劃（「二零一二年購股權計劃」），董事局可授出購股權予本公司及其任何附屬公司或聯營公司之董事（包括非執行董事及獨立非執行董事）、僱員，以認購本公司之股份。截至二零一八年十二月三十一日止年度，概無根據二零一二年購股權計劃授出購股權。

末期股息

董事局已議決不建議派付截至二零一八年十二月三十一日止年度任何末期股息（二零一七年：無）。

暫停辦理股份過戶登記

本公司將由二零一九年五月二十七日（星期一）至二零一九年六月三日（星期一）（首尾兩天包括在內）暫停辦理股份過戶登記，期間將不會辦理股份轉讓手續。為成為本公司股東以符合資格出席將於二零一九年六月三日（星期一）舉行之股東週年大會並於會上投票，所有過戶文件連同相關股票須於二零一九年五月二十四日（星期五）下午四時三十分前交回本公司之香港股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心22樓。

審計委員會

董事局已根據上市規則成立本公司審計委員會（「審計委員會」）。審計委員會目前由本公司三名獨立非執行董事茹祥安先生、劉海屏先生及劉彤輝先生組成。審計委員會之職責及工作概要載於本年報之「企業管治報告」內。

審計委員會已檢討本集團採納之會計原則及常規，並討論審計、內部監控及財務報告事宜。審計委員會已連同本公司之外聘核數師中匯安達會計師事務所有限公司審閱本集團截至二零一八年十二月三十一日止年度之財務報表。

上市規則之企業管治守則

截至二零一八年十二月三十一日止年度，本公司已全面遵守上市規則附錄十四所載企業管治守則（「企管守則」）的守則條文，惟偏離守則條文第A.2.1條、A.6.7條及C.2.5條。有關本公司企業管治的詳情，載於本年報「企業管治報告」一節。

風險管理及內部監控

董事局確認其對維持本集團風險管理及內部監控制度之責任，以保障股東投資，及對根據企管守則之守則條文第C.2.1條每年檢討其有效性之責任。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Group strives to attain and maintain high standards of corporate governance to enhance shareholders' value and safeguard shareholders' interests. The Group's corporate governance principles emphasize a quality Board, effective internal control and accountability to shareholders.

The Board believes that good corporate governance practices are increasingly important for maintaining and promoting shareholder value and investor confidence.

The CG Code contained in Appendix 14 of the Listing Rules sets out the principles of good corporate governance and two levels of corporate governance practices:

- (a) code provisions which listed issuers are expected to comply with or to give considered reasons for any deviation; and
- (b) recommended best practices for guidance only, which listed issuers are encouraged to comply with or give considered reasons for deviation.

The Company's corporate governance practices are based on the principles, code provisions and certain recommended best practices as set out in the CG Code.

Throughout the year ended 31 December 2018, the Company has complied with the code provisions set out in the CG Code, save for the deviations from code provisions A.2.1, A.6.7 and C.2.5 which are explained in the relevant paragraphs in this report.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the CG Code and align with the latest developments of the Group.

BOARD OF DIRECTORS

Responsibilities

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

企業管治常規

本集團竭力達到並保持企業管治之高標準，以提升股東價值及保障股東權益。本集團之企業管治原則著重優秀董事局、有效內部監控及對股東負責任。

董事局深明良好企業管治常規對保持及提升股東價值及投資者信心愈來愈重要。

上市規則附錄十四所載之企管守則載列良好企業管治之原則及兩個企業管治常規水平：

- (a) 守則條文，指上市發行人應遵守之守則規定，如有偏離行為時應提供有理據支持之原因；及
- (b) 建議最佳常規，僅屬指引，鼓勵上市發行人遵守建議最佳常規，如有偏離行為時應提供有理據支持之原因。

本公司之企業管治常規乃以企管守則所載之原則、守則條文及若干建議最佳常規為基礎。

於截至二零一八年十二月三十一日止整個年度內，本公司已遵守企管守則的守則條文，惟偏離守則條文第A.2.1條、A.6.7條及C.2.5條。偏離守則條文的原因載於本報告相關段落內。

本公司將繼續提升自身之企業管治常規，藉以符合其業務操守及增長，並不時將予檢討，以確保其符合企管守則及配合本集團最新發展。

董事局

職責

本公司業務之整體管理歸董事局管轄。董事局負責領導和控制本公司，藉指導和監控本公司之事務而集體負責推動本公司成功。全體董事應客觀地作出符合本公司最佳利益之決定。

Corporate Governance Report

企業管治報告

The Board sets policy direction and approves strategies/operational plans to ensure effective functioning and growth of the Company, in the interests of all shareholders.

Every director shall ensure that he/she carries out his/her duty in good faith and in compliance with the standards of applicable laws and regulations, and acts in the interests of the Company and its shareholders at all times.

DELEGATION OF MANAGEMENT FUNCTIONS

The Board undertakes responsibility for decision making in major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

All directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board's procedures and all applicable rules and regulations are followed.

Each director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the executive directors and the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned officers.

The Board has the full support of the executive directors and the senior management to discharge its responsibility.

BOARD COMPOSITION

The composition of the Board ensures a balance of skills and experience appropriate to the requirements of the business of the Company and to the exercising of independent judgment.

As at the date of this report, the Board currently comprises three executive directors, one non-executive director and three independent non-executive directors. Save as disclosed in the section of "Biographical Details of Directors" of this annual report, members of the Board do not have any relationship with any other director.

董事局以全體股東之利益為著眼點，訂出政策方向及批准策略／營運計劃，藉以確保本公司有效運作和增長。

各董事將確保其各自以誠信態度執行職務，並遵守適用法例及法規之標準，且於任何時候須以本公司及其股東之利益為出發點。

管理職能之授權

董事局負責主要企業範疇方面之決策，包括：批准及監督一切政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（尤以是可能牽涉利益衝突者）、財務資料、任命董事及其他主要財務及營運事宜。

全體董事皆可全面而適時地獲取一切相關資料以及公司秘書之建議及服務，以確保遵循董事局程序及一切適用規則及規例。

各董事向董事局提出要求後，通常可於適當情況下諮詢獨立專業意見，費用由本公司支付。

本公司之日常管理、行政及營運交予執行董事與高級管理層負責。彼等之職能和工作任務會定期予以檢討。上述人員訂立任何重大交易前須得到董事局批准。

董事局在執行董事及高級管理層全力協助下履行其職責。

董事局組成

董事局組成確保了技能和經驗之平衡，以切合本公司業務之需要及可行使獨立判斷。

於本報告日期，董事局現由三名執行董事、一名非執行董事及三名獨立非執行董事組成。除本年報「董事履歷詳情」一節所披露者外，董事局成員與任何其他董事並無任何關係。

Corporate Governance Report

企業管治報告

The list of all directors and their biographies are set out under the section of “Corporate Information” and “Biographical Details of Directors” on page 2 and page 35 respectively and in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive directors are expressly identified in all corporate communications pursuant to the Listing Rules.

During the year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive director for his independence pursuant to the guidelines for assessing independence set out in Rule 3.13 and other requirements of the Listing Rules. The Company considers all independent non-executive directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

All directors, including independent non-executive directors, have brought a wide spectrum of valuable business experience and skills, knowledge and professionalism to the Board for its efficient and effective functions. Independent non-executive directors are invited to serve on the Audit, Nomination and Remuneration Committees of the Company.

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The procedures and process of appointment, re-election and removal of directors are set out in the Company’s Bye-laws. The Nomination Committee is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of directors, monitoring the appointment and succession planning of directors and assessing the independence of independent non-executive directors. Details of the Nomination Committee and its works performed during the year are set out in the “Board Committees” section below.

In accordance with the Company’s Bye-laws, all directors of the Company are subject to retirement by rotation at least once every three years and any new director appointed to fill a causal vacancy or as an addition to the Board shall submit himself for re-election by shareholders at the first general meeting after appointment.

全體董事之名單及彼等之履歷分別載於第2頁及第35頁之「公司資料」及「董事履歷詳情」章節及由本公司根據上市規則不時發出之一切企業通訊。所有企業通訊已根據上市規則明確說明獨立非執行董事身份。

年內，董事局一直符合上市規則有關委任最少三名獨立非執行董事之規定（至少一名獨立非執行董事具備合適專業資格或會計或相關財務管理專業知識）。

本公司已接獲各獨立非執行董事根據上市規則第3.13條所載之評核獨立性指引及其他規定發出之獨立身份週年確認函。本公司認為，根據上市規則之獨立身份指引，全體獨立非執行董事皆屬獨立人士。

全體董事（包括獨立非執行董事）給董事局帶來廣泛而珍貴之業務經驗及技巧、知識及專業技能，從而促使董事局有效且高效地發揮其職能。獨立非執行董事獲邀於本公司審計委員會、提名委員會及薪酬委員會任職。

董事之委任、重選及罷免

本公司已將董事之委任、重選及罷免之程序及步驟載入本公司之公司細則。提名委員會負責檢討董事局之組成、擬定及編製有關提名及委任董事之相關程序、監察董事之委任及接任計劃以及評估獨立非執行董事之獨立性。提名委員會及其於年內之工作詳情載於下文「董事委員會」一節。

根據本公司之公司細則，本公司全體董事須最少每三年輪值告退一次，而為填補臨時空缺或出任董事局新增成員而獲委任之任何新董事應在接受委任後之首次股東大會上接受股東重選。

Corporate Governance Report

企業管治報告

In accordance with clause 87(1) of the Company's Bye-laws, Mr. Chen Wei, Mr. Fan Jie and Mr. Ru Xiangan shall retire at the forthcoming annual general meeting and eligible, will offer themselves for re-election at the annual general meeting.

The Board recommended the re-appointment of the directors standing for re-election at the forthcoming annual general meeting.

TRAINING FOR DIRECTORS

Pursuant to requirement in code provision A.6.1, each newly appointed director should receive a comprehensive, formal and tailored induction on appointment. Subsequently he or she should receive any briefing and professional development necessary to ensure that he or she has a proper understanding of the business and operations of the Company and that he or she is fully aware of his or her responsibilities and obligations under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

The Board recognises the importance of directors' training and all directors should participate in continuous professional development to develop and refresh their knowledge and skills. During the year ended 31 December 2018, all directors have participate in continuous professional development by attending training courses and/or reading reference materials on the topics related to corporate governance and regulations:

根據本公司之公司細則第87(1)條，陳偉先生、樊捷先生及茹祥安先生須於應屆股東週年大會上退任，惟符合資格並將於股東週年大會上提呈重選連任。

董事局建議於應屆股東週年大會上重新委任候選連任之董事。

董事之培訓

根據守則條文第A.6.1條之規定，各新委任董事均在接受委任時獲得全面、正式而切身之就任須知。其後彼會獲得任何所需簡介及專業發展，以確保董事對本公司業務及運作有合適理解，董事可完全認識法規及普通法、上市規則、法律及其他監管規定以及本公司之業務及管治政策下自身之職責及責任。

董事局認識到董事培訓之重要性，且全體董事均須參與持續專業發展，以發展及更新彼等的知識及技能。於截至二零一八年十二月三十一日止年度，所有董事均有透過參加及／或閱讀有關企業管治及監管之培訓課程及／或材料參與持續專業發展培訓：

		Reading regulatory updates 閱讀監管規定之最新資料	Attending expert briefings/seminars/conferences relevant to the business or director's duties 出席有關業務或董事職責的專家簡報會／研討會／會議
Non-Executive Director	非執行董事		
Ms. Wang Yingqian (<i>Chairman</i>) (Appointed on 19 June 2018)	王穎千女士 (主席) (於二零一八年六月十九日獲委任)	✓	✓
Executive Directors	執行董事		
Mr. Liu Wei (<i>Chief Executive Officer</i>)	劉煒先生 (行政總裁)	✓	✓
Mr. Chen Wei	陳偉先生	✓	✓
Mr. Fan Jie	樊捷先生	✓	✓
Mr. Li Yang (<i>Deputy Chairman</i>) (Resigned on 19 June 2018)	李陽先生 (副主席) (於二零一八年六月十九日辭任)	✓	✓

Corporate Governance Report

企業管治報告

		Reading regulatory updates 閱讀監管規定之最新資料	Attending expert briefings/seminars/conferences relevant to the business or director's duties 出席有關業務或董事職責的專家簡報會/研討會/會議
Independent Non-Executive Directors	獨立非執行董事		
Mr. Ru Xiangan	茹祥安先生	✓	✓
Mr. Liu Haiping	劉海屏先生	✓	✓
Mr. Liu Tonghui	劉彤輝先生	✓	✓

MEETINGS

Number of Meetings and Directors' Attendance

During the year, regular Board meetings were held for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company. Most important resolutions agreed in Board meetings were made by all directors including executive, non-executive and independent non-executive directors.

會議

會議數目與董事出席記錄

年內，董事局已舉行例行會議，以檢討及批准財務及經營表現，並考慮及批准本公司之整體策略及政策。董事局會議上議定之最重要決議案均經由全體董事（包括執行、非執行及獨立非執行董事）作出。

Corporate Governance Report

企業管治報告

The attendance records of each director at the meetings of the shareholders, the Board, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Committee (for corporate governance functions) during the year are set out below:

年內，各董事於股東大會、董事局、審計委員會、薪酬委員會、提名委員會及執行委員會（就企業管治職能而設）會議之個人出席記錄如下：

Name of Directors	董事姓名	Shareholders 股東	Board 董事局	Meetings Attended/Eligible to Attend 已出席/合資格出席之會議				Executive Committee 執行委員會 (Note) (附註)
				Audit Committee 審計委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會		
Non-Executive Director	非執行董事							
Ms. Wang Yingqian (Chairman) (Appointed on 19 June 2018)	王穎千女士 (主席) (於二零一八年 六月十九日獲委任)	2/2	5/5	Not Applicable 不適用	Not Applicable 不適用	Not Applicable 不適用	Not Applicable 不適用	
Executive Directors	執行董事							
Mr. Liu Wei (Chief Executive Officer)	劉煒先生 (行政總裁)	1/3	9/10	Not Applicable 不適用	Not Applicable 不適用	Not Applicable 不適用		1/1
Mr. Chen Wei	陳偉先生	3/3	10/10	Not Applicable 不適用	Not Applicable 不適用	Not Applicable 不適用		1/1
Mr. Fan Jie	樊捷先生	3/3	10/10	Not Applicable 不適用	Not Applicable 不適用	Not Applicable 不適用		1/1
Mr. Li Yang (Deputy Chairman) (Resigned on 19 June 2018)	李陽先生 (副主席) (於二零一八年 六月十九日辭任)	1/1	4/5	Not Applicable 不適用	2/2	2/2	Not Applicable 不適用	
Independent Non-Executive Directors	獨立非執行董事							
Mr. Ru Xiangnan	茹祥安先生	1/3	8/10		1/2	2/2	2/2	Not Applicable 不適用
Mr. Liu Haiping	劉海屏先生	1/3	2/10		2/2	1/2	1/2	Not Applicable 不適用
Mr. Liu Tonghui	劉彤輝先生	2/3	9/10		2/2	2/2	2/2	Not Applicable 不適用

Note: Among meetings of the Executive Committee, one meeting was held for the purpose of performing the corporate governance duties and the attendances of the members of the Executive Committee at this meeting is disclosed under the CG Code

附註：於執行委員會之會議中，有一次會議乃就履行企業管治職責而舉行，執行委員會成員出席此次會議之情況已根據企管守則披露。

Corporate Governance Report

企業管治報告

Under code provision A.6.7 of the CG Code, the independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to various work commitments, one executive director namely, Mr. Liu Wei and two independent non-executive directors namely, Mr. Liu Haiping and Mr. Ru Xiangnan were unable to attend the special general meeting held on 17 August 2018 and one executive director namely, Mr. Liu Wei and three independent non-executive directors namely, Mr. Liu Haiping, Mr. Liu Tonghui and Mr. Ru Xiangnan were unable to attend the special general meeting held on 16 October 2018.

Practices and Conduct of Meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance.

Notices of regular Board meetings are served to all directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all directors at least 3 days before each Board meeting or committee meeting to keep the directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each director also have separate and independent access to the senior management whenever necessary.

The Chairman and the Company Secretary attend almost all regular Board meetings and when necessary, other Board and committee meetings to advise on business developments, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Company.

The Company Secretary is responsible for keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to directors for comment within a reasonable period of time after each meeting and the final version is open for directors' inspection.

According to the current Board practice, any material transaction which involves a material conflict of interests for a substantial shareholder or a director will be considered and dealt with by the Board at a duly convened Board meeting and independent non-executive directors who, and whose associates, have no material interest in the transaction are present at the Board meeting.

根據企管守則之守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會及對股東的意見有公正的了解。由於多項工作承擔，一名執行董事劉煒先生及兩名獨立非執行董事劉海屏先生及茹祥安先生無法出席於二零一八年八月十七日舉行之股東特別大會以及一名執行董事劉煒先生及三名獨立非執行董事劉海屏先生、劉彤輝先生及茹祥安先生無法出席於二零一八年十月十六日舉行之股東特別大會。

會議常規及方式

每年會議時間表及每次會議之會議議程擬本通常會預先提供予董事。

董事局例行會議通知會於會議舉行前至少14天送呈所有董事。至於其他董事局及委員會會議，一般會發出合理通知。

董事局文件連同一切適當、完備及可靠之資料，會於各董事局會議或委員會會議舉行前至少3天送交所有董事，使董事得知本公司之最新發展及財政狀況，讓彼等可作出知情之決定。董事局及每名董事亦可於有需要時另行以獨立途徑接觸高級管理層。

主席及公司秘書出席大部份董事局例行會議及（如需要）其他董事局及委員會會議，以就本公司之業務發展、財務及會計事宜、遵守法規、公司管治及其他主要事宜提供意見。

公司秘書負責保存全部董事局會議及委員會會議之會議記錄。會議記錄初稿一般會於每次會議後一段合理時間內供董事傳閱，董事可就此提供意見，會議記錄之定稿則公開予董事查閱。

根據董事局現行常規，凡有任何重大交易涉及主要股東或董事之重大利益衝突，將由董事局正式召開董事局會議審議及處理，而於該交易中並無擁有重大權益之獨立非執行董事及其聯繫人士會出席該董事局會議。

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The Company's Bye-laws also contain provisions requiring directors to abstain from voting (nor be counted in the quorum) at meetings for approving transactions in which such directors or any of their associates have a material interest.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Following the resignation of Mr. Tan Xiangdong (a former chairman and a former executive director) on 3 April 2017, the position of the chairman of the Board was vacant. Subsequently on 19 June 2018, Ms. Wang Yingqian was appointed as a non-executive director, the chairman of the Board and the chairman of the Nomination Committee. At the same date, Mr. Liu Wei, an executive director of the Company, was appointed as the chief executive officer of the Company and the chairman of the Executive Committee. Thereafter and as at the date of this report, the Company has met code provision A.2.1 of the CG Code.

BOARD COMMITTEES

Currently, the Company has four committees, namely, the Audit Committee, the Nomination Committee, the Remuneration Committee and the Executive Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. Save for the Executive Committee, the terms of reference of the other Board committees are made available to shareholders on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.cbgroup.com.hk>) respectively.

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

AUDIT COMMITTEE

The Audit Committee comprises all three independent non-executive directors, namely Mr. Ru Xiang, Mr. Liu Haiping and Mr. Liu Tonghui. The Chairman of the Audit Committee is Mr. Ru Xiang.

Among the committee members, one of them possesses the appropriate professional qualifications or accounting or related financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

本公司之公司細則亦載有條文，規定董事於批准該等董事或彼等任何聯繫人士擁有重大權益之交易時於會上放棄投票（亦不計算在法定人數內）。

主席及行政總裁

根據企管守則之守則條文第A.2.1條，主席及行政總裁之角色應予區分，不應由同一人兼任。於譚向東先生（前主席及前執行董事）於二零一七年四月三日辭任後，董事局主席職位懸空。其後，於二零一八年六月十九日，王穎千女士獲委任為非執行董事、董事局主席及提名委員會主席。於同日，本公司執行董事劉煒先生獲委任為本公司行政總裁及執行委員會主席。此後及於本報告日期，本公司已符合企管守則之守則條文第A.2.1條。

董事委員會

現時，本公司有四個委員會，即審計委員會、提名委員會、薪酬委員會及執行委員會，以監察本公司事務之特定範疇。本公司所有董事委員會於設立時備有書面界定之職權範圍。除執行委員會外，其他董事委員會之職權範圍已分別於聯交所網站(<http://www.hkexnews.hk>)及本公司網站(<http://www.cbgroup.com.hk>)供股東閱覽。

董事委員會獲提供足夠資源履行其職務，經提出合理要求後亦可於適當情況下尋求獨立專業意見，費用由本公司負責。

審計委員會

審計委員會由三名（全體）獨立非執行董事（即茹祥安先生、劉海屏先生及劉彤輝先生）組成。茹祥安先生為審計委員會主席。

於委員會成員中，其中一名成員具備合適專業資格或會計或相關財務管理專長。概無審計委員會成員乃本公司現有外聘核數師之前任合夥人。

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The main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the staff of the Company's accounting and financial reporting function, internal auditor (if any) or external auditors before submission to the Board;
- To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, their independence and objectivity, and make recommendation to the Board on the appointment, reappointment and removal of external auditors; and
- To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee held two meetings during the year to review the half-yearly and annual financial results and reports, financial reporting and compliance procedures, report on the Company's internal control and risk management review and processes and the re-appointment of the external auditors.

The attendance records of the Audit Committee are set out under the section "Meetings" in this report.

The Company's annual results for the year ended 31 December 2018 have been reviewed by the Audit Committee.

NOMINATION COMMITTEE

The Nomination Committee comprises one non-executive director, namely Ms. Wang Yingqian and all three independent non-executive directors, namely Mr. Ru Xiangnan, Mr. Liu Haiping and Mr. Liu Tonghui. The Chairman of the Nomination Committee is Ms. Wang Yingqian.

The main duties of the Nomination Committee include the following:

- To review the structure, size, composition and diversity (including the skills, knowledge and experience) of the Board and make recommendations regarding any proposed changes;
- To develop and formulate relevant procedures for nomination and appointment of directors and senior management;
- To identify suitable candidates for appointment as directors and senior management;
- To make recommendations to the Board on appointment or reappointment of and succession planning for directors and senior management; and
- To assess the independence of the independent non-executive directors.

審計委員會之主要職務包括以下各項：

- 審閱財務報表及報告，並於向董事局提交有關文件前，考慮負責本公司會計及財務申報職能之員工、內部核數師（如有）或外聘核數師所提出的任何重大或不尋常項目；
- 參照核數師履行之工作、彼等之收費及聘用條款、獨立性及客觀性檢討與外聘核數師之關係，並就委聘、續聘及撤換外聘核數師向董事局提出推薦建議；及
- 檢討本公司之財務申報制度、內部監控制度及風險管理制度與相關程序是否足夠及有效。

年內，審計委員會共舉行兩次會議，以審閱半年及全年財務業績及報告，財務申報及合規程序、有關本公司之內部監控及風險管理檢討及處理之報告以及續聘外聘核數師。

審計委員會之出席記錄載於本報告之「會議」一節內。

審計委員會已審閱本公司截至二零一八年十二月三十一日止年度之全年業績。

提名委員會

提名委員會由一名非執行董事（即王穎千女士）以及三名（全體）獨立非執行董事（即茹祥安先生、劉海屏先生及劉彤輝先生）組成。王穎千女士為提名委員會主席。

提名委員會之主要職責包括以下各項：

- 檢討董事局之架構、規模、組成及多元化（包括技能、知識及經驗），並就任何建議變動提出推薦意見；
- 擬定及編製有關提名及委任董事及高級管理層之程序；
- 物色適合之董事及高級管理層候選人選；
- 就董事及高級管理層之委任或連任及繼任計劃向董事局提出推薦意見；及
- 評估獨立非執行董事之獨立性。

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The Nomination Committee carries out the process of selecting and recommending candidates for directorships and senior management by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

The Nomination Committee held two meetings during the year to review the structure, size, composition and diversity of the Board and made recommendations to the Board in accordance with the Nomination Committee's written terms of reference. The Nomination Committee considers that board appointments are based on merit and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

REMUNERATION COMMITTEE

The Remuneration Committee comprises all three independent non-executive directors, namely Mr. Ru Xiangnan, Mr. Liu Haiping and Mr. Liu Tonghui. The Chairman of the Remuneration Committee is Mr. Ru Xiangnan.

The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the individual performance and the operating results of the Company as well as the market conditions and practice.

The Remuneration Committee normally meets for reviewing the remuneration policy and structure and determination or making recommendation of the annual remuneration packages of the executive directors and the senior management and other related matters when needs arise. The Human Resources Division is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee shall consult the Chairman and/or the Board about these recommendations on remuneration policy and structure and remuneration packages.

The Remuneration Committee held two meetings during the year to review the remuneration packages of the directors and the senior management and made recommendation to the Board in accordance with the Remuneration Committee's written terms of reference.

提名委員會執行挑選及推薦董事及高級管理層候選人之程序，當中參考該等人士之技能、經驗、專業知識、個人誠信及投放之時間、本公司之需要以及其他相關法定規定及規例。如有需要，或會委聘外部招聘代理公司進行招聘及挑選程序。

年內，提名委員會曾舉行兩次會議，以檢討董事局之架構、規模、組成及多元化，並根據提名委員會的書面職權範圍，向董事局提出推薦意見。提名委員會認為，董事局用人唯才，經周詳考慮董事局多元化之裨益後，根據客觀準則遴選人選，準則包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及任期。

薪酬委員會

薪酬委員會由三名（全體）獨立非執行董事（即茹祥安先生、劉海屏先生及劉彤輝先生）組成。茹祥安先生為薪酬委員會主席。

薪酬委員會之主要職責包括就執行董事及高級管理層之薪酬政策及架構以及薪酬待遇作出建議及授出批准。薪酬委員會亦負責設立透明度高之程序，以制定該薪酬政策及架構，從而確保董事或其任何聯繫人士概無參與釐定其本身薪酬之決策過程，其薪酬將參考個人表現及本公司經營業績，以及市況及市場慣例釐定。

薪酬委員會一般會於有需要時為檢討薪酬政策與架構及釐定或就執行董事及高級管理層之年度薪酬待遇提出推薦建議以及其他相關事宜舉行會議。人力資源部負責收集及管理人力資源資料，並提出推薦建議供薪酬委員會考慮。薪酬委員會須就有關薪酬政策與架構及薪酬待遇之推薦建議，諮詢主席及／或董事局之意見。

年內，薪酬委員會曾舉行兩次會議，以檢討董事及高級管理層之薪酬待遇，並根據薪酬委員會的書面職權範圍，向董事局提出推薦意見。

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EXECUTIVE COMMITTEE

The Executive Committee comprises all executive directors of the Company, namely, Mr. Liu Wei, Mr. Chen Wei and Mr. Fan Jie. The Chairman of the Executive Committee is Mr. Liu Wei.

The Executive Committee has been conferred upon with the general powers of the Board (except those matters specifically reserved for the Board) to manage and oversee the operations of the Group and has been assigned with the responsibilities to perform the corporate governance duties including but not limited to:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of the directors and senior management of the Company;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the directors and employees;
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- to conform to any requirement, direction, regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

During the year, the policies of the corporate governance of the Company were reviewed by the Executive Committee.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the directors' remuneration for the years ended 31 December 2018 and 2017 as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in note 14(a) to the consolidated financial statements.

The remuneration of the senior management for the years ended 31 December 2018 and 2017 are set out in note 14(b) to the consolidated financial statements.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made on all directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2018.

執行委員會

執行委員會由本公司全體執行董事（即劉煒先生、陳偉先生及樊捷先生）組成。執行委員會主席為劉煒先生。

執行委員會獲授董事局之一般權力（惟特別保留予董事局之事項除外）以管理及監察本集團之營運，以及負責履行企業管治職責，包括但不限於：

- 制定及檢討本公司之企業管治政策及常規，並向董事局提出推薦建議；
- 檢討及監察本公司董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- 制定、檢討及監察適用於董事及僱員之操守守則及合規手冊（如有）；
- 檢討本公司遵守企管守則之情況及企業管治報告內之披露；及
- 遵守董事局不時規定或本公司組織章程所載或法例規定之任何規定、指引或規例。

年內，本公司之企業管治政策乃由執行委員會審閱。

董事及高級管理層的薪酬

截至二零一八年及二零一七年十二月三十一日止年度的董事薪酬詳情，須根據上市規則附錄16作出披露，有關資料載於綜合財務報表附註14(a)。

截至二零一八年及二零一七年十二月三十一日止年度，高級管理層的薪酬載列於綜合財務報表附註14(b)。

證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）。經本公司向所有董事作出特定查詢後，彼等已確認於截至二零一八年十二月三十一日止年度內一直遵守標準守則。

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DIRECTORS' RESPONSIBILITIES 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 directors are responsible for overseeing the preparation of financial statements of the Company with a view to ensuring that such financial statements give a true and fair view and that relevant statutory requirements and applicable accounting standards are complied with.

The management of the Company provides such explanation and information to the Board so as to enable the Board to make an informed assessment of the financial information and position of the Company which were put to the Board for approval.

EXTERNAL AUDITORS

The statement of the external auditors of the Company about their reporting responsibilities on the consolidated financial statements is set out in the "Independent Auditor's Report" on page 49.

An analysis of the remuneration of the Company's auditors, ZHONGHUI ANDA CPA Limited, for the year ended 31 December 2018 is set out as follows:

董事對編製財務報表承擔之責任

董事明白其須編製本公司截至二零一八年十二月三十一日止年度的財務報表之職責。

董事負責監察編製本公司財務報表之過程，以確保該等財務報表為真實公平，以及符合有關法定規定及適用之會計準則。

本公司管理層向董事局提供闡釋及資料，以便董事局能對提呈予董事局批准之本公司財務資料及狀況，進行知情之評估。

外聘核數師

有關本公司外聘核數師對於其就綜合財務報表之申報職責所作出的聲明載於第49頁之「獨立核數師報告」。

截至二零一八年十二月三十一日止年度，本公司核數師中匯安達會計師事務所有限公司所獲酬金的分析載列如下：

		Fee paid/ payable for services rendered 有關服務已付/ 應付的費用 HK\$'000 千港元
Audit services	核數服務	810
Interim review services	中期審閱服務	140
		950

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RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it has overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining appropriate and effective risk management and internal control systems. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems. The systems and internal controls can only provide reasonable and not absolute assurance against material misstatement or loss, as they are designed to manage, rather than eliminate the risk of failure to achieve business objectives.

The Group has established an on-going process for identifying, evaluating and managing the significant risks of the Group. Business units are responsible for identifying, assessing and monitoring risks associated with their respective units. The results of evaluation will be reported to management through regular internal meetings. Each year, management prepares the risk assessment report listing the risks identified and management's assessment on the impact to the Group. The Board discusses findings in the risk assessment report and evaluates the effectiveness of the risk management and internal control system in Board meeting. The Board also reviews and monitors the effectiveness of the internal control and risk management systems on a regular basis to ensure that the systems in place are adequate.

The key elements of the Group's risk management and internal control systems include the following:

- the organisational structure is clearly defined with distinct lines of authority and control responsibilities;
- a comprehensive financial accounting system has been established to provide for performance measurement indicators and to ensure compliance with relevant rules;
- the senior management shall prepare annual plans on financial reporting, operations and compliance aspects by reference to potential significant risks;
- unauthorised expenditures and release of confidential information are strictly prohibited;
- specific approval by executive director prior to commitment is required for all material matters; and
- the management shall review and evaluate the control process and monitor any risk factors on a regular basis and report to the Audit Committee on any findings and measures to address the variances and identified risks.

風險管理及內部監控

董事局確認其有整體責任評估及釐定本集團為達成策略目標所願承擔之風險性質及程度，並維持穩健及有效之風險管理及內部監控制度。董事局監察管理層在設計、實行和監察風險管理及內部監控制度方面之工作。有關制度及內部監控只能針對重大錯報或損失提供合理但並非絕對之保證，因為有關制度及內部監控旨在管理，而非消除未能實現業務目標之風險。

本集團已制訂持續之程序，以識別、評估及管理本集團之重大風險。業務單位負責識別、評估及監察與本身單位相關之風險。評價結果將通過定期內部會議向管理層報告。每年，管理層編製風險評估報告，列出所確定之風險，以及管理層對本集團所受影響之評估。董事局討論風險評估報告中之結果，並在董事局會議上評估風險管理及內部監控制度之成效。董事局亦定期檢討及監察內部監控及風險管理制度之成效，以確保制度完備充分。

本集團風險管理及內部監控制度包括以下要點：

- 組織架構權責清晰，監控層次分明；
- 設立全面之財務會計制度，提供表現量度之指標，並確保符合有關規則；
- 高級管理層須參考潛在重大風險，就財務申報、經營及合規方面制定年度計劃；
- 嚴禁作未獲授權開支及發放機密資料；
- 承諾所有重大事宜前，必須獲得執行董事之具體批准；及
- 管理層須定期檢討及評估監控程序及監察任何風險因素，並在發現任何偏離情況及已識別之風險時，向審計委員會匯報發現所得及提出應對措施。

Corporate Governance Report

企業管治報告

The Group handles and disseminates inside information with due care. Staff is required to comply with the confidentiality terms inside the staff manual. Only personnel at appropriate level can get reach of price sensitive and inside information. The Company regularly reminds the directors and employees about compliance with all policies adopted by the Company regarding inside information including the Model Code set out in Appendix 10 of the Listing Rules in relation to dealings in securities of the Company.

Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements.

Under the code provision C.2.5 of the CG Code, the Group should have an internal audit function. However, due to the size of the Group and for cost effectiveness consideration, the Group currently does not have an internal audit function. Instead, the Audit Committee is responsible for a review on the internal control system annually. The review covers major financial, operational controls in rotation basis and also the risk management functions. No significant deficiency was identified under current year's review and the systems were operating effectively and adequately. The Group continues to review the need for an internal audit function annually.

COMPANY SECRETARY

The position of the Company Secretary is held by Mr. Ho Yu. He is an associate member of The Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. The Company Secretary reports to the Chairman of the Board from time to time. All directors have access to the advice and services of the Company Secretary to ensure that board procedures, and all applicable laws, rules and regulations are followed. During the year, Mr. Ho undertook not less than 15 hours of professional training to update his skills and knowledge.

本集團審慎處理和發放內幕消息。員工須遵守員工手冊中之保密條款。僅適當級別之人員才獲准接觸價格敏感資料及內幕消息。本公司定期提醒董事及僱員務須遵守本公司就內幕消息所採納之所有政策，包括就買賣本公司證券而遵守上市規則附錄十所載之標準守則。

本集團設計並制訂適當之政策和監控措施，以確保資產得到保障，防止不當使用或處置；本集團亦恪守和遵從相關規則和規例，並且根據相關會計準則和監管報告規定存置可靠之財務和會計記錄。

根據企管守則之守則條文第C.2.5條，本集團應設有內部審計職能。然而，由於本集團之規模及出於成本效益考慮，本集團現時並無設立內部審計職能。取而代之，審計委員會負責每年對內部監控制度進行檢討。檢討以輪流基準涵蓋主要財務、營運監控措施以及風險管理職能。本年度之檢討過程中並無發現重大缺陷而該等制度之運作有效且充分。本集團每年持續檢討是否需要設立內部審計職能。

公司秘書

公司秘書之職位由何瑜先生擔任。彼為香港會計師公會之會員及特許公認會計師公會資深會員。公司秘書向董事局主席不時匯報。全體董事均可得到公司秘書之意見及服務，以確保董事局程序及所有適用法律、法規及規則均獲遵守。年內，何先生已接受不少於十五個小時的相關專業訓練，以提升其技能及知識。

Corporate Governance Report

企業管治報告

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information which enables shareholders and investors to make a properly informed investment decision.

