



RENTIAN TECHNOLOGY HOLDINGS LIMITED

仁天科技控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 885)



2018

Annual Report 年報

* For identification purposes only 僅供識別



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Kwok Kenneth Wai Lung (*Chief Executive Officer*)
Mr. Tsang To
Mr. Yip Denis Shing Fai (resigned on 10 January 2019)
Mr. Yuan Wenxin (appointed on 10 January 2018 and resigned on 10 January 2019)

Independent Non-executive Directors

Mr. Zhang Xiaoman
Mr. Chin Hon Siang
Mr. Huang Xin

COMMITTEES

Audit Committee

Mr. Chin Hon Siang (*Chairman*)
Mr. Zhang Xiaoman
Mr. Huang Xin

Remuneration Committee

Mr. Zhang Xiaoman (*Chairman*)
Mr. Tsang To
Mr. Chin Hon Siang
Mr. Huang Xin

Nomination Committee

Mr. Chin Hon Siang (*Chairman*)
Mr. Zhang Xiaoman
Mr. Huang Xin

COMPANY SECRETARY

Ms. Wong Yuk Ki

AUTHORISED REPRESENTATIVES

Mr. Kwok Kenneth Wai Lung
Ms. Wong Yuk Ki

REGISTERED OFFICE

P. O. Box 309, Uglund House,
Grand Cayman, KY1-1104,
Cayman Islands

董事會

執行董事

郭瑋瓏先生 (*行政總裁*)
曾濤先生
葉成輝先生 (於二零一九年一月十日辭任)
袁文心先生 (於二零一八年一月十日獲委任及於二零一九年一月十日辭任)

獨立非執行董事

張小滿先生
陳鴻先先生
黃欣先生

委員會

審核委員會

陳鴻先先生 (*主席*)
張小滿先生
黃欣先生

薪酬委員會

張小滿先生 (*主席*)
曾濤先生
陳鴻先先生
黃欣先生

提名委員會

陳鴻先先生 (*主席*)
張小滿先生
黃欣先生

公司秘書

黃鈺琪女士

授權代表

郭瑋瓏先生
黃鈺琪女士

註冊辦事處

P. O. Box 309, Uglund House,
Grand Cayman, KY1-1104,
Cayman Islands



Corporate Information 公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1801-1803, 18/F.,
Everbright Centre, 108 Gloucester Road, Wanchai,
Hong Kong

AUDITOR

Mazars CPA Limited
Certified Public Accountants
42nd Floor, Central Plaza,
18 Harbour Road, Wanchai,
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Hang Seng Bank Limited
Industrial Bank Co., Limited, Hong Kong Branch
The Bank of East Asia Limited
China Minsheng Banking Corporation Limited, Hong Kong Branch

CAYMAN ISLANDS LEGAL ADVISERS

Maples and Calder (Hong Kong) LLP
53rd Floor, The Center,
99 Queen's Road Central,
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor,
24 Shedden Road,
P.O. Box 1586, Grand Cayman,
KY1-1110, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

00885

WEBSITE

www.rentiantech.com

香港主要營業地點

香港
灣仔告士打道108號光大中心
18樓1801至1803室

核數師

中審眾環(香港)會計師事務所有限公司
執業會計師
香港
灣仔港灣道18號
中環廣場42樓

主要往來銀行

中國銀行(香港)有限公司
恒生銀行有限公司
興業銀行股份有限公司香港分行
東亞銀行有限公司
中國民生銀行股份有限公司香港分行

開曼群島法律顧問

邁普達律師事務所(香港)有限法律責任合夥
香港
皇后大道中99號
中環中心53樓

股份過戶登記總處

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor,
24 Shedden Road,
P.O. Box 1586, Grand Cayman,
KY1-1110, Cayman Islands

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

股份代號

00885

網址

www.rentiantech.com

Chief Executive Officer's Statement

行政總裁報告

For Rentian Technology, 2018 was full of challenges. As the lingering of a US-China trade war resulted in the prolong downturn in the Hong Kong security market and weak domestic demand in the PRC, the Group recorded significant losses for the Year.

The security investment business of the Group has borne the brunt of the resultant impact of economic downturn. Since the Hong Kong stock market crumbled and the stock price of listed securities declined, the listed securities directly held by the Group incurred heavy losses on the realised and unrealised fair value for the Year. Meanwhile, due to the volatility in financial market, certain equity-linked notes and unlisted wealth management products also suffered grave impairment losses.

For IoT business, during the height of US-China trade war, domestic enterprises have remained a low inventory level. Reviving demand growth of largely depends on the recovery in investors' confidence. In general, on the basis of successfully tiding over the profit guarantee period in the previous year, the Group's subsidiaries proactively pursued the strategic adjustment of "IoT +". At a time of challenges, Rentian Technology improved the business portfolio by focusing the capital and management resources on the independent core business with bright growth prospects, rather than insisting on the pursuit of absolute perfection. Nevertheless, due to the changes in the domestic technological and financial policies, coupled with the loss of core customers, certain subsidiaries suffered significant impairment losses of goodwill and intangible assets for the Year, thereby affecting the overall results.

Looking forward, the Group will strive to sharpen its business focus on the IoT sector and develop its four core businesses of risk control over car loans, smart city, smart warehouse and smart home, so as to seek balanced trade-offs and expand the market share in relevant sectors by making continuous efforts to increase the proportion of relevant businesses in the Group's overall business.

In the coming future, the Group will capture the following opportunities to initiate development:

二零一八年，對仁天科技而言，是充滿挑戰的一年。中美貿易戰陰霾不散，香港證券市場長期低迷，中國內需疲軟，導致本集團本年度錄得巨額虧損。

經濟低迷，首當其衝的是本集團的證券投資業務。由於香港股市下挫及上市證券之股價下滑，本集團直接持有之上市證券，於本年度在變現及未變現公平值均錄得巨額虧損。同時，若干股票掛鈎票據及非上市財富管理產品，由於金融市場動盪，也錄得重大減值虧損。

物聯網業務方面，中美貿易戰鏖戰正酣，國內企業在保持庫存低位的情況下，需求要恢復增長很大程度上依賴於投資信心的恢復。總體而言，本集團各附屬公司在前一年度順利完成溢利保證期的基礎上，在業務模式上積極推進「物聯網+」的戰略調整，在挑戰面前，並沒有刻意求大求全，而是致力於優化業務組合，將資金、管理資源聚焦於增長前景佳的核心自主業務。唯個別附屬公司，由於國內科技及金融政策改變之因素，失去核心客戶，導致本年度之商譽及無形資產錄得重大減值虧損，影響整體業績。

展望未來，在物聯網領域，本集團將致力於發展車貸風控、智慧城市、智慧倉儲、智慧家居作為未來發展的四大核心業務，聚焦業務，有所為有所不為，持續在相關領域擴大市場份額，努力提高相關業務在本集團整體業務中的佔比。

今後，本集團將抓住以下機遇展開佈局：

Chief Executive Officer's Statement

行政總裁報告

1. As the edge computing solution for internet-of-thing (“IoT”) is optimising, commercial/corporate sub-segment market gains attractive commercial value

Through the deployment of edge computing on IoT sensors of vehicle monitoring hardware, Shenzhen CNEOP Technology Company Limited* (“CNEOP”), a subsidiary of the Group, has achieved post-loan management of risk control at auto financial institutions. This is also attributable to the analysis and judgment integrated with cloud on the big data in terms of driving routes of vehicles, electric fence, conditions of staying, activity areas and travelling habit.

2. A vertically integrated end-to-end solution for specific applications and cases emerges

Supported by a professional technical team with 20 years of extensive experience in logistics equipment and system industries, Guangzhou Wealth-Depot Logistics Technology Company Limited* (“Wealth-Depot”), a subsidiary of the Group, provides customers with the most suitable logistics system solution tailored to their specific needs by using various world-leading high and new logistics technology and equipment, including the Mini-load stacking machine with high performance, robot handling system, intelligent sorting system and automatic visual identification, to offer onestop services from mid to high-end customers in wholesale and retail, e-commerce, food, textiles, chemical and pharmaceutical, automobile, warehousing and logistics as well as public safety sectors.

3. Leveraging on the substantial investment in IoT technology by online e-commerce and physical stores, the retail industry will remain the state of destabilisation

Wealth-Depot will pre-assemble returnable radio-frequency identification chips with information embedded into logistic unit containers. In addition to the above, it will also monitor various stages, including packaging, transportation, distribution, loading and warehouse on a real-time basis by making use of advanced information processing technology, so as to realise effectiveness and efficiency of logistics and minimise cost, thereby maximising its profit.