The Company continues to enhance communications and relationships with its investors. Enquiries from investors are dealt with in an informative and timely manner. Investors may write directly to the Company at its principal place of business in Hong Kong for any inquiries.

To promote effective communication, the Company maintains a website at www.cbgroup.com.hk, where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

The Board confirmed that, during the year, there were no significant changes made to the Company's Bye-laws affecting its operations and reporting practices.

SHAREHOLDER RIGHTS

Under the Company's Bye-laws, the Board, on the requisition of shareholders of the Company holding not less than 10% of the paid-up capital of the Company by sending a written notice to the Board or the Company Secretary at the Company's principal place of business in Hong Kong, shall convene a special general meeting to address specific issues of the Company within 21 days from the date of deposit of written notice. The same requirement and procedure also applies to any proposal to be tabled at shareholders' meetings for adoption.

Specific enquiries by shareholders requiring the Board's attention can be sent in writing to the Board or the Company Secretary at the Company's principal place of business in Hong Kong.

In addition, the Company maintains contact with its shareholders through annual general meetings or other general meetings, and encourages shareholders to attend those meetings.

Notice of general meeting is sent by mail to the registered shareholders of the Company. Agenda and resolutions are set out in the notice of general meeting. A proxy form for use at a general meeting is enclosed with the notice. Shareholders who do not intend or are unable to be present at the meeting should fill out the form and return the same to the share registrar and transfer office of the Company, so as to appoint a representative, another shareholder or the chairman of the meeting as their proxy.

與股東及投資者之溝通

本公司相信有效地跟股東溝通對加強投資者關係及使投資者了解本集團之業務表現及策略非常重要。本集團亦深明保持高透明度及適時披露公司資料以便股東及投資者作出適當知情投資決定極為重要。

本公司繼續加強與投資者之溝通及關係。本公司會適時為投資者之諮詢提供詳盡資料。如有任何查詢，投資者可直接致函本公司之香港主要營業地點。

為促進有效之溝通，本公司亦設有網站 www.cbgroup.com.hk，本公司會於網站刊登有關其業務發展及營運之豐富資料及最新資料、財務資料、企業管治常規及其他資料，以供公眾人士讀取。

董事局確認，年內本公司之公司細則概無作出重大變動，以對本公司營運及報告常規構成影響。

股東權利

根據本公司的公司細則，倘持有不少於本公司繳足股本10%的本公司股東，向駐於本公司香港主要營業地點的董事局或公司秘書，送交提出要求的書面通知，董事局可於提交書面通知當日起計21日內，召開股東特別大會以處理本公司的特殊事項。同一規定及程序也適用於任何於股東大會上提出以供採納的方案。

股東如欲向董事局作出特別查詢，可以書面形式致函董事局或公司秘書，地址為本公司的香港主要營業地點。

此外，本公司透過舉行股東週年大會或其他股東大會，與股東一直保持聯繫，並鼓勵股東出席股東大會。

本公司登記股東可以郵寄方式收取股東大會通告。股東大會通告載有議程及決議案，並隨附股東大會適用的代表委任表格。不擬或未能出席股東大會的股東，應填妥表格並交回本公司股份過戶登記處，以委任彼等的代表、另一名股東或大會主席擔任彼等的代表。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group is pleased to present its Environment, Social and Governance Report (the “ESG Report”) for the year ended 31 December 2018 to demonstrate its commitment to sustainable development in aspects of environment, social and governance (the “ESG”). This ESG report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in Appendix 27 of the Listing Rules, which covers two subject areas, Environmental and Social. Please also refer to the Corporate Governance Report in this Annual Report for details of corporate governance of the Group.

The Group has complied with the “Comply or Explain” provisions set out in the ESG Reporting Guide for the year ended 31 December 2018.

The Group is engaged in (i) trading of electronic devices and other commodities, (ii) the finance leasing business, (iii) the money lending business, (iv) the brokerage business, (v) international air and sea freight forwarding and the provision of logistics services, and (vi) trading of securities. As set out in this annual report, the Group has transformed its principal activities into the financial service sector. This ESG report covers the Company and its major subsidiaries engaging in principal business activities.

ENVIRONMENTAL

Use of Resources

Although the Group’s principal businesses have no significant impact on the environment, the Group recognises importance of environmental sustainability and endeavours to minimize the impact of business on environment through adopting numerous energy-saving and conservation initiatives. The Group’s policy is to ensure compliance with applicable environmental laws and regulations and minimise its environmental footprint through efficient use of resources and adoption of pro-environmental management. The Group’s operation is mainly office-based and its eco-friendly measures at the office are as follows:

- staff is reminded to switch off lights and air-conditioning in the meeting rooms and computers at workstations when not in use;
- whenever possible, documents are handled electronically other than physical papers;
- staff is reminded to save water;
- staff is encouraged to reuse paper printed on one side and duplex printing and copying. Data on printing and copying is regularly reviewed to assess efficiency of paper usage;
- office supplies are recycled whenever possible; and
- conference calls instead of face-to-face meetings are arranged where possible.

本集團欣然提呈截至二零一八年十二月三十一日止年度之環境、社會及管治報告（「ESG報告」），以表明其於環境、社會及管治（「ESG」）方面對可持續發展之承諾。本ESG報告乃根據上市規則附錄27所載之環境、社會及管治報告指引（「ESG報告指引」）（其涵蓋兩大主題，環境及社會）而編製。有關本集團企業管治之詳情，亦請參閱本年報企業管治報告。

截至二零一八年十二月三十一日止年度，本集團已遵守ESG報告指引所載之「不遵守須解釋(Comply or Explain)」條文。

本集團從事(i)電子設備及其他商品之買賣，(ii)融資租賃業務，(iii)借貸業務，(iv)經紀業務，(v)國際航空及海上貨運及提供物流服務，及(vi)證券買賣。誠如本年報所載，本集團已將其主要業務轉型至金融服務部門。本ESG報告涵蓋本公司及其從事主要業務活動之主要附屬公司。

環境

資源使用

儘管本集團主要業務對環境並無重大影響，本集團深明環境可持續性的重要性及致力透過採納多項節能減排舉措盡量減少對營商環境之影響。本集團政策乃確保符合適用環境法律及法規及透過資源的高效使用及採納環保管理盡量減少對環境之影響。本集團營運主要位於辦公室及於辦公室採取之環保措施如下：

- 當會議室閒置時，員工會關掉房中的燈及空調以及當不工作時關閉電腦；
- 無論何時在可行之情況下，文件以電子文件（非紙質文件）處理；
- 提醒員工節約用水；
- 鼓勵員工重複使用單面打印紙張及雙面打印及影印。定期審閱打印及影印數據以評估紙張使用效率；
- 盡量提供可回收辦公用品；及
- 盡量安排以電話會議代替面談。

Environmental, Social and Governance Report

環境、社會及管治報告

Emissions, Environmental and Natural Resources

As the Group's principal businesses do not involve any direct production procedure, there is no direct emission of exhaust gas and greenhouse gas, discharge of wastewater and discharges into land, production of hazardous and non hazardous waste, etc.. The main contributor to the Group's carbon footprint is the indirect greenhouse gas (GHG) emissions from electricity consumption, which is mainly attributed to the use of lighting system, air-conditioning and office equipment.

Taking into account the nature of the Group's businesses, the Board believes that its business operations have minimal direct impact on the environment and natural resources. The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste during the reporting period.

The Group will continue to put more effort on resources saving and strive for better protection of our environment.

Major resources consumption data for the year ended 31 December 2018 are as follow:

Total electricity consumption (kWh)	114,166
Total water consumption (cubic meter)	272
Total paper consumption (piece)	116,963

SOCIAL

Employment

The Group believes that employees are its greatest asset which is crucial to its continuous development. The Group establishes and operates prudent human resources policies and practices strictly in compliance with law and regulations in respective jurisdictions where the group entities are carrying on business. The Group updates and improves these policies and practices regularly by taking into consideration the health and well-being of its employees. All employees are kept abreast of any updated policies and practices through internal memoranda.

The Group offers competitive pay and employee benefits to attract talented staff and use a performance-based remuneration system to motivate and reward them in line with their contributions to growing its business. An employee's remuneration is determined with reference to performance and market benchmarks. Salary levels are not differentiated by gender. Salaries and benefits are in accordance with local minimum wages or above. All employees are treated fairly and equally, and their rights and interests are protected.

排放、環保及自然資源

由於本集團之主要業務並不涉及任何直接生產工序，故並無直接之廢氣及溫室氣體排放、水及土地之排污、有害及無害廢棄物之產生等。本集團碳足跡之主要貢獻者為用電產生之間接溫室氣體（溫室氣體）排放，此乃主要歸因於使用照明系統、空調及辦公設備。

鑒於本集團業務的性質，董事局相信其業務營運對環境及自然資源造成的直接影響甚為輕微。於報告期內，本集團並不知悉有任何重大不遵守有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生之相關法律法規的情況而對本集團造成顯著影響。

本集團將繼續投入更多努力節能及為更好地保護環境而奮鬥。

截至二零一八年十二月三十一日止年度，本集團主要資源消耗量如下：

總耗電量（千瓦時）	114,166
總耗水量（立方米）	272
總耗紙量（張）	116,963

社會

僱傭

本集團認為，員工乃最重要的資產，對其持續發展至關重要。本集團嚴格遵循集團實體開展業務所在各司法權區的法律法規，制定及實施謹慎的人力資源政策及慣例。本集團定期更新和完善這些政策及慣例，並將員工的健康和福祉考慮在內。所有員工都可以通過內部備忘錄了解這些政策和慣例的任何更新。

本集團提供具競爭力的薪酬及員工福利，吸引人才，並採用績效薪酬制度，激勵及獎勵員工為本集團的業務增長作出貢獻。僱員薪酬乃參考績效及市場基準而釐定。薪資水平不會因性別而不同。薪資及福利符合當地最低薪資或更高。所有僱員均得到公平公正的待遇，其權利及權益亦得到保護。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group provides and maintains various statutory benefits for its staff, such as mandatory provident fund, medical and work injury insurance, sick leave, funeral leave and maternity leave, etc. It regularly reviews packages and career advancement opportunities, particularly for key positions, to ensure continuing market competitiveness.

The Group establishes objective basis of key qualities and requirements for candidates in its hiring processing and assess the suitability of the candidate to avoid risks of discrimination or bias. Job openings are also offered to all qualified employees with good work records, so as to promote career advancement among employees as well. Consistent criteria are applied to assess both internal and external candidates regardless of age, sex, race, national origin or physical disabilities to ensure fair judgment and avoid any risk of favoritism or discrimination.

All work are reasonably assigned and should be performed voluntarily by employees, and fair and reasonable working hours are arranged to respective staff in accordance with various job needs. All employees may resign upon reasonable notice and should not be dismissed for unreasonable grounds.

The Group is not aware of any material non-compliance with any relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare during the reporting period.

Health and Safety

Promoting the concept of a good work-life balance is essential to the Group's philosophy for improved employee well-being. The Group encourages its employees to advise the Group of any health and safety issues in their workplace so that the Group can look at eliminating or reducing the risk and finally the Group and the employees will all work together to reduce health and safety risks to a minimum.

The Group is not aware of any material non-compliance with any relevant laws and regulations that have a significant impact on the Group relating to the provision of a safe working environment and the protection of employees from occupational hazards during the reporting period.

Development and Training

The Group encourages employees to attend appropriate courses to enhance their competence for performance improvement and career development. They are encouraged to attend appropriate external job-related courses or to acquire higher professional qualification to enhance their competence and performance. All new employees are briefed by the department heads to ensure the employees are aware and familiarise themselves with the Group's values and goals and to ensure the employees understand their role in the Group.

本集團為其員工提供及維持多項法定福利，如強制性公積金、醫療及工傷保險、病假、喪假及產假等。本集團定期查看待遇及職業發展機遇，尤其是重要職位，以確保持續的市場競爭力。

本集團於其聘用過程中設立候選人的主要質素及要求的客觀依據，並評估候選人是否適合以避免產生歧視或偏見風險。本集團亦會向所有具有良好工作記錄的合資格僱員提供就業機會，以促進僱員的職業發展。不論年齡、性別、種族、國籍或身體殘疾，本集團均採用一致標準評估內部及外部候選人，以確保作出公平的判斷及避免任何偏袒或歧視風險。

所有工作均獲合理分派及應由僱員自願進行，並根據不同工作需要對各員工安排公平合理的工作時間。所有僱員可於發出合理通知後辭任，且不應因不合理理由而被解僱。

於報告期內，本集團並不知悉有任何重大不遵守任何相關法律及法規的情況而在薪酬及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視，以及其他得益和福利方面對本集團造成重大影響。

健康及安全

提倡工作生活平衡概念對本集團改善員工生活的理念至關重要。本集團鼓勵其員工向本集團提出任何有關其工作場所的健康及安全問題，以便本集團專注於消除或降低風險，最終本集團及員工將共同努力最大限度降低健康及安全風險。

於報告期內，本集團並不知悉有任何重大不遵守任何相關法律及法規的情況而在提供安全工作環境及保障僱員免受職業危害方面對本集團造成重大影響。

發展與培訓

本集團鼓勵員工參加合適的培訓課程，提升表現改善及職業發展之能力。本集團亦鼓勵員工參與合適的外部工作相關課程，或獲得更高的專業資格，提升其能力及績效。所有新僱員均獲部門負責人簡報以確保僱員知悉及熟知本集團的價值觀及目標，確保僱員了解其於本集團的職責。

Environmental, Social and Governance Report

環境、社會及管治報告

Labour Standards

The Group from time to time reviews its employment practice and the Group's guidelines on staff recruitment to ensure that it is in full compliance with the Employment Ordinance in Hong Kong, the Labour Law in the PRC and other relevant labour laws and regulations in other jurisdictions relating to, among other things, prevention of child labour and forced labour.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to prevention of child and forced labour during the reporting period.

Supply Chain Management

While the Group has established good relationships with its suppliers, the Group also offers equal opportunity to all potential business partners. Selection criteria such as, quality and price of products, supplier's reputation, background and experience are key factors to the Group's procurement decisions. Furthermore, the Group expects its suppliers to strictly comply with relevant laws and regulations.

Product Responsibility

The Group is responsible for its products and services and does not engage in unfair business activities of any kind. Fraud, misleading information, or any acts that destroy customer confidence or infringe customer rights are strictly prohibited. The Group has also strictly complied with relevant products and services related regulations.

In particular, while collecting, processing and using personal data of the Group's customers in its financial service sector, appropriate measures are taken to protect such data from unauthorised access and abuse. Personal data is collected only for lawful and relevant purposes. Employment contracts stipulate employees' duty in safeguarding confidential or sensitive information that they have had access to during their employment.

All customers' complaints will be considered, with corresponding follow-up procedures being conducted in accordance with internal procedures and guidelines. Relevant investigation will be taken and settlement may be made if appropriate, and improvement will be made whenever necessary. The Group believes that complaints are a valuable opportunity for it to obtain feedback from the community and customers, so as to identify the need for service and policy improvement.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress during the reporting period.

勞工準則

本集團不時檢討其僱傭慣例及本集團有關員工招聘的指引，以確保完全遵守香港僱傭條例、中國勞動法及其他司法權區與（其中包括）防止童工及強制勞工有關的其他相關勞動法律及法規。

於報告期內，本集團並不知悉有任何重大不遵守任何相關法律及法規的情況而在防止童工及強制勞工方面對本集團造成重大影響。

供應鏈管理

儘管本集團已與其供應商建立良好關係，惟本集團亦向所有潛在業務夥伴提供平等機會。諸如產品質素及價格、供應商信譽、背景及經驗等遴選標準乃本集團作出採購決定的關鍵因素。此外，本集團預期其供應商會嚴格遵守相關法律及法規。

產品責任

本集團對其產品及服務負責且不會從事任何形式之不公平業務活動。本集團嚴格禁止任何有損顧客信心或侵犯顧客權益之欺詐、誤導資料或行為。本集團亦已嚴格遵守有關產品及服務相關規例。

尤其是，於收集、處理及使用本集團金融服務部門的客戶的個人資料時，採取適當的措施，保護該等資料遭受未獲授權訪問及濫用。個人資料僅可出於合法及相關目的予以收集。僱傭合約規定員工負有保護其於受僱期間有權訪問的機密或敏感資料的責任。

本集團均會考慮所有客戶之投訴，並依照內部程序及指導方針進行相應之跟進程序。本集團會據此開展相關之調查，在適當之情況下予以解決並於必要時作出改進。本集團認為投訴是其獲得社區及客戶反饋之一個寶貴機會，以便確定是否需要對服務及政策作出改進。

本集團並不知悉於報告期內在所提供產品和服務之健康與安全、廣告、標籤及私隱事宜以及補救方法方面發生任何重大不符合有關法例及規例之情況，以致對本集團造成重大影響。

Environmental, Social and Governance Report

環境、社會及管治報告

Anti-corruption

The Group is committed to uphold high standards on anti-corruption. Adequate guidelines are implemented to ensure that all employees (including directors) adhere to high standards of business and professional and ethical conduct. All employees are encouraged to raise any related concerns to the senior management in a strictly confidential manner. Any matters of genuine concern are to be thoroughly investigated and actions will be taken accordingly.

To the best knowledge of the Company, the Group is compliant with all relevant anti-money laundering laws. The risk of establishing relationships with individuals or organisations engaged in money laundering or terrorism activities are minimised by its 'know your customer' and assessment processes. The Group has robust internal control procedures in place to provide reasonable assurance against fraud.

The Group holds licences or approval required for the provision of money lending services, finance leasing services and regulated activities under the SFO. The management supports a culture of integrity, zero tolerance of bribery and ensures that business is conducted in accordance with applicable laws and regulations.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering during the reporting period.

Community Investment

The Group is fully aware of the importance of interacting with the wider community in fulfilling corporate social responsibility.

The Group has been eager to take initiatives in making cash donations to charitable organizations and supporting the local communities and neighbors.

The Group would explore the possibility of finding suitable partners and contributing to community and environmental protection programmes which facilitate positive changes. The Group would also from time to time encourage its staff to support community service activities.

反貪污

本集團承諾支持高水準的反貪污操守。實施適當的指導方針，確保所有員工（包括董事）均遵循高水準的業務、專業及道德操守。本集團鼓勵所有員工以嚴格保密之方式向高級管理層提出任何有關關注事宜。本集團徹底調查須認真看待之事宜並將採取相應行動。

據本公司所知，本集團已遵循所有反洗錢相關法律，並實施「了解客戶」及評估程序，最大限度降低與從事洗錢或恐怖主義活動的個人或組織建立關係的風險。本集團採取穩健的內部控制程序，提供合理的反欺詐保證。

本集團擁有提供借貸服務、融資租賃服務以及證券及期貨條例項下受規管活動所須的許可證或批准。管理層支持誠信、對賄賂行為零容忍的文化，並確保根據適當的法律法規開展業務。

本集團並不知悉於報告期內在賄賂、勒索、詐騙及洗錢方面發生任何重大不符合有關法例及規例之情況，以致對本集團造成重大影響。

社區投資

本集團充分意識到履行企業社會責任時與更大社區互動的重要性。

本集團熱衷投身於向慈善組織捐款以及支持當地社區及鄰居的活動。

本集團將探討物色合適的合作夥伴的可能性，並為社區及促進積極變化的環境保護計劃作出貢獻。本集團亦將不時鼓勵其員工支持社區服務活動。

Biographical Details of Directors

董事履歷詳情

Non-executive Director

Ms. Wang Yingqian (Chairman), aged 55, has been appointed as non-executive director of the Company since June 2018. She holds a bachelor degree of Economics from Renmin University of China (中國人民大學) and a qualification of intermediate economist issued by Ministry of Personnel of the People's Republic of China (中華人民共和國人事部). Ms. Wang worked in Industrial and Commercial Bank of China Beijing Municipal Branch (中國工商銀行北京市分行) from 1985 to 2006 and was the deputy general manager of its corporate banking department from 2005 to 2006. She worked in Bank of Communications Beijing Municipal Branch (交通銀行北京市分行) from 2006 to 2016 and served as its vice president from 2010 to 2013 and was a director of Bank of Communications Financial Leasing Co., Ltd. (交銀金融租賃有限責任公司) from 2010 to 2012. For the period from April 2017 to March 2019, Ms. Wang was an executive director of Noble Century Investment Holdings Limited, a company listed on the main board of the Stock Exchange (Stock Code: 2322). She has also been appointed as the supervisor of Fortunes United International Leasing Co., Ltd. (萬瑞聯合國際融資租賃有限公司), a company established in the People's Republic of China since March 2016 and an independent director of ABC Life Insurance Co., Ltd, a subsidiary of Agricultural Bank of China Limited (Stock Code: 1288) since March 2018. Ms Wang has over 30 years of experience in the commercial banking industry and have extensive experience in project management and financing.

Executive Directors

Mr. Liu Wei (Chief Executive Officer), aged 46, has been appointed as executive director of the Company since February 2016. He graduated from Renmin University of China (中國人民大學) in 1996 with a degree in economics and further completed postgraduate course in international economics from Renmin University of China (中國人民大學) in 2000. From 1996 to 2014, Mr. Liu worked in various roles at Bank of Communications, Beijing Branch (交通銀行北京市分行) including as a manager at the international trade department and the credit department, the head of the investment banking division of Beijing Branch, and the manager of a sub-branch. During Mr. Liu's tenure at Bank of Communications, Mr. Liu was mainly involved in international trade settlement, local and foreign currencies loans, personal, corporate and inter-bank financing and investment banking businesses, and was a committee member of Beijing branch's credit committee and innovation business committee. Since June 2014, Mr. Liu has been with Zhongrong International Trust Co., Ltd* (中融國際信託有限公司) ("Zhongrong Trust") as executive president in charge of its trust investment department, with responsibilities involving alternative asset management, merger and restructuring in capital markets, sector-specific funds, asset securitizations, structuring financing and other businesses. Mr. Liu is also the director of several subsidiaries of the Company.

非執行董事

王穎千女士 (主席)，55歲，自二零一八年六月起獲委任為本公司非執行董事。彼持有中國人民大學經濟學學士學位及中華人民共和國人事部頒發之中級經濟師資格證。王女士於一九八五年至二零零六年任職於中國工商銀行北京市分行並於二零零五年至二零零六年擔任其公司業務部副總經理。王女士於二零零六年至二零一六年任職於交通銀行北京市分行並於二零一零年至二零一三年擔任其副行長及於二零一零年至二零一二年擔任交銀金融租賃有限責任公司之董事。於二零一七年四月至二零一九年三月，王女士為仁瑞投資控股有限公司（一間於聯交所主板上市之公司（股份代號：2322））之執行董事。彼自二零一六年三月起亦獲委任為萬瑞聯合國際融資租賃有限公司（一間於中華人民共和國成立之公司）之監事及自二零一八年三月起獲委任為農銀人壽保險股份有限公司（中國農業銀行股份有限公司（股份代號：1288）之附屬公司）之獨立董事。王女士於商業銀行領域擁有逾三十年經驗，於項目管理及融資方面擁有豐富經驗。

執行董事

劉煒先生 (行政總裁)，46歲，自二零一六年二月起獲委任為本公司執行董事。彼於一九九六年畢業於中國人民大學，獲得經濟學學士學位並於二零零零年進一步完成中國人民大學研究生課程，主修世界經濟專業。自一九九六年至二零一四年，劉先生曾在交通銀行北京市分行任職多個職位，包括擔任國際貿易部及信貸部之經理、北京市分行之投資銀行部之處長，及支行行長。於劉先生任職交通銀行期間，劉先生主要參與國際貿易結算、本地及境外貨幣貸款、個人、企業及銀行間金融業務及投資銀行業務，及北京分行信貸審批委員會及創新業務委員會之委員會成員。自二零一四年六月起，劉先生擔任中融國際信託有限公司（「中融信託」）之執行總裁，負責其信託投資部，職責涉及另類資產管理、資本市場之併購及重組、產業基金、資產證券化、結構融資及其他業務。劉先生亦為本公司數間附屬公司之董事。

Biographical Details of Directors

董事履歷詳情

Mr. Chen Wei, aged 38, has been appointed as executive director of the Company since February 2016. He graduated from Yunnan University (雲南大學) with a degree in law in 2002 and further obtained a master degree in law from Peking University (北京大學) in 2012. Mr. Chen obtained his PRC law qualification in 2001 and further obtained his PRC Certified Public Accountants qualification in 2012. From 2002 to 2004, Mr. Chen worked as a legal counsel at a state-owned enterprise located in Hangzhou. From 2004 to 2012, Mr. Chen worked as a lawyer at a law firm located in Beijing and was mainly involved in corporate legal affairs and litigation matters. Since 2012, Mr. Chen has been with Zhongrong Trust as the vice general manager of the trust investment department and is mainly responsible for project investment and management. Mr. Chen is the sole director of Sungi Global Investment Co., Ltd, which holds 100,000,000 shares of the Company, representing approximately 1.97% of the total issued share capital of the Company. Mr. Chen is also the director of several subsidiaries of the Company and is designated to oversee the Company's risk control and compliance matters.

Mr. Fan Jie, aged 44, has been appointed as executive director of the Company since January 2017. He holds a Master's Degree in Business Administration in Tsinghua University School of Economics and Management and a Bachelor's Degree in International Economic in Renmin University of China. Mr. Fan has over 20 years of experience in strategic marketing and project management. He has been with Zhongrong International Trust Company Limited* (中融國際信託有限公司) as the Managing Director of the Trust and Investment Department since 2014. Mr. Fan was a corporate partner and the vice president of the Strategic Marketing Division of Adfaith Management Consulting Inc* (北京正略鈞策企業管理諮詢有限公司) from 2009 to 2014 and an assistant to the general manager for medical business in an enterprise located in Jiangxi Province, the People's Republic of China, from 2003 to 2005. In 2000 to 2002, he was appointed as the sales and distribution officer of the Department of Medical System of an international conglomerate. Prior to 2000, he worked as a marketing leader in the Nanchang Office of a renowned food and beverage company for about three years. Currently, Mr. Fan is the Managing Director of the Strategic Development Department of the Group and the director of several subsidiaries of the Company.

陳偉先生，38歲，自二零一六年二月起獲委任為本公司執行董事。彼於二零零二年畢業於雲南大學，獲得法學學士學位，並於二零一二年進一步獲得北京大學之法學碩士學位。陳先生於二零零一年獲得其中國律師資格，並於二零一二年進一步獲得其中國註冊會計師資格。自二零零二年至二零零四年，陳先生擔任一間杭州國有企業之法律顧問。自二零零四年至二零一二年，陳先生擔任一間北京律師事務所之律師，主要處理企業法律事務及訴訟事項。自二零一二年起，陳先生擔任中融信託之信託投資部副總經理，主要負責項目投資及管理。陳先生為Sungi Global Investment Co., Ltd之唯一董事，Sungi Global Investment Co., Ltd持有本公司100,000,000股股份，相當於本公司已發行股本總數之約1.97%。陳先生亦為本公司數間附屬公司之董事並獲指派監管本公司之風險監控及合規事宜。

樊捷先生，44歲，自二零一七年一月起獲委任為本公司執行董事。彼持有清華大學經濟管理學院工商管理碩士學位及中國人民大學國際經濟學學士學位。樊先生擁有逾20年之策略市場推廣及項目管理經驗。自二零一四年起，彼於中融國際信託有限公司擔任信託投資部董事總經理。樊先生自二零零九年至二零一四年為北京正略鈞策企業管理諮詢有限公司之公司合夥人及戰略營銷事業部副總裁，並自二零零三年至二零零五年於一間位於中華人民共和國江西省之企業擔任醫療業務總經理助理。於二零零零年至二零零二年，彼獲委任為一個國際集團之醫療系統部銷售及分銷主任。於二零零零年前，彼擔任一間著名食品飲料公司南昌辦事處之市務組長約三年。現時，樊先生為本集團戰略發展部之董事總經理及本公司數間附屬公司之董事。

Biographical Details of Directors

董事履歷詳情

Independent Non-executive Directors

Mr. Ru Xiangnan, aged 50, has been appointed as independent non-executive director of the Company since October 2016. He holds an Executive Master's degree of Business Administration in Tsinghua University and a Bachelor's Degree in Accounting in North China University of Technology. He is a certified public accountant in the People's Republic of China and have over 20 years of experience in accounting and finance and over 10 years of experience in insurance. He has been serving as the head of the audit department in Chang An Property and Liability Insurance Limited* (長安責任保險有限公司) ("Chang An") since 2014, prior to which he was appointed as the general manager of the Zhejiang branch from 2013 to 2014 and the general manager of the accounting department and the financial chief from 2007 to 2013. Before joining Chang An, he served as the general manager assistant in Beijing Zhongjing Surety Company* (北京中京保證擔保公司), the chief financial officer in Heng Tong Group* (恆通集團), the deputy chief financial officer in Beijing Beichen Innovation and Technology City Limited* (北京北辰創新高科技城公司), the financial manager in San Jiu Auto Group* (三九汽車實業有限公司), and the deputy financial chief in Beijing Building Materials Factory* (北京市建材製品總廠).

Mr. Liu Haiping, aged 44, has been appointed as independent non-executive director of the Company since April 2016. He graduated from Fudan University with a bachelor's degree in international economics law in 1997 and obtained a master degree in international trade law from Bond University, Australia in 2005. He has over 20 years of experience in the legal sector. During the period from July 1997 to March 2009, he had served as an associate and later a partner in Beijing Jiancheng Law Firm (北京市建誠律師事務所). He joined Beijing Dacheng Law Offices (北京大成律師事務所) in April 2009 and is currently a senior partner of the firm. He is also the deputy executive of the Banking Law Professional Committee (銀行法律專業委員會) under the Beijing Lawyers Association (北京市律師協會).

Mr. Liu Tonghui, aged 56, has been appointed as independent non-executive director of the Company since April 2016. He obtained a bachelor's degree in international politics and a master degree in international relations from Tokyo International University in 1995 and 1997 respectively. He has over 20 years of extensive experience in investment activities and business management. During the period between 1997 to 1998, he served as the representative of Nippon Howaito Cooperation* (日本朝日白衣株式會社) in China. He had been working as the deputy general manager in each of Shouchuang Longji Company Limited* (首創龍基股份有限公司) from 1998 to 2004 and Huajian Dongfang Software Company Limited* (華建東方軟件有限責任公司) from 2005 to 2008, respectively. He has been the general manager of Tangshan Haigang Xingerui Company Limited* (唐山海港新格瑞有限責任公司) since 2009 and the assistant president of Unisplendour Corporation Limited* (紫光股份有限公司) since 2012, which is listed on the Shenzhen Stock Exchange (Stock Code: 000938).

獨立非執行董事

茹祥安先生，50歲，自二零一六年十月起獲委任為本公司獨立非執行董事。彼持有清華大學高級管理人員工商管理碩士學位及北方工業大學會計學士學位。彼為中華人民共和國註冊會計師及於會計及財務方面擁有逾20年經驗及於保險方面擁有逾10年經驗。彼自二零一四年起擔任長安責任保險有限公司(「長安」)之審計責任人，此前彼於二零一三年至二零一四年獲委任為浙江省分公司之總經理及於二零零七年至二零一三年獲委任為財會部總經理及財務負責人。於加入長安前，彼曾任北京中京保證擔保公司之總經理助理、恆通集團之財務總監、北京北辰創新高科技城公司之財務副總監、三九汽車實業有限公司之財務部經理及北京市建材製品總廠之財務科副科長。

劉海屏先生，44歲，自二零一六年四月起獲委任為本公司獨立非執行董事。彼於一九九七年畢業於復旦大學，取得國際經濟法學士學位，並於二零零五年取得澳洲邦德大學國際貿易法法學碩士學位。彼於法律行業擁有逾20年經驗。於一九九七年七月至二零零九年三月期間，彼曾擔任北京市建誠律師事務所之律師且其後成為合夥人。彼於二零零九年四月加入北京大成律師事務所，且現時為該事務所之高級合夥人。彼亦為北京市律師協會銀行法律專業委員會之副主任。

劉彤輝先生，56歲，自二零一六年四月起獲委任為本公司獨立非執行董事。彼分別於一九九五年及一九九七年取得東京國際大學之國際政治學士學位及國際關係碩士學位。彼於投資活動及業務管理擁有逾20年豐富經驗。由一九九七年至一九九八年期間，彼曾擔任日本朝日白衣株式會社之駐中方代表。彼分別於一九九八年至二零零四年及二零零五年至二零零八年擔任首創龍基股份有限公司及華建東方軟件有限責任公司兩間公司各自之副總經理職務。彼自二零零九年起擔任唐山海港新格瑞有限責任公司之總經理，且自二零一二年起擔任紫光股份有限公司(於深圳證券交易所上市(股份代號: 000938))之總裁助理。

Directors' Report

董事局報告

The directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 37 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on page 54 of the annual report.

BUSINESS REVIEW

Particulars of a discussion and analysis on the activities specified in Schedule 5 to the Companies Ordinance (Chapter 622, Laws of Hong Kong), including a fair review of the Group's business, a discussion on the principal risks and uncertainties facing the Group, particulars of important events affecting the Company that have occurred since the end of the financial year and future development in the Company's business and analysis using financial key performance indicators, are set out in the sections headed "Chairman's Message", "Management Discussion and Analysis", "Corporate Governance Report" and "Environmental, Social and Governance Report" in this annual report. The above sections form an integral part of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The environmental policies and performance of the Group for the year ended 31 December 2018 are set out in the section headed "Environmental, Social and Governance Report" of this annual report.

RELATIONSHIP WITH STAKEHOLDERS

The Group recognizes that employees, customers and suppliers are keys to its sustainable growth and development. The Group is committed to establishing a close and caring relationship with its employees, providing quality services to its customers and enhancing cooperation with its suppliers.

Employees

Employees are crucial assets of the Group. The Group strives to enhance employees' sense of belonging and loyalty to the Group. The Group provides a fair, healthy and safe workplace, promotes diversity, provides competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also aims to commit resources to providing employment training and development opportunities so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their skills and performance in their respective positions and build up confidence and self-esteem. The Group also values and is open to receiving feedback from employees with an aim to foster a good and long-lasting relationship.

董事謹提呈截至二零一八年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為投資控股公司，其主要附屬公司之業務載於綜合財務報表附註37。

業績

本集團截至二零一八年十二月三十一日止年度之業績載於本年報第54頁之綜合損益及其他全面收益表。

業務回顧

就香港法例第622章公司條例附表5指定活動而進行之討論及分析之詳情，包括對本集團業務之中肯審視、對本集團所面對主要風險及不確定因素之討論、自財政年度末起已發生之影響本公司重要事項之詳情及本公司業務之未來發展以及利用財務主要表現指標進行之分析，已載於本年報之「主席訊息」、「管理層討論及分析」、「企業管治報告」及「環境、社會及管治報告」章節內。上述章節構成本年報之一部份。

環境政策及表現

本集團截至二零一八年十二月三十一日止年度之環境政策及表現載於本年報「環境、社會及管治報告」一節。

與權益持有人的關係

本集團確認僱員、客戶及供應商乃其可持續增長及發展的關鍵。本集團力求與其僱員建立密切及充滿關懷之關係、向其客戶提供優質服務，並加強與其供應商合作。

僱員

僱員乃本集團重要資產。本集團致力加強僱員對本集團的歸屬感及忠誠度。本集團提供公平、健康而安全之工作場所、促進僱員多元化、根據彼等之長處及表現提供具競爭力的薪金及福利以及職業發展機會。本集團亦竭力為僱員培訓提供資源及發展機會，以使彼等可緊貼市場及行業的最新發展，與此同時改善其於各自職位上的技能及表現並建立自信。本集團亦對僱員的反饋持珍視及開放態度，旨在營造良好及持久的關係。

Directors' Report

董事局報告

Customers

The Group understands that it is important to maintain good relationship with customers and provide products and services in a way that satisfy needs and requirements of the customers. The Group strives to enhance the relationship with customers by continuous interaction and communication with customers so that the Group can respond proactively to cater for customers' needs. The Group has also established procedures in place for handling customers' complaints to ensure customers' complaints are dealt with in a prompt and timely manner. During the year under review, the Group has maintained good relationship with its customers.