- 1、用於物聯網的邊緣計算解決方案日趨成熟，為商業／企業細分市場帶來了頗有吸引力的商業價值

本集團旗下之深圳市中光遠科技有限公司(「中光遠」)通過在車輛監控硬件的物聯網傳感器上部署邊緣計算，結合雲端對車輛行駛軌跡、電子圍欄、停留情況、活動區域、出行習慣等大數據進行分析判斷，實現汽車金融機構貸後風險控制管理。

- 2、針對特定應用和用例的垂直集成化端到端解決方案應運而生

本集團旗下之廣州大庫工業設備有限公司(「大庫」)擁有具備二十年豐富的物流設備與系統行業經驗的專業技術團隊，為客戶量身訂制最適合的個性化物流系統解決方案，通過使用高性能Mini-load堆垛機系統、機器人搬運系統、智能化分揀系統、自動視覺識別等多種世界一流高新物流技術裝備，為批發零售、電子商務、食品、紡織品、化工醫藥、汽車、倉儲物流、公共安全等八大類中高端客戶提供一站式服務。

- 3、借助線上電商和實體店對物聯網技術的大量投資，零售業的顛覆過程仍將繼續

大庫將植入信息的可流通射頻識別芯片預嵌入物流單元容器中，利用先進的信息處理技術對包裝、運輸、配送、裝卸、倉儲等多項環節實時監控，實現物流高效快捷、降低成本、利潤最大化。

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Chief Executive Officer's Statement

行政總裁報告

4. Security of IoT sensor and network achieves enhancement on a more appropriate cost base, speeding up the IoT application

During the Year, Shenzhen Hexicom Technologies Company Limited* (“Hexicom”), a subsidiary of the Group, continued to actively conduct in-depth cooperation regarding the smart ecosystem with telecommunication operators and provided safe and high-speed products and services, for example power line communications, for e-link Tianyi smart home networking for China Telecom, striving to establish a comprehensive ecological chain for the smart home industry.

5. Complementarity of wireless technologies including 5G, NB-IoT, LoRa and Wi-Fi will appear in specific vertical area and application, and we will start to see the integration of all technologies, such as 5G, Wi-Fi, BLE and LoRa.

The smart community system developed by CNEOP adopts various modernised technologies in network communication and information integration, establishing a comprehensive services centre, which connects residents with residents and residents with community, and a multi-media comprehensive and interactive information system for residents and external society.

The essence of edge computing is to perform computing at the edge of the system near the source of the data instead of some cloud platforms or data centres, thereby effectively reducing the bandwidth needed while providing quick, timely and high efficient response. Fujian Start Computer Equipment Company Limited* (“FSCE”), a subsidiary of the Group, will maintain its focus on the research, development, production and sale of applications and equipment using edge computing, such as cloud terminal equipment and smart point-of-sales (“POS”), so as to be closely in line with the current IoT development strategies and market trends.

The PRC’s government has been providing guidelines on the standardised and scientific establishment of IoT industry. Along with the development of information technology, the IoT business is constantly changing and evolving. We believe that IoT industry still has bright future. Looking forward, Rentian Technology will adopt a proactive attitude in the Chinese IoT sector and focus the capital and management resources on the core and major business activities by integrating the existing resources, promoting “IoT +” and optimising the business portfolio.

4. 在更好的成本點上實現了對物聯網傳感器和網絡的安全性提升，將加速物聯網的採用

本集團旗下之深圳市海億康科技有限公司(「海億康」)在本年度繼續積極與電信運營商在智能生態領域進行深度合作，為中國電信e-link天翼智能家居組網提供安全及高速率的電力貓等產品及服務，致力於打造全方位的智能家居產業生態鏈。

5. 諸如5G、NB-IoT、LoRa、Wi-Fi等無線技術的互補性將在特定的垂直領域和應用中顯現我們將開始看到技術的融合(如5G、Wi-Fi、BLE、LoRa)。

中光遠打造之智慧小區系統採用多種現代化的網絡通訊技術和信息化集成技術，建立一個溝通住戶與住戶、住戶與小區的綜合服務中心、住戶與外部社會的多媒體的綜合信息交互系統。

邊緣計算的核心在於通過把系統計算從雲端或數據中心往端點遷移，從而有效降低對傳輸帶寬的要求，能夠提供快速、及時、高效的實時響應。本集團旗下福建實達電腦設備有限公司(「實達外設」)將繼續聚焦雲終端設備及智能POS等邊緣計算應用設備的研發、生產、與銷售。

中國政府正引導物聯網行業的建設規範化和科學化。隨著信息技術的發展，物聯網業務也不斷的變化及發展。我們深信物聯網行業仍具備發展前景，展望未來，仁天科技將於中國物聯網領域中積極進取、整合現有資源、推進「物聯網+」、優化業務組合、將資金及管理資源聚焦於核心主營業務上。



Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

The Group has the following major business activities during the Year:

IoT Business

The major business activities of the Group covers cloud computing and data processing and analysis (“**cloud**”), telecommunication infrastructure and technologies (“**pipeline**”) and terminal computing (“**endpoint**”) for corporate IoT systems.

The Group’s IoT business can be further divided into 3 segments, namely (i) IoT solution; (ii) human-machine interactive devices (“**HMID**”); and (iii) intelligent documentation service (“**IDS**”). During the Year, the Group’s segment loss from the IoT solution business amounted to approximately HK\$1,131.5 million, representing a decrease of 664.1% from segment profit amounted to approximately HK\$200.6 million in the year of 2017. Segment profit from the IDS business increased to approximately HK\$27.2 million, representing an increase of 8.8% from approximately HK\$25.0 million in the year of 2017. Segment profit from the HMID business decreased to approximately HK\$13.6 million, representing a decrease of 43.6% from approximately HK\$24.1 million in the year of 2017.

業務回顧

本集團於本年度曾進行下列主要業務活動：

物聯網業務

本集團之主營業務主要分佈在面向企業之物聯網體系中之雲端計算和數據處理分析(「**雲**」)、通訊基礎設施與技術(「**管**」)和終端計算(「**端**」)三個環節。

本集團之物聯網業務可進一步分為三個分類，即(i)物聯網解決方案；(ii)人機互動商業終端(「**人機互動**」)；及(iii)智能檔案服務(「**智能檔案服務**」)。於本年度，本集團物聯網解決方案業務之分類虧損約為1,131,500,000港元，較二零一七年分部溢利約200,600,000港元下跌664.1%。智能檔案服務業務之分類溢利上升至約27,200,000港元，較二零一七年約25,000,000港元增加8.8%。人機互動業務之分類溢利下跌至約13,600,000港元，較二零一七年約24,100,000港元減少43.6%。

Management Discussion and Analysis

管理層討論與分析

Profit guarantees in relation to the acquisitions of subsidiaries

As mentioned in note 28 to the consolidated financial statements, the vendors of Hangzhou Lepei Telecommunication Company Limited* (“**Lepei**”) agreed to provide profit guarantee to the Group (“**Lepei Profit Guarantee**”). Based on the actual financial information, the accumulated profits of Lepei for the years ended 31 December 2016, 2017 and 2018 was less than RMB18.0 million (equivalent to HK\$21.3 million). As a result, the Lepei Profit Guarantee for the Year was not met. Pursuant to the profit guarantee agreement, the Group shall deduct the compensation from contingent consideration payable to the vendors of Lepei. Net contingent consideration payable of RMB2.3 million (equivalent to approximately HK\$2.6 million) shall be paid in cash to the vendors of Lepei, which is expected to be settled before the end of 2019.

As mentioned in the Company’s announcement dated 27 March 2018 in relation to the updates on the profit guarantees in relation to the acquisitions of subsidiaries for the year ended 31 December 2017, the profit guarantees in relation to CNEOP, Hexicom and Lepei namely “**CNEOP Profit Guarantee 2017**”, “**Hexicom Profit Guarantee 2017**” and “**Lepei Profit Guarantee 2017**”, were met while the profit guarantee in relation to Next Concept International Investment Limited (together with its subsidiaries, the “**Next Concept Group**”) namely “**Next Concept Group Profit Guarantee 2017**” was not met.

CNEOP Profit Guarantee 2017

References are made to the announcements of the Company dated 7 May 2015, 23 July 2015 and 25 May 2017 (collectively the “**CNEOP Announcements**”), in relation to the acquisition of CNEOP. Unless the context requires otherwise, capitalised terms used in this section headed “CNEOP Profit Guarantee 2017” shall have the same meanings as those defined in the CNEOP Announcements.