Suppliers

The Group is also dedicated to developing a good relationship with suppliers and contractors as long-term business partners to ensure stability of the Group's business. The Group reinforces business partnerships with suppliers and contractors by ongoing communication in a proactive and effective manner so as to ensure quality and timely delivery. During the year under review, the Group has worked closely with its suppliers and maintained good relationships with them.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Company was incorporated in Bermuda and therefore the Company is subject to relevant laws and regulations in Bermuda. In addition, the Company is registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance (Chapter 622, Laws of Hong Kong) and therefore is subject to the relevant provisions under the Companies Ordinance.

The Company is listed on the Stock Exchange and therefore the Company is subject to the governance of the Listing Rules including the disclosure requirements and corporate governance provisions therein.

Under the SFO, the Company is required to maintain a register of interests in shares and short positions and a register of directors' and chief executives' interests and short positions and is obliged to disclose price sensitive or inside information.

客戶

本集團了解到與客戶保持良好關係及提供能滿足客戶需要及要求的產品及服務至關重要。本集團致力透過與客戶持續交流及溝通加強與客戶的關係，以令本集團可對客戶的需求作出積極反應。本集團亦已設立程序處理客戶投訴，以確保客戶投訴可妥為及時處理。於回顧年度內，本集團與其客戶維持良好的關係。

供應商

本集團亦致力與供應商及承包商發展作為長期業務夥伴的良好關係，以確保本集團業務的穩定。本集團持續透過積極有效的方式溝通，加強與供應商及承包商的業務夥伴關係，以確保質量及按時交付。於回顧年度內，本集團與其供應商密切合作並與其維持良好的關係。

遵守相關法律及法規

本公司於百慕達註冊成立，及因此本公司須遵守百慕達相關法律及法規。此外，本公司根據香港法例第622章公司條例第16部註冊為非香港公司及因此須遵守公司條例之相關條文。

本公司乃於聯交所上市，因此本公司須遵守上市規則之管治規定，包括當中之披露規定及企業管治條文。

根據證券及期貨條例，本公司須存置一份股份權益及淡倉名冊，以及董事及主要行政人員之權益及淡倉名冊，並須披露價格敏感資料或內幕消息。

Directors' Report

董事局報告

The Group is principally engaged in (i) trading of electronic devices and other commodities, (ii) the finance leasing business, (iii) the money lending business, (iv) the brokerage business, (v) international air and sea freight forwarding and the provision of logistics services, and (vi) trading of securities, in Hong Kong, the PRC and other jurisdictions, and therefore is subject to the relevant laws and regulations in Hong Kong, the PRC and other jurisdictions where the Group entities are carrying on businesses.

As far as the Board and management 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 year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 18 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 30 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the year ended 31 December 2018 (2017: Nil).

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2018, in the opinion of the directors, the Company had no reserves available for distribution to shareholders (2017: Nil).

DIRECTORS

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

Non-Executive Director

Ms. Wang Yingqian (*Chairman*)
(Appointed on 19 June 2018)

本集團主要於香港、中國及其他司法權區從事(i)電子設備及其他商品之買賣、(ii)融資租賃業務、(iii)借貸業務、(iv)經紀業務、(v)國際航空及海上貨運及提供物流服務、及(vi)證券買賣、及因此須遵守香港、中國及本集團實體開展業務所在其他司法權區相關法律及法規。

就董事局及管理層所知，本集團已於各重要方面遵守對本集團業務及經營產生重大影響之相關法律及法規。年內，本集團概無嚴重違反或不遵守適用法律及法規。

物業、廠房及設備

年內本集團之物業、廠房及設備變動詳情載於綜合財務報表附註18。

股本

年內本公司之股本變動詳情載於綜合財務報表附註30。

購買、出售或贖回上市證券

於截至二零一八年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之證券（二零一七年：無）。

本公司之可分派儲備

於二零一八年十二月三十一日，董事認為本公司並無儲備可分派予股東（二零一七年：無）。

董事

年內及直至本報告之日之本公司董事如下：

非執行董事

王穎千女士（主席）
（於二零一八年六月十九日獲委任）

Directors' Report 董事局報告

Executive Directors

Mr. Liu Wei (*Chief Executive Officer*)
Mr. Chen Wei
Mr. Fan Jie
Mr. Li Yang (*Deputy Chairman*)
(Resigned on 19 June 2018)

Independent Non-Executive Directors

Mr. Ru Xiangnan
Mr. Liu Haiping
Mr. Liu Tonghui

In accordance with clause 87(1) of the Company's Bye-laws, Mr. Chen Wei, Mr. Fan Jie and Mr. Ru Xiangnan shall retire at the forthcoming annual general meeting and eligible, will offer themselves for re-election at the annual general meeting.

None of the directors being proposed for re-election at the forthcoming annual general meeting has any service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The term of office of each independent non-executive director is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are still independent.

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

As at 31 December 2018, none of the directors and chief executives, nor their associates, had any interests or short positions in any shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

執行董事

劉煒先生 (行政總裁)
陳偉先生
樊捷先生
李陽先生 (副主席)
(於二零一八年六月十九日辭任)

獨立非執行董事

茹祥安先生
劉海屏先生
劉彤輝先生

根據本公司之公司細則第87(1)條，陳偉先生、樊捷先生及茹祥安先生須於應屆股東週年大會上退任，惟符合資格並將於股東週年大會上提呈重選連任。

建議於應屆股東週年大會上重選之董事概無訂立任何於一年內不可在毋須作出賠償（法定賠償除外）之情況下由本集團終止之服務合約。

各名獨立非執行董事之任期直至其根據本公司之公司細則須輪值告退時屆滿。

本公司已收到各名獨立非執行董事根據上市規則第3.13條就其獨立性而發出之年度確認函。本公司認為全體獨立非執行董事仍屬獨立人士。

董事及主要行政人員於股份、相關股份及債權證之權益及淡倉

於二零一八年十二月三十一日，概無董事及主要行政人員或彼等之聯繫人於本公司或其任何相聯法團之任何股份及相關股份中，擁有根據證券及期貨條例第352條須予記錄，或根據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

Directors' Report

董事局報告

SHARE OPTIONS

2012 Share Option Scheme

The 2012 Share Option Scheme was adopted pursuant to a resolution on 22 May 2012 (the "Effective Date"). The purposes of the 2012 Share Option Scheme are to attract and retain the best available personnel and to provide additional incentives or rewards to employees, directors, consultants, business associates and advisers of the Company for their contribution to the Company and to promote our success. The 2012 Share Option Scheme shall be valid and effective for a period of ten years commencing on the Effective Date. The terms of the 2012 Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

Eligible participants of the 2012 Share Option Scheme include the following persons:

- (a) any employee or proposed employee (whether full time or part time) of the Company, any of its subsidiaries or any entity in which any member of the Group holds any equity interest;
- (b) any directors, non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any entity in which any member of the Group holds any equity interest;
- (c) any supplier of goods or services to any member of the Group or any entity in which any member of the Group holds any equity interest;
- (d) any customer of the Group or any entity in which any member of the Group holds any equity interest;
- (e) any person or entity that provides research, development or other technological support to the Group or any entity in which any member of the Group holds any equity interest;
- (f) any shareholder of or holder of any securities issued by any member of the Group or any entity in which any member of the Group holds any equity interest;
- (g) any other group or classes of persons or entities from time to time determined by the Board as having contributed or may contribute to by way of joint venture, business alliances or other business arrangements to the development and growth of the Group; and
- (h) any company wholly owned by one or more person belonging to any of the above (a) to (g) participants.

購股權

二零一二年購股權計劃

二零一二年購股權計劃乃根據二零一二年五月二十二日(「生效日期」)通過之決議案採納。二零一二年購股權計劃旨在招攬及挽留最佳人才，以及為本公司僱員、董事、諮詢人、業務夥伴及顧問提供額外鼓勵或獎勵，以報答彼等對本公司邁向成功所作之貢獻。二零一二年購股權計劃自生效日期起計十年期內維持生效及有效。二零一二年購股權計劃條款符合上市規則第17章之條文規定。

二零一二年購股權計劃之合資格參與者包括以下人士：

- (a) 本公司、其任何附屬公司或本集團任何成員公司持有任何股權之任何實體之任何僱員或候任僱員(不論是全職或兼職僱員)；
- (b) 本公司、其任何附屬公司或本集團任何成員公司持有任何股權之任何實體之任何董事、非執行董事(包括獨立非執行董事)；
- (c) 本集團任何成員公司或本集團任何成員公司持有任何股權之任何實體之任何貨品或服務供應商；
- (d) 本集團或本集團任何成員公司持有任何股權之任何實體之任何客戶；
- (e) 向本集團或本集團任何成員公司持有任何股權之任何實體提供研究、開發或其他技術支援之任何人士或實體；
- (f) 本集團任何成員公司或本集團任何成員公司持有任何股權之任何實體之任何股東，或該等公司所發行任何證券之任何持有人；
- (g) 董事局不時認為以合資、業務聯盟或其他商業安排方式對本集團發展及增長有貢獻或可能有貢獻之任何其他團體或類別之人士或實體；及
- (h) 屬於上述(a)至(g)段參與者類別之任何一名或以上人士全資擁有之任何公司。

Directors' Report

董事局報告

The total number of shares of the Company available for issue under the 2012 Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the issued share capital of the Company as at the Effective Date (the "Scheme Mandate Limit") or the date of refreshing the Scheme Mandate Limit approved by shareholders of the Company in general meeting. The maximum number of shares issuable upon exercise of the options which may be granted under the 2012 Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant (other than a substantial shareholder, chief executive or director as explained below) in any 12-month period shall not exceed 1% of the shares of the Company in issue from time to 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 connected person (as defined under the Listing Rules), are subject to approval by the independent non-executive directors of the Company (excluding any independent non-executive director who is the grantee of the options). Where any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates (as defined under the Listing Rules) would result in the Company's shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person(s) in the 12-month period up to and including the date of such grant (a) representing in aggregate over 0.10 per cent of the Company's shares in issue; and (b) having an aggregate value, based on the closing price of the Company's shares at the date of each grant, in excess of HK\$5 million, such further grant of options is subject to approval by the shareholders of the Company in compliance with the Listing Rules.

The offer of a grant of share options may be accepted in writing by a participant within 21 days from the date of offer upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Board, which period shall not be more than 10 years from the date of offer.

As at the date of this report, no share options are outstanding under the 2012 Share Option Scheme. The remaining life of the 2012 Share Option Scheme is approximately 3 years.

於二零一二年購股權計劃及本集團任何其他購股權計劃下，可供發行之本公司股份總數，合共不得超過本公司於生效日期（「計劃授權上限」）或本公司股東於股東大會上批准更新計劃授權上限日期之10%已發行股本。待根據二零一二年購股權計劃及本集團任何其他購股權計劃可能授出之購股權（包括已行使及未行使購股權）獲行使後，可於任何十二個月期間內向各參與者（不包括主要股東、主要行政人員或董事，原因載於下文）發行之股份數目上限，不得超過本公司不時之已發行股份數目之1%。如要額外授出超過此上限之購股權，則須經由股東於股東大會上批准。

倘向關連人士（定義見上市規則）授出購股權，必須獲本公司獨立非執行董事（不包括本身為購股權承授人之任何獨立非執行董事）批准。倘向本公司主要股東或獨立非執行董事或任何彼等各自之聯繫人士（定義見上市規則）授出購股權，將導致於截至向上述人士授出購股權當日（包括該日）止十二個月期間內，因行使已授予及將授予該（等）人士之全部購股權（包括已行使、已註銷及尚未行使之購股權）而發行及將予發行之本公司股份(a)合共超過本公司已發行股份之0.10%；及(b)按各授出購股權日期之本公司股份收市價計算，總值超過5,000,000港元；則額外授出購股權一事必須獲本公司股東批准，以符合上市規則之規定。

參與者可於要約日期起計二十一日期內，以書面方式接納獲授購股權之要約，承授人須於接納時支付1港元名義代價。已授出購股權之行使期由董事局釐定，惟行使期不得超過要約日期起計十年。

於本報告日期，二零一二年購股權計劃項下概無尚未行使之購股權。二零一二年購股權計劃之餘下年期約為3年。

Directors' Report

董事局報告

The following table discloses movements of the share options under the 2012 Share Option Scheme during the year:

下表披露二零一二年購股權計劃下購股權於年內之變動：

	Date of grant	Exercisable period	Exercise price	Outstanding as at 1.1.2018 於二零一八年一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding as at 31.12.2018 於二零一八年十二月三十一日 尚未行使
	授出日期	行使期	行使價					
Director 董事	17.7.2015 二零一五年 七月十七日	17.7.2015 to 16.7.2018 二零一五年七月十七日至 二零一八年七月十六日	0.30	10,034,030	-	-	(10,034,030)	-
Ex-Director 前董事	17.7.2015 二零一五年 七月十七日	17.7.2015 to 16.7.2018 二零一五年七月十七日至 二零一八年七月十六日	0.30	8,034,030	-	-	(8,034,030)	-
Employees 僱員	17.7.2015 二零一五年 七月十七日	17.7.2015 to 16.7.2018 二零一五年七月十七日至 二零一八年七月十六日	0.30	61,934,030	-	-	(61,934,030)	-
Consultants 顧問	17.7.2015 二零一五年 七月十七日	17.7.2015 to 16.7.2018 二零一五年七月十七日至 二零一八年七月十六日	0.30	138,000,000	-	-	(138,000,000)	-
Total 總計				218,002,090	-	-	(218,002,090)	-

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No transaction, arrangement or contract of significance, to which the Company or any of its subsidiaries, was a party and in which a director of the Company or an entity connected with a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2018, none of the directors of the Company had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

購買股份或債權證之安排

本公司或其任何附屬公司於年內任何時間概無訂立任何安排，使本公司董事可藉收購本公司或任何其他法人團體之股份或債權證而獲益。

董事之重大合約權益

於年終或年內任何時間，本公司或其任何附屬公司概無訂有本公司董事或與本公司董事有關連之實體直接或間接擁有重大權益之重大交易、安排或合約。

董事於競爭業務之權益

截至二零一八年十二月三十一日止年度內，概無本公司董事於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中擁有任何權益。

Directors' Report

董事局報告

MANAGEMENT CONTRACTS

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

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND SHORT POSITION IN SHARES

As at 31 December 2018, the interests and short positions of the following persons other than the directors or chief executive of the Company, in the Company's shares which fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and which have been recorded in the register kept by the Company pursuant to Section 336 of the SFO, were as follow:

管理合約

截至二零一八年十二月三十一日止年度內，概無訂立或存在有關本公司全部業務或任何重大部分業務之管理及行政之合約。

主要股東之股份權益及於股份中之淡倉

於二零一八年十二月三十一日，以下各名人士（並非本公司董事或主要行政人員）於本公司股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露或按本公司根據證券及期貨條例第336條存置之登記冊所記錄之權益及淡倉如下：

Name	Capacity	Interest in shares	Percentage of the Company's issued share capital
名稱	身份	股份權益	佔本公司已發行股本百分比
Xie Zhikun (Note 1) 解直銀 (附註1)	Interest in a controlled corporation 受控制公司權益	897,710,000	17.66%
Zhongzhi Enterprise Group Co., Ltd* (Note 1) 中植企業集團有限公司 (附註1)	Interest in a controlled corporation 受控制公司權益	897,710,000	17.66%
Zhonghai Shengfeng (Beijing) Capital Management Co., Ltd.* (Note 1) 中海晟豐 (北京) 資本管理有限公司 (附註1)	Interest in a controlled corporation 受控制公司權益	897,710,000	17.66%
Shanghai Chixin Investment Co., Ltd* (Note 1) 上海熾信投資有限公司 (附註1)	Interest in a controlled corporation 受控制公司權益	800,000,000	15.73%
Silver Venus Investments Ltd. ("Silver Venus") (Note 1) (附註1)	Beneficial Owner 實益擁有人	800,000,000	15.73%

Directors' Report

董事局報告

Notes:

- (1) 800,000,000 Shares and 97,710,000 Shares are held by Silver Venus and Aquila Global Investment Ltd ("Aquila Global") respectively. Silver Venus is wholly owned by 上海熾信投資有限公司 (Shanghai Chixin Investment Co., Ltd*), which is in turn wholly owned by 中植企業集團有限公司 (Zhongzhi Enterprise Group Co., Ltd*). Aquila Global is wholly owned by 雲霽(上海)投資中心(有限合夥) (Yunji (Shanghai) Investment Center (Limited Partnership)*), a limited partnership registered under the laws of the PRC, of which 北京京鵬投資管理有限公司 (Beijing Jingpeng Investment Management Co., Ltd.*) is the general partner and has 99% of the voting power. 北京京鵬投資管理有限公司 (Beijing Jingpeng Investment Management Co., Ltd.*) is owned as to 40.50% by 岩能資本管理有限公司 (Yanneng Capital Management Co., Ltd.*). 岩能資本管理有限公司 (Yanneng Capital Management Co., Ltd.*) is wholly owned by 中植企業集團有限公司 (Zhongzhi Enterprise Group Co., Ltd*). 中植企業集團有限公司 (Zhongzhi Enterprise Group Co., Ltd*) is owned as to 76% by 中海晟豐(北京)資本管理有限公司 (Zhonghai Shengfeng (Beijing) Capital Management Co., Ltd.*), which is in turn wholly owned by Mr. Xie Zhikun (解直錕先生). By virtue of the SFO, each of 上海熾信投資有限公司 (Shanghai Chixin Investment Co., Ltd*), 中植企業集團有限公司 (Zhongzhi Enterprise Group Co., Ltd*), 中海晟豐(北京)資本管理有限公司 (Zhonghai Shengfeng (Beijing) Capital Management Co., Ltd.*) and Mr. Xie Zhikun (解直錕先生) is deemed to be interested in all the Shares beneficially held by Silver Venus, and, each of 雲霽(上海)投資中心(有限合夥) (Yunji (Shanghai) Investment Center (Limited Partnership)*), 北京京鵬投資管理有限公司 (Beijing Jingpeng Investment Management Co., Ltd.*), 岩能資本管理有限公司 (Yanneng Capital Management Co., Ltd.*), 中植企業集團有限公司 (Zhongzhi Enterprise Group Co., Ltd*), 中海晟豐(北京)資本管理有限公司 (Zhonghai Shengfeng (Beijing) Capital Management Co., Ltd.*) and Mr. Xie Zhikun (解直錕先生) is deemed to be interested in all the Shares beneficially held by Aquila Global.

- (2) The percentage is calculated on the basis of 5,084,283,133 shares of the Company in issue as at 31 December 2018.

Save as disclosed above, the Company has not been notified of any other relevant interests or short position in the issued share capital of the Company as at 31 December 2018.

附註:

- (1) Silver Venus及Aquila Global Investment Ltd (「Aquila Global」)分別持有800,000,000股股份及97,710,000股股份。Silver Venus由上海熾信投資有限公司全資擁有，而上海熾信投資有限公司由中植企業集團有限公司全資擁有。Aquila Global由一間根據中國法律註冊之有限合夥企業雲霽(上海)投資中心(有限合夥)全資擁有，其中北京京鵬投資管理有限公司為普通合夥人並擁有99%投票權。北京京鵬投資管理有限公司由岩能資本管理有限公司擁有40.50%權益。岩能資本管理有限公司由中植企業集團有限公司全資擁有。中植企業集團有限公司由中海晟豐(北京)資本管理有限公司擁有76%權益，而中海晟豐(北京)資本管理有限公司由解直錕先生全資擁有。根據證券及期貨條例，上海熾信投資有限公司、中植企業集團有限公司、中海晟豐(北京)資本管理有限公司及解直錕先生各自均被視作於Silver Venus實益持有之全部股份中擁有權益，而雲霽(上海)投資中心(有限合夥)、北京京鵬投資管理有限公司、岩能資本管理有限公司、中植企業集團有限公司、中海晟豐(北京)資本管理有限公司及解直錕先生各自均被視作於Aquila Global實益持有之全部股份中擁有權益。

- (2) 百分比乃按本公司於二零一八年十二月三十一日之已發行股份5,084,283,133股為基準計算。

除上文所披露者外，於二零一八年十二月三十一日，本公司並不知悉於本公司已發行股本之任何其他相關權益或淡倉。

Directors' Report

董事局報告

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the year is as follows:

The largest customer	最大客戶
Five largest customers in aggregate	五大客戶合計
The largest supplier	最大供應商
Five largest suppliers in aggregate	五大供應商合計

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

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information available to the Company and within the knowledge of the directors, the Company has maintained a sufficient public float throughout the year ended 31 December 2018 and as at the latest practicable date prior to the issue of this annual report.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for director's and officers' liabilities in respect of legal actions against its directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the directors as required by section 470 of the Companies Ordinance (Chapter 622, Laws of Hong Kong) when the report of the directors is approved in accordance with section 391(1)(a) of the Companies Ordinance (Chapter 622, Laws of Hong Kong).

主要客戶及供應商

年內，有關主要客戶及供應商佔本集團銷售額及採購額之資料分別載列如下：

Percentage of the Group's total 佔本集團總額的百分比

Purchases	Sales
採購額	銷售額

–	52%
–	86%
69%	–
97%	–

於年內任何時間，本公司董事、其聯繫人士或任何股東（就董事所知擁有本公司股本超過5%者）概無擁有此等主要客戶及供應商之任何權益。

優先購買權

本公司之公司細則或百慕達法例並無關於本公司須按比例向現有股東發售新股之優先購買權規定。

足夠之公眾持股量

根據本公司所得資料及就董事所知，本公司於截至二零一八年十二月三十一日止年度及於刊發本年報前之最後可行日期一直維持足夠之公眾持股量。

獲准許彌償條文

本公司已就其董事及高級管理層可能面對因企業活動而產生之法律訴訟，作出涵蓋董事及高級職員之法律責任之適當投保安排。基於董事利益之獲准許彌償條文乃根據香港法例第622章公司條例第470條規定於董事局報告根據香港法例第622章公司條例第391(1)(a)條獲通過時乃屬有效。

Directors' Report

董事局報告

EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period of the Group is set out in note 39 to the consolidated financial statements.

AUDITORS

Following the resignation of SHINEWING (HK) CPA Limited ("SHINEWING") as auditor of the Company on 20 July 2018, ZHONGHUI ANDA CPA Limited ("ZHONGHUI ANDA") was appointed as the auditor of the Company on 29 August 2018 to fill in the vacancy following the resignation of SHINEWING.

Save as disclosed above, there were no other changes in auditor of the Company during the past three years.

The consolidated financial statements for the year ended 31 December 2018 have been audited by ZHONGHUI ANDA, the auditors of the Company, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

On behalf of the Board

Mr. Liu Wei

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

Hong Kong, 28 March 2019

報告期後事項

本集團之報告期後事項載於綜合財務報表附註39。

核數師

於信永中和(香港)會計師事務所有限公司(「信永」)於二零一八年七月二十日辭任本公司核數師後,中匯安達會計師事務所有限公司(「中匯安達」)於二零一八年八月二十九日獲委任為本公司核數師以填補信永辭任後的空缺。

除上文所披露者外,本公司核數師於過往三年內概無任何其他變動。

截至二零一八年十二月三十一日止年度之綜合財務報表已經由本公司核數師中匯安達審核,而中匯安達將會於應屆股東週年大會上退任並合資格且願意獲本公司續聘。

代表董事局

劉煒先生

執行董事兼行政總裁

香港,二零一九年三月二十八日

Independent Auditor's Report

獨立核數師報告



INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF CHINA BEST GROUP HOLDING LIMITED
(Incorporated in the Bermuda with limited liability)

致國華集團控股有限公司列位股東
 之獨立核數師報告
 (於百慕達註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of China Best Group Holding Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 54 to 151, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS OF OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") 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 judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

意見

我們已審核第54至151頁所載國華集團控股有限公司(「貴公司」)及其附屬公司(下文統稱「貴集團」)之綜合財務報表,其包括於二零一八年十二月三十一日之綜合財務狀況表,以及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

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

意見的基礎

我們的審核工作按照香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行。我們於該等準則項下的責任在我們的報告內「核數師就審核綜合財務報表承擔的責任」一節進一步闡述。根據香港會計師公會頒佈的「職業會計師道德守則」(「守則」),我們獨立於 貴集團,並已遵循守則履行其他道德責任。我們相信,我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

關鍵審核事項

根據我們的專業判斷,關鍵審核事項為我們審核於本期間的綜合財務報表中最重要的事項。我們在審核綜合財務報表及就此達致意見時綜合處理此等事項,而不會就此等事項單獨發表意見。

Independent Auditor's Report

獨立核數師報告

i. Goodwill

Refer to Note 20 to the consolidated financial statements

The Group tested the amount of goodwill for impairment. This impairment test is significant to our audit because the balance of goodwill of approximately HK\$42,600,000 as at 31 December 2018 and the impairment loss on goodwill of approximately HK\$28,982,000 are material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

- Assessing the identification of the related cash generating units;
- Assessing the arithmetical accuracy of the value-in-use calculations;
- Comparing the actual cash flows with the cash flow projections;
- Assessing the reasonableness of the key assumptions (including revenue growth, profit margins, terminal growth rates and discount rates);
- Assessing the competence, independence and integrity of the external valuer engaged by client;
- Checking input data to supporting evidence.

We consider that the Group's impairment test for goodwill is supported by the available evidence.

ii. Loans and interest receivables, finance lease receivables and promissory note receivable

Refer to Notes 22, 27 and 32 to the consolidated financial statements

The Group tested the amount of loans and interest receivables, finance lease receivables and promissory note receivable for impairment. These impairment tests are significant to our audit because the balances of loans and interests receivables, finance lease receivables and promissory note receivable of approximately HK\$405,522,000, HK\$178,785,000 and HK\$90,000,000, respectively, as at 31 December 2018 are material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

i. 商譽

請參閱綜合財務報表附註20

貴集團已測試商譽的減值金額。此減值測試對我們的審核影響重大，原因為於二零一八年十二月三十一日的商譽結餘約42,600,000港元及商譽減值虧損約28,982,000港元對綜合財務報表屬重大。此外，貴集團的減值測試涉及運用判斷且基於假設及估計。

我們的審核程序包括（其中包括）：

- 評估相關現金產生單位的識別；
- 評估使用價值計算的算術準確性；
- 比較實際現金流量與現金流量預測；
- 評估關鍵假設（包括收益增長、利潤率、永久增長率及貼現率）的合理性；
- 評估客戶委聘的外部估值師的能力、獨立性及誠信；
- 核對輸入數據與相關證據。

我們認為，貴集團有關商譽的減值測試得到現有證據支持。

ii. 應收貸款及利息、應收融資租賃款項以及應收承兌票據

請參閱綜合財務報表附註22、附註27及附註32

貴集團已測試應收貸款及利息、應收融資租賃款項以及應收承兌票據的減值金額。該等減值測試對我們的審核影響重大，原因為於二零一八年十二月三十一日應收貸款及利息、應收融資租賃款項以及應收承兌票據的結餘分別約405,522,000港元、178,785,000港元及90,000,000港元對綜合財務報表屬重大。此外，貴集團的減值測試涉及運用判斷且基於估計。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

ii. Loans and interest receivables, finance lease receivables and promissory note receivable (Continued)

Our audit procedures included, among others:

- Assessing the Group's procedures on granting loans limits and loans periods to borrowers;
- Assessing the transaction history with the borrowers;
- Evaluating the Group's impairment assessment;
- Assessing aging of the debts;
- Assessing creditworthiness of the borrowers, guarantors and the value of collateral pledged;
- Checking subsequent settlements from the borrowers; and
- Assessing the disclosure of the Group's exposure to credit risk in the consolidated financial statements.

We consider that the Group's impairment test for loans and interest receivables, finance lease receivables and promissory note receivable are supported by the available evidence.

OTHER INFORMATION

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

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

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

關鍵審核事項 (續)

ii. 應收貸款及利息、應收融資租賃款項以及應收承兌票據 (續)

我們的審核程序包括 (其中包括) :

- 評估 貴集團向借款人授出貸款限額及貸款期的程序;
- 評估與借款人的交易歷史;
- 評價 貴集團的減值評估;
- 評估債務賬齡;
- 評估借款人及擔保人的信用以及所質押抵押品的價值;
- 檢查借款人的後續結算; 及
- 評估綜合財務報表內有關 貴集團所面臨信貸風險的披露。

我們認為， 貴集團有關應收貸款及利息、應收融資租賃款項以及應收承兌票據的減值測試得到現有證據支持。

其他資料

董事負責其他資料。其他資料包括 貴公司年報所載所有資料，惟不包括綜合財務報表及我們就其發出的核數師報告。

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

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

Independent Auditor's Report

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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. We report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

董事就綜合財務報表承擔的責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實並公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需之內部控制負責。

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

核數師就審核綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。根據百慕達公司法第90條，我們僅向 閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

有關我們就審核綜合財務報表承擔的責任的更多描述載於香港會計師公會網站：

Independent Auditor's Report 獨立核數師報告

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

This description forms part of our auditor's report.

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

該描述構成我們核數師報告的一部分。

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Sze Lin Tang
Audit Engagement Director
Practising Certificate Number P03614

Hong Kong
28 March 2019

中匯安達會計師事務所有限公司
執業會計師
施連燈
審計項目董事
執業證書編號：P03614

香港
二零一九年三月二十八日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
Turnover	營業額	9	218,007	537,548
Revenue:	收益：	10		
– Trading of goods	– 買賣商品		159,261	356,943
– Provision of international air and sea freight forwarding services	– 提供國際航空及海上貨運服務		5,198	6,642
– Consultancy income from finance leases	– 融資租賃顧問收入		15,052	19,178
– Interest income from finance leases	– 融資租賃利息收入		12,929	9,440
– Interest income from money lending	– 借貸利息收入		24,043	32,103
– Brokerage commission and dealing income	– 經紀佣金及買賣收入		1,524	1,269
			218,007	425,575
Operating costs:	營運成本：			
– Cost of trading goods sold	– 貿易商品銷售成本		(156,448)	(349,675)
– Cost of providing international air and sea freight forwarding services	– 提供國際航空及海上貨運服務成本		(3,587)	(4,696)
– Cost of providing brokerage and dealing services	– 提供經紀及買賣服務成本		(1,044)	(764)
			(161,079)	(355,135)
Other income	其他收入	12	6,199	13,372
Administrative and other expenses	行政及其他支出		(45,643)	(39,542)
Staff costs	僱員成本		(35,591)	(34,332)
Realised loss on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之已變現虧損	24	–	(3,294)
Unrealised loss on fair value change on financial assets at fair value through profit or loss	按公平值計入損益之金融資產公平值變動之未變現虧損	24	(13,377)	(1,624)
Share of losses of associates	分佔聯營公司虧損		–	(2,183)
Gain on disposal of asset classified as held for sale	出售分類為持作出售之資產之收益		–	281
Gain on disposal of an associate	出售一間聯營公司之收益		–	29,420
Impairment loss on finance lease receivable	應收融資租賃款項之減值虧損	22	(13,595)	–
Impairment loss on goodwill	商譽減值虧損	20	(28,982)	–
(Loss) profit before tax	除稅前(虧損)溢利		(74,061)	32,538
Income tax expense	所得稅開支	15	(1,488)	(8,013)
(Loss) profit for the year	年內(虧損)溢利	13	(75,549)	24,525

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

	NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
Other comprehensive (expenses) income			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目：</i>		
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額	(20,935)	28,861
Share of other comprehensive income of associates	分佔聯營公司之其他全面收入	–	501
<i>Items that will not be reclassified subsequently to profit or loss:</i>	<i>其後不會重新分類至損益之項目：</i>		
Fair value loss on financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產公平值虧損	(14,655)	(1,095)
Translation reserve released upon disposals of associates	出售聯營公司時解除之換算儲備	–	7,051
		(35,590)	35,318
Total comprehensive (expenses) income for the year	年內全面(支出)收入總額	(111,139)	59,843
(Loss) profit for the year attributable to:	以下應佔年內(虧損)溢利：		
– owners of the Company	– 本公司擁有人	(75,533)	24,533
– non-controlling interests	– 非控股權益	(16)	(8)
		(75,549)	24,525
Total comprehensive (expenses) income for the year attributable to:	以下應佔年內全面(支出)收入總額：		
– owners of the Company	– 本公司擁有人	(111,122)	59,841
– non-controlling interests	– 非控股權益	(17)	2
		(111,139)	59,843
(Loss) earnings per share	每股(虧損)盈利		
– Basic and diluted (HK cents)	– 基本及攤薄(港仙)	(1.80)	0.68

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Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

			31 December 2018 二零一八年 十二月三十一日	31 December 2017 二零一七年 十二月三十一日	1 January 2017 二零一七年 一月一日
		NOTES 附註	HK\$'000 千港元	HK\$'000 千港元 (Restated) (經重列)	HK\$'000 千港元 (Restated) (經重列)
Non-current assets	非流動資產				
Property, plant and equipment	物業、廠房及設備	18	4,982	8,477	10,418
Intangible asset	無形資產	19	811	811	811
Interests in associates	於聯營公司之權益		-	-	85,143
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	21	16,167	30,822	31,917
Finance lease receivables	應收融資租賃款項	22	-	7,673	37,410
Loans receivables	應收貸款	27	55,000	-	-
Deposit for acquisition of a subsidiary	收購一間附屬公司之按金		67,000	-	-
Goodwill	商譽	20	42,600	71,582	-
Regulatory deposits	法定按金		1,705	1,705	-
Deferred tax assets	遞延稅項資產	29	8,676	5,689	3,179
			196,941	126,759	168,878
Current assets	流動資產				
Finance lease receivables	應收融資租賃款項	22	178,785	193,737	196,440
Loans and interest receivables	應收貸款及利息	27	350,522	362,464	279,647
Trade and other receivables	應收賬款及其他應收款項	23	185,632	183,596	133,567
Promissory note receivable	應收承兌票據	32	90,000	90,000	-
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	24	3,003	16,380	115,266
Pledged bank deposit	已抵押銀行存款	25	58	59	54
Bank balances and cash – trust and segregated accounts	銀行結餘及現金 – 信託及獨立賬戶	26	8,435	33,897	-
Bank balances and cash – general accounts	銀行結餘及現金 – 一般賬戶	26	274,763	173,281	170,233
			1,091,198	1,053,414	895,207
Assets classified as held for sale	分類為持作出售之資產		-	-	10,760
			1,091,198	1,053,414	905,967
Current liabilities	流動負債				
Trade and other payables	應付賬款及其他應付款項	28	43,902	66,245	23,404
Tax liabilities	稅項負債		9,119	10,312	7,668
			53,021	76,557	31,072

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018於二零一八年十二月三十一日

			31 December 2018	31 December 2017	1 January 2017
			二零一八年 十二月三十一日	二零一七年 十二月三十一日	二零一七年 一月一日
		NOTES 附註	HK\$'000 千港元	HK\$'000 千港元 (Restated) (經重列)	HK\$'000 千港元 (Restated) (經重列)
Net current assets	流動資產淨值		1,038,177	976,857	874,895
NET ASSETS	資產淨值		1,235,118	1,103,616	1,043,773
Capital and Reserves	股本及儲備				
Share capital	股本	30	508,428	363,228	363,228
Share premium and reserves	股份溢價及儲備		726,748	740,429	680,588
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,235,176	1,103,657	1,043,816
Non-controlling interests	非控股權益		(58)	(41)	(43)
TOTAL EQUITY	總權益		1,235,118	1,103,616	1,043,773

The consolidated financial statements on pages 54 to 151 were approved and authorised for issue by the board of directors on 28 March 2019 and are signed on its behalf by:

第54頁至第151頁之綜合財務報表已於二零一九年三月二十八日經董事局批准及授權刊發，並由下列代表簽署：

Liu Wei
劉煒
Director
董事

Chen Wei
陳偉
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元 (Note i) (附註i)	Translation reserve 換算儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元 (Note ii) (附註ii)	Share options reserve 購股權儲備 HK\$'000 千港元	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	363,228	907,653	1,996	(48,978)	-	22,745	(1,213)	(219,745)	1,025,686	(43)	1,025,643
Effect of changes in accounting policies (note 2)	會計政策變動之影響 (附註2)	-	-	-	-	-	-	(12,620)	30,750	18,130	-	18,130
At 1 January 2017 (as restated)	於二零一七年一月一日 (經重列)	363,228	907,653	1,996	(48,978)	-	22,745	(13,833)	(188,995)	1,043,816	(43)	1,043,773
Profit for the year	年內溢利	-	-	-	-	-	-	24,533	24,533	(8)	24,525	
Other comprehensive income (expense) for the year:	年內其他全面收入(支出):											
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	28,851	-	-	-	28,851	10	28,861	
Fair value loss on financial assets at fair value through other comprehensive income (restated)	按公平值計入其他全面收益之金融資產之公平值虧損(經重列)	-	-	-	-	-	(1,095)	-	(1,095)	-	(1,095)	
Translation reserve released upon disposal of associates	出售聯營公司時解除之換算儲備	-	-	-	7,051	-	-	-	7,051	-	7,051	
Share of other comprehensive income of associates	分佔聯營公司之其他全面收入	-	-	-	501	-	-	-	501	-	501	
Total comprehensive income (expense) for the year	年內全面收入(支出)總額	-	-	-	36,403	-	(1,095)	24,533	59,841	2	59,843	
Transfers to statutory reserve	撥入法定儲備	-	-	-	-	3,908	-	(3,908)	-	-	-	
Forfeiture and lapse of share options (note 31)	購股權沒收及失效 (附註31)	-	-	-	-	-	(17,378)	17,378	-	-	-	
At 31 December 2017 (restated)	於二零一七年十二月三十一日(經重列)	363,228	907,653	1,996	(12,575)	3,908	5,367	(14,928)	(150,992)	1,103,657	(41)	1,103,616

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Share capital	Share premium	Contributed surplus	Translation reserve	Statutory reserve	Share options reserve	Investment revaluation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note i)		(Note ii)						
				(附註i)		(附註ii)						
At 1 January 2018	於二零一八年一月一日	363,228	907,653	1,996	(12,575)	3,908	5,367	(438)	(181,742)	1,087,397	(41)	1,087,356
Effect of changes in accounting policies (note 2)	會計政策變動之影響 (附註2)	-	-	-	-	-	-	(14,490)	30,750	16,260	-	16,260
At 1 January 2018 (as restated)	於二零一八年一月一日 (經重列)	363,228	907,653	1,996	(12,575)	3,908	5,367	(14,928)	(150,992)	1,103,657	(41)	1,103,616
Loss for the year	年內虧損	-	-	-	-	-	-	-	(75,533)	(75,533)	(16)	(75,549)
Other comprehensive expense for the year:	年內其他全面支出:											
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	(20,934)	-	-	-	-	(20,934)	(1)	(20,935)
Fair value loss on financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產之公平值虧損	-	-	-	-	-	-	(14,655)	-	(14,655)	-	(14,655)
Total comprehensive expense for the year	年內全面支出總額	-	-	-	(20,934)	-	-	(14,655)	(75,533)	(111,122)	(17)	(111,139)
Issue of shares upon placement of new shares (note 30)	配售新股份時發行股份 (附註30)	145,200	103,092	-	-	-	-	-	-	248,292	-	248,292
Transaction cost attributable to issue of new shares	發行新股份應佔之交易成本	-	(5,651)	-	-	-	-	-	-	(5,651)	-	(5,651)
Lapse of share options (note 31)	購股權失效 (附註31)	-	-	-	-	-	(5,367)	-	5,367	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	508,428	1,005,094	1,996	(33,509)	3,908	-	(29,583)	(221,158)	1,235,176	(58)	1,235,118

Note i: The contributed surplus of the Group represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the reorganisation prior to the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in 1996 and the nominal value of the Company's shares issued in exchange.