As agreed among the Company, the Investor and the Vendor, the Convertible Notes in the aggregate principal amount of HK\$15.1 million will be issued by the Company to the Vendor before the end of 2019 at the adjusted conversion price of HK\$0.42, a maximum number of 35,857,142 Conversion Shares may fall to be allotted and issued upon the exercise of the conversion rights attached to the convertible notes in full. Also, HK\$4.3 million in cash will be paid to the Vendor by the Group before the end of 2019.

有關收購附屬公司之溢利保證

誠如綜合財務報表附註28所述，杭州樂佩通信有限公司(「**樂佩**」)之賣方同意提供向本集團提供溢利保證(「**樂佩溢利保證**」)。根據實際財務資料，樂佩截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之累計溢利少於人民幣18,000,000元(相當於21,300,000港元)。因此，本年度之樂佩溢利保證並未達成。根據溢利保證協議，本集團須從應付樂佩賣方之或然代價扣除賠償。應付或然代價淨額人民幣2,300,000元(相當於約2,600,000港元)須以現金形式支付予樂佩賣方，有關款項預期將於二零一九年結束前結付。

誠如本公司日期為二零一八年三月二十七日內容有關於截至二零一七年十二月三十一日止年度收購附屬公司之溢利保證之最新資料之公告所述，有關中光遠、海億康及樂佩之溢利保證(即分別為「**二零一七年中光遠溢利保證**」、「**二零一七年海億康溢利保證**」及「**二零一七年樂佩溢利保證**」)已經達成，而有關進念國際投資有限公司(連同其附屬公司統稱「**進念集團**」)之溢利保證(即「**二零一七年進念集團溢利保證**」)則並未達成。

二零一七年中光遠溢利保證

謹此提述本公司日期為二零一五年五月七日、二零一五年七月二十三日及二零一七年五月二十五日有關收購中光遠之公告(統稱為「**中光遠公告**」)。除文義另有指明者外，本節「**二零一七年中光遠溢利保證**」所用之專有詞彙與中光遠公告所界定者具有相同涵義。

誠如本公司、投資者與賣方所協定，本公司將於二零一九年底以前以經調整轉換價每股0.42港元向賣方發行本金總額15,100,000港元之可轉換票據，最多35,857,142股轉換股份可於悉數行使可轉換票據所附轉換權後配發及發行。此外，本集團將於二零一九年底以前向賣方支付4,300,000港元之現金。

Management Discussion and Analysis

管理層討論與分析

Hexicom Profit Guarantee 2017

References are made to the announcements of the Company dated 7 August 2015 and 11 August 2015 (collectively the “**Hexicom Announcements**”) in relation to the acquisition of 70% equity interests in Hexicom. Unless the context requires otherwise, capitalised terms used in this section headed “Hexicom Profit Guarantee 2017” shall have the same meanings as those defined in the Hexicom Announcements.

79,648,445 Ordinary Shares shall be allotted and issued to the Original Shareholders before the end of 2019. Also, HK\$458,667 in cash will be paid to the Original Shareholders by the Group before the end of 2019.

Lepai Profit Guarantee 2017

The Group has paid approximately RMB4.9 million (equivalent to approximately HK\$5.7 million) to the vendors of Lepai in 2018 in cash as the profit guarantee of Lepai for year ended 31 December 2017 was met.

Next Concept Group Profit Guarantee 2017

Reference is made to the announcement of the Company dated 31 March 2016 (the “**Next Concept Announcement**”) in relation to the acquisition of 51% equity interests in Next Concept Group. Unless the context requires otherwise, capitalised terms used in this section headed “Next Concept Group Profit Guarantee 2017” shall have the same meanings as those defined in the Next Concept Announcement. The Group has released the remaining 50% of the consideration shares (being approximately 756,000,000 consideration shares) to the Vendors in 2018. The 2017 Compensation Amount has been settled firstly by way of setting off the Promissory Notes 2 with principal amount and the accrued interest of approximately HK\$174 million and the Remaining Cash Compensation of HK\$13 million has been settled by the Vendors in 2018.