Note ii: In accordance with the People's Republic of China (the "PRC") Company Law and the PRC subsidiaries' Articles of Association, a subsidiary registered in the PRC, prior to any dividend distribution, is required to appropriate 10% of its annual statutory net profit as determined in accordance with relevant statutory rules and regulations applicable to enterprises established in the PRC (after offsetting any prior years' losses) to the statutory reserve. When the balance of such reserve fund reaches 50% of the entity's capital, any further appropriation is optional. The statutory reserve can be utilised to offset prior years' losses or to increase capital. However, such balance of the statutory reserve must be maintained at a minimum of 25% of the capital after such usages. The balance is reclassified to retained earnings at the date of disposal of the subsidiary.

附註i: 本集團之繳入盈餘指本公司股份於一九九六年於香港聯合交易所有限公司(「聯交所」)主板上市前,根據重組所收購附屬公司之股份面值與作為交換而發行之本公司股份面值之差額。

附註ii: 根據中華人民共和國(「中國」)公司法及中國附屬公司之組織章程細則,於中國註冊之附屬公司應當於分派任何股息前提取每年法定純利的10%列入法定儲備。每年法定純利乃根據對於中國成立之企業適用之有關法定規則及法規釐定(已抵銷任何先前年度虧損)。倘該法定儲備餘額累計為公司資本的50%,則可選擇性進一步提取。法定儲備可用於抵銷先前年度之虧損或增加股本。然而,該法定儲備之餘額於如此使用後,必須最少維持於資本之25%。結餘於出售附屬公司當日重新分類至保留盈利。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
(Loss) profit before tax	除稅前(虧損)溢利	(74,061)	32,538
Adjustments for:	就下列項目作出調整:		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,629	3,658
Share of losses of associates	分佔聯營公司虧損	-	2,183
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	44
Unrealised loss on fair value change on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動之未變現虧損	13,377	1,624
Write-off of property, plant and equipment	撇銷物業、廠房及設備	1	58
Interest income from bank, overdue trade receivables and promissory note receivable	來自銀行、逾期應收賬款及應收承兌票據之利息收入	(6,059)	(5,372)
Gain on disposal of asset classified as held for sale	出售分類為持作出售之資產收益	-	(281)
Write-off of other payable	撇銷其他應付款項	-	(7,240)
Gain on disposal of an associate	出售一間聯營公司之收益	-	(29,420)
Government grant	政府補助	(3)	(6)
Impairment loss on finance lease receivable	應收融資租賃款項之減值虧損	13,595	-
Impairment loss on goodwill	商譽之減值虧損	28,982	-
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(20,539)	(2,214)
(Increase) decrease in trade and other receivables	應收賬款及其他應收款項(增加)減少	(10,374)	43,046
(Increase) decrease in finance lease receivables	應收融資租賃款項(增加)減少	(1,152)	47,968
Decrease in financial assets at fair value through profit or loss	按公平值計入損益之金融資產減少	-	97,293
Decrease in cash and bank balances – trust and segregated account	現金及銀行結餘減少—信託及獨立賬戶	25,462	7,168
Increase in loans and interest receivables	應收貸款及利息增加	(43,058)	(82,817)
Decrease in trade and other payables	應付賬款及其他應付款項減少	(21,848)	(16,970)
Cash (used in) generated from operations	經營(所用)所產生之現金	(71,509)	93,474
Income tax paid	已付所得稅	(5,879)	(7,734)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營業務(所用)所產生之現金淨額	(77,388)	85,740

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Interest received from bank, overdue trade receivables and promissory note receivable	來自銀行、逾期應收賬款及應收承兌票據之已收利息	6,059	1,126
Net cash outflow from acquisition of subsidiaries	收購附屬公司之現金流出淨額	-	(127,872)
Net cash inflow from disposal of assets held for sale	出售持作出售資產之現金流入淨額	-	10,993
Deposit for acquisition of a subsidiary	收購一間附屬公司之按金	(67,000)	-
Net proceeds from disposal of interest in an associate	出售一間聯營公司權益之所得款項淨額	-	29,979
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	-	900
Purchase of property, plant and equipment	購置物業、廠房及設備	(178)	(1,328)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(61,119)	(86,202)
FINANCING ACTIVITIES	融資活動		
Proceeds from placement of shares	配售股份所得款項	248,292	-
Transaction cost attributable to the placement of shares	配售股份應佔交易成本	(5,651)	-
Receipts of government grant	政府補助收入	3	6
NET CASH FROM FINANCING ACTIVITIES	融資活動所得之現金淨額	242,644	6
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之增加(減少)淨額	104,137	(456)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及現金等值項目	173,281	170,233
Effect of foreign exchange rate changes	匯率變動之影響	(2,655)	3,504
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash	於十二月三十一日之現金及現金等值項目，以銀行結餘及現金列賬	274,763	173,281

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL

China Best Group Holding Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange.

The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” of the annual report.

The principal activity of the Company is investment holding. The activities of its principal subsidiaries (together with the Company referred to as the “Group”) are set out in note 37.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

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

In the current year, the Group has applied all the new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for its accounting year beginning on 1 January 2018. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards (“HKAS(s)”), amendments and Interpretations.

The application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements except as stated below.

HKFRS 9 (2014) “Financial Instruments”

Available-for-sale investments and held for trading investments are now classified as financial assets at fair value through other comprehensive income and financial assets at fair value through profit and loss, respectively.

1. 一般資料

國華集團控股有限公司(「本公司」)為於百慕達註冊成立之受豁免有限公司，其股份在聯交所上市。

本公司註冊辦事處及主要營業地點之地址於年報之「公司資料」內披露。

本公司之主要業務為投資控股。其主要附屬公司(連同本公司統稱為「本集團」)之業務載於附註37。

綜合財務報表以港元(「港元」)呈列，與本公司之功能貨幣相同。

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已應用所有與其營運有關並於二零一八年一月一日開始之會計年度生效之由香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂香港財務報告準則。香港財務報告準則包括香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)、修訂及詮釋。

除下文所述者外，於本年度應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度之財務表現及狀況及／或此等綜合財務報表所載之披露事項並無重大影響。

香港財務報告準則第9號(二零一四年)「金融工具」

可供出售投資及持作交易投資現分別分類為按公平值計入其他全面收益之金融資產及按公平值計入損益之金融資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

HKFRS 9 (2014) “Financial Instruments” (Continued)

HKFRS 9 (2014) has been applied retrospectively and resulted in changes in the consolidated amounts reported in the financial statements as follows:

Decrease in available-for-sale investments	可供出售投資減少
Decrease in accumulated losses	累計虧損減少
Decrease in investment revaluation reserve	投資重估儲備減少
Increase in financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產增加
Decrease in held for trading investments	持作交易投資減少
Increase in financial assets at fair value through profit or loss	按公平值計入損益之金融資產增加

New and revised HKFRSs issued but not yet effective

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position, except as described below:

HKFRS 16 Leases

HKFRS 16 replaces HKAS 17 Leases and related interpretations. The new standard introduces a single accounting model for lessees. For lessees the distinction between operating and finance leases is removed and lessees will recognise right-of-use assets and lease liabilities for all leases (with optional exemptions for short-term leases and leases of low value assets). HKFRS 16 carries forward the accounting requirements for lessors in HKAS 17 substantially unchanged. Lessors will therefore continue to classify leases as operating or financing leases.

2. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號（二零一四年）「金融工具」（續）

香港財務報告準則第9號（二零一四年）已追溯應用，並導致財務報表中呈報之綜合金額變動如下：

As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	As at 1 January 2017 於二零一七年 一月一日 HK\$'000 千港元
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(14,562)	(13,787)
30,750	30,750
(14,490)	(12,620)
30,822	31,917
(16,380)	(115,266)
16,380	115,266

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無應用已頒佈但尚未生效之新訂香港財務報告準則。本集團已開始評估該等新訂香港財務報告準則之影響，惟未能就該等新訂香港財務報告準則是否對其經營業績及財務狀況產生重大影響發表意見，惟下文所述者除外：

香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃及其相關詮釋。該新訂準則引入有關承租人的單一會計處理模式。承租人無需區分經營租賃和融資租賃，但需就全部租賃確認使用權資產及租賃負債（短期租賃及低價值資產之租賃可獲選擇性豁免）。香港財務報告準則第16號大致保留香港會計準則第17號有關出租人之會計處理規定。因此，出租人需繼續將租賃分類為經營租賃或融資租賃。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 16 Leases (Continued)

The Group's leased premises are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under HKFRS 16 the Group may need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability and amortisation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase and the timing of expense recognition will also be impacted as a result.

As disclosed in note 33, the Group's future minimum lease payments under non-cancellable operating leases for its leased premises amounted to approximately HK\$34,447,000 as at 31 December 2018. Based on a preliminary assessment, the Group anticipates that the initial adoption of HKFRS 16 in the future will result in an increase in right-of-use assets and lease liabilities, which is unlikely to have material impact on the Group's financial position. The Group also anticipates that the net impact (as a result of the combination of the interest expenses arising from the lease liabilities and the amortization of the right-of-use assets as compared to the rental expense under existing standard) on the Group's financial performance will not be material.

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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 in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

2. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號租賃（續）

本集團之租賃物業現分類為經營租賃及租賃款項（扣除出租人給予之任何優惠）於租期內按直線法確認為開支。根據香港財務報告準則第16號，本集團可能需就該等租賃按未來最低租賃款項之現值確認及計量負債，並確認其相應使用權資產。租賃負債之利息開支及使用權資產之攤銷將於損益中確認。本集團之資產及負債將增加且開支確認之時間亦會因此受到影響。

誠如附註33所披露，於二零一八年十二月三十一日，本集團租賃物業之不可撤銷經營租賃之未來最低租賃付款約為34,447,000港元。根據初步評估，本集團預計日後首次採納香港財務報告準則第16號將導致使用權資產及租賃負債增加，而此不大可能對本集團財務狀況產生重大影響。與現有準則項下之租賃開支比較，本集團亦預計因租賃負債之利息開支及使用權資產之攤銷合併之淨影響對本集團財務表現並不重大。

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露事項。

於各報告期末，綜合財務報表以歷史成本法編製，惟若干金融工具按公平值計量除外。

歷史成本一般按為交換貨品及服務而給予之代價之公平值計算。

公平值指以現時市場的情況下，於計量日期市場參與者在主要（或最有利）市場之有秩序交易中出售資產可收取或轉讓負債須支付之價格（即退出價格），而不論該價格是否直接可觀察或可使用其他估值方法估計。公平值計量之詳情於下文所載會計政策中闡釋。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors of the Company (the “Directors”) to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 4 to the consolidated financial statements.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transaction and events in similar circumstances, appropriate adjustments are made to that subsidiary’s financial statement in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies.

Control is achieved when the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group’s return.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Income and expenses of a subsidiary are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

3. 主要會計政策 (續)

編製符合香港財務報告準則的綜合財務報表須使用若干關鍵假設及估計，同時亦須本公司董事（「董事」）在應用會計政策過程中作出判斷。該等範疇涉及關鍵判斷，並為其假設及估計對該等綜合財務報表有重大影響的範疇，披露於綜合財務報表附註4。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體（即其附屬公司）之財務報表。倘附屬公司編製其財務報表時使用的會計政策就類似交易及於類似情況下之事件有別於其在綜合財務報表所採用者，則在編製綜合財務報表時，會對該附屬公司之財務報表作出適當調整，以確保符合本集團之會計政策。

本集團在以下情況下取得控制權：(i)擁有對接受投資實體之權力；(ii)因參與接受投資實體之營運而面對回報可變之風險或有權享有可變回報；及(iii)有能力運用其權力影響其回報金額。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對接受投資實體擁有控制權。

附屬公司於本公司取得對附屬公司控制權時開始綜合入賬，並於本集團失去對附屬公司控制權時終止綜合入賬。附屬公司之收益及開支，會由本集團取得控制權之日期直至本集團對附屬公司控制權終止之日期計入綜合損益及其他全面收益表內。

附屬公司之損益及其他全面收益各組成部分歸入本公司擁有人及非控股權益內。即使會導致非控股權益錄得虧絀結餘，附屬公司之全面收入總額仍歸入本公司擁有人及非控股權益內。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of consolidation (Continued)

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.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the result of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's ownership interests in existing subsidiaries

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

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets and liabilities of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets and liabilities (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 主要會計政策 (續)

綜合賬目基準 (續)

有關本集團成員公司間交易的一切資產及負債、權益、收支及現金流量於綜合賬目時悉數對銷。

非控股權益於綜合財務狀況表之權益中呈列，且獨立於本公司權益股東應佔權益。本集團業績之非控股權益乃於綜合損益及其他全面收益表列作本公司非控股權益與權益股東之間本年度溢利或虧損總額及全面收益總額之分配結果。

本集團於現有附屬公司之擁有權權益之變動

本集團於現有附屬公司的擁有權權益之變動而並無導致本集團失去附屬公司之控制權，乃按權益交易入賬。本集團之權益及非控股權益之賬面金額，乃予以調整以反映彼等於附屬公司相關權益之變動。非控股權益數額之調整額與已付或已收代價公平值之間的差額，乃於權益直接確認，並歸屬於本公司擁有人。

當本集團失去一間附屬公司之控制權時，其(i)按於失去該附屬公司之控制權當日之賬面值取消確認該附屬公司之資產(包括任何商譽)及負債，(ii)於失去控制權當日取消確認於前附屬公司任何非控股權益之賬面值(包括非控股權益應佔之任何其他全面收益部份)，及(iii)確認已收代價公平值及任何保留權益公平值之總額，而任何就此產生之差額於損益內確認為本集團應佔之盈虧。當附屬公司之資產及負債按經重估金額或公平值列賬，而相關累計盈虧已於其他全面收益內確認並於權益內累計，則先前於其他全面收益確認及於權益內累計之金額乃按猶如本集團已直接出售相關資產或負債般入賬(即按適用香港財務報告準則所指定，重新分類至損益或直接轉撥至保留盈利)。於失去控制權當日於前附屬公司保留之任何投資之公平值乃根據香港財務報告準則第9號金融工具於其後入賬時被列作初步確認之公平值，或(如適用)於初步確認時於一間聯營公司或合營公司之投資之成本。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations

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

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

- deferred tax assets or liabilities arising from the assets acquired and liabilities assumed in the business combination are recognised and measured in accordance with HKAS 12 Income Taxes;
- assets or liabilities related to the acquiree's employee benefit arrangements are recognised and measured in accordance with HKAS 19 Employee Benefits;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of the acquiree's share-based payment transactions with the share-based payment transactions of the Group are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

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

3. 主要會計政策 (續)

業務合併

業務合併採用收購法入賬。於業務合併轉撥之代價按公平值計量，即本集團對被收購方原擁有人所轉讓之資產、所承擔之負債與本集團交換被收購方控制權所發行之股權於收購日期之公平值總和。業務合併產生之收購相關成本於產生時於損益確認。

於收購日期，所收購的可識別資產及所承擔之負債乃按公平值確認，惟以下情況除外：

- 業務合併所收購資產及所承擔負債產生之遞延稅項資產或負債按香港會計準則第12號所得稅確認及計量；
- 有關被收購方之僱員福利安排的資產或負債按香港會計準則第19號僱員福利確認及計量；
- 與被收購方以股份為基礎的付款交易有關的負債或權益工具或以本集團以股份為基礎的付款交易取代被收購方以股份為基礎的付款交易，乃於收購日期按香港財務報告準則第2號以股份為基礎的付款計量（見以下會計政策）；及
- 分類為持作出售的資產（或出售組別）根據香港財務報告準則第5號持作出售之非流動資產及終止業務計量。

商譽是以所轉讓的代價、任何非控股權益於被收購方中所佔權益及本集團先前持有的被收購方的股權的公平值（如有）的總和，超出所收購的可識別資產及所承擔的負債於收購日期的淨額的差額計值。倘經過重新評估後，所收購的可識別資產與所承擔負債於收購日期的淨額高於轉讓的代價、任何非控股權益於被收購方中所佔權益及收購方先前持有的被收購方的股權的公平值（如有）的總和，則差額即時於損益內確認為議價收購收益。

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Business combinations (Continued)

Non-controlling interests, unless as required by another standards, are measured at acquisition-date fair value except for non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration that is within the scope of HKFRS 9 is measured at fair value at each reporting date, and changes in fair value are recognised in profit or loss in accordance with HKFRS 9. Other contingent consideration that is not within the scope of HKFRS 9 is measured at fair value at each reporting date and changes in fair value are recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

3. 主要會計政策 (續)

業務合併 (續)

除非另有準則規定，否則非控制權益按收購日之公平值計量，惟屬於現時所有權權益並賦予持有人在清盤時按比例分佔實體淨資產之非控制性權益，按逐項交易基準以公平值或以現時所有權工具按比例分佔被收購方可識別淨資產之已確認金額計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公平值計量，並計入為於業務合併中所轉讓代價之一部份。屬於計量期間調整之或然代價公平值變動會進行追溯調整，而就商譽作出相應調整。計量期間調整乃於「計量期間」（其不可超過自收購日期起計一年）內所獲得之有關於收購日期存在之事實及情況之額外資料所產生之調整。

不屬於計量期間調整之或然代價公平值變動的後續入賬則取決於或然代價如何分類。分類為權益的或然代價不在後續報告日期重新計量，其後續結算於權益內入賬。其他屬香港財務報告準則第9號範圍內的或然代價於各報告日期按公平值計量，公平值變動根據香港財務報告準則第9號於損益中確認。其他不屬於香港財務報告準則第9號範圍內的或然代價於各報告日期按公平值計量，公平值變動於損益中確認。

倘業務合併分階段完成，本集團先前於被收購方持有的股權按收購日期（即本集團獲得控制權當日）的公平值進行重新計量，而所產生的收益或虧損（如有）於損益中確認。先前在其他全面收益中確認的於收購日期前於被收購方的權益所產生款額重新分類至損益（倘有關處理方法適用於出售權益）。

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. During the measurement period (see above), the provisional amounts recognised at the acquisition date are adjusted retrospectively or additional assets or liabilities are recognised as of that date, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising from a business combination is carried at cost less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策 (續)

業務合併 (續)

倘業務合併的初步會計處理於合併發生的報告期末尚未完成，則本集團會呈報未完成會計處理的項目的臨時數額。於計量期間（見上文），於收購日期確認之臨時數額會進行追溯調整或就截至該日確認額外資產或負債，以反映所取得有關於收購日期已存在而若本來知悉會影響於該日所確認款額的事實與情況之新資料。

商譽

業務合併所產生之商譽按成本值減累計減值虧損（如有）列賬。

就減值測試而言，商譽會分配至預期會因合併之協同效益而受惠之各個本集團現金產生單位（或現金產生單位組別）。

獲分配商譽之現金產生單位每年會進行減值測試，當該單位出現可能減值之跡象時，則會更加頻繁地進行減值測試。就於報告期間因收購產生之商譽而言，已獲分配商譽之現金產生單位乃於報告期間結束前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則先將有關減值虧損分配以減低該單位獲分配之任何商譽之賬面值，再根據該單位每項資產之賬面值按比例分配至該單位之其他資產。商譽之任何減值虧損直接於損益中確認。就商譽確認之減值虧損不會於往後期間撥回。

於出售相關現金產生單位時，商譽應佔金額計入釐定出售損益內。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

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

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

Other revenue

Interest income is recognised using the effective interest method.

Dividend income is recognised when the shareholders' rights to receive payment are established.

3. 主要會計政策 (續)

來自客戶合約之收益

收益乃根據與客戶訂立之合約所指明之代價參考慣常業務慣例計量，並不包括代表第三方收取之金額。就客戶付款與承諾產品或服務轉移期間超過一年之合約而言，代價須就重大融資組成部分之影響作出調整。

本集團於透過將產品或服務之控制權轉移予客戶而達成履約義務時確認收益。視乎合約條款及適用於該合約之法律而定，履約義務可隨時間或於某一時間點達成。倘符合以下情況，則履約義務屬隨時間達成：

- 客戶同時接收及消耗本集團履約所提供之利益；
- 本集團履約產生或增強一項於產生或增強時由客戶控制之資產；或
- 本集團履約並無產生對本集團而言具其他用途之資產，且本集團對迄今完成之履約付款具有可強制執行權利。

倘履約義務隨時間達成，則收益參考完全達成該履約義務之進度確認。否則，收益於客戶取得對產品或服務之控制權時之某一時間點確認。

其他收益

利息收入採用實際利率法確認。

股息收入於收取付款的股東權利確立時確認。

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as 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 eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group as lessee

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

3. 主要會計政策 (續)

借貸成本

因收購、興建或生產合資格資產(即需要一段頗長時間準備才能投入作擬訂用途或出售之資產)直接產生之借貸成本撥充資本為該等資產成本之一部分,直至該等資產大致上可投入作擬訂用途或出售時為止。特定借貸用於合資格資產支出之前用作暫時投資所賺取之投資收入於合資格撥充資本之借貸成本中扣除。

就於一般情況下借入及用作獲取合資格資產之資金而言,合資格撥充資本之借貸成本金額乃按對該資產之支出應用資本化比率釐定。資本化比率為適用於本集團於該期間內尚未償還借貸(不包括就獲取合資格資產而借入之特定借貸)之借貸成本加權平均值。

所有其他借貸成本於產生期間在損益確認。

租賃

倘租賃條款將所有權之絕大部分風險及回報轉讓予承租人,則列為融資租賃。所有其他租賃列作經營租賃。

本集團作為出租人

根據融資租賃應收承租人之款項乃按本集團於租賃之淨投資金額確認為應收款項。融資租賃收入按可反映有關本集團就租賃作出之淨投資帶來之持續定期回報率的方式分配至會計期間。

本集團作為承租人

經營租賃付款以直線法於租期內確認為開支,惟若有其他系統性基準更能代表消耗租賃資產所產生經濟效益的時間模式則除外。經營租賃項下之或然租金於產生期間確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leasing (Continued)

The Group as lessee (Continued)

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

Related Parties

A related party is a person or entity that is related to the Group.

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

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

(B) An entity is related to the Group if any of the following conditions applies:

- i. The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- iii. Both entities are joint ventures of the same third party.
- iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

倘訂立經營租賃時獲得租賃優惠，該等優惠作為負債確認。優惠總利益以直線法沖減租金開支，惟若有其他系統性基準更能代表消耗租賃資產所產生經濟效益的時間模式則除外。

關連方

關連方乃與本集團有關連之人士或實體。

(A) 倘屬以下人士，則該人士或該人士的家庭近親成員與本集團有關連：

- i. 控制或共同控制本集團；
- ii. 對本集團有重大影響；或
- iii. 為本公司或本公司母公司的主要管理人員。

(B) 倘符合下列任何條件，則該實體與本集團有關連：

- i. 該實體與本公司屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- ii. 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
- iii. 兩間實體均為同一第三方的合營企業。
- iv. 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related Parties (Continued)

(B) (Continued)

- v. The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also 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).
- viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

Fiduciary activities

The Group maintains segregated accounts with authorised institutions to hold clients' monies arising from its normal course of the regulated business activities. The Group has classified the bank balances – trust and segregated accounts within the current assets in the consolidated statement of financial position and recognised the corresponding account payables to respective clients and other institutions on the grounds that it is liable for any loss or misappropriation of clients' monies. The Group is not allowed to use the clients' monies to settle its own obligations. The cash held on behalf of customers is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策 (續)

關連方 (續)

(B) (續)

- v. 該實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。倘本集團本身便是該計劃，則提供資助的僱主亦與本集團有關連。
- vi. 該實體受(A)所識別人士控制或共同控制。
- vii. 於(A)(i)所識別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）的主要管理人員。
- viii. 該實體或其所隸屬集團的任何成員公司向本公司或本公司之母公司提供主要管理人員服務。

受信活動

本集團於認可機構開立獨立賬戶，以持有其日常受規管業務活動過程中產生之客戶款項。本集團已將銀行結餘—信託及獨立賬戶分類於綜合財務狀況表之流動資產內，並因須就客戶款項之任何損失或不當挪用負責而確認相應之應付予有關客戶及其他機構之賬款。本集團不得使用客戶款項清償其本身的責任。代客戶持有之現金受證券及期貨條例下之證券及期貨（客戶款項）規則限制及規管。

外幣

編製各集團實體之財務報表時，以該實體功能貨幣以外貨幣（即外幣）進行之交易乃按於交易日期當時之匯率以各自之功能貨幣（即實體經營所在主要經濟環境之貨幣）入賬。於報告期末，以外幣列值之貨幣項目以該日之匯率重新換算。以外幣歷史成本計算之非貨幣項目不予重新換算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit or loss on disposal of the foreign operation.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint arrangement that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

3. 主要會計政策 (續)

外幣 (續)

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額於產生期間在損益確認，惟因構成本公司於海外業務淨投資一部份之貨幣項目產生之匯兌差額則除外，於此情況下，有關匯兌差額乃於其他全面收益內確認及於權益中累計，並於出售海外業務時從權益重新分類至損益。

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按各報告期末之匯率換算為本集團之呈列貨幣（即港元）。收支項目乃按年度平均匯率換算。所產生匯兌差額（如有）於其他全面收益確認及在權益的換算儲備項下累計（在適當情況下會歸屬於非控股權益）。

於出售海外業務（即出售本集團於海外業務之全部權益或涉及失去對一間包含海外業務之附屬公司控制權之出售、或涉及失去對包含海外業務之合營企業共同控制權之出售、或涉及失去對包含海外業務之聯營公司重大影響力之出售）時，就本公司擁有人應佔該業務而於權益內累計之所有匯兌差額，重新分類至損益表。此外，倘屬部分出售而不導致本集團失去包含海外業務之附屬公司之控制權，則按比例應佔之累計匯兌差額重新歸於非控股權益，且不會於損益確認。就所有其他部分出售（即本集團部分出售聯營公司或合營安排而不導致本集團失去重大影響力或共同控制權）而言，按比例應佔之累計匯兌差額重新分類至損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

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

Retirement benefits scheme

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

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leaves and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from (loss) profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策 (續)

政府補助

政府補助乃當有合理保證本集團將遵守補助附帶的條件及將取得補助時方予確認。

政府補助在本集團將補助擬補償之相關成本確認為開支之期間內，按系統化基準於損益中確認。

作為已產生開支或虧損補償，或給予本集團即時財政支援（並無附帶未來相關成本）而應收之政府補助，於其成為應收之期間內在損益中確認。

退休福利計劃

定額供款退休福利計劃、強制性公積金（「強積金」）計劃、中央公積金計劃（「中央公積金計劃」）及國家管理之退休福利計劃之供款於僱員因提供服務而享有供款時確認為開支。

短期僱員福利

有關工資及薪金、年假及病假的僱員應計福利於提供相關服務期間按預期為換取有關服務而應支付之僱員福利未貼現金額確認為負債。

就短期僱員福利確認的負債按預期為換取有關服務而應支付之僱員福利未貼現金額計量。

稅項

所得稅開支包括當期應付稅項及遞延稅項之總和。

當期應付稅項根據年內應課稅溢利計算。由於應課稅溢利不計算其他年度應課稅收入或可抵扣稅開支項目，亦不計算根本無須課稅或不可抵扣稅之項目，故此與綜合損益及其他全面收益表所列除稅前（虧損）溢利數額不同。本集團之當期稅項負債乃按報告期末前已頒佈或實際上頒佈之稅率計算。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

3. 主要會計政策 (續)

稅項 (續)

遞延稅項按綜合財務報表所列資產及負債賬面值與計算應課稅溢利時所用相關稅基之暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產則一般於可能有可動用可抵扣暫時差額抵銷之應課稅溢利時，就所有可抵扣之暫時差額確認。倘暫時差額乃因商譽或因初次確認一項不影響應課稅溢利或會計溢利之交易之其他資產及負債（業務合併除外）而產生，則不會確認有關遞延稅項資產及負債。

遞延稅項負債乃就於附屬公司之投資相關之應課稅暫時差額確認，惟本集團能控制暫時差額之撥回及暫時差額不大可能於可見將來撥回時則除外。與該等投資及權益相關之可抵扣暫時差額所產生之遞延稅項資產，僅在可能出現可利用暫時差額抵扣稅之足夠應課稅溢利，並預期於可見將來撥回時確認。

遞延稅項資產之賬面值於各報告期末檢討並減少至其不再可能有足夠應課稅溢利可用於允許收回所有或部份該項資產之程度。

遞延稅項資產及負債根據於報告期末前已頒佈或實際上頒佈之稅率（及稅法），按償還負債或變現資產期間之預期適用稅率計量。

遞延稅項負債及資產之計量反映本集團於報告期末預期收回資產的賬面值或清償負債的賬面值所產生之稅務後果。

當期及遞延稅項於損益確認，惟當與其他全面收入或直接於權益確認之項目有關之情況下，當期及遞延稅項則同樣分別於其他全面收入或直接於權益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Plant and equipment

Plant and equipment (classified as finance leases) held for use in the production or supply of goods or services, or for administrative purpose are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to allocate the cost of items of plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Intangible asset

Intangible asset acquired separately

Intangible asset with indefinite useful life that is acquired separately is carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Regulatory deposits

Regulatory deposits are stated at cost less subsequent accumulated impairment losses, if any.

Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less accumulated impairment loss.

3. 主要會計政策 (續)

廠房及設備

持作生產貨品或提供服務之用或作行政用途之廠房及設備(分類為融資租賃)於綜合財務狀況表按成本值減其後累計折舊及累計減值虧損(如有)列賬。

廠房及設備項目乃於估計可用年期內以直線法確認折舊以分配其成本減剩餘價值。本集團會於各報告期末檢討估計可用年期、剩餘價值及折舊方法，而估計有變之影響則按未來基準入賬。

廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售或報廢廠房及設備項目所產生之任何盈虧按銷售所得款項與該資產之賬面值之差額釐定，並於損益內確認。

無形資產

獨立收購的無形資產

獨立收購及擁有不確定使用年限的無形資產乃以成本減任何其後累計減值虧損列賬。

無形資產於出售時或當使用或出售該資產預期不會產生任何日後經濟利益時終止確認。終止確認無形資產所產生的損益乃按出售所得款項淨額及該資產的賬面值差額計算，並於該資產終止確認期間計入損益內。

法定按金

法定按金乃按成本減其後累計減值虧損(如有)列賬。

於附屬公司之投資

於附屬公司之投資於本公司之財務狀況表內按成本值減累計減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified under the following categories:

- Financial assets at amortised cost;
- Equity investments at fair value through other comprehensive income; and
- Financial assets at fair value through profit or loss.

3. 主要會計政策 (續)

金融工具

當某集團實體成為工具合約條文之訂約方時，會於綜合財務狀況表中確認金融資產及金融負債。

於收取資產現金流量之合約權利屆滿、本集團轉讓資產擁有權之絕大部分風險及回報，或本集團既無轉讓亦不保留資產擁有權之絕大部分風險及回報，但不保留資產之控制權時，本集團會終止確認金融資產。終止確認金融資產時，資產賬面值與已收代價總和間之差額於損益確認。

金融負債在相關合約訂明之責任解除、撤銷或屆滿時終止確認。已終止確認之金融負債賬面值與已付代價間之差額於損益確認。

金融資產

當資產乃根據合約規定購買或出售，而合約條款規定須按有關市場既定之時限內交付資產，則金融資產乃按交易日基準確認及終止確認，並初步按公平值另加直接應佔交易成本確認，惟屬按公平值計入損益之投資之情況除外。收購按公平值計入損益之投資直接應佔之交易成本即時於損益確認。

本集團之金融資產乃分類為下列類別：

- 按攤銷成本計量之金融資產；
- 按公平值計入其他全面收益之股本投資；及
- 按公平值計入損益之金融資產。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial assets (Continued)

(i) Financial assets at amortised cost

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

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

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

(ii) Financial assets at fair value through other comprehensive income

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that are not held for trading as at fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are subsequently measured at fair value with gains and losses arising from changes in fair values recognised in other comprehensive income and accumulated in the investment revaluation reserve. On derecognition of an investment, the cumulative gains or losses previously accumulated in the investment revaluation reserve are not reclassified to profit or loss.

Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment.

3. 主要會計政策 (續)

金融資產 (續)

(i) 按攤銷成本計量之金融資產

倘金融資產(包括應收賬款及其他應收款項)均符合以下條件,則其分類為此類別:

- 資產乃按目標為持有資產以收取合約現金流量之業務模式持有;及
- 資產之合約條款導致於特定日期產生純粹為尚未償還本金額之本金及利息付款之現金流量。

該等資產其後使用實際利率法按攤銷成本減預期信貸虧損之虧損撥備計量。

(ii) 按公平值計入其他全面收益之金融資產

於初步確認時,本集團可作出不可撤回地選擇(按個別工具基準),將並非持作買賣之股本工具投資指定為按公平值計入其他全面收益。

按公平值計入其他全面收益之金融資產其後按公平值計量,而公平值變動產生之收益及虧損於其他全面收益確認並於投資重估儲備累計。終止確認投資後,先前於投資重估儲備累計的累計收益或虧損不會重新分類至損益。

該等投資之股息於損益中確認,除非股息明顯屬收回投資成本之一部分。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial assets (Continued)

(iii) Financial assets at fair value through profit or loss

Financial assets are classified under this category if they do not meet the conditions to be measured at amortised cost and the conditions of debt investments at fair value through other comprehensive income unless the Group designates an equity investment that is not held for trading as at fair value through other comprehensive income on initial recognition.

Investments at fair value through profit or loss are subsequently measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The fair value gains or losses recognised in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognised in profit or loss.

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost and lease receivables. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument ("lifetime expected credit losses") for trade receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

3. 主要會計政策 (續)

金融資產 (續)

(iii) 按公平值計入損益之金融資產

倘金融資產不符合按攤銷成本計量之條件及按公平值計入其他全面收益之債務投資之條件，則金融資產分類至此類別，除非本集團於初步確認時將並非持作買賣之股本投資指定為按公平值計入其他全面收益則另作別論。

按公平值計入損益之投資其後按公平值計量，而公平值變動產生之任何收益或虧損於損益中確認。於損益確認之公平值收益或虧損乃扣除任何利息收入及股息收入。利息收入及股息收入於損益中確認。

預期信貸虧損之虧損撥備

本集團就按攤銷成本計量之金融資產及應收租賃款項確認預期信貸虧損之虧損撥備。預期信貸虧損為信貸虧損之加權平均數，以發生有關違約之風險作為權重。

於各報告期末，本集團按金額相等於該金融工具預計年期內所有可能違約事件所產生之預期信貸虧損（「全期預期信貸虧損」）或倘自該初步確認後該金融工具的信貸風險大幅增加時對應收賬款計量金融工具之虧損撥備。

倘於報告期末，金融工具（應收賬款除外）之信貸風險自初步確認後並未大幅增加，則本集團按金額相等於全期預期信貸虧損之部分（代表該金融工具於報告期後12個月內之可能違約事件產生之預期信貸虧損）計量該金融工具之虧損撥備。

於報告期末將虧損撥備調整至所需金額之預期信貸虧損或撥回金額於損益確認為減值收益或虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

3. 主要會計政策 (續)

現金及現金等值項目

綜合財務狀況表的現金及短期存款包括銀行及手頭現金以及原到期日為三個月以內的短期存款。

就綜合現金流量表而言，現金及現金等值項目包括現金及上文所界定的短期存款。

金融負債及股本工具

金融負債及股本工具乃根據所訂立的合約安排之內容以及香港財務報告準則中金融負債及股本工具之定義予以分類。股本工具為證明本集團資產剩餘權益（經扣除其所有負債）之任何合約。就特定金融負債及股本工具採納之會計政策於下文載列。

借款

借款初步按公平值扣除所產生之交易成本確認，其後則採用實際利率法按攤銷成本計量。

除非本集團擁有無條件權利將負債之償還日期延至報告期後至少12個月，否則借款分類為流動負債。

應付賬款及其他應付款項

應付賬款及其他應付款項初步按公平值確認，其後則採用實際利率法按攤銷成本計量，除非貼現影響並不重大，在此情況下則按成本列賬。

股本工具

本公司發行的股本工具按已收所得款項記錄，扣除直接發行成本。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

Share options granted to consultants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share options reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

3. 主要會計政策 (續)

以股份付款之交易

以權益結算並以股份付款之交易

授予僱員之購股權

所獲服務之公平值乃參考所授購股權於授出日期之公平值釐定，並於所授購股權即時歸屬時之授出日期全數確認為開支，而權益（購股權儲備）亦會相應增加。

於報告期末，本集團修訂其預期最終歸屬之購股權估計數。於歸屬期內修訂原估計數之影響（如有）乃於損益內確認，致使累計開支反映經修訂估計，並於購股權儲備內作出相應調整。

購股權獲行使時，先前於購股權儲備中確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，先前於購股權儲備中確認之款項將撥入累計虧損。

授予顧問之購股權

為交換貨品或服務而發行之購股權以所獲得貨品或服務之公平值計量，惟倘公平值無法可靠計量，則已收貨品或服務乃參考所授出購股權之公平值計算。倘本集團獲得貨品或對方提供服務，除非貨品或服務合資格被確認為資產，否則已收貨品或服務之公平值會確認為開支，而權益（購股權儲備）亦會相應增加。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment losses on tangible and intangible assets (other than impairment of goodwill set out in accounting policy of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible asset with indefinite useful life is tested for impairment at least annually, and whenever there is an indication that it may be impaired.

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

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策 (續)

有形及無形資產減值虧損 (上文有關商譽之會計政策所載之商譽減值除外)

本集團於報告期末檢討其具有有限可用年期之有形及無形資產之賬面值，以決定是否有跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則會估計資產之可收回金額，以釐定減值虧損 (如有) 之情況。若個別資產之可收回金額不能作出估計，本集團則估算該資產所屬現金產生單位之可收回金額。在合理及一貫之分配基準可被確定之情況下，企業資產亦分配至個別現金產生單位，否則將分配至合理及一貫之分配基準可被確定之最小現金產生單位組別。

具有不確定使用年限之無形資產乃至少每年及當有跡象顯示可能出現減值時進行減值測試。

可收回金額乃公平值減出售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量使用稅前貼現率貼現至其現值，該貼現率反映對貨幣時間價值及未來現金流量預期未經調整之資產有關風險的當前市場估計。

倘若估計資產 (或現金產生單位) 之可收回金額低於其賬面值，則該資產 (或現金產生單位) 之賬面值將調低至其可收回金額。減值虧損即時於損益確認。

倘其後撥回減值虧損，該資產 (或現金產生單位) 之賬面值將增至可收回金額之經修訂估計，惟增加後之賬面值不得超過資產 (或現金產生單位) 倘於過往年度並無確認減值虧損時釐定之賬面值。減值虧損之撥回即時確認為收入。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Fair value measurement

When measuring fair value, except for the Group's share-based payment transactions, leasing transactions, value in use of property, plant and equipment and intangible asset for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

3. 主要會計政策 (續)

公平值計量

當計量公平值時，除就減值評估而言之本集團以股份付款之交易、租賃交易、物業、廠房及設備之使用價值及無形資產外，倘市場參與者於計量日期釐定資產或負債之價格時計及資產或負債之特點，則本集團會計及該等特點。

非金融資產之公平值計量計及市場參與者透過以最高及最佳用途方式使用該資產或透過將其出售予將以最高及最佳用途方式使用該資產之另一市場參與者而產生經濟利益之能力。

本集團採用適用於有關情況並有足夠數據可計量公平值的估值技術並盡量使用相關可觀察輸入數據及減少使用不可觀察的輸入數據。具體而言，本集團根據輸入數據特點將公平值計量分為以下三類：

第一層－相同資產或負債於活躍市場的報價（未經調整）。

第二層－估值技術，其所採用對公平值計量而言屬重大的最低級別輸入數據為可直接或間接觀察。

第三層－估值技術，其所採用對公平值計量而言屬重大的最低級別輸入數據為不可觀察。

於報告期末，本集團通過審閱資產及負債各自的公平值計量，釐定按經常性基準以公平值計量的資產及負債的公平值層級之間是否有任何轉撥。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgments, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3. 主要會計政策 (續)

撥備及或然負債

當本集團因已發生的事件須承擔現有法定或推定責任，而履行責任有可能導致經濟利益流出，並可準確估計責任金額的情況下，須對該等時間或金額不確定之負債確認撥備。倘貨幣時間價值重大，則撥備之金額乃按預期用於解除該責任之支出之現值列賬。

倘需要流出經濟利益的機會不大，或責任金額無法可靠估計，則責任乃披露為或然負債，除非經濟利益流出之可能性極低則另作別論。可能出現之責任，即是否存在將取決於日後是否會發生一宗或多宗事件，除非經濟利益流出之可能性極低，否則該等責任亦披露為或然負債。

報告期後事項

報告期後事項乃報告期末有關本集團狀況或指示持續假設並不適用的其他資料，為經調整事項，並於綜合財務報表反映。並非經調整事項的報告期後事項（如屬重大）披露於綜合財務報表附註。

4. 估計不確定因素之主要來源

於應用附註3所述本集團之會計政策時，董事須就綜合財務報表內所呈報之資產、負債、收入及開支之金額以及作出之披露進行判斷、估計及假設。有關估計及相關假設乃基於過往經驗及其他被視為相關之因素作出。實際結果可能不同於該等估計。

該等估計及相關假設會持續進行檢討。如修訂該等會計估計只影響修訂期間，則該等估計在該期間確認，如有關修訂影響現時及未來期間，則在修訂期間及未來期間確認。

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

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

Provision for current and deferred taxation

The Group is subject to taxation in various jurisdictions. Significant judgment is required in determining the provision for taxation and the timing of payment of the related taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which such determination is made.

At 31 December 2018, the Group has estimated unutilised tax losses of approximately HK\$341,642,000 (2017: HK\$296,177,000) available for offset against future profits. The Directors make estimates on the future profit streams of the Group entities of which tax losses are not utilised. No deferred tax asset has been recognised of the remaining tax losses due to the unpredictability of future profit streams for the years ended 31 December 2018 and 2017 (note 29).

Depreciation and useful lives of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual value. The Group assesses annually the residual value and the useful life of the property, plant and equipment with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets and if the expectation differs from the carrying amount, such differences from the carrying amount will impact the depreciation charges in the year in which the estimates change. At 31 December 2018, the carrying amount of property, plant and equipment was approximately HK\$4,982,000 (2017: HK\$8,477,000), net of accumulated depreciation and impairment loss of approximately HK\$11,987,000 (2017: HK\$8,523,000).

4. 估計不確定因素之主要來源 (續)

以下為於報告期末有關將來之主要假設及估計不確定因素之其他主要來源，存在導致資產及負債之賬面值於下一財政年度內出現重大調整之重大風險。

當期及遞延稅項之撥備

本集團須繳納多個司法權區之稅項。於釐定相關稅項之稅項撥備金額及支付時間時須作出重大判斷。於日常業務過程中有頗多未能確定最終稅項之交易及計算。倘該等事宜之最終稅務結果與初步記錄之金額不同，有關差異將影響作出釐定之期間內之所得稅及遞延稅項。

於二零一八年十二月三十一日，本集團有估計未使用稅項虧損約341,642,000港元（二零一七年：296,177,000港元），可用於抵銷未來溢利。董事估計本集團實體之未來溢利流，而稅項虧損並未就此使用。截至二零一八年及二零一七年十二月三十一日止年度，由於難以預測未來溢利流，並無就剩餘稅項虧損確認遞延稅項資產（附註29）。

物業、廠房及設備折舊及可使用年期

物業、廠房及設備之折舊乃於估計可使用年期內以直線法計算，當中已計及估計剩餘價值。本集團會每年參考本集團擬透過使用該等資產獲得未來經濟利益之估計期間評估物業、廠房及設備之剩餘價值及可使用年期，倘預期之數額有別於賬面值，則與賬面值出現之差額將影響估計有變當年之折舊支出。於二零一八年十二月三十一日，物業、廠房及設備之賬面值約為4,982,000港元（二零一七年：8,477,000港元），其中已扣除累計折舊及減值虧損約11,987,000港元（二零一七年：8,523,000港元）。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Impairment of trade receivables, finance lease receivables, loans and interest receivables and promissory note receivable

The policy for impairment of trade receivables, finance lease receivables, loans and interest receivables and promissory note receivable of the Group are based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. At 31 December 2018, the carrying amounts of trade receivables, finance lease receivables, loans and interest receivables and promissory note receivable were approximately HK\$173,395,000 (2017: HK\$172,372,000), HK\$178,785,000 (2017: HK\$201,410,000), HK\$405,522,000 (2017: HK\$362,464,000) and HK\$90,000,000 (2017: HK\$90,000,000) respectively, and net of allowance for impairment of approximately HK\$1,464,000 (2017: HK\$1,460,000), HK\$35,195,000 (2017: HK\$22,756,000), nil (2017: nil) and nil (2017: nil) respectively.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2018, the carrying amount of goodwill is HK\$42,600,000 (2017: HK\$71,582,000), net of accumulated impairment loss of HK\$28,982,000 (2017: nil). Details of the recoverable amount calculation are disclosed in note 20.

4. 估計不確定因素之主要來源 (續)

應收賬款、融資租賃應收款項、應收貸款及利息以及應收承兌票據之減值

本集團應收賬款、融資租賃應收款項、應收貸款及利息以及應收承兌票據之減值政策以收款機會評估、賬項之賬齡分析及管理層之判斷為基礎。於評估最終變現此等應收款項之可能性時須作出大量判斷，包括每名客戶之現有信用狀況及過往之還款記錄。倘本集團客戶之財務狀況轉差導致其還款能力受到影響，則可能須作出額外撥備。於二零一八年十二月三十一日，應收賬款、融資租賃應收款項、應收貸款及利息以及應收承兌票據之賬面值分別約為173,395,000港元（二零一七年：172,372,000港元）、178,785,000港元（二零一七年：201,410,000港元）、405,522,000港元（二零一七年：362,464,000）及90,000,000港元（二零一七年：90,000,000港元），已分別扣除減值撥備約1,464,000港元（二零一七年：1,460,000港元）、35,195,000港元（二零一七年：22,756,000港元）、零（二零一七年：零）及零（二零一七年：零）。

商譽減值

釐定商譽是否減值需要對獲分配商譽的現金產生單位的使用價值作出估計。計算使用價值需要本集團估計相關現金產生單位預期將產生的未來現金流量及用於計算現值的適當折現率。倘實際未來現金流量少於預期，則可能產生重大減值虧損。於二零一八年十二月三十一日，商譽的賬面值為42,600,000港元（二零一七年：71,582,000港元），其中已扣除累計減值虧損28,982,000港元（二零一七年：零）。可收回金額計算之詳情於附註20披露。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Directors review the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through new share issues as well as the issue of new debt.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
Financial assets	金融資產		
Financial assets at fair value through profit or loss – mandatorily measured	按公平值計入損益之金融資產—強制計量	3,003	16,380
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	16,167	30,822
Financial assets at amortised cost (including cash and cash equivalents)	按攤銷成本計量之金融資產 (包括現金及現金等值項目)	1,142,490	1,044,507
		1,161,660	1,091,709
Financial liabilities	金融負債		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	42,942	65,672

5. 資本風險管理

本集團管理其資本以確保本集團實體能夠持續經營，同時透過優化債務及股本結餘為股東創造最大回報。本集團整體策略較去年維持不變。

本集團資本架構包括現金及現金等值項目以及本公司擁有人應佔權益（包括已發行股本及儲備）。

董事定期檢討資本架構。作為檢討之一環，董事考慮資本成本及與各類資本相關之風險。根據董事所作推薦意見，本集團將透過發行新股及發行新債平衡其整體資本架構。

6. 金融工具

金融工具之類別

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include regulatory deposits, trade and other receivables, finance lease receivables, loans and interest receivables, promissory note receivable, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, bank balances and cash, trade and other payables. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

Other than the subsidiaries established in the PRC, Singapore and the United States of America of which functional currency is RMB, Singapore dollars ("SGD") and United States dollars ("USD") respectively, the functional currency of the Company and other subsidiaries is HK\$. Certain trade and other receivables and bank balances and cash are denominated in currencies other than the functional currencies of the group entities to which they relate. Foreign currencies are also used to settle expenses for overseas operations, which expose the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets at the reporting date are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
RMB	人民幣	1,743	1,811
USD	美元	40,738	33,349
British Pound ("GBP")	英鎊(「英鎊」)	401	424
Japanese Yen ("JPY")	日元(「日元」)	357	347

7. 財務風險管理目標及政策

本集團之主要金融工具包括法定按金、應收賬款及其他應收款項、應收融資租賃款項、應收貸款及利息、應收承兌票據、按公平值計入損益之金融資產、按公平值計入其他全面收益之金融資產、銀行結餘及現金、應付賬款及其他應付款項。有關金融工具之詳情載於各有關附註。該等金融工具承受之風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。減低該等風險之政策載於下文。管理層會管理及監察該等風險，確保在適當時間有效地實行合適措施。

市場風險

(i) 貨幣風險

除於中國、新加坡及美利堅合眾國成立之附屬公司之功能貨幣分別為人民幣、新加坡元(「新加坡元」)及美元(「美元」)外，本公司及其他附屬公司之功能貨幣均為港元。若干應收賬款及其他應收款項以及銀行結餘及現金以相關集團實體功能貨幣以外之貨幣計值。海外業務亦使用外幣結付開支，此令本集團承受外幣風險。

本集團以外幣計值之貨幣資產於報告日之賬面值如下：

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (Continued)

(i) Currency risk (Continued)

The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

No sensitivity analysis was prepared for USD as HK\$ is pegged to USD.

Sensitivity analysis

The Group is currently exposed to RMB, GBP and JPY foreign currency risk.

The following table details the Group's sensitivity to a 10% (2017: 10%) increase and decrease in functional currencies of the relevant group entities, HK\$ or RMB, against the relevant foreign currencies. 10% (2017: 10%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 10% (2017: 10%) change in foreign currency rates.

A negative number below indicates an increase in loss (2017: decrease in profit) for the year where the respective functional currency (HK\$ or RMB) strengthens 10% (2017: 10%) against the relevant foreign currency (RMB, GBP, JPY or HK\$). For a 10% (2017: 10%) weakening of respective functional currency (HK\$ or RMB) against the relevant foreign currency (RMB, GBP, JPY or HK\$), there would be an equal and opposite impact on the loss (2017: profit) for the year and the balances below would be positive.

7. 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

本集團現時不設任何外幣對沖政策。然而，管理層會監察外幣風險，並會於有需要時考慮對沖重大外幣風險。

由於港元與美元掛鈎，故並無編製美元之敏感度分析。

敏感度分析

本集團現時承受人民幣、英鎊及日之外幣風險。

下表詳述本集團在相關集團實體功能貨幣(即港元或人民幣)兌相關外幣匯率上升及下跌10%(二零一七年:10%)之情況下之敏感度。10%(二零一七年:10%)為內部向主要管理人員匯報外幣風險時所用之敏感度比率，指管理層對外幣匯率可能出現之合理變動之評估。敏感度分析純粹包括任何以外幣計值之未償還貨幣項目，並會就外幣匯率之10%(二零一七年:10%)變動調整於報告期末之換算。

以下之負數顯示當各功能貨幣(港元或人民幣)兌相關外幣(人民幣、英鎊、日元或港元)升值10%(二零一七年:10%)時年度虧損的增加金額(二零一七年:溢利減少金額)。倘各功能貨幣(港元或人民幣)兌相關外幣(人民幣、英鎊、日元或港元)貶值10%(二零一七年:10%)，則對年度虧損(二零一七年:溢利)構成等值但相反之影響，而下文的結餘則為正數。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis (Continued)

	Effect on profit or loss 對損益之影響	
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Strengthen against RMB by 10% (note a) 兌人民幣升值10% (附註a)	(174)	(181)
Strengthen against GBP by 10% (note b) 兌英鎊升值10% (附註b)	(40)	(42)
Strengthen against JPY by 10% (note c) 兌日元升值10% (附註c)	(36)	(35)

Notes:

- (a) This is mainly attributable to the exposure outstanding on RMB bank balances and cash at year end.
- (b) This is mainly attributable to the exposure outstanding on GBP bank balances and cash at year end.
- (c) This is mainly attributable to the exposure outstanding on JPY bank balances and cash at year end.

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances. It is the Group's policy to keep its bank balances at floating rate of interest so as to minimise the fair value interest rate risk.

The Group is also exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposit (see note 25 for details), loans and interest receivable (see note 27 for details), finance lease receivables (see note 22 for details) and promissory note receivable (see note 32 for details).

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Directors consider that the interest rate risk in relation to variable rate bank balances is insignificant due to these balances are either within short maturity period or the outstanding balances are not significant.

7. 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

敏感度分析 (續)

	Effect on profit or loss 對損益之影響	
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Strengthen against RMB by 10% (note a) 兌人民幣升值10% (附註a)	(174)	(181)
Strengthen against GBP by 10% (note b) 兌英鎊升值10% (附註b)	(40)	(42)
Strengthen against JPY by 10% (note c) 兌日元升值10% (附註c)	(36)	(35)

附註：

- (a) 此乃主要由於年底人民幣銀行結餘及現金未結清之風險。
- (b) 此乃主要由於年底英鎊銀行結餘及現金未結清之風險。
- (c) 此乃主要由於年底日元銀行結餘及現金未結清之風險。

(ii) 利率風險

本集團之浮息銀行結餘承受現金流利率風險。本集團之政策為將其銀行結餘維持按浮動利率計息，以將公平值利率風險降至最低。

本集團亦因定息已抵押銀行存款 (詳情見附註25)、應收貸款及利息 (詳情見附註27)、應收融資租賃款項 (詳情見附註22) 及應收承兌票據 (詳情見附註32) 而承受公平值利率風險。

本集團現時不設任何利率對沖政策。然而，管理層會監察利率風險，並會於預期承受重大利率風險時考慮採取其他所需行動。

董事認為，有關浮息銀行結餘之利率風險並不重大，原因是該等結餘之到期日較短或該等結餘之未償還結餘並不重大。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (Continued)

(iii) Other price risk

As at 31 December 2018, the Group is exposed to equity price risk through its investments in listed equity securities. The Group's equity price risk is mainly concentrated on equity instruments quoted in the Stock Exchange. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the prices of the financial assets at fair value through profit or loss had been 20% (2017: 20%) higher/lower, the loss (2017: profit) after tax for the year ended 31 December 2018 would decrease/increase (2017: increase/decrease) by approximately HK\$502,000 (2017: HK\$2,735,000) as a result of the changes in fair value of these investments.

If the value of the financial assets at fair value through other comprehensive income had been 20% (2017: 20%) higher/lower, the investment revaluation reserve for the year ended 31 December 2018 would increase/decrease by approximately HK\$3,233,000 (2017: HK\$6,164,000 (as restated)) as a result of the changes in fair value of these investments.

In management's opinion, the sensitivity analysis is not representative of the other price risk for the investments in listed equity securities as the year end exposure does not reflect the exposure during the year.

Credit risk

As at 31 December 2018 and 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to a failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

7. 財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 其他價格風險

於二零一八年十二月三十一日，本集團就其上市股本證券投資面對股價風險。本集團之股價風險主要集中於聯交所報價之股本工具。此外，本集團委任一組特定人員監控價格風險，並將於有需要時考慮對沖該風險。

敏感度分析

下述敏感度分析乃根據於報告期末之股價風險釐定。

倘按公平值計入損益之金融資產之價格上升／下降20%（二零一七年：20%），截至二零一八年十二月三十一日止年度之除稅後虧損（二零一七年：溢利）將因該等投資公平值變動而減少／增加（二零一七年：增加／減少）約502,000港元（二零一七年：2,735,000港元）。

倘按公平值計入其他全面收益之金融資產之價值上升／下降20%（二零一七年：20%），截至二零一八年十二月三十一日止年度之投資重估儲備將因該等投資公平值變動而增加／減少約3,233,000港元（二零一七年：6,164,000港元（經重列））。

管理層認為，由於年終之風險並不反映年內之風險，故敏感度分析並不代表上市股本證券投資之其他價格風險。

信貸風險

於二零一八年及二零一七年十二月三十一日，本集團因綜合財務狀況表內各項已確認金融資產之賬面值而承受最高信貸風險，會令本集團因對手方未能履行責任而招致財務損失。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

In respect of finance lease receivables, representing loan advances to customers with pledged assets, individual credit evaluations are performed on all customers. These evaluations focus on the customer's financial background, current ability to pay and the financial status of the guarantor, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. At 31 December 2018 and 2017, the finance lease receivables are secured with the leased assets. All the finance lease receivables are aroused in the PRC.

In respect of loans and interest receivables, representing financing advances to customers under the Group's money lending business, individual credit evaluations are performed on all customers. These evaluations focus on the customer's financial background and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry in which customers operate also has an influence on credit risk but to a lesser extent. The Directors consider the credit risk under control since the management exercise due care in granting credit and check the financial background of these customers on a regular basis.

For loan receivables, the Group has a high concentration of credit risk on loans and interest receivables as 14% (2017: 15%) and 59% (2017: 68%) of the total loans and interest receivables was due from the single largest customer and the five largest customers in the money lending segment respectively.

For finance lease receivables, the Group has a high concentration of credit risk on finance lease receivables as 41% (2017: 36%) and 92% (2017: 90%) of the total finance lease receivables was due from the single largest customer and the five largest customers in the finance leasing segment respectively.

7. 財務風險管理目標及政策 (續)

信貸風險 (續)

就應收融資租賃款項(指墊付予有抵押資產客戶之貸款)而言,須對所有客戶進行個別信貸評估。該等評估專注於客戶之財務背景、現時支付能力及擔保人之財務狀況,並計及客戶之特別資料及其營運之經濟環境。於二零一八年及二零一七年十二月三十一日,應收融資租賃款項由租賃資產抵押。所有應收融資租賃款項均產生於中國。

就應收貸款及利息(指墊付予本集團借貸業務客戶之資金)而言,須對所有客戶進行個別信貸評估。該等評估專注於客戶之財務背景及現時支付能力,並計及客戶之特別資料及其營運之經濟環境。

本集團的信貸風險主要受各客戶的個別情況影響。客戶經營所在行業的違約風險對信貸風險亦有影響,但程度相對較小。由於管理層已適當審慎地批授信貸並定期查核有關客戶之財務背景,故董事認為信貸風險已受到控制。

就應收貸款而言,本集團應收貸款及利息之信貸風險高度集中於借貸分部最大客戶及五大客戶,分別佔應收貸款及利息總額14%(二零一七年:15%)及59%(二零一七年:68%)。

就應收融資租賃而言,本集團應收融資租賃之信貸風險高度集中於融資租賃分部最大客戶及五大客戶,分別佔應收融資租賃總額之41%(二零一七年:36%)及92%(二零一七年:90%)。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Group's concentration of credit risk by geographical locations are mainly in the PRC, which accounted for 99% (2017: 91%) of the total trade receivables as at 31 December 2018. The Group has concentration of credit risk as 67% (2017: 64%) and 99% (2017: 97%) of the total trade receivables were due from the Group's largest customer and the five largest customers respectively.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debtor at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following information is used:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant increases in credit risk on other financial instruments of the same borrower;
- significant changes in the value of the collateral or in the quality of guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers.

7. 財務風險管理目標及政策 (續)

信貸風險 (續)

由於對手方為具有由國際信貸評級機構給予高信貸評級之銀行，故流動資金之信貸風險有限。於二零一八年十二月三十一日，本集團之信貸風險在地理位置上主要集中於中國，佔應收賬款總額之99%（二零一七年：91%）。本集團之信貸風險亦集中於其最大客戶及五大客戶，分別佔應收賬款總額之67%（二零一七年：64%）及99%（二零一七年：97%）。

為減低信貸風險，本集團之管理層已委派一小組，負責釐定信貸限額、信貸批核及進行其他監察程序，以確保已採取跟進措施，收回逾期債項。此外，本集團亦審閱各個別貿易債項於報告期末之可收回金額，以確保已就不能收回金額提撥充足減值虧損。就此而言，董事認為本集團之信貸風險已大幅減低。

本集團比較金融資產於報告日期之違約風險與於初始確認日期之違約風險，以評估金融資產之信用風險有否於各報告期內按持續基準大幅增加。本集團亦考慮可得合理及有理據支持之前瞻性資料。尤其使用下列資料：

- 預期導致借款人履行責任能力出現重大變動之業務、財務或經濟狀況之實際或預期重大不利變動；
- 借款人經營業績之實際或預期重大變動；
- 同一借款人其他金融工具的信貸風險顯著增加；
- 抵押品價值或擔保質量或信用增級的重大變動；及
- 借款人預期表現及行為之重大變動，包括借款人之付款狀況變動。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment, unless the Group has supportable information which can demonstrate otherwise. A default on a financial asset occurs when a debtor fails to make contractual payments within 90 days when they fall due and this debtor is unlikely to repay the amount due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a receivable for write off when the Group determine that the debtor does not have assets or source of income that could generate sufficient cash flow to repay the amounts subject to write-off. Where receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

The Group uses two categories for loans and interest receivables, finance lease receivables and promissory note receivable which reflect their credit risk and how the loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

Category 類別	Definition 釋義	Loss provision 虧損撥備			
Performing 良好	Low risk of default and strong capacity to pay 違約風險低及支付能力強	12 month expected losses 12個月預期虧損			
Non-performing 不良	Significant increase in credit risk 信用風險顯著增加	Lifetime expected losses 全期預期虧損			
		Loans and interest receivables 應收貸款及 利息款項 HK\$'000 千港元	Finance lease receivables 融資租賃 應收款項 HK\$'000 千港元	Promissory note receivable 應收 承兌票據 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 31 December 2018	於二零一八年 十二月三十一日的結餘	405,522	213,980	90,000	709,502
Loss allowance	虧損撥備	-	(35,195)	-	(35,195)
Carrying amount	賬面值	405,522	178,785	90,000	674,307

7. 財務風險管理目標及政策 (續)

信貸風險 (續)

倘涉及合約付款之債務人逾期超過30日，則假定信用風險大幅增加，除非本集團有可靠信息顯示並非如此。倘債務人未能於預期90日內作出合約付款且該債務人不大可能償還逾期款項，則金融資產出現違約。

金融資產於合理預期無法收回（例如債務人無法與本集團達成還款計劃）時撇銷。倘本集團釐定借款人並無資產或收入來源可產生足夠現金流償還擬撇銷款項時，本集團一般會撇銷有關應收款項。倘應收款項獲撇銷，則本集團（在實際可行及符合經濟效益之情況下）繼續採取強制行動試圖收回到期應收款項。

本集團將應收貸款及利息款項、融資租賃應收款項及應收承兌票據分為兩類用以分別反映其信用風險，及貸款虧損撥備如何按兩種類別分別釐定。在計算預期信貸虧損率時，本集團考慮各類別的過往虧損率，並就未來數據進行調整。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

		Loans and interest receivables 應收貸款及 利息款項 HK\$'000 千港元	Finance lease receivables 融資租賃 應收款項 HK\$'000 千港元	Promissory note receivable 應收 承兌票據 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 31 December 2017	於二零一七年 十二月三十一日的結餘	362,464	224,166	90,000	676,630
Loss allowance	虧損撥備	-	(22,756)	-	(22,756)
Carrying amount	賬面值	362,464	201,410	90,000	653,874

Expected credit loss rate 預期信貸虧損率

2018	二零一八年	-	16%	-	5%
2017	二零一七年	-	10%	-	3%

All of these receivables after loss allowance are considered to have low risk and under the 'Performing' category because they have a low risk of default and have strong ability to meet their obligations.

The increase in loss allowance is due to increase in expected credit loss rates

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of its bank balances and cash and considers the risk is minimal.

The maturity dates of all financial liabilities are repayable on demand or within one year as at the end of each of the reporting periods.

7. 財務風險管理目標及政策 (續)

信貸風險 (續)

所有該等應收款項(經扣除虧損撥備)均被視為低風險且屬「良好」類別，乃由於其違約風險低及償還能力強。

虧損撥備之增加乃因預期信貸虧損率上升

流動資金風險

為管理流動資金風險，本集團監控並維持充裕現金及現金等值項目，足以供管理層為本集團營運提供資金及減低現金流波動之影響。管理層監控其銀行結餘及現金之使用狀況，並認為有關風險甚低。

於各報告期末，所有金融負債均須應要求或於一年內償還。

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8. FAIR VALUE MEASUREMENTS

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to short-term or immediate maturities.

The following table provides an analysis of financial instruments that are measured at fair value at the end of each reporting period for recurring measurement, grouped into Levels 1 or Levels 2 based on the degree to which the fair value is observable in accordance with the Group's accounting policy.

Disclosures of level in fair value hierarchy at 31 December 2018:

8. 公平值計量

董事認為，由於還款期限屬短期或即時到期，金融資產及金融負債按攤銷成本記錄於綜合財務報表之賬面值與公平值相若。

下表提供按經常性基準於各報告期末以公平值計量之金融工具分析，根據本集團會計政策據公平值可觀察程度分類為第一類或第二類。

於二零一八年十二月三十一日之公平值層級之層級披露：

Fair value measurements using 使用以下輸入數據之公平值計量

	Level 1: 第一類: HK\$'000 千港元	Level 2: 第二類: HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurements:			
Financial assets at fair value through profit or loss			
– Listed equity security	3,003	–	3,003
Financial assets at fair value through other comprehensive income			
– Listed equity security	5,227	–	5,227
– Unlisted equity security	–	10,940	10,940
Total recurring fair value measurements	8,230	10,940	19,170

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8. FAIR VALUE MEASUREMENTS (CONTINUED)

Disclosures of level in fair value hierarchy at 31 December 2017 (Restated):

Recurring fair value measurements: 經常性公平值計量：

Financial assets at fair value through profit or loss	按公平值計入損益之金融資產			
– Listed equity security	– 上市股本證券	16,380	–	16,380
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產			
– Listed equity security	– 上市股本證券	7,062	–	7,062
– Unlisted equity security	– 非上市股本證券	–	23,760	23,760
Total recurring fair value measurements	經常性公平值計量總額	23,442	23,760	47,202

Disclosure of valuation techniques and inputs used in fair value measurements:

Level 2 fair value measurements

Description 詳情	Valuation technique 估值技術	Inputs 輸入數據	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產	Comparable Transaction Method 可類比交易法	Share price and marketability discount 股價及市場流通性折讓	10,940	23,760

There were no transfers between levels of fair value hierarchy in the current and prior years.