二零一七年海億康溢利保證

謹此提述本公司日期為二零一五年八月七日及二零一五年八月十一日之公告(統稱為「**海億康公告**」)，內容有關收購海億康70%股本權益。除文義另有指明者外，本節「二零一七年海億康溢利保證」所用之專有詞彙與海億康公告所界定者具有相同涵義。

79,648,445股普通股將於二零一九年底前向原先股東配發及發行。此外，本集團將於二零一九年底前向原先股東支付458,667港元之現金。

二零一七年樂佩溢利保證

由於截至二零一七年十二月三十一日止年度之樂佩溢利保證已達成，本集團已於二零一八年向樂佩賣方支付約人民幣4,900,000元(相當於約5,700,000港元)之現金。

二零一七年進念集團溢利保證

謹此提述本公司日期為二零一六年三月三十一日之公告(「**進念公告**」)，內容有關收購進念集團51%股本權益。除文義另有指明者外，本節「二零一七年進念集團溢利保證」所用之專有詞彙與進念公告所界定者具有相同涵義。於二零一八年，本集團已向賣方發放餘下50%之代價股份(即約756,000,000股代價股份)。二零一七年賠償金額首先以抵銷承兌票據2之本金額及累計利息約174,000,000港元之方式支付，而餘下現金賠償13,000,000港元已於二零一八年由賣方支付。

Management Discussion and Analysis

管理層討論與分析

Impairment of goodwill in IoT solution segment

Impairment of Goodwill arising from acquisition of Next Concept Group

The principal activity of Next Concept Group is the provision of one-stop IT solution to companies that are in or related to the commodities industry and other industries in the PRC. Significant decrease in revenue from one of the major customers of Next Concept Group, a commodity exchange platform in the PRC (the “**Platform**”), was noted during the Year as a result of reduction in number of investors and ultimate customers using the Platform brought by the unfavourable market conditions to the commodities industry which may have been caused by the US-China trade war. In addition, Next Concept Group has faced significant challenge in developing potential customers in the commodities industry which hindered its business growth. These circumstances warrant the impairment on goodwill and intangible assets arising from acquisition of Next Concept Group. The Group has made a downward adjustment on the profit of Next Concept Group based on the current development as discussed above and impairment of goodwill and intangible assets amounted to HK\$702.2 million and HK\$59.4 million were recognised respectively for the Year.

*Impairment of goodwill arising from the acquisition of Enterprise Development Holdings Limited (“**Enterprise Development**”) (together with its subsidiaries the “**ED Group**”)*

Enterprise Development is a company listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 01808.HK). Due to drop in stock price of Enterprise Development’s share and slower growth of ED Group than expected due to keen competition in the software industry, the Group determined that there was an indication for impairment on the goodwill arising from the acquisition of the ED Group. An impairment of goodwill amounted to HK\$63.9 million was recognised for the Year.

物聯網解決方案分類之商譽減值

有關收購進念集團產生之商譽減值

進念集團之主要業務為向中國大宗商品行業及其他行業之公司或相關公司提供一站式解決方案。中美貿易戰可能造成大宗商品行業之不利市況，令投資者數目及最終客戶數量減少，故本年度錄得來自進念集團之其中一名主要客戶(為中國大宗商品交易平台(「該平台」))之收益大幅減少。此外，進念集團於發展潛在大宗商品行業之客戶時面對重大挑戰，阻礙其業務增長。該等情況反映需要就收購進念集團而產生之商譽及無形資產作出減值。本集團已根據上文所論述之現時發展對進念集團之溢利作出下行調整，而本年度已確認分別為702,200,000 港元及59,400,000 港元之商譽及無形資產減值。

有關收購企展控股有限公司(「企展**」，連同其附屬公司「**企展集團**」)產生之商譽減值**

企展為一間於香港聯合交易所有限公司(「**聯交所**」)主板上市之公司(股份代號：01808.HK)。由於企展股份之股價下跌，加上企展集團之增長因軟件行業競爭激烈而較預期有所放緩，本集團釐定跡象顯示收購企展集團產生之商譽出現減值。商譽減值63,900,000港元已於本年度確認。

Management Discussion and Analysis

管理層討論與分析

Impairment of goodwill arising from CNEOP, Hexicom and Wealth-Depot

CNEOP, Hexicom and Wealth-Depot faced a challenging market condition in 2018 as a result of strong market competition and slowdown in growth of the PRC economy. Based on the actual situation in 2018, there are still uncertainties in the future development of IoT solution business. The Group determined that there was an indication for impairment on the goodwill arising from the acquisitions of CNEOP, Hexicom and Wealth-Depot. Impairment of goodwill amounted to HK\$46.1 million, HK\$40.5 million and HK\$44.7 million for CNEOP, Hexicom and Wealth-Depot, respectively, was recognised for the Year.