8. 公平值計量 (續)

於二零一七年十二月三十一日之公平值層級披露 (經重列)：

Fair value measurements using
使用以下輸入數據之公平值計量

Level 1: 第一類: HK\$'000 千港元	Level 2: 第二類: HK\$'000 千港元	Total 總計 HK\$'000 千港元 (Restated) (經重列)

公平值計量之估值技術及輸入數據之披露：

第二類公平值計量

於本年度及過往年度，各公平值架構之間並無進行轉撥。

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9. TURNOVER

Turnover arises from (i) trading on radio system and electronic appliance; (ii) provision of international air and sea freight forwarding services; (iii) consultancy income in respect of finance leases; (iv) interest income from finance leases; (v) interest income from money lending; (vi) brokerage commission and dealing income from brokerage business; and (vii) gross proceeds from disposal of financial assets at fair value through profit or loss. An analysis of the Group's turnover for the year is as follows:

9. 營業額

營業額來自(i)買賣無線電系統及電子用品；(ii)提供國際航空及海上貨運服務；(iii)有關融資租賃之顧問收入；(iv)融資租賃利息收入；(v)借貸利息收入；(vi)經紀業務之經紀佣金及買賣收入；及(vii)出售按公平值計入損益之金融資產所得款項總額。年內本集團營業額之分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trading of goods	買賣商品	159,261	356,943
Provision of international air and sea freight forwarding services	提供國際航空及海上貨運服務	5,198	6,642
Consultancy income from finance leases (Note)	融資租賃顧問收入(附註)	15,052	19,178
Interest income from finance leases (Note)	融資租賃利息收入(附註)	12,929	9,440
Interest income from money lending	借貸利息收入	24,043	32,103
Brokerage commission and dealing income	經紀佣金及買賣收入	1,524	1,269
Gross proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產所得款項總額	-	111,973
		218,007	537,548

Note: Pursuant to a debt settlement agreement and a loan agreement both dated 1 March 2019, finance lease interest of approximately RMB441,000 (equivalent to approximately HK\$521,000) and consultancy income of approximately RMB16,323,000 (equivalent to approximately HK\$19,291,000) have been agreed by the parties to be waived. According to these waived amounts, the Group's interest income from finance leases and consultancy income from finance leases had been deducted by approximately RMB379,000 (after value-added tax) (equivalent to approximately HK\$447,000) and approximately RMB14,009,000 (after value-added tax) (equivalent to approximately HK\$16,557,000) respectively in the year ended 31 December 2018 while the remaining waived amounts will be accounted for next financial year. Further details are set out in the Company's announcement dated 1 March 2019.

附註：根據日期均為二零一九年三月一日之債務清償協議及貸款協議，訂約各方已協定豁免融資租賃利息約人民幣441,000元（相當於約521,000港元）及顧問收入約人民幣16,323,000元（相當於約19,291,000港元）。根據該等豁免金額，本集團截至二零一八年十二月三十一日止年度之融資租賃利息收入及融資租賃顧問收入已分別減少約人民幣379,000元（經扣除增值稅）（相當於約447,000港元）及約人民幣14,009,000元（經扣除增值稅）（相當於約16,557,000港元），而餘下豁免金額將於下一財政年度入賬。進一步詳情載於本公司日期為二零一九年三月一日之公佈。

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綜合財務報表附註

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

10. REVENUE

10. 收益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue from contracts with customers (Note)	客戶合約收入(附註)	181,035	384,032
Revenue from other source:	來自其他來源之收益:		
Interest income from finance leases	融資租賃利息收入	12,929	9,440
Interest income from money lending	借貸利息收入	24,043	32,103
		218,007	425,575

Note:

附註:

Disaggregation of revenue from contracts with customers:

來自客戶合約之收益之細分:

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Trading of goods	Finance leasing	Brokerage	International air and sea freight forwarding	Total
		買賣商品	融資租賃	經紀	國際航空及 海上貨運	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Geographic Market	地理市場					
Hong Kong	香港	-	-	1,524	-	1,524
PRC	中國	159,261	15,052	-	-	174,313
Singapore	新加坡	-	-	-	1,914	1,914
North and South of America	北美洲及南美洲	-	-	-	3,284	3,284
		159,261	15,052	1,524	5,198	181,035
Major Products/Services	主要產品/服務					
Trading of electronic products	買賣電子產品	159,261	-	-	-	159,261
Financial services	金融服務	-	15,052	1,524	-	16,576
International air and sea freight forwarding	國際航空及海上貨運服務	-	-	-	5,198	5,198
		159,261	15,052	1,524	5,198	181,035

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

10. REVENUE (CONTINUED)

Note: (Continued)

Disaggregation of revenue from contracts with customers: (Continued)

Year ended 31 December 2017

10. 收益 (續)

附註：(續)

來自客戶合約之收益之細分：(續)

截至二零一七年十二月三十一日止年度

		Trading of goods	Finance leasing	Brokerage	International air and sea freight forwarding	Total
		買賣商品	融資租賃	經紀	國際航空及 海上貨運	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Geographic Market	地理市場					
Hong Kong	香港	–	–	1,269	–	1,269
PRC	中國	356,943	19,178	–	–	376,121
Singapore	新加坡	–	–	–	2,162	2,162
North and South America	北美洲及南美洲	–	–	–	4,480	4,480
		356,943	19,178	1,269	6,642	384,032
Major Products/Services	主要產品／服務					
Trading of electronic products	買賣電子產品	356,943	–	–	–	356,943
Financial services	金融服務	–	19,178	1,269	–	20,447
International air and sea freight forwarding	國際航空及海上 貨運服務	–	–	–	6,642	6,642
		356,943	19,178	1,269	6,642	384,032

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綜合財務報表附註

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

10. REVENUE (CONTINUED)

Trading of goods

Revenue from the trading of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sales to customers are normally made with credit terms of 90 days.

Finance leasing

Consultancy income from finance leasing is recognised in the accounting period in which the services are rendered. The customers pay the consultancy service fee to the Group according to the payment schedules as stipulated in the contracts.

Brokerage

Commission income on dealing in securities and futures contract is recognised on a trade date basis when the services are rendered, the amount for which can be reliably estimated and it is probable that the income will be received. The commission income is due on the settlement date of their respective trade dates, normally two or three business days after the respective trade date.

International air and sea freight forwarding

Income from provision of freight forwarding services is recognised when the services are provided. The Group normally allow credit period of 90 days.

10. 收益 (續)

買賣商品

貨品買賣收益於貨品交付及所有權轉移時確認，屆時下列條件已全部達成：

- 本集團將貨品擁有權之主要風險及回報轉移予買方；
- 本集團並無保留對所售貨品之持續管理參與權（一般達致與擁有權相關之程度），亦無保留實際控制權；
- 收益金額能可靠地計量；
- 與交易相關之經濟利益可能流入本集團；及
- 已經或將會就該項交易產生之成本能可靠地計量。

向客戶銷售一般按90天信貸期作出。

融資租賃

融資租賃顧問收入於獲提供服務之會計期間內確認。客戶根據合約訂明的付款時間表向本集團支付顧問服務費。

經紀

買賣證券及期貨合約之佣金收入於獲提供服務時按交易日基準確認，其金額可獲可靠計量且收入亦將可能收回。佣金收入於各自交易日之結算日期到期，一般為各自交易日後兩或三個營業日。

國際航空及海上貨運

提供貨運服務之收入於提供有關服務時確認。本集團一般提供90天信貸期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

11. SEGMENT INFORMATION

Information reported to the Directors, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on the type of goods sold or services delivered or provided. The Directors have chosen to organise the Group around difference in products and services. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments are as follows:

- a) Trading of goods segment engages in trading of products including but not limited to radio system and electronic appliance in the PRC;
- b) Finance leasing segment engages in finance leasing of plant and machinery in the PRC;
- c) Money lending segment engages in money lending in Hong Kong;
- d) Brokerage segment engages in securities and futures dealing services in Hong Kong;
- e) International air and sea freight forwarding segment engages in the provision of international air and sea freight forwarding and logistic services to customers in Singapore and United States of America; and
- f) Securities trading segment engages in trading of equity securities and dividend income from held for trading investments in Hong Kong.

11. 分部資料

就資源分配及分部表現評估向董事（即主要營運決策者）匯報之資料聚焦於出售貨品或交付或提供服務之種類。董事選擇圍繞產品及服務之差異組建本集團。在設定本集團的報告分部時，主要營運決策者並無將所識別的營運分部彙合。

明確而言，本集團之報告分部如下：

- a) 買賣商品分部於中國從事商品買賣，包括但不限於無線電系統及電子用品；
- b) 融資租賃分部於中國從事廠房及機器融資租賃；
- c) 借貸分部於香港從事借貸；
- d) 經紀分部於香港從事證券及期貨買賣服務；
- e) 國際航空及海上貨運分部於新加坡及美國從事向客戶提供國際航空及海上貨運以及物流服務；及
- f) 證券買賣分部於香港從事股本證券買賣及從持作交易投資賺取股息收入。

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綜合財務報表附註

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

11. SEGMENT INFORMATION (CONTINUED)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segments.

For the year ended 31 December 2018

		Trading of goods	Finance leasing	Money lending	Brokerage	International air and sea freight forwarding 國際航空 及海上貨運	Securities trading	Total
		買賣商品 HK\$'000 千港元	融資租賃 HK\$'000 千港元	借貸 HK\$'000 千港元	經紀 HK\$'000 千港元	及海上貨運 HK\$'000 千港元	證券買賣 HK\$'000 千港元	總計 HK\$'000 千港元
Turnover	營業額	159,261	27,981	24,043	1,524	5,198	-	218,007
Revenue from external customers	外部客戶收益	159,261	27,981	24,043	1,524	5,198	-	218,007
Segment results	分部業績	(6,581)	(867)	16,566	(38,622)	(370)	(14,069)	(43,943)
Unallocated corporate expenses	未分配集團開支							(36,317)
Unallocated corporate income	未分配集團收入							6,199
Loss before tax	除稅前虧損							(74,061)

11. 分部資料 (續)

分部收益及業績

下文為本集團按報告及經營分部劃分之收益及業績分析。

截至二零一八年十二月三十一日止年度

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綜合財務報表附註

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

11. SEGMENT INFORMATION (CONTINUED)

Segment revenues and results (Continued)

For the year ended 31 December 2017

		Trading of goods	Finance leasing	Money lending	Brokerage	International air and sea freight forwarding 國際航空 及海上貨運	Securities trading	Total
		買賣商品 HK\$'000 千港元	融資租賃 HK\$'000 千港元	借貸 HK\$'000 千港元	經紀 HK\$'000 千港元	證券買賣 HK\$'000 千港元	總計 HK\$'000 千港元	
Turnover	營業額	356,943	28,618	32,103	1,269	6,642	111,973	537,548
Revenue from external customers	外部客戶收益	356,943	28,618	32,103	1,269	6,642	-	425,575
Segment results	分部業績	1,523	14,758	23,688	(4,242)	(3)	(8,330)	27,394
Share of losses of associates	分佔聯營公司虧損							(2,183)
Unallocated corporate expenses	未分配集團開支							(34,349)
Unallocated corporate income	未分配集團收入							41,676
Profit before tax	除稅前溢利							32,538

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment results represents the (loss from) profit earned by each segment without allocation of central administration costs, directors' emoluments, depreciation of certain property, plant and equipment, share of losses of associates, gain on disposal of an associate, gain on disposal of asset classified as held for sale, gain on disposal of property, plant and equipment, net foreign exchange gain (loss), interest income from promissory note receivable, bank interest income and sundry income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

11. 分部資料 (續)

分部收益及業績 (續)

截至二零一七年十二月三十一日止年度

報告分部之會計政策與附註3所述本集團之會計政策相同。分部業績指各分部(所產生之虧損)所賺取之溢利,而並未分配中央行政成本、董事薪金、若干物業、廠房及設備的折舊、分佔聯營公司虧損、出售一間聯營公司之收益、出售分類為持作出售之資產收益、出售物業、廠房及設備之收益、外匯收益(虧損)淨額、應收承兌票據利息收入、銀行利息收入及雜項收入。此乃為分配資源及評估表現而向主要營運決策者匯報之基準。

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綜合財務報表附註

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

11. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments.

At 31 December 2018

		Trading of goods	Finance leasing	Money lending	Brokerage	International air and sea freight forwarding	Securities trading	Total
		買賣商品 HK\$'000 千港元	融資租賃 HK\$'000 千港元	借貸 HK\$'000 千港元	經紀 HK\$'000 千港元	國際航空及 海上貨運 HK\$'000 千港元	證券買賣 HK\$'000 千港元	總計 HK\$'000 千港元
ASSETS	資產							
Segment assets	分部資產	151,737	186,949	406,333	70,053	834	3,003	818,909
Unallocated corporate assets	未分配集團資產							469,230
Consolidated assets	綜合資產							1,288,139
LIABILITIES	負債							
Segment liabilities	分部負債	980	8,817	-	26,408	1,697	-	37,902
Unallocated corporate liabilities	未分配集團負債							15,119
Consolidated liabilities	綜合負債							53,021

11. 分部資料 (續)

分部資產及負債

下文為本集團按報告分部劃分之資產及負債分析。

於二零一八年十二月三十一日

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綜合財務報表附註

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

11. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (Continued)

At 31 December 2017 (Restated)

		Trading of goods	Finance leasing	Money lending	Brokerage	International air and sea freight forwarding 國際航空及 海上貨運	Securities trading	Total
		買賣商品 HK\$'000 千港元	融資租賃 HK\$'000 千港元	借貸 HK\$'000 千港元	經紀 HK\$'000 千港元	證券買賣 HK\$'000 千港元		總計 HK\$'000 千港元 (Restated) (經重列)
ASSETS	資產							
Segment assets	分部資產	155,384	207,323	363,275	122,510	1,130	16,380	866,002
Unallocated corporate assets (Restated)	未分配集團資產 (經重列)							314,171
Consolidated assets	綜合資產							1,180,173
LIABILITIES	負債							
Segment liabilities	分部負債	167	8,183	-	49,152	1,877	-	59,379
Unallocated corporate liabilities	未分配集團負債							17,178
Consolidated liabilities	綜合負債							76,557

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than financial assets at fair value through other comprehensive income, deposit for acquisition of a subsidiary, deferred tax assets, pledged bank deposit, promissory note receivable, bank balances and cash, the equipment of head office and certain other receivables; and
- all liabilities are allocated to reportable segments other than tax liabilities and certain other payables.

11. 分部資料 (續)

分部資產及負債 (續)

於二零一七年十二月三十一日 (經重列)

為監察分部表現及於各分部間分配資源：

- 除按公平值計入其他全面收益之金融資產、收購一間附屬公司之按金、遞延稅項資產、已抵押銀行存款、應收承兌票據、銀行結餘及現金、總辦事處之設備及若干其他應收款項外，所有資產均分配至報告分部；及
- 除稅項負債及部分其他應付款項外，所有負債均分配至報告分部。

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綜合財務報表附註

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

11. SEGMENT INFORMATION (CONTINUED)

Other segment information

For the year ended 31 December 2018

11. 分部資料 (續)

其他分部資料

截至二零一八年十二月三十一日止年度

		Trading of goods	Finance leasing	Money lending	Brokerage	International air and sea freight forwarding	Securities trading	Unallocated	Total
		買賣商品	融資租賃	借貸	經紀	國際航空及 海上貨運	證券買賣	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit or loss or segment assets:	計量分部損益或分部資產時計入之金額:								
Additions to non-current assets (Note)	添置非流動資產 (附註)	26	33	-	69	-	-	50	178
Depreciation of property, plant and equipment	物業、廠房及設備折舊	716	32	-	574	9	-	2,298	3,629
Unrealised loss on fair value change on financial assets at fair value through profit or loss	按公平值計入損益之金融資產公平值變動之未變現虧損	-	-	-	-	-	13,377	-	13,377
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:	定期向主要營運決策者提供但於計量分部損益或分部資產時未有計入之金額:								
Written off of property, plant and equipment	撇銷物業、廠房及設備	-	1	-	-	-	-	-	1
Interest income	利息收入	-	(409)	(10)	(20)	-	(1)	(5,619)	(6,059)

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綜合財務報表附註

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

11. SEGMENT INFORMATION (CONTINUED)

Other segment information (Continued)

For the year ended 31 December 2017

		Trading of goods	Finance leasing	Money lending	Brokerage	International air and sea freight forwarding	Securities trading	Unallocated	Total
		買賣商品	融資租賃	借貸	經紀	海上貨運	證券買賣	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit or loss or segment assets:	計量分部損益或分部資產時計入之金額:								
Additions to non-current assets (Note)	添置非流動資產 (附註)	1,225	2	-	72,920	24	-	77	74,248
Depreciation of property, plant and equipment	物業、廠房及設備折舊	701	33	-	232	6	-	2,686	3,658
Realised loss on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之已變現虧損	-	-	-	-	-	3,294	-	3,294
Unrealised loss on fair value change on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之未變現公平值變動虧損	-	-	-	-	-	1,624	-	1,624
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:	定期向主要營運決策者提供但於計量分部損益或分部資產時未有計入之金額:								
Written off of property, plant and equipment	撇銷物業、廠房及設備	-	-	-	-	-	-	58	58
Interest income	利息收入	(940)	(173)	(1)	-	-	(1)	(4,257)	(5,372)

Note: Non-current assets excluded financial assets at fair value through other comprehensive income, finance lease receivables, loan receivables, deposit for acquisition of a subsidiary, regulatory deposit and deferred tax assets.

附註：非流動資產不包括按公平值計入其他全面收益之金融資產、應收融資租賃款項、應收貸款、收購一間附屬公司之按金、法定按金及遞延稅項資產。

11. 分部資料 (續)

其他分部資料 (續)

截至二零一七年十二月三十一日止年度

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

11. SEGMENT INFORMATION (CONTINUED)

Geographical information

Trading of goods is carried out in the PRC. International air and sea freight forwarding services are carried out in Singapore, North and South America. Finance leasing is carried out in the PRC. Trading of securities, money lending and brokerage services are carried out in Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations of the customers. Information about the Group's non-current assets is presented based on the geographical location of assets.

	Revenue from external customers		Non-current assets	
	2018	2017	2018	2017
	二零一八年	二零一七年	二零一八年	二零一七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Hong Kong	25,567	33,372	47,558	79,293
PRC	187,242	385,561	818	1,559
Singapore	1,914	2,162	17	18
North and South America	3,284	4,480	-	-
	218,007	425,575	48,393	80,870

Note: Non-current assets excluded regulatory deposits, financial assets at fair value through other comprehensive income, finance lease receivables, loan receivables, deposit for acquisition of a subsidiary and deferred tax assets.

11. 分部資料 (續)

地區資料

本集團於中國進行買賣商品，於新加坡、北美洲及南美洲進行國際航空及海上貨運業務。融資租賃乃於中國進行。證券買賣、借貸及經紀服務乃於香港進行。

本集團外部客戶收益資料乃按客戶經營地區呈列。本集團非流動資產資料乃按資產所在地區呈列。

附註：非流動資產不包括法定按金、按公平值計入其他全面收益之金融資產、應收融資租賃款項、應收貸款、收購一間附屬公司之按金及遞延稅項資產。

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the overall revenue of the Group is as follows:

	2018	2017
	二零一八年	二零一七年
	HK\$'000	HK\$'000
	千港元	千港元
- Customer A ¹	112,466	106,063
- Customer B ¹	46,795	250,880

¹ Revenue from trading of goods segment

¹ 來自買賣商品分部之收益

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12. OTHER INCOME

12. 其他收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income from	來自下列項目之利息收入		
– bank	– 銀行	659	188
– overdue trade receivables	– 逾期應收賬款	–	938
– promissory note receivable	– 應收承兌票據	5,400	4,246
Write-off of other payable	撇銷其他應付款項	–	7,240
Service income from money lending business	來自借貸業務之服務收入	–	38
Government grant (Note)	政府補助(附註)	3	6
Exchange gain	匯兌收益	–	281
Sundry income	雜項收入	137	435
		6,199	13,372

Note: During the year ended 31 December 2018, a government grant of approximately HK\$3,000 (2017: HK\$6,000) was granted to the Group in relation to the job credit scheme in Singapore on the condition that the Group has made CPF contributions in Singapore. The government grant has been recognised in the same periods in which the expenses were recognised.

附註：截至二零一八年十二月三十一日止年度，本集團就新加坡一項就業補助計劃獲得政府補助約3,000港元(二零一七年：6,000港元)。本集團已向新加坡之中央公積金供款，故已獲得該政府補助。該政府補助已在確認開支之相同期間內確認。

13. (LOSS) PROFIT FOR THE YEAR

13. 年內(虧損)溢利

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit for the year has been arrived at after charging (crediting):	年內(虧損)溢利乃經扣除(計入)下列各項後達致：		
Staff costs	僱員成本		
– directors' emoluments (note 14(a))	– 董事酬金(附註14(a))	9,411	11,021
– other staff costs	– 其他僱員成本	25,060	22,297
– retirement benefits scheme contributions (excluding those for Directors)	– 退休福利計劃供款(不包括就董事供款)	1,120	1,014
Total staff costs	僱員成本總額	35,591	34,332
Auditor's remuneration	核數師酬金	915	1,148
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,629	3,658
Write-off of property, plant and equipment	撇銷物業、廠房及設備	1	58
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	–	44
Net foreign exchange loss (gain)	外匯虧損(收益)淨額	17	(281)
Cost of inventories recognised as expenses	確認為開支之存貨成本	156,448	349,675
Minimum lease payments under operating leases in respect of office premises and staff quarters	辦公室物業及員工宿舍經營租賃之最低租金	21,232	18,570

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14. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND EMPLOYEES' EMOLUMENTS

14. 董事及行政總裁酬金及僱員酬金

(a) Directors' and chief executive's emoluments

(a) 董事及行政總裁酬金

The emoluments paid or payable to each of the 8 (2017: 9) directors and the chief executive were as follows:

已付或應付予8名(二零一七年: 9名)董事及行政總裁各人之酬金如下:

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

	Non-executive director 非執行董事		Executive directors 執行董事			Independent non-executive directors 獨立非執行董事				Total 總計 HK\$'000 千港元	
	Wang Yingqian ¹ 王顯千 ¹ HK\$'000 千港元	Li Yang ⁵ 李陽 ⁵ HK\$'000 千港元	Liu Wei ⁶ 劉偉 ⁶ HK\$'000 千港元	Chen Wei ⁷ 陳偉 ⁷ HK\$'000 千港元	Fan Jie ⁴ 樊捷 ⁴ HK\$'000 千港元	Liu Haijing ⁸ 劉海屏 ⁸ HK\$'000 千港元	Liu Tonghui ⁹ 劉彤輝 ⁹ HK\$'000 千港元	Ru Xiang'an ¹⁰ 茹祥安 ¹⁰ HK\$'000 千港元	Ru Xiang'an ¹⁰ 茹祥安 ¹⁰ HK\$'000 千港元		
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company and its subsidiary undertakings:											
Fees	640	-	-	-	-	240	240	240	240	1,360	
Discretionary bonus (note (i))	200	-	-	-	-	40	40	40	40	320	
Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company and its subsidiary undertakings:											
Salaries	-	853	1,440	1,200	1,200	-	-	-	-	4,693	
Discretionary bonus (note (i))	-	-	360	300	300	-	-	-	-	960	
Retirement benefits scheme contributions	-	23	18	18	18	-	-	-	-	77	
Other benefits (note (iii))	-	323	696	432	550	-	-	-	-	2,001	
Total emoluments	840	1,199	2,514	1,950	2,068	280	280	280	280	9,411	

一名人士就擔任董事(無論為本公司或其附屬公司業務之董事)之服務已付或應收之酬金:

袍金
酌情花紅(附註(i))
就本公司及其附屬公司事務管理有關的董事之其他服務已付或應收之酬金:

薪金
酌情花紅(附註(i))
退休福利計劃供款
其他福利(附註(iii))

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company and its subsidiary undertakings:

Salaries
Discretionary bonus (note (i))
Retirement benefits scheme contributions
Other benefits (note (iii))

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14. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (CONTINUED)

14. 董事及行政總裁酬金及僱員酬金 (續)

(a) Directors' and chief executive's emoluments (Continued)

(a) 董事及行政總裁酬金 (續)

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

	Executive directors 執行董事					Independent non-executive directors 獨立非執行董事					Total 總計 HK\$'000 千港元	
	Tan 譚向東 ² HK\$'000 千港元	Li 李陽 ⁵ HK\$'000 千港元	Liu 劉煒 ⁵ HK\$'000 千港元	Chen 陳偉 ⁵ HK\$'000 千港元	Wang 王建 ³ HK\$'000 千港元	Fan Jie ⁴ 樊捷 ⁴ HK\$'000 千港元	Liu 劉海屏 ³ HK\$'000 千港元	Tonghui 劉彤輝 ³ HK\$'000 千港元	Ru 茹祥安 ³ HK\$'000 千港元	Xiangnan 向祥安 ³ HK\$'000 千港元		
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company and its subsidiary undertakings:	-	-	-	-	-	-	-	-	-	-	-	-
Fees	-	-	-	-	-	-	120	120	120	40	40	360
Discretionary bonus (note (i))	-	-	-	-	-	-	40	40	40	40	40	120
Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company and its subsidiary undertakings:	-	-	-	-	-	-	-	-	-	-	-	-
Salaries	558	1,799	1,200	720	77	675	-	-	-	-	-	5,029
Discretionary bonus (note (i))	720	900	480	400	200	400	-	-	-	-	-	3,100
Retirement benefits scheme contributions	6	47	18	18	5	17	-	-	-	-	-	111
Other benefits (note (iii))	540	53	797	311	-	600	-	-	-	-	-	2,301
Total emoluments	1,824	2,799	2,495	1,449	282	1,692	160	160	160	160	160	11,021

1. Appointed on 19 June 2018
 2. Resigned on 3 April 2017
 3. Resigned on 24 January 2017
 4. Appointed on 24 January 2017
 5. Resigned on 19 June 2018
1. 於二零一八年六月十九日獲委任
 2. 於二零一七年四月三日辭任
 3. 於二零一七年一月二十四日辭任
 4. 於二零一七年一月二十四日獲委任
 5. 於二零一八年六月十九日辭任

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14. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(a) Directors' and chief executive's emoluments (Continued)

Note:

- (i) The discretionary bonus is based on the relevant individual's performance and the Company's performance and profitability and the prevailing market conditions.
- (ii) Liu Wei has also been the chief executive of the Company since 19 June 2018 and his emoluments disclosed above include those for services rendered by him as chief executive.
- (iii) Other benefits represented rents paid for directors' quarters.

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, four (2017: four) were Directors whose emoluments are set out in (a) above. The aggregate emoluments of the remaining one (2017: one) individual were as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,800	3,040
Retirement benefits scheme contributions	退休福利計劃供款	18	18
		1,818	3,058

The emoluments were within the following bands:

		2018 二零一八年 No. of employee 僱員人數	2017 二零一七年 No. of employee 僱員人數
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	-
HK\$3,000,001 or HK\$3,500,000	3,000,001港元至3,500,000港元	-	1

14. 董事及行政總裁酬金及僱員酬金 (續)

(a) 董事及行政總裁酬金 (續)

附註:

- (i) 酌情花紅乃基於相關人士表現、本公司業績及盈利能力以及市場現況釐定。
- (ii) 劉煒自二零一八年六月十九日起亦為本公司行政總裁，其上文披露之酬金包括就彼擔任行政總裁而提供之服務所支付之酬金。
- (iii) 其他福利指就董事宿舍支付租金。

(b) 僱員酬金

本集團五名最高薪人士包括四名(二零一七年:四名)董事，彼等之酬金載於上文(a)部分。其餘一名人士(二零一七年:一名)之酬金總額載列如下:

		2018 二零一八年 No. of employee 僱員人數	2017 二零一七年 No. of employee 僱員人數
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	-
HK\$3,000,001 or HK\$3,500,000	3,000,001港元至3,500,000港元	-	1

酬金在下列範圍內:

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14. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(b) Employees' emoluments (Continued)

During the years ended 31 December 2018 and 2017, no emoluments were paid by the Group to the Directors and the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors and the employees waived or agreed to waive any emoluments paid by the Group during the years ended 31 December 2018 and 2017.

14. 董事及行政總裁酬金及僱員酬金 (續)

(b) 僱員酬金 (續)

於截至二零一八年及二零一七年十二月三十一日止年度，本集團並無向董事及五名最高薪人士支付酬金以吸引彼等加盟本集團或作為彼等加盟本集團之獎勵或作為離職補償。於截至二零一八年及二零一七年十二月三十一日止年度，並無董事及僱員放棄或同意放棄本集團已付之任何酬金。

15. INCOME TAX EXPENSE

15. 所得稅開支

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax:	當期稅項：		
Hong Kong Profits Tax	香港利得稅	–	775
PRC Enterprise Income Tax	中國企業所得稅	4,253	4,788
Withholding tax paid on distributed earnings of a PRC subsidiary (Note (i))	一間中國附屬公司已分派盈利之預扣稅 (附註(i))	–	1,128
		4,253	6,691
Under provision in prior years:	過往年度撥備不足：		
PRC Enterprise Income Tax	中國企業所得稅		
– Rongjinda Finance (Note (ii))	– 融金達融資 (附註(ii))	634	3,289
– Others	– 其他	–	232
		634	3,521
Deferred tax (note 29):	遞延稅項 (附註29)：		
Current year	本年度	(3,399)	(2,199)
		1,488	8,013

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15. INCOME TAX EXPENSE (CONTINUED)

Hong Kong Profits Tax has not been provided for the year ended 31 December 2018 as the loss for the taxation purpose is estimated during the year. Hong Kong Profits Tax has been provided at the rate of 16.5% of the estimated assessable profit for the year ended 31 December 2017.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries, is 25% from 1 January 2008 onwards.

No provision for Singapore and the United States of America Profits Tax has been made as the Group did not generate any assessable profits in Singapore and the United States of America during the two years ended 31 December 2018 and 2017.

Notes:

- (i) According to the PRC New Corporate Income Tax Law, distribution of profits earned by PRC companies since 1 January 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.
- (ii) Rongjinda Finance Lease Company Limited* (融金達融資租賃有限公司) ("Rongjinda Finance") was established in Qianhai, Shenzhen. Pursuant to the notice issued by the Authority of Qianhai Shenzhen – Hong Kong Modern Service Industry Cooperation Zone dated 10 October 2017, Rongjinda Finance cannot fulfil the requirements entitling it to enjoy the concessionary tax rate. Therefore, the applicable tax rate of Rongjinda Finance was restored to 25% from the first profit making year, i.e. year ended 31 December 2015.

15. 所得稅開支 (續)

由於年內估計就稅項目的錄得虧損，故於截至二零一八年十二月三十一日止年度並無計提香港利得稅撥備。於截至二零一七年十二月三十一日止年度，香港利得稅乃就估計應課稅溢利按稅率16.5%計算。

根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法之實施條例，中國附屬公司由二零零八年一月一日起之稅率為25%。

因本集團並無於截至二零一八年及二零一七年十二月三十一日止兩個年度內於新加坡及美利堅合眾國產生任何應課稅溢利，故概無就新加坡及美利堅合眾國利得稅作出撥備。

附註：

- (i) 根據中國新企業所得稅法，在向於境外註冊成立之直接控股公司分派溢利時，中國公司自二零零八年一月一日起向外國投資者分派所賺取之溢利須按5%或10%的稅率繳納預扣稅，視乎該外國投資者註冊成立所在國而定。
- (ii) 融金達融資租賃有限公司（「融金達融資」）於深圳前海成立。根據深圳市前海深港現代服務業合作區管理局發佈之日期為二零一七年十月十日之通知，融金達融資未能滿足享有優惠稅率之規定。因此，融金達融資之適用稅率自首次盈利年度（即截至二零一五年十二月三十一日止年度）起恢復為25%。

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15. INCOME TAX EXPENSE (CONTINUED)

The income tax expense for the year can be reconciled to the (loss) profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

15. 所得稅開支 (續)

年內之所得稅開支與綜合損益及其他全面收益表所列之除稅前(虧損)溢利對賬如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit before tax	除稅前(虧損)溢利	(74,061)	32,538
Tax at the domestic income tax rate of 25% (2017: 25%)	按本地所得稅稅率25% (二零一七年: 25%) 計算之稅項	(18,515)	8,134
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司採用不同稅率之影響	5,634	(831)
Tax effect of expenses not deductible for tax purpose	不得扣稅開支之稅務影響	6,557	2,712
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(1,175)	(7,106)
Tax effect of share of losses of associates	分佔聯營公司虧損之稅務影響	-	360
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	7,966	2,294
Under provision in prior years	過往年度撥備不足	634	3,521
Withholding tax on distributed profits of subsidiary operating in the PRC	中國附屬公司已分派溢利之預扣稅	-	1,128
Re-measurement of deferred tax due to change of applicable tax rate	因適用稅率改變重新計量遞延稅項	-	(2,199)
Tax effect of temporary difference not recognised	未確認之暫時差額之稅務影響	387	-
Income tax expense	所得稅開支	1,488	8,013

Details of deferred tax are set out in note 29.

遞延稅項詳情載於附註29。

16. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2018, nor has any dividend been proposed since the end of the reporting period (2017: nil).

16. 股息

本公司於截至二零一八年十二月三十一日止年度並無派付或擬派任何股息，且自報告期末以來並無擬派任何股息(二零一七年: 無)。

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

17. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to the owners of the Company is based on the following data:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit	(虧損)溢利		
(Loss) profit for the purpose of basic and diluted (loss) earnings per share	就每股基本及攤薄(虧損)盈利而言之(虧損)溢利		
((Loss)profit for the year attributable to owners of the Company)	(本公司擁有人應佔年內(虧損)溢利)	(75,533)	24,533

		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股 (Restated) (經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss) earnings per share	就每股基本及攤薄(虧損)盈利而言之普通股加權平均數	4,201,149	3,632,283

The computation of diluted (loss) earnings per share does not assume the exercise of the Company's share options because the exercise prices of those options were higher than the average market price for both 2018 and 2017.

By passing an ordinary resolution at the special general meeting of the Company held on 16 October 2018, every two ordinary shares of HK\$0.05 each in the issued and unissued share capital of the Company were consolidated into one consolidated ordinary share of HK\$0.1 each in the issued and unissued share capital of the Company. As a result of the share consolidation, the weighted average number of ordinary shares adopted in the calculation of the basic and diluted earnings per share for the year ended 31 December 2017 have been adjusted retrospectively.