Except the above, the Group did not recognise any impairment loss of goodwill in relation to the other acquisitions.

Securities Investment Business

The Group invested in various financial instruments as both short-term and long-term investments. During the Year, the Group recorded a net realised loss on disposal of financial assets at fair value through profit or loss of approximately HK\$167.5 million, dividend income from listed securities of approximately HK\$52.5 million and a loss on changes in fair value of financial assets at fair value through profit or loss of approximately HK\$1,480.0 million, including an unrealised fair value loss on the equity-linked notes (the “ELN”) and certain unlisted wealth management products, amounting to HK\$553.5 million as the Group has lost contact of the issuers for the redemption of such investments.

有關收購中光遠、海億康及大庫產生之商譽減值

由於市場競爭激烈，加上中國經濟增長放緩，中光遠、海億康及大庫於二零一八年面對充滿挑戰之市況。根據二零一八年之實際情況，物聯網解決方案業務之未來發展仍存在不確定因素，本集團釐定跡象顯示收購中光遠、海億康及大庫產生之商譽出現減值。中光遠、海億康及大庫分別為46,100,000港元、40,500,000港元及44,700,000港元之商譽減值已於本年度確認。

除上文所述者外，本集團並無就有關其他收購確認任何商譽減值虧損。

證券投資業務

本集團投資於多項財務工具作為短期及長期投資。於本年度，本集團因出售於損益帳按公平值處理之財務資產錄得已變現虧損淨額約167,500,000港元，並錄得上市證券之股息收入約52,500,000港元及於損益帳按公平值處理之財務資產公平值變動之虧損約1,480,000,000港元，包括股票掛鈎票據及部分非上市財富管理產品之未變現公平值虧損553,500,000港元，原因為本集團無法就贖回該等投資聯絡發行人。

Management Discussion and Analysis

管理層討論與分析

The Group's significant investments (i.e. investment with carrying amount exceeding 5% of the total assets of the Group) held as at 31 December 2018 are as follows:

本集團於二零一八年十二月三十一日所持重大投資(即帳面金額佔本集團資產總值超過5%之投資)載列如下：

| Type of security | % of shareholding represented by the shares/ underlying shares held by the Company | | Classification of financial assets (fair value through profit or loss (FVPL)/ available-for-sale (AFS)) | Dividend income, Realised and unrealised gain/ (loss), net as at 31 December 2018 | Increase/(decrease) in fair value or Dividend income, Realised and unrealised gain/(loss), net as at 31 December 2017 | Fair value as at 31 December 2018 | Fair value as at 31 December 2017 |
|-----------------------------------|--|------------------------|---|---|---|-----------------------------------|-----------------------------------|
| | as at 31 December 2018 | as at 31 December 2017 | | | | | |
| 證券類別 | 本公司所持股份/相關股份所佔持股量之百分比 | 本公司所持股份/相關股份所佔持股量之百分比 | 財務資產分類(於損益帳按公平值處理/可供出售) | 於二零一八年十二月三十一日之股息收入、已變現及未變現收益/(虧損)淨額 | 於二零一七年十二月三十一日之增加/(減少)或股息收入、已變現及未變現收益/(虧損)淨額 | 於二零一八年十二月三十一日之公平值 | 於二零一七年十二月三十一日之公平值 |
| | 於二零一八年十二月三十一日 | 於二零一七年十二月三十一日 | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Investment A (Note 1) 投資甲(附註1) | — | 0.51 | AFS 可供出售 | — | (61,109) | — | 48,997 |
| | 13.42 | 7.64 | FVPL 於損益帳按公平值處理 | (726,121) | (528,613) | 462,744 | 729,959 |
| Investment B (Note 2) 投資乙(附註2) | 0.76 | 0.77 | FVPL 於損益帳按公平值處理 | 163,264 | 103,871 | 274,964 | 136,357 |

Management Discussion and Analysis

管理層討論與分析

Notes:

1. Investment A is Carnival Group International Holdings Limited (stock code: 00996.HK) (“**Carnival**”). The information published by Carnival regarding its performance and prospects can be found at the HKEXNews website. Based on published announcement and report, Carnival develops and sells high-end coastal residential properties adjacent to its theme park, outlet mall and hotels. Carnival would focus on the integrated large-scale tourist complex project and property development. In order to diversify the concentration risk and currency risk, besides the property markets in the mainland China and Hong Kong, Carnival expect to explore more in other geographical locations in the overseas property market.
2. Investment B is Jiayuan International Group Limited (stock code: 02768.HK) (“**Jiayuan**”). The information published by Jiayuan regarding its performance and prospects can be found at the HKEXNews website. Based on published announcement and report, Jiayuan is an established property developer of large-scale residential and commercial complexes in various major cities in the PRC. Jiayuan explored the development of premium projects in major cities such as Hong Kong, Macau, Shenzhen, Shanghai and Nanjing, and focused on residential and commercial complex projects in cities with strong economic fundamentals. Jiayuan is actively taking opportunities for project merger and acquisition to increase its premium land reserves in a diversified manner and fully enhance its core competitiveness in each segment of the property value chain.

Fair value loss of ELN and certain unlisted funds

As a means to utilise surplus cash reserves, the Group had subscribed for ELN and a number of unlisted funds (the “**Funds**”) from an investment entity incorporated in the British Virgin Islands and a company registered in the PRC and approved by the Asset Management Association of China (collectively the “**Issuers**”), respectively. Please refer to note 18 to the consolidated financial statements for the details of the ELN and Funds. Since late 2018, the Group was unable to contact the Issuers for the redemption of the ELN and Funds. In January 2019, the Company noticed from the media that the office of a related company of the Issuers has been seized together with some computers and documents stored there. Also, the office of the Issuers has not been in operation.

Up to the date of this report, the Group has yet to receive any response of the redemption matter from the Issuers. In view of the significant doubt on the recoverability of the ELN and Funds, the Group considered their fair values to be zero and fair value loss on ELN and Funds of approximately HK\$282.8 million and HK\$270.7 million respectively, were recognised in profit or loss for the Year.

附註：

1. 投資甲指嘉年華國際控股有限公司(股份代號：00996.HK)(「**嘉年華**」)。嘉年華就其表現及前景發佈之資料載於香港交易所披露易網站。基於已刊發之公告及報告，嘉年華開發及銷售高端濱海住宅物業，該等物業與主題樂園、購物商場及酒店毗鄰。嘉年華將重點放在一體化大型旅遊綜合項目及物業發展。為分散集中風險及貨幣風險，除中國內地及香港之物業市場外，嘉年華希望於其他地區之海外物業市場進一步拓展業務。
2. 投資乙指佳源國際控股有限公司(股份代號：02768.HK)(「**佳源**」)。佳源就其表現及前景發佈之資料載於香港交易所披露易網站。基於已刊發之公告及報告，佳源是發展成熟的物業開發商，在中國各大城市開發大型住宅與商業綜合體項目。佳源開拓位於香港、澳門、深圳、上海、南京等重點城市的優質項目；及持續深耕具備良好經濟基本面的城市的住宅與商業綜合體項目。佳源會積極把握項目併購機遇，多元化增加優質土地儲備，全面提升房地產價值鏈中各環節的核心競爭力。

股票掛鈎票據及若干未上市基金之公平值虧損

作為動用現金儲備盈餘之途徑，本集團曾分別向一間於英屬處女群島註冊成立之投資實體及一間已於中國登記及經中國證券投資基金業協會認可之公司(統稱為「**發行人**」)認購股票掛鈎票據及多項未上市基金(「**基金**」)。有關股票掛鈎票據及基金詳情，請參閱綜合財務報表附註18。自二零一八年年底起，本集團未能就贖回股票掛鈎票據及基金聯絡發行人。於二零一九年一月，本公司從媒體得悉發行人的一所關聯公司之辦事處連同存放於該地之若干電腦及文件已被查封及帶走。發行人之辦事處亦無正常運作。

直到本報告日期，本集團尚未收到發行人任何有關贖回事宜之回應。鑒於股票掛鈎票據及基金之可收回性存有重大疑問，本集團將其公平值視作為零，而股票掛鈎票據及基金之公平值虧損約282,800,000港元及270,700,000港元已分別於本年度在損益帳中確認。

Management Discussion and Analysis