17. 每股(虧損)盈利

本公司擁有人應佔每股基本及攤薄(虧損)盈利乃根據以下數據計算:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) profit		
(Loss) profit for the purpose of basic and diluted (loss) earnings per share		
((Loss)profit for the year attributable to owners of the Company)	(75,533)	24,533

	2018 二零一八年 '000 千股	2017 二零一七年 '000 千股 (Restated) (經重列)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss) earnings per share	4,201,149	3,632,283

由於本公司購股權之行使價高於二零一八年及二零一七年之平均市價，故計算每股攤薄(虧損)盈利時並無假設該等購股權獲行使。

透過於二零一八年十月十六日舉行之本公司股東特別大會上通過一項普通決議案，將每兩股本公司已發行及未發行股本中每股面值0.05港元之普通股合併為一股本公司已發行及未發行股本中每股面值0.1港元之合併普通股。由於股份合併，計算截至二零一七年十二月三十一日止年度之每股基本及攤薄盈利時採納的普通股加權平均數已經追溯調整。

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本					
At 1 January 2017	於二零一七年一月一日	386	853	13,813	477	15,529
Exchange realignment	匯兌調整	3	19	123	-	145
Acquisition of subsidiaries	收購附屬公司	6	1,332	-	-	1,338
Additions	添置	417	90	821	-	1,328
Written off	撇銷	(47)	(136)	-	-	(183)
Disposals	出售	-	-	(1,157)	-	(1,157)
At 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日及 二零一八年一月一日	765	2,158	13,600	477	17,000
Exchange realignment	匯兌調整	(20)	(13)	(132)	-	(165)
Additions	添置	50	128	-	-	178
Written off	撇銷	-	(44)	-	-	(44)
At 31 December 2018	於二零一八年 十二月三十一日	795	2,229	13,468	477	16,969
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值					
At 1 January 2017	於二零一七年一月一日	227	417	4,189	278	5,111
Exchange realignment	匯兌調整	1	12	79	-	92
Provided for the year	年內撥備	214	465	2,820	159	3,658
Written off	撇銷	(29)	(96)	-	-	(125)
Disposals	出售	-	-	(213)	-	(213)
At 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日及 二零一八年一月一日	413	798	6,875	437	8,523
Exchange realignment	匯兌調整	(8)	(21)	(93)	-	(122)
Provided for the year	年內撥備	93	773	2,723	40	3,629
Written off	撇銷	-	(43)	-	-	(43)
At 31 December 2018	於二零一八年 十二月三十一日	498	1,507	9,505	477	11,987
CARRYING VALUES	賬面值					
At 31 December 2018	於二零一八年 十二月三十一日	297	722	3,963	-	4,982
At 31 December 2017	於二零一七年 十二月三十一日	352	1,360	6,725	40	8,477

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

18. PROPERTY, PLANT AND EQUIPMENT

(CONTINUED)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following useful life and rates per annum:

Furniture and fixtures	10% – 33.33%
Office equipment	10% – 33.33%
Motor vehicles	16.67% – 33.33%
Leasehold improvements	Over the term of the lease or three years, whichever is shorter

19. INTANGIBLE ASSET

18. 物業、廠房及設備 (續)

上述物業、廠房及設備項目根據直線基準按以下可使用年期及年率計提折舊：

傢俬及裝置	10% – 33.33%
辦公室設備	10% – 33.33%
汽車	16.67% – 33.33%
租賃物業裝修	租賃年期或三年 (以較短者為準)

19. 無形資產

Money
lending
license
放貸牌照
HK\$'000
千港元

COST AND CARRYING VALUE

成本及賬面值

At 1 January 2017, 31 December 2017,
1 January 2018 and 31 December 2018

於二零一七年一月一日、
二零一七年十二月三十一日、
二零一八年一月一日及
二零一八年十二月三十一日

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The license has a legal life of 1 year but is renewable every year at minimal cost. The Directors are of the opinion that the Group would renew the license continuously and has the ability to do so. Various studies including product life cycle studies, market, competitive and environmental trends, and brand extension opportunities have been performed by management of the Group, which supports that the license has no foreseeable limit to the period over which the provision of services restricted by license are expected to generate net cash flows for the Group.

As a result, the license is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The license will not be amortised until its useful life is determined to be finite. Instead, it will be tested for impairment annually and whenever there is an indication that it may be impaired.

牌照之法律年期為1年，但可以最低成本每年續期。董事認為本集團將會持續為牌照續期，並擁有此能力。本集團管理層已進行多項研究，包括產品年期研究、市場、競爭及環境趨勢、以及品牌擴大機遇，該等研究支持牌照年期並無預期限制，而提供該牌照限制之服務可於其年期期間為本集團帶來現金流量淨額。

因此，本集團管理層認為該牌照具有無限使用年期，因為預期該牌照可無限提供現金流入淨額。牌照將不會獲攤銷，直至其使用年期被釐定為有限，或於每年及當顯示其可能獲減值時測試其減值。

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

19. INTANGIBLE ASSET (CONTINUED)

At 31 December 2018, management of the Group determines that there are no impairments of the cash-generating unit containing the license with indefinite useful life.

The recoverable amount of the cash-generating unit containing the license is determined on a value in use calculation. Management of the Group prepared a cash flow forecast based on financial budgets approved by management covering a 5-year period, and discount rate of 16.50% (2017: 16.59%). The forecast for the budgeted period was based on the approved loan agreement entered before the reporting date and the expectations for the market development in the money leading business. Management believes that any reasonably possible change in the discount rate would not cause the carrying amount of the cash-generating unit containing a license to exceed the recoverable amount of the cash-generating unit.

19. 無形資產 (續)

於二零一八年十二月三十一日，本集團管理層釐定其包含擁有無限使用年期之牌照之現金產生單位並無出現減值。

包含牌照之現金產生單位之可收回金額乃按照所計算之使用價值釐定。本集團管理層基於經管理層批准五年期間之財政預算作出現金流量預測，及貼現率為16.50%（二零一七年：16.59%）。預算期間之預測乃基於於報告日期前訂立之經批准貸款協議及對放貸業務市場發展的預期而作出。管理層相信，貼現率之任何合理可能變動將不會導致包含牌照之現金產生單位之賬面值超過現金產生單位之可收回金額。

20. GOODWILL

20. 商譽

		HK\$'000 千港元
COST		
At 1 January 2017	成本 於二零一七年一月一日	-
Acquisition of subsidiaries	收購附屬公司	71,582
At 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年十二月三十一日、 二零一八年一月一日及 二零一八年十二月三十一日	71,582
IMPAIRMENT		
At 1 January 2017, 31 December 2017 and 1 January 2018	減值 於二零一七年一月一日、 二零一七年十二月三十一日及 二零一八年一月一日	-
Provided for the year	年內撥備	28,982
At 31 December 2018	於二零一八年十二月三十一日	28,982
CARRYING VALUE		
At 31 December 2018	賬面值 於二零一八年十二月三十一日	42,600
At 31 December 2017	於二零一七年十二月三十一日	71,582

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綜合財務報表附註

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

20. GOODWILL (CONTINUED)

Goodwill was allocated to the Group's cash generating unit ("CGU") of regulated financial services business. The acquisition was completed on 14 August 2017.

The recoverable amount of regulated financial services business has been determined based on the value-in-use calculation with reference to a valuation performed by independent professional qualified valuers not connected to the Group. That calculation uses cash flow projections based on financial budgets approved by management of the Group covering a 5-year period, and a discount rate of 16.50% (2017: 16.89%). Cash flows beyond 5-year period are projected using 3% growth rate. The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU. Other key assumptions for the value-in-use calculations relate to the estimation of cash inflows/outflows which include budgeted revenue from regulated financial services business, such estimations are based on the CGU's past performance and management's expectations for the market development. Due to unsatisfactory market sentiment and keen competition, in particular uncertainties in the financial market, the aggregate carrying amount of CGU exceed the aggregate recoverable amount of CGU. As a result, an impairment of approximately HK\$28,982,000 for the goodwill was recognised in profit or loss for the year ended 31 December 2018.

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity instruments

Listed equity investment in London,
at fair value (note i,iii)

Unlisted equity securities in Hong Kong,
at fair value (note ii,iii)

股本工具

於倫敦的上市股本投資，
按公平值計算（附註i、iii）

於香港的非上市股本證券，
按公平值計算（附註ii、iii）

20. 商譽 (續)

商譽已分配至本集團受規管金融服務業務的現金產生單位（「現金產生單位」）。收購於二零一七年八月十四日完成

受規管金融服務業務之可收回金額已按照使用價值計算釐定，並參考與本集團概無關連之獨立專業合資格估值師所進行之估值。該計算使用基於本集團管理層批准五年期間之財政預算作出之現金流量預測，及貼現率為16.50%（二零一七年：16.89%）。超過五年期間之現金流量按3%增長率推算得出。所使用的貼現率為稅前並反映與相關現金產生單位有關的特定風險。使用價值計算的其他主要假設涉及估計現金流入／流出，其中包括受規管金融服務業務產生的預算收益，該估計基於現金產生單位的過往表現及管理層對市場發展的預期作出。由於市場氛圍並不樂觀且競爭激烈，尤其是金融市場充滿不確定因素，現金產生單位之賬面總值超過現金產生單位之總可收回金額。因此，截至二零一八年十二月三十一日止年度於損益確認商譽減值約28,982,000港元。

21. 按公平值計入其他全面收益之金融資產

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Equity instruments		
Listed equity investment in London, at fair value (note i,iii)	5,227	7,062
Unlisted equity securities in Hong Kong, at fair value (note ii,iii)	10,940	23,760
	16,167	30,822

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

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

Notes:

- i) The Group's listed equity investment represented 9.09% equity interest in a company listed in Alternative Investment Market of London Stock Exchange as at the end of the reporting period. The listed equity investment is measured at fair value and is classified as level 1 fair value measurement (see note 8).
- ii) In 2002, the Group, through an acquisition of a wholly-owned subsidiary, acquired 30,000,000 promoters' shares in Beijing Beida Jade Bird Universal Sci-Technology Company ("BBJB") (the "Promoters' Shares") of RMB0.1 each at a consideration of HK\$38,250,000, which is equivalent to 2.18% of total issued share capital (including H shares and Promoters' Shares) of BBJB as at the end of the reporting period.

BBJB is a joint stock company with limited liability incorporated in the PRC with its H shares listed on GEM of the Stock Exchange (the "GEM Board"). The Promoters' Shares were unlisted share capital issued by BBJB when it was initially listed on the GEM Board in 2000. According to the Company Law in the PRC, the Promoters' Shares were not transferable within three years from the date of incorporation of BBJB on 29 March 2000. The unlisted equity investment is measured at fair value and is classified as level 2 fair value measurement (see note 8).

- iii) The above Investments are intended to be held for medium to long term. Designation of these investments as equity investment of fair value through other comprehensive income can avoid the volatility of the fair value change of these Investments to the profit and loss.

Fair value loss of the financial assets at fair value through other comprehensive income approximately HK\$14,655,000 (2017: HK\$1,095,000, restated) was recognised as other comprehensive expense during the year ended 31 December 2018.

21. 按公平值計入其他全面收益之金融資產 (續)

附註：

- i) 本集團之上市股本投資指於報告期末於一間倫敦證券交易所另類投資市場上市公司中的9.09%股權。上市股本投資以公平值計算及分類為第一類公平值計量（見附註8）。
- ii) 於二零零二年，本集團透過收購一間全資附屬公司，以38,250,000港元代價購入30,000,000股北京北大青鳥環宇科技股份有限公司（「北大青鳥」）每股面值人民幣0.1元之發起人股份（「發起人股份」），相等於報告期末北大青鳥已發行股本總額（包括H股及發起人股份）2.18%。

北大青鳥為於中國註冊成立之股份有限責任公司，其H股在聯交所GEM（「GEM」）上市。發起人股份為北大青鳥於二零零零年首次在GEM上市時發行之非上市股本。根據中國公司法，發起人股份自北大青鳥於二零零零年三月二十九日註冊成立起計三年內不得轉讓。非上市股本投資以公平值計算及分類為第二類公平值計量（見附註8）。

- iii) 上述投資擬於中長期持有。指定該等投資為按公平值計入其他全面收益之股本投資能避免該等投資之公平值變動對損益產生波動影響。

截至二零一八年十二月三十一日止年度，按公平值計入其他全面收益之金融資產之公平值虧損約14,655,000港元（二零一七年：1,095,000港元（經重列））確認為其他全面支出。

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

22. FINANCE LEASE RECEIVABLES

All interest rates inherent in the leases are fixed at the contract date over the lease terms.

Finance lease receivables	應收融資租賃款項	213,980	224,166
Less: allowance for impairment of finance lease receivables	減：應收融資租賃減值撥備	(35,195)	(22,756)
Finance lease receivables, net	應收融資租賃款項，淨額	178,785	201,410
Analysed for reporting purposes as:	就報告目的分析為：		
– Non-current assets	– 非流動資產	–	7,673
– Current assets	– 流動資產	178,785	193,737

The movements on the allowance for impairment of finance lease receivables are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	22,756	22,184
Exchange realignment	匯兌調整	(1,156)	572
Impairment loss recognised	已確認減值虧損	13,595	–
At 31 December	於十二月三十一日	35,195	22,756

22. 應收融資租賃款項

租賃之所有固有利率按租約期限於合約日期釐定。

應收融資租賃款項減值撥備變動如下：

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

22. FINANCE LEASE RECEIVABLES (CONTINUED)

22. 應收融資租賃款項 (續)

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款之現值	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance lease receivables comprise:	應收融資租賃款項包括：				
Within one year	一年內	179,019	195,230	178,785	193,737
After one year but within two years	一年後但於兩年內	-	7,840	-	7,673
		179,019	203,070	178,785	201,410
Less: unearned interest income	減：未賺取利息收入	(234)	(1,660)	-	-
Present value of minimum lease payment receivables	應收最低租賃付款之現值	178,785	201,410	178,785	201,410

Effective interest rates of the above finance leases range from 6% to 8% (2017: 5.1% to 6%) per annum. As at 31 December 2018 and 2017, finance lease receivables are secured over the motor vehicles and plant and machinery leased and for certain corporate lessees, equity interest of the lessees are required as additional security.

Before accepting any finance lease arrangement, the Group assesses the financial strength of the lessee and considers the credit limit granted to the lessee. In addition, the Group may request for the guarantor with strong financial status where necessary.

As at 31 December 2018, finance lease receivables before allowance for impairment of approximately RMB172,403,000, equivalent to approximately HK\$196,278,000 (2017: approximately RMB149,410,000, equivalent to approximately HK\$179,127,000) was past due. Included in the carrying amount of the above finance lease receivables as at 31 December 2018 are two individually impaired receivables (2017: one individually impaired receivable) of approximately RMB30,913,000, equivalent to approximately HK\$35,195,000 (2017: RMB18,981,000, equivalent to approximately HK\$22,756,000) which impairment was made due to customers' default in payment. The Group has taken legal actions against these customers and considered the legal opinion from independent legal advisers during impairment assessment. For the remaining past due amount of approximately RMB141,490,000 (equivalent to approximately HK\$161,083,000), subsequent to the end of the reporting period, partial settlements were received and repayment terms, schedules or debt settlement arrangement have been negotiated or agreed between the Group and the lessees and as such there is no default in repayment thereafter. Accordingly, the Directors considered no further impairment loss needs to be recognised.

上述融資租賃之實際年利率介乎6%至8% (二零一七年：5.1%至6%)。於二零一八年及二零一七年十二月三十一日，應收融資租賃款項以租賃汽車、廠房及機器作抵押，及(就若干企業承租人而言)以承租入股權作為額外抵押。

在接受任何融資租賃安排前，本集團會評估承租人之財務實力，並考慮授予該承租人之信貸限額。此外，倘必要，本集團可能要求提供具有穩固財務狀況之擔保人。

於二零一八年十二月三十一日，扣除減值撥備前應收融資租賃款項約人民幣172,403,000元(相當於約196,278,000港元)(二零一七年：約人民幣149,410,000元(相當於約179,127,000港元))已逾期。於二零一八年十二月三十一日，上述應收融資租賃款項之賬面值包括兩項個別減值之應收款項(二零一七年：一項個別減值之應收款項)約人民幣30,913,000元，相等於約35,195,000港元(二零一七年：約人民幣18,981,000元，相等於約22,756,000港元)，該減值乃主要由於客戶拖欠付款所致。本集團已對該等客戶採取法律行動及於減值評估中考慮來自獨立法律顧問之法律意見。就剩餘逾期款項約人民幣141,490,000元(相當於約161,083,000港元)而言，於報告期結束後，由於部分款項已獲償付及本集團與承租人已磋商並協定了還款條款、時間表或債務清償安排，故其後不存在拖欠還款情況。因此，董事認為毋須確認進一步減值虧損。

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22. FINANCE LEASE RECEIVABLES (CONTINUED)

Management closely monitors the credit quality of finance lease receivables and considers the finance lease receivables that are neither past due nor impaired relate to finance lessees for whom there was no recent history of default. As at 31 December 2018, the age of the finance lease receivables was within three years (2017: within three years) based on the effective dates of the relevant lease contracts.

23. TRADE AND OTHER RECEIVABLES

Trade receivables arising from trading business	買賣業務所產生之應收賬款		
Trade receivables arising from the securities and futures brokerage business	證券及期貨經紀業務所產生之應收賬款		
Trade receivables arising from finance leasing business	融資租賃業務所產生之應收賬款		
Trade receivables arising from international air and sea freight forwarding business	國際航空及海上貨運業務所產生之應收賬款		
Less: allowance for impairment	減：減值撥備		
Prepayments	預付款項		
Deposits and other receivables	按金及其他應收款項		

The Group's trade receivables arising from securities and futures brokerage business include cash clients, Hong Kong Futures Exchange Clearing Corporation Limited ("HKFECC") and brokers with carrying amounts of approximately HK\$Nil, HK\$696,000 and HK\$15,645,000 respectively (2017: approximately HK\$157,000, HK\$3,198,000 and HK\$10,734,000 respectively).

The Group allows an average credit period normally ranging from 30 days to 180 days (2017: 30 days to 180 days) to its customers. The following is an aged analysis of trade receivables (net of allowance for doubtful debt) presented based on the invoice date or the payment date as stated in the respective contracts at the end of the reporting period, which approximates the respective revenue recognition date.

22. 應收融資租賃款項 (續)

管理層密切監控應收融資租賃款項之信貸質素並認為未逾期亦無減值之應收融資租賃款項涉及近期並無欠款記錄之融資承租人。於二零一八年十二月三十一日，根據相關租賃合約之生效日期，應收融資租賃款項之賬齡為三年內（二零一七年：三年內）。

23. 應收賬款及其他應收款項

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables arising from trading business	149,424	153,007
Trade receivables arising from the securities and futures brokerage business	16,341	14,089
Trade receivables arising from finance leasing business	7,053	4,316
Trade receivables arising from international air and sea freight forwarding business	2,041	2,420
Less: allowance for impairment	(1,464)	(1,460)
	577	960
Prepayments	2,410	1,905
Deposits and other receivables	9,827	9,319
	185,632	183,596

本集團來自證券及期貨經紀業務之應收賬款包括現金客戶、香港期貨結算有限公司（「香港期貨結算」）及經紀之貿易應收款項，賬面值分別約為零港元、696,000港元及15,645,000港元（二零一七年：分別約為157,000港元、3,198,000港元及10,734,000港元）。

本集團給予其客戶之平均信貸期一般介乎30日至180日（二零一七年：30日至180日）之間。以下為於報告期末按發票日期或相關合約所述之付款日期（與各自收益確認日期相近）呈列之應收賬款（已扣除呆賬撥備）賬齡分析。

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

23. 應收賬款及其他應收款項 (續)

		Trading business 買賣業務 HK\$'000 千港元	Finance leasing business 融資租賃業務 HK\$'000 千港元	International air and sea freight forwarding business 國際航空及 海上貨運業務 HK\$'000 千港元
2018:	二零一八年:			
Within 30 days	30日內	-	-	227
31-60 days	31至60日	-	6,541	84
61-90 days	61至90日	-	-	150
Over 90 days	超過90日	149,424	512	116
		149,424	7,053	577
2017:	二零一七年:			
Within 30 days	30日內	-	-	587
31-60 days	31至60日	141,644	-	195
61-90 days	61至90日	-	-	15
Over 90 days	超過90日	11,363	4,316	163
		153,007	4,316	960

The settlement term of trade receivables arising from the securities brokerage business are two trade days after the trade execution date. The trade receivables from HKFECC and futures brokers are repayable on demand which represent amounts deposited for trade execution purpose.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of approximately HK\$150,052,000 (2017: HK\$4,479,000) which were past due at the end of the reporting period and for which the Group has not provided for doubtful debt. The Group does not hold any collateral over these balances. Subsequent to the end of the reporting period, approximately HK\$149,424,000 (2017: HK\$4,316,000) of the past due balances were settled.

來自證券經紀業務之應收賬款結算期為進行交易日期後兩個交易日。應收香港期貨結算有限公司及期貨經紀的應收賬款為按要求償還，指存放作為進行交易按金的款項。

本集團應收賬款結餘中包括總賬面值約為150,052,000港元(二零一七年: 4,479,000港元)之應收賬款，於報告期末已逾期，且本集團並無就呆賬計提撥備。本集團並無就該等結餘持有任何抵押物。於報告期末後，約149,424,000港元(二零一七年: 4,316,000港元)之逾期結餘已獲償付。

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

The aging analysis of trade receivables that were past due but not impaired based on the invoice date or the payment date as stated in the respective contracts at the end of reporting date, which approximately the respective revenue recognition date, is as follow:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
31-60 days	31至60日	-	-
61-90 days	61至90日	-	-
Over 90 days	超過90日	150,052	4,479
		150,052	4,479

Trade receivables that were past due but not impaired related to a number of independent customers that have a good track record with the Group. The management believes that no impairment allowance is necessary in respect of these balances as they were almost fully settled after the year end.

The movements in allowance for doubtful debts of trade receivables were as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1 January	一月一日	1,460	1,449
Exchange realignment	匯兌調整	4	11
31 December	十二月三十一日	1,464	1,460

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed on a regular basis.

Trade receivables that were neither past due nor impaired related to customers for whom there was no recent history of default.

23. 應收賬款及其他應收款項 (續)

根據報告期末發票日期或相關合約所述之付款日期(與各自收益確認日期相近)已逾期但無減值之應收賬款賬齡分析如下:

已逾期但無減值之應收賬款涉及多名於本集團具有良好往績記錄之獨立客戶。管理層相信,由於該等結餘於年末後幾乎悉數結清,故無需就此等結餘計提減值撥備。

應收賬款之呆賬撥備變動如下:

在接納任何新客戶前,本集團評估潛在客戶之信貸質素,並釐訂客戶之信貸限額。客戶之信貸限額乃定期覆核。

未逾期亦無減值之應收賬款涉及近期並無欠款記錄之多名客戶。

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

23. 應收賬款及其他應收款項 (續)

本集團應用香港財務報告準則第9號項下之簡化方法，按全部應收賬款之全期預期虧損撥備計提預期信貸虧損。為計量預期信貸虧損，已根據共同信貸虧損特徵及逾期天數將應收賬款分組。預期信貸虧損亦包含前瞻性資料。

		Current	Over 30 days past due 逾期 30天以上	Over 60 days past due 逾期 60天以上	Over 90 days past due 逾期 90天以上	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2018	於二零一八年 十二月三十一日					
Weighted average expected loss rate	加權平均預期虧損率	-	-	-	1%	0.8%
Receivable amount (HK\$'000)	可收回金額(千港元)	23,343	-	-	151,516	174,859
Loss allowance (HK\$'000)	虧損撥備(千港元)	-	-	-	1,464	1,464
At 31 December 2017	於二零一七年 十二月三十一日					
Weighted average expected loss rate	加權平均預期虧損率	-	-	-	25%	0.8%
Receivable amount (HK\$'000)	可收回金額(千港元)	167,893	-	-	5,939	173,832
Loss allowance (HK\$'000)	虧損撥備(千港元)	-	-	-	1,460	1,460

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

24. 按公平值計入損益之金融資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
- Equity securities listed in Hong Kong	- 香港上市股本證券	3,003	16,380

Financial assets at fair value through profit or loss are stated at fair value. The fair value of the listed securities has been determined by reference to published price quotations in active markets. Loss on fair value change on financial assets at fair value through profit or loss of approximately HK\$13,377,000 (2017: HK\$1,624,000) has been recognised in profit or loss during the year ended 31 December 2018.

按公平值計入損益之金融資產按公平值列賬。上市證券之公平值乃經參考活躍市場之已發表報價釐定。截至二零一八年十二月三十一日止年度已於損益確認之按公平值計入損益之金融資產公平值變動之虧損約13,377,000港元(二零一七年：約1,624,000港元)。

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

No financial assets at fair value through profit or loss were disposed of during the year ended 31 December 2018. During the year ended 31 December 2017, the Group disposed of certain listed securities and realised loss on financial assets at fair value through profit or loss of approximately HK\$3,294,000 was recognised in profit or loss.

25. PLEDGED BANK DEPOSIT

The bank deposit of approximately HK\$58,000 was pledged by the Group for the purpose of issuing a guarantee by the bank to a service provider for security against default payment as at 31 December 2018 (2017: HK\$59,000). The pledged bank deposit carried at fixed interest rate of 0.35% per annum for the year ended 31 December 2018 (2017: 0.25%).

26. BANK BALANCES AND CASH

Bank balances – trust and segregated accounts

The Group receives and holds monies deposited by clients and other institutions in the course of the conduct of the brokerage business. Such monies are maintained in one or more segregated bank accounts. The Group has recognised the corresponding liabilities to respective external clients and other institutions as trade payables (note 28). However, the Group does not have a currently enforceable right to offset those payables with the deposits placed.

Bank balances – general accounts

Bank balances and cash comprises cash held by the Group and bank balances that are interest-bearing at prevailing market interest rates ranging from 0.125% to 0.30% (2017: 0.001% to 0.30%) per annum and have original maturity of three months or less.

Included in bank balances and cash are the following amounts which are subject to foreign exchange control regulations or not freely transferable:

24. 按公平值計入損益之金融資產 (續)

截至二零一八年十二月三十一日止年度，概無出售按公平值計入損益之金融資產。於截至二零一七年十二月三十一日止年度，本集團出售若干上市證券，並變現按公平值計入損益之金融資產虧損約3,294,000港元，並於損益確認。

25. 已抵押銀行存款

於二零一八年十二月三十一日，本集團已抵押銀行存款約58,000港元（二零一七年：59,000港元），以為銀行向服務供應商就違約付款的安全性發出擔保。截至二零一八年十二月三十一日止年度，已抵押銀行存款以固定年利率0.35%計息（二零一七年：0.25%）。

26. 銀行結餘及現金

銀行結餘—信託及獨立賬戶

本集團在進行經紀業務時會接納及持有客戶及其他機構存放之款項。該等款項乃存置於一個或多個獨立的銀行賬戶。本集團已確認對外部客戶及其他機構的相關負債為應付賬款（附註28）。然而，本集團現時並無以所存置存款抵銷該等應付款項的可強制執行權利。

銀行結餘—一般賬戶

銀行結餘及現金包括本集團所持現金及銀行結餘，按現行市場年利率0.125%至0.30%（二零一七年：0.001%至0.30%）計息，且原到期日為三個月或以下。

銀行結餘及現金中計入以下須受外匯管制規例限制或不可自由轉讓之款項：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Amounts denominated in: RMB	57,999	64,520
以下列貨幣計值之款項： 人民幣	57,999	64,520

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27. LOANS AND INTEREST RECEIVABLES

27. 應收貸款及利息

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loans receivables:	應收貸款：		
Secured	有抵押	46,000	80,000
Unsecured	無抵押	329,620	260,000
		375,620	340,000
Interest receivables	應收利息	29,902	22,464
		405,522	362,464
Analysed for reporting purposes as:	就報告目的分析為：		
– Non-current assets	– 非流動資產	55,000	–
– Current assets	– 流動資產	350,522	362,464
		405,522	362,464

As at 31 December 2018, secured loans with carrying amount of HK\$46,000,000 (2017: HK\$80,000,000) were secured by shares or assets charges provided by borrowers. The Group does not hold any collateral over the unsecured loans. The remaining carrying amount of approximately HK\$329,620,000 (2017: HK\$260,000,000) represents unsecured loans certain of which are accompanied by personal or corporate guarantee. The loans advanced to the borrowers under the Group's money lending business normally had loan periods from 5 to 30 months (2017: 6 to 18 months). The loans provided to borrowers bore interest rate ranging from 8% – 15% per annum (2017: 8% – 15% per annum), depending on the individual credit evaluations of the borrowers. These evaluations focus on the borrowers' financial background, individual credit rating, current ability to pay, and take into account information specific to the borrowers as well as the guarantees and/or security from the borrowers (where necessary). The loans provided to borrowers are repayable in accordance with the loan agreements, in which the principal amounts are repayable on maturity and the interests are repayable half-yearly, yearly or on maturity.

於二零一八年十二月三十一日，賬面值為46,000,000港元（二零一七年：80,000,000港元）之有抵押貸款乃由借款人提供之股份或資產押記作為抵押。本集團並無就無抵押貸款持有任何抵押品。剩餘賬面值約329,620,000港元（二零一七年：260,000,000港元）為無抵押貸款，其中若干金額附帶個人或公司擔保。本集團之借貸業務授予借款人之貸款之貸款期通常為5至30個月（二零一七年：6至18個月）。提供予借款人之貸款按介乎每年8%至15%之利率（二零一七年：每年8%至15%）計息，其取決於借款人之個別信貸評估。該等評估專注於借款人之財務背景、個人信貸評級、現時支付能力及計及借款人之特定資料以及來自借款人之保證及／或抵押（如必要）。提供予借款人之貸款應根據貸款協議償還，當中本金額應於到期時償還及利息應每半年、每年或於到期時償還。

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27. LOANS AND INTEREST RECEIVABLES

(CONTINUED)

The following is an aged analysis of loans and interest receivables, presented based on the dates which loans are granted to borrowers and interests are accrued.

Within 90 days	90天內
91 – 180 days	91至180天
181 – 365 days	181至365天
Over 365 days	超過365天

As at 31 December 2018, loans and interest receivables of approximately HK\$294,444,000 (2017: HK\$206,924,000) were past due. Subsequent to the end of the reporting period, approximately HK\$16,315,000 of the past due balances were settled. The remaining past due amount of approximately HK\$278,129,000 are due from several borrowers with whom the Group is negotiating practicable repayment terms and schedules. The Directors assessed their creditworthiness and financial position and are of view that no impairment loss is necessary. The Group's neither past due nor impaired loan receivables mainly represented loans granted to creditworthy customers for whom there was no recent history of default. Accordingly, the Directors considered that no impairment loss is necessary. Save for the aforesaid secured loans, the Group does not hold collateral over other balances.

27. 應收貸款及利息 (續)

以下為應收貸款及利息之賬齡分析，乃按向借款人授出貸款之日期及已產生利息呈列。

2018	2017
二零一八年	二零一七年
HK\$'000	HK\$'000
千港元	千港元
7,238	4,994
49,457	6,802
64,423	199,131
284,404	151,537
405,522	362,464

於二零一八年十二月三十一日，應收貸款及利息約294,444,000港元（二零一七年：206,924,000港元）已逾期。於報告期末後，約16,315,000港元之逾期款項已獲結算。剩餘的逾期款項約278,129,000港元乃來自若干借款人，本集團正與彼等進行磋商實際的還款條款及時間表。董事已評估彼等之信譽及財務狀況並認為無需計提減值虧損。本集團之未逾期亦無減值之應收貸款主要指向近期並無欠款記錄之高信用度客戶授出之貸款。因此，董事認為毋須作出減值虧損。除上述有抵押貸款外，本集團並無就其他結餘持有抵押品。

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28. TRADE AND OTHER PAYABLES

28. 應付賬款及其他應付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables arising from the securities and futures brokerage business	來自證券及期貨經紀業務之應付賬款	24,776	47,985
Trade payables arising from international air and sea freight forwarding services	來自國際航空及海上貨運服務之應付賬款	800	1,066
Earnest money from finance lease receivables	應收融資租賃款項之保證金	7,081	7,458
Value-added tax payable	應付增值稅	960	540
Accrued charges	應計費用	8,346	9,153
Other payables	其他應付款項	1,939	43
		43,902	66,245

The Group's trade payables arising from securities and futures brokerage business include margin clients, cash clients and clearing houses with carrying amounts of approximately HK\$23,873,000, HK\$903,000 and HK\$nil respectively (2017: HK\$44,931,000, HK\$2,898,000 and HK\$156,000 respectively).

For trade payables arising from the securities and futures brokerage business, no aging analysis is disclosed for the Group's margin and cash clients and clearing house as these clients were carried on an open account basis, the aging analysis does not give additional value in the view of the nature of business of securities brokerage. Also, the settlement terms of clearing house is two trading days after the transaction dates.

The average credit period on international air and sea freight forwarding services is normally ranging from 30 days to 90 days (2017: 30 days to 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

本集團來自證券及期貨經紀業務之應付賬款包括孖展客戶、現金客戶及結算所之貿易應付款項，賬面值分別約為23,873,000港元、903,000港元及零港元（二零一七年：分別為44,931,000港元、2,898,000港元及156,000港元）。

就來自證券及期貨經紀業務之應付賬款而言，由於本集團孖展及現金客戶以及結算所乃按往來賬戶基準列賬，且基於證券經紀業務之性質，賬齡分析並無給予額外價值，故本集團並無披露該等客戶之賬齡分析。此外，結算所之結算期為買賣日期後之兩個交易日。

國際航空及海上貨運服務之平均信貸期一般介乎30日至90日（二零一七年：30日至90日）。本集團訂有財務風險管理政策以保證所有應付款項乃於信貸時間框架內結清。

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28. TRADE AND OTHER PAYABLES (CONTINUED)

The following is an aged analysis of trade payables from international air and sea freight forwarding services presented based on the invoice date at the end of the reporting period:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 30 days	30日內	169	439
31-60 days	31至60日	-	2
61-90 days	61至90日	7	1
Over 90 days	超過90日	624	624
		800	1,066

29. DEFERRED TAX

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	8,676	5,689
Deferred tax liabilities	遞延稅項負債	-	-
		8,676	5,689

28. 應付賬款及其他應付款項 (續)

以下為於報告期末來自國際航空及海上貨運服務之應付賬款的賬齡分析，乃按發票日期呈列：

29. 遞延稅項

就財務報告而言，遞延稅項結餘之分析如下：

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29. DEFERRED TAX (CONTINUED)

The followings are the major deferred tax liabilities (assets) recognised and movements there on during the current year and prior year:

29. 遞延稅項 (續)

於本年度及上年度確認之主要遞延稅項負債(資產)及其變動概述如下:

		Accelerated tax depreciation	Tax losses	Fair value change in financial assets at fair value through profit or loss 按公平計 計入損益 之金融資產 公平值變動	Impairment on finance lease receivables 融資租賃 應收款項減值	Total
		加速稅項折舊 HK\$'000 千港元	稅務虧損 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	1,010	(9,343)	8,333	(3,179)	(3,179)
(Credit) charge to consolidated profit or loss:	自綜合損益(計入)扣除:					
- current year movement	—當前年度變動	(354)	8,687	(8,333)	-	-
- Remeasurement of opening balance (note i)	—期初結餘重新計量 (附註i)	-	-	-	(2,199)	(2,199)
Exchange realignment	匯兌調整	-	-	-	(311)	(311)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及 二零一八年一月一日	656	(656)	-	(5,689)	(5,689)
(Credit) charge to consolidated profit or loss:	自綜合損益(計入)扣除:					
- current year movement	—當前年度變動	(656)	656	-	(3,399)	(3,399)
Exchange realignment	匯兌調整	-	-	-	412	412
At 31 December 2018	於二零一八年十二月三十一日	-	-	-	(8,676)	(8,676)

Note:

附註:

(i) Re-measurement of deferred tax due to change of applicable tax rate of Rongjinda Finance (note 15(ii)).

(i) 因融金達融資之適用稅率變動而進行遞延稅項重新計量(附註15(ii))。

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29. DEFERRED TAX (CONTINUED)

At 31 December 2018, the Group has estimated unutilised tax losses of approximately HK\$341,642,000 (2017: HK\$296,177,000) available for offset against future profits. No deferred tax asset has been recognised in respect of estimated unutilised tax losses (2017: HK\$3,976,000) due to the unpredictability of future profit streams.

The estimated unutilised tax losses of approximately HK\$334,977,000 (2017: HK\$294,995,000) may be carried forward against future taxable income indefinitely under the current tax legislation in Hong Kong.

The estimated unutilised tax losses attributable to subsidiaries in the PRC amounted to approximately HK\$5,513,000 (2017: HK\$242,000) that will expire within five years from the end of the reporting period.

The estimated unutilised tax losses attributable to a subsidiary in Singapore amounted to approximately HK\$1,152,000 (2017: HK\$940,000) of which the use is subject to the agreement of the tax authority and compliance with certain provision of the tax legislation in Singapore and may be carried forward against future taxable income indefinitely. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised. The Group had no other unrecognised deductible temporary difference as at 31 December 2018 and 2017.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries (2017: HK\$3,990,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

29. 遞延稅項 (續)

於二零一八年十二月三十一日，本集團可用作抵銷未來溢利之估計未動用稅務虧損約為341,642,000港元（二零一七年：296,177,000港元）。由於未能預測日後之溢利來源，故本集團並無就估計未動用稅務虧損確認遞延稅項資產（二零一七年：3,976,000港元）。

估計未動用稅務虧損約334,977,000港元（二零一七年：294,995,000港元）根據香港現行稅法可無限期結轉，以抵銷未來應課稅收入。

估計未動用稅務虧損歸屬於中國附屬公司，為數約5,513,000港元（二零一七年：242,000港元），將於報告期末起五年內屆滿。

估計未動用稅務虧損歸屬於一間新加坡附屬公司，為數約1,152,000港元（二零一七年：940,000港元），動用該筆稅務虧損須經稅務局同意，並須符合新加坡稅法的若干條文，可無限期結轉，以抵銷未來應課稅收入。由於不可能有可扣減暫時差額可供抵銷應課稅溢利，故並無就該等可扣減暫時差額確認遞延稅項資產。於二零一八年及二零一七年十二月三十一日，本集團並無其他未確認可扣減暫時差額。

根據中國企業所得稅法，自二零零八年一月一日起，預扣稅實行於在中國附屬公司所得溢利之宣派股息。由於本集團能控制暫時差額之撥回時間，且暫時差額不大可能於可見將來撥回，有關歸屬於中國附屬公司累積溢利之暫時差額的遞延稅項並未包括在綜合財務報表（二零一七年：3,990,000港元）。

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30. SHARE CAPITAL

30. 股本

		Number of shares 股份數目 2018 二零一八年 '000 千股	Number of shares 股份數目 2017 二零一七年 '000 千股	Share capital 股本 2018 二零一八年 HK\$'000 千港元	Share capital 股本 2017 二零一七年 HK\$'000 千港元
Ordinary shares of HK\$0.1 (2017: HK\$0.05) each	每股面值0.1港元 (二零一七年: 0.05港元)之普通股				
Authorised:	法定:				
At 1 January	於一月一日	50,000,000	50,000,000	2,500,000	2,500,000
Share consolidation (note iii)	股份合併 (附註iii)	(25,000,000)	-	-	-
At 31 December	於十二月三十一日	25,000,000	50,000,000	2,500,000	2,500,000
Issued and fully paid:	已發行及繳足:				
At 1 January	於一月一日	7,264,566	7,264,566	363,228	363,228
Issue of shares upon placement of shares (note i)	於配售股份後發行股份 (附註i)	1,452,000	-	72,600	-
Issue of shares upon placement of shares (note ii)	於配售股份後發行股份 (附註ii)	1,452,000	-	72,600	-
Share consolidation (note iii)	股份合併 (附註iii)	(5,084,283)	-	-	-
As 31 December	於十二月三十一日	5,084,283	7,264,566	508,428	363,228

Note:

- (i) On 30 May 2018, the Company and a placing agent entered into a placing agreement in respect of the placement of 1,452,000,000 ordinary shares of HK\$0.05 each to independent investors at a price of HK\$0.07 per share. The placement was completed on 25 June 2018 and the premium on the issue of shares, amounting to approximately HK\$26,805,000 net of share issue expenses of approximately HK\$2,235,000, was credited to the Company's share premium account.
- (ii) On 31 August 2018, the Company and a placing agent entered into a placing agreement in respect of the placement of 1,452,000,000 ordinary shares of HK\$0.05 each to independent investors at a price of HK\$0.101 per share. The placement was completed on 27 September 2018 and the premium on the issue of shares, amounting to approximately HK\$70,636,000 net of share issue expenses of approximately HK\$3,416,000, was credited to the Company's share premium account.
- (iii) Pursuant to an ordinary resolution passed on 16 October 2018, every two ordinary shares of HK\$0.05 each in the issued and unissued share capital of the Company were consolidated into one consolidated ordinary share of HK\$0.10 each in the issued and unissued share capital of the Company.

附註:

- (i) 於二零一八年五月三十日，本公司與配售代理訂立配售協議，內容有關以每股股份0.07港元之價格向獨立投資者配售1,452,000,000股每股面值0.05港元之普通股。配售事項已於二零一八年六月二十五日完成，並於本公司之股份溢價賬中計入發行股份溢價約26,805,000港元（經扣除股份發行開支約2,235,000港元）。
- (ii) 於二零一八年八月三十一日，本公司與配售代理訂立配售協議，內容有關以每股股份0.101港元之價格向獨立投資者配售1,452,000,000股每股面值0.05港元之普通股。配售事項已於二零一八年九月二十七日完成，並於本公司之股份溢價賬中計入發行股份溢價約70,636,000港元（經扣除股份發行開支約3,416,000港元）。
- (iii) 根據於二零一八年十月十六日通過之普通決議案，將每兩股本公司已發行及未發行股本中每股面值0.05港元之普通股合併為一股本公司已發行及未發行股本中每股面值0.10港元之合併普通股。

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31. SHARE OPTION SCHEME

The 2012 scheme

On 22 May 2012, the Company adopted the 2012 Scheme (the "2012 Scheme") under which the board of Directors may at its discretion offer to any Director (including non-executive Director), employee, suppliers, customers, any person or entity that provides research, development or other technological support to the Group, shareholders of any member of the Group or any entity in which the Group holds an equity interests and any other group or classes of persons or entities who have contributed to the development and growth of the Group ("Participant") to subscribe for shares in the Company in accordance with the terms of the 2012 Scheme. The principal purpose of the 2012 Scheme is to provide incentive or rewards for the Participant's contributions to the Group.

The total number of shares which may be issued upon exercise of all options to be granted under the 2012 Scheme and any other share option schemes of the Company shall not exceed 10% of the issued share capital of the Company in issue as at the date of adoption of the 2012 Scheme, unless a refresh approval from the shareholders of the Company has been obtained. However, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2012 Scheme and any other share option schemes of the Company shall not in aggregate exceed 30% of the issued share capital of the Company from time to time.

The subscription price of the option shares granted under the 2012 Scheme shall be a price to be determined by the Directors being not less than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; (iii) the nominal value of a share.

31. 購股權計劃

二零一二年計劃

於二零一二年五月二十二日，本公司採納二零一二年計劃（「二零一二年計劃」），據此，董事局可酌情向任何董事（包括非執行董事）、僱員、供應商、客戶、向本集團提供研究、開發或其他技術支援之任何人士或實體、本集團任何成員公司之股東或本集團持有其股權之任何實體以及為本集團之發展及成長作出貢獻之任何其他組別或類別之人士或實體（「參與者」）提呈購股權，以根據二零一二年計劃之條款認購本公司之股份。二零一二年計劃之主要目的在於激勵或獎勵參與者為本集團作出貢獻。

因根據二零一二年計劃及本公司任何其他購股權計劃將予授出之所有購股權獲行使而可能發行之股份總數，不得超過採納二零一二年計劃日期本公司已發行股本之10%，惟已獲本公司股東更新批准則除外。然而，因根據二零一二年計劃及本公司任何其他購股權計劃授出且將予行使而未行使之所有購股權獲行使時可能發行之股份最高數目，合共不得超過本公司不時已發行股本之30%。

根據二零一二年計劃授出之購股權股份之認購價須為董事釐定之價格，不得低於以下三者中較高者：(i)於授出日期（須為營業日）在聯交所每日報價表中所報本公司股份之收市價；(ii)於緊接授出日期前五個交易日在聯交所每日報價表所報本公司股份之平均收市價；(iii)股份之面值。

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31. SHARE OPTION SCHEME (CONTINUED)

The 2012 scheme (Continued)

The total number of shares issued and may be issued upon exercise of the options granted to any individual under the 2012 Scheme and any other share option schemes of the Company must not exceed 1% of the shares in issue.

The 2012 Scheme does not contain any requirement of a minimum period and the board of Directors of the Company may in its absolute discretion impose a minimum period requirement for each option granted will be made by the board of Directors of the Company on a case by case basis and will not be made to the advantage of the Participants.

The 2012 Scheme will remain in force for a period of ten years commencing from the date of adoption of the 2012 Scheme to 21 May 2022, after which no further options will be granted but the options which are granted during the life of the 2012 Scheme may continue to be exercisable in accordance with their terms of issue and the provisions of the 2012 Scheme shall in all other respects remain in full force and effect in respect thereof.

Options granted under the 2012 Scheme must be taken up within 21 days of the date of grant. Upon acceptance of the option, the grantee shall pay HK\$1 to the Company as consideration for the grant.

At 31 December 2018, the number of shares in respect of which options had been granted and remained outstanding under the 2012 Scheme was nil (2017: 218,002,090), representing 0% (2017: 3%) of the shares of the Company in issue as at the end of reporting period and the date of this report.

31. 購股權計劃 (續)

二零一二年計劃 (續)

因根據二零一二年計劃及本公司任何其他購股權計劃授予任何個人之購股權獲行使而發行及可能發行之股份總數，不得超過已發行股份之1%。

二零一二年計劃並無載有任何最低期限之規定，而本公司董事局可全權酌情規定最低持有期限。所授出每份購股權之最低持有期限將由董事局按不同情況釐定，且不會因參與者之利益而作出有關規定。

二零一二年計劃將自採納二零一二年計劃日期起至二零二二年五月二十一日止十年內一直有效，此後將不會進一步授出購股權，惟於二零一二年計劃存續期間授出之購股權可根據其發行條款繼續予以行使，且二零一二年計劃之條文在所有其他方面均保留十足效力及作用。

根據二零一二年計劃授出之購股權須於授出日期起21天內認購。於接納購股權時，承授人須向本公司支付1港元，作為獲授購股權之代價。

於二零一八年十二月三十一日，根據二零一二年計劃已授出但未行使購股權涉及之股份數目為零股（二零一七年：218,002,090股），相當於報告期末及本報告日期本公司已發行股份之0%（二零一七年：3%）。

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31. SHARE OPTION SCHEME (CONTINUED)

The 2012 scheme (Continued)

The following table discloses movements in the Company's share options granted under the 2012 Scheme during the years ended 31 December 2018 and 2017:

For the year ended 31 December 2018

	Date of grant	Exercisable period	Exercise price per Share	Number of share options					Outstanding as at 31.12.2018 於二零一八年十二月三十一日尚未行使
				Outstanding as at 1.1.2018 於二零一八年一月一日尚未行使	Granted during the year	Exercised during the year	Forfeited during the year	Lapsed during the year	
	授出日期	行使期	每股行使價 HK\$ 港元		年內授出	年內行使	年內沒收	年內失效	
Director	17.7.2015	17.7.2015 to 16.7.2018	0.30	10,034,030 (Note ii)	-	-	-	(10,034,030)	-
董事	二零一五年七月十七日	二零一五年七月十七日至二零一八年七月十六日							
Ex-Director	17.7.2015	17.7.2015 to 16.7.2018	0.30	8,034,030 (Note i)	-	-	-	(8,034,030)	-
前董事	二零一五年七月十七日	二零一五年七月十七日至二零一八年七月十六日							
Employees	17.7.2015	17.7.2015 to 16.7.2018	0.30	61,934,030	-	-	-	(61,934,030)	-
僱員	二零一五年七月十七日	二零一五年七月十七日至二零一八年七月十六日							
Consultants	17.7.2015	17.7.2015 to 16.7.2018	0.30	138,000,000	-	-	-	(138,000,000)	-
顧問	二零一五年七月十七日	二零一五年七月十七日至二零一八年七月十六日							
Total				218,002,090	-	-	-	(218,002,090)	-
總計									
Exercisable at the end of the year									-
於年末可行使									
Weighted average exercise price				HK\$0.30	-	-	-	HK\$0.30	-
加權平均行使價				0.30港元				0.30港元	

31. 購股權計劃 (續)

二零一二年計劃 (續)

下表披露本公司根據二零一二年計劃授出之購股權於截至二零一八年及二零一七年十二月三十一日止年度之變動：

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31. SHARE OPTION SCHEME (CONTINUED)

The 2012 scheme (Continued)

For the year ended 31 December 2017

	Date of grant	Exercisable period	Exercise price per Share	Number of share options					Outstanding as at 31.12.2017
				Outstanding as at 1.1.2017	Granted during the year	Exercised during the year	Forfeited during the year	Lapsed during the year	
	授出日期	行使期	每股行使價 HK\$ 港元	於二零一七年一月一日尚未行使	年內授出	年內行使	年內沒收	年內失效	於二零一七年十二月三十一日尚未行使
Directors	17.7.2015	17.7.2015 to 16.7.2018	0.30	60,308,060	-	-	(42,240,000)	-	18,068,060
董事	二零一五年七月十七日	二零一五年七月十七日至二零一八年七月十六日							(Note i) (附註i)
Employees	17.7.2015	17.7.2015 to 16.7.2018	0.30	166,934,030	-	-	(105,000,000)	-	61,934,030
僱員	二零一五年七月十七日	二零一五年七月十七日至二零一八年七月十六日							
Consultants	17.7.2015	17.7.2015 to 16.7.2018	0.30	138,000,000	-	-	-	-	138,000,000
顧問	二零一五年七月十七日	二零一五年七月十七日至二零一八年七月十六日							
Total				365,242,090	-	-	(147,240,000)	-	218,002,090
總計									
Exercisable at the end of the year									218,002,090
於年末可行使									
Weighted average exercise price				HK\$0.30港元	-	-	HK\$0.30港元	-	HK\$0.30港元
加權平均行使價									

Notes:

- (i) It includes 8,034,030 share options granted to Mr. Wang Jian, who resigned as a director of the Company on 24 January 2017.
- (ii) It represents share options granted to Mr. Li Yang, who resigned as a director of the Company on 19 June 2018.

附註：

- (i) 其中包括授予王建先生（其於二零一七年一月二十四日辭任本公司董事）之8,034,030份購股權。
- (ii) 其代表授予李陽先生（彼已於二零一八年六月十九日辭任本公司董事）之購股權。

32. PROMISSORY NOTE RECEIVABLE

As at 31 December 2018, the carrying amount of the promissory note receivable of HK\$90,000,000 with principal amount of HK\$90,000,000, formed part of the Group's consideration receivables in relation to the disposal of East Favor Global Investment Limited ("East Favor") to Honghu Group Limited in 2017.

32. 應收承兌票據

於二零一八年十二月三十一日，本金額為90,000,000港元之應收承兌票據的90,000,000港元賬面值構成本集團於二零一七年將東德環球投資有限公司（「東德」）出售予鴻鵠集團有限公司應收代價之一部分。

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32. PROMISSORY NOTE RECEIVABLE (CONTINUED)

The promissory note is secured by 9,608 shares of East Favor, representing 49% of the equity interest of East Favor at the issuance date. The promissory note bears interest at a rate of 6% per annum. As at 31 December 2018, the sole shareholder of Honghu Group Limited, Mr. Deng Junjie ("the Guarantor"), has provided guarantee in favour of the Company for the payment of all sums payable under the promissory note. On 20 March 2018, the Company and Honghu Group Limited entered into a supplementary deed to extend the repayment date of the promissory note to 20 March 2019 with other terms remaining unchanged. As the promissory note is to mature on 20 March 2019, the amount is classified as current assets in the consolidated statement of financial position as at 31 December 2018.

On 20 March 2019, the Company and Honghu Group Limited entered into a second supplemental deed (the "Second Supplemental Deed"). Pursuant to the Second Supplemental Deed, the repayment date of the promissory note of HK\$90,000,000 was further extended to 20 March 2020 with other terms remaining unchanged.

33. OPERATING LEASES

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	18,162	14,266
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	16,285	19,801
		34,447	34,067

Operating lease payments represent rentals of the Group for its office premises, Directors' and staff's quarters. Leases are negotiated for a range of one to three years and rentals are fixed for a range of one to three years (2017: one to three years).

32. 應收承兌票據 (續)

承兌票據以東德9,608股股份 (相當於發行日期東德股權之49%) 作抵押。承兌票據按年利率6%計息。於二零一八年十二月三十一日，鴻鵠集團有限公司唯一股東鄧俊杰先生 (「擔保人」) 以本公司為受益人就承兌票據項下應付之所有金額提供擔保。於二零一八年三月二十日，本公司與鴻鵠集團有限公司訂立補充契據以將承兌票據之還款日期延長至二零一九年三月二十日，其他條款均維持不變。由於承兌票據於二零一九年三月二十日到期，有關金額於二零一八年十二月三十一日之綜合財務狀況表內分類為流動資產。

於二零一九年三月二十日，本公司與鴻鵠集團有限公司訂立第二份補充契據 (「第二份補充契據」)。根據第二份補充契據，90,000,000港元承兌票據之還款日期進一步延長至二零二零年三月二十日，其他條款均維持不變。

33. 經營租賃

本集團作為承租人

於報告期末，本集團根據於下列期限屆滿之不可撤回經營租約之日後最低租金承擔如下：

經營租約之租金乃本集團就其辦公室物業、董事及僱員住所支付之租金。經協商後租約之租期為一至三年，而於一至三年之租期內 (二零一七年：一至三年)，租金金額乃固定。

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34. COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of a subsidiary

就收購一間附屬公司已訂約但未於綜合財務報表撥備之資本支出

2018	2017
二零一八年	二零一七年
HK\$'000	HK\$'000
千港元	千港元

68,000	-
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35. RETIREMENT BENEFIT SCHEMES

The Group enrolled all Hong Kong employees in the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs, capped at HK\$1,500 (2017: HK\$1,500) per month, to the MPF Scheme, in which the contribution is matched by employees.

The Group's subsidiaries operating in the PRC and Singapore participate in defined contribution retirement schemes and Central Provident Fund Scheme organised by the relevant local government authorities in the PRC and Singapore respectively. These subsidiaries are required to contribute a specified percentage of its payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the specified contributions under these schemes.

The total cost charged to consolidated statement of profit or loss and other comprehensive income of approximately HK\$1,197,000 (2017: HK\$1,125,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

34. 承擔

35. 退休福利計劃

本集團已為全體香港僱員參與強積金計劃。強積金計劃之資產與本集團資產分開持有，並由託管人以基金形式控制。本集團按相關薪酬成本之5%，每名僱員最高每月1,500港元（二零一七年：1,500港元）向強積金計劃作出供款，與僱員之供款對應。

本集團於中國及新加坡經營之附屬公司分別參與由中國及新加坡相關地方政府部門營辦之指定供款退休計劃及中央公積金計劃。該等附屬公司須按薪酬成本之指定百分比向退休福利計劃作出供款以提供福利。本集團在退休福利計劃方面之唯一責任為作出計劃指定之供款。

已自綜合損益及其他全面收益表扣除之總成本約1,197,000港元（二零一七年：1,125,000港元）指本集團於本會計期間應付該等計劃之供款。

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36. RELATED PARTY DISCLOSURES

Save as disclosed elsewhere in the consolidated financial statements, the Group has entered into the following transactions with related parties:

Compensation of key management personnel

The remuneration of Directors and other members of key management during the year were as follows:

Short-term benefits	短期福利
Post-employment benefits	離職後福利

The remuneration of Directors and key management is determined by the remuneration committee having regards to the performance of individuals and market trends.

36. 關連方披露

除於綜合財務報表其他部分所披露者外，本集團亦與關連方訂立下列交易：

主要管理人員薪酬

董事及其他主要管理人員於年內之酬金如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	11,134	13,950
	95	129
	11,229	14,079

董事及主要管理層之酬金由薪酬委員會參考個人表現及市場趨勢後釐定。

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37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

37. 本公司主要附屬公司詳情

Name of subsidiaries 附屬公司名稱	Place of incorporation and operation 註冊成立及營業地點	Nominal value of issued and fully paid share capital/registered capital 已發行及繳足股本面值/註冊資本	Proportion of nominal value of issued share capital/registered capital held by the Company 本公司所持 已發行股本面值/註冊資本比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2018	2017	2018	2017	
			二零一八年 %	二零一七年 %	二零一八年 %	二零一七年 %	
Jet Air (Singapore) Private Limited 捷亞(新加坡)有限公司	Singapore 新加坡	SGD500,000 500,000新加坡元	-	-	93	93	Air freight forwarding and brokers for airline and shipping companies 空運以及航空及船務公司經紀
Jet-Air (H.K.) Limited 捷亞空運(香港)有限公司	Hong Kong 香港	HK\$142,000,200 142,000,200港元	-	-	100	100	Trading of securities and trading of goods 證券買賣及商品買賣
Global Star Corporate Management Limited 環星企業管理有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	-	-	Acts as administrative centre of the Group 作為本集團之行政中心
Jet Dispatch Limited	United States of America 美利堅合眾國	US\$3,000 3,000美元	-	-	100	100	Freight forwarding agent 貨運代理
Qianhai Honghu Teri Technology (Shenzhen) Co., Limited* 前海鴻鵠泰瑞科技(深圳)有限公司	PRC 中國	HK\$110,000,000 110,000,000港元	-	-	100	100	Trading of goods 買賣商品
Rongjinda Finance 融金達融資	PRC 中國	US\$30,000,000 30,000,000美元	-	-	100	100	Provision of finance lease services and finance consultancy services 提供融資租賃服務及金融諮詢服務
China Best Finance Limited 國華財務有限公司	Hong Kong 香港	HK\$2 2港元	-	-	100	100	Provision of money lending services 提供放貸服務
Zhongrong International Securities Company Limited 中融國際證券有限公司	Hong Kong 香港	HK\$102,000,000 102,000,000港元	-	-	100	100	Provision of securities brokerage services 提供證券經紀服務
Zhongrong International Futures Co., Limited 中融國際期貨有限公司	Hong Kong 香港	HK\$67,000,000 67,000,000港元	-	-	100	100	Provision of futures brokerage services 提供證券經紀服務

* The English name is for identification purpose only.

* 英文名稱僅供識別。

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37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

Except for a limited partnership incorporated in the PRC during the year, all other subsidiaries are companies incorporated with limited liability in the respective jurisdictions.

None of the subsidiaries had issued any debt securities subsisting at the end of both years or at any time during both years.

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. The principal activities of these subsidiaries are summarised as follows:

37. 本公司主要附屬公司詳情 (續)

除年內一間於中國註冊成立之有限合夥企業外，所有其他附屬公司均為在有關司法權區註冊成立之有限公司。

於該兩個年度年結時或該兩個年度內任何時間並無附屬公司發行任何仍然有效之債務證券。

上表所列出之本集團附屬公司為董事認為對本集團業績或資產構成主要影響之附屬公司。董事認為，提供其他附屬公司之詳情將使篇幅過於冗長。

於報告期末，本公司有其他對本集團並不重大之附屬公司。該等附屬公司之主要業務概述如下：

Principal activities	Principal place of business	Number of subsidiaries	
		31 December 2018	31 December 2017
主要業務	主要營業地點	二零一八年十二月三十一日	二零一七年十二月三十一日
Investment holding 投資控股	BVI 英屬處女群島	10	9
	Hong Kong 香港	1	1
Inactive 終止業務	The PRC 中國	3	1
	BVI 英屬處女群島	3	3
	Samoa 薩摩亞	1	1
	Hong Kong 香港	4	3
		22	18

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

38. THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

38. 本公司之財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	257	644
Investments in subsidiaries	於附屬公司之投資	10	10
		267	654
Current assets	流動資產		
Other receivables	其他應收款項	693	796
Amounts due from subsidiaries (note (i))	應收附屬公司款項(附註(i))	1,039,997	895,564
Bank balances and cash	銀行結餘及現金	113,692	30,686
		1,154,382	927,046
Current liability	流動負債		
Other payables	其他應付款項	6,313	7,146
Net current assets	流動資產淨值	1,148,069	919,900
NET ASSETS	資產淨值	1,148,336	920,554
Capital and reserves	股本及儲備		
Share capital	股本	508,428	363,228
Reserves (note (ii))	儲備(附註(ii))	639,908	557,326
TOTAL EQUITY	總權益	1,148,336	920,554

Notes:

- (i) The amounts due from/to subsidiaries are non-trade nature, unsecured, non-interest bearing and repayable on demand.

附註:

- (i) 應收/應付附屬公司款項為非貿易性質、無抵押、不計息及須按要求償還。

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38. THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Notes: (Continued)

(ii) Reserves

38. 本公司之財務狀況表 (續)

附註：(續)

(ii) 儲備

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元 (Note) (附註)	Share options reserve 購股權儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	907,653	48,311	22,745	(413,503)	565,206
Loss for the year	年內虧損	-	-	-	(7,880)	(7,880)
Total comprehensive expense for the year	年內全面支出總額	-	-	-	(7,880)	(7,880)
Forfeiture and lapse of share options	購股權沒收及失效	-	-	(17,378)	17,378	-
At 31 December 2017 and at 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	907,653	48,311	5,367	(404,005)	557,326
Loss for the year	年內虧損	-	-	-	(14,859)	(14,859)
Total comprehensive expense for the year	年內全面支出總額	-	-	-	(14,859)	(14,859)
Issue of shares upon placement of new shares	配售新股份後發行股份	103,092	-	-	-	103,092
Transaction cost attributable to issue of new shares	發行新股應佔之交易成本	(5,651)	-	-	-	(5,651)
Lapse of share options	購股權失效	-	-	(5,367)	5,367	-
At 31 December 2018	於二零一八年十二月三十一日	1,005,094	48,311	-	(413,497)	639,908

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38. THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

(ii) Reserves (Continued)

Notes:

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the reorganisation prior to the listing of the Company's shares on the Main Board of the Stock Exchange in 1996 over the nominal value of the Company's shares issued in exchange thereof.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company is available for distribution. However, the Company cannot declare or pay a dividend or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

39. EVENT AFTER THE REPORTING PERIOD

- (a) On 31 December 2018, Esteem Sun, a wholly owned subsidiary of the Company, and Lucent Time, an independent third party, entered into the share transfer and loan assignment agreement, pursuant to which (i) Lucent Time conditionally agreed to sell, and Esteem Sun conditionally agreed to acquire the entire issued share capital of Noble Realm Limited and (ii) Lucent Time conditionally agreed to assign and Esteem Sun conditionally agreed to assume all rights and benefits of the interest free shareholder's loan, at an aggregate consideration of HK\$135,000,000. The acquisition was completed on 15 January 2019 and Noble Realm Limited and its subsidiaries have become the subsidiaries of the Company since then.

Further details are set out in the Company's announcements dated 31 December 2018 and 15 January 2019.

38. 本公司之財務狀況表 (續)

(ii) 儲備 (續)

附註：

本公司之繳入盈餘指本公司股份於一九九六年在聯交所主板上市前，根據重組所收購附屬公司之股份公平值超出作為交換而發行之本公司股份面值之差額。

根據百慕達一九八一年公司法（經修訂），本公司之繳入盈餘可供分派，惟本公司不得在下列情況下自繳入盈餘宣派或派付股息或作出分派：

- (a) 本公司無力或於派付後將無力償還到期負債；或
- (b) 本公司資產之可變現價值於派付後低於其負債、已發行股本及股份溢價賬之總和。

39. 報告期後事項

- (a) 於二零一八年十二月三十一日，本公司全資附屬公司尚新與獨立第三方Lucent Time訂立股份轉讓及貸款轉讓協議，據此，(i) Lucent Time有條件同意出售而尚新有條件同意收購貴域有限公司全部已發行股本及(ii) Lucent Time有條件同意轉讓而尚新有條件同意接納免息股東貸款之全部權利及利益，總代價為135,000,000港元。該收購事項已於二零一九年一月十五日完成而貴域有限公司及其附屬公司自此已成為本公司之附屬公司。

進一步詳情載於本公司日期為二零一八年十二月三十一日及二零一九年一月十五日之公佈。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. EVENT AFTER THE REPORTING PERIOD

(CONTINUED)

- (b) On 16 January 2019, China Best Financial Holdings Limited (“China Best Financial”), a wholly owned subsidiary of the Company, and Fortunate Bay Limited (“Fortunate Bay”), an independent third party, entered into a memorandum of understanding, pursuant to which China Best Financial agreed to enter into further negotiation with Fortunate Bay regarding a possible conditional acquisition of 100% equity interest in South Shore Group Limited (the “Proposed Acquisition”). China Best Financial has paid a refundable earnest money of HK\$30,000,000 to Fortunate Bay at the same date which would become part of the payment of the consideration of the Proposed Acquisition in the event that the definitive agreement is entered into.

Further details are set out in the Company’s announcement dated 16 January 2019.

- (c) On 1 March 2019, Rongjinda Finance entered into several agreements with three of its lessees and one new borrower, which included:
- a supplemental agreement with Shenzhen City Century Culture Creative Limited* (深圳市世紀文化創意有限公司) (“Shenzhen Century”) pursuant to which Shenzhen Century repaid the outstanding principal lease cost of RMB7,000,000, interest of approximately RMB203,000 and services fees of approximately RMB608,000;
 - finance lease and consultancy supplemental agreements with Shenzhen City Yuexin Creative Culture Limited* (深圳市粵信創意文化有限公司) (“Shenzhen Yuexin”) pursuant to which the parties agreed to extend the term of the finance leases and consultancy services to 30 June 2019 and the outstanding lease payments shall be approximately RMB55,248,000 and the service fees shall be approximately RMB7,195,000 both payable by 5 instalments from 1 March 2019;

39. 報告期後事項 (續)

- (b) 於二零一九年一月十六日，本公司全資附屬公司國華金融控股有限公司(「國華金融」)與獨立第三方Fortunate Bay Limited(「Fortunate Bay」)訂立諒解備忘錄，據此，國華金融同意與Fortunate Bay進行進一步磋商，內容有關可能有條件收購South Shore Group Limited之100%股權(「建議收購事項」)。國華金融已於同日向Fortunate Bay支付可退還誠意金30,000,000港元，倘訂立最終協議，則誠意金將成為建議收購事項代價付款之一部分。

進一步詳情載於本公司日期為二零一九年一月十六日之公佈。

- (c) 於二零一九年三月一日，融金達融資與其三名承租人及一名新借款人訂立若干協議，其中包括：
- 與深圳市世紀文化創意有限公司(「深圳世紀」)訂立補充協議，據此，深圳世紀償還尚未償還租賃本金人民幣7,000,000元、利息約人民幣203,000元及服務費約人民幣608,000元；
 - 與深圳市粵信創意文化有限公司(「深圳粵信」)訂立融資租賃及顧問補充協議，據此，訂約方同意將融資租賃及顧問服務之年期延長至二零一九年六月三十日，而尚未償還租賃付款將約為人民幣55,248,000元及服務費將約為人民幣7,195,000元，須於二零一九年三月一日起分5期支付；

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. EVENT AFTER THE REPORTING PERIOD

(CONTINUED)

(c) (Continued)

- a debt settlement agreement with Heyuan City Dongjiangyuan Hot Spring Resort Limited* (河源市東江源溫泉度假村有限公司) (“Heyuan Dongjiangyuan”) and Beijing Kaiyitong Enterprise Management Limited Company* (北京凱意通企業管理有限公司) (“Beijing Kaiyitong”) pursuant to which the parties agreed that Heyuan Dongjiangyuan shall repay the outstanding principal lease cost, interest and service fees of approximately RMB6,979,000 in total while the remain outstanding balance of approximately RMB76,764,000 is assumed by Beijing Kaiyitong;
- a loan agreement with Beijing Kaiyitong pursuant to which Rongjinda Finance waived the interest and service fees payable totalling approximately RMB16,764,000 and the remaining outstanding loan balance of RMB60,000,000 will be repaid by 1 March 2021, with the interest rate of 10% per annum payable every six months.

Further details are set out in the Company’s announcement dated 1 March 2019.

- (d) On 20 March 2019, Kang Yong International Limited, Honghu Group Limited and Mr. Deng Junjie entered into the Second Supplementary Deed to the promissory note whereby the parties agreed, among other things, to further extend the maturity date of the promissory note to 20 March 2020 (note 32).

Further details are set out in the Company’s announcement dated 20 March 2019.

39. 報告期後事項 (續)

(c) (續)

- 與河源市東江源溫泉度假村有限公司(「河源東江源」)及北京凱意通企業管理有限公司(「北京凱意通」)訂立債務清償協議，據此，訂約方同意河源東江源償還尚未償還租賃本金、利息及服務費共計約人民幣6,979,000元而餘下尚未償還結餘約人民幣76,764,000元由北京凱意通承擔；
- 與北京凱意通訂立貸款協議，據此，融金達融資豁免應付之利息及服務費共計約人民幣16,764,000元及餘下尚未償還貸款結餘人民幣60,000,000元將於二零二一年三月一日前償還，並須每六個月按年利率10%支付利息。

進一步詳情載於本公司日期為二零一九年三月一日之公佈。

- (d) 於二零一九年三月二十日，康永國際有限公司、鴻鵠集團有限公司及鄧俊杰先生訂立承兌票據之第二份補充契據，據此，訂約方同意(其中包括)將承兌票據之到期日進一步延長至二零二零年三月二十日(附註32)。

進一步詳情載於本公司日期為二零一九年三月二十日之公佈。

Five-Year Financial Summary

五年財務概要

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Revenue	收益	218,007	425,575	488,208	336,296	267,040
(Loss) profit before tax	除稅前(虧損)溢利	(74,061)	32,538	(8,665)	(49,318)	(28,010)
Income tax expense	所得稅開支	(1,488)	(8,013)	(2,385)	(1,673)	(331)
(Loss) profit for the year	年內(虧損)溢利	(75,549)	24,525	(11,050)	(50,991)	(28,341)
(Loss) profit for the year attributable to:	以下應佔年內(虧損)溢利:					
Owners of the Company	本公司擁有人	(75,533)	24,533	(10,540)	(48,686)	(17,538)
Non-controlling interests	非控股權益	(16)	(8)	(510)	(2,305)	(10,803)
(Loss) profit for the year	年內(虧損)溢利	(75,549)	24,525	(11,050)	(50,991)	(28,341)

ASSETS AND LIABILITIES

資產及負債

		As at 31 December 於十二月三十一日				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Total assets	資產總值	1,288,139	1,180,173	1,056,715	767,040	395,823
Total liabilities	負債總額	(53,021)	(76,557)	(31,072)	(74,021)	(72,277)
		1,235,118	1,103,616	1,025,643	693,019	323,546
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,235,176	1,103,657	1,025,686	716,494	344,553
Non-controlling interests	非控股權益	(58)	(41)	(43)	(23,475)	(21,007)
		1,235,118	1,103,616	1,025,643	693,019	323,546



CHINA BEST
國華集團

CHINA BEST GROUP HOLDING LIMITED
國華集團控股有限公司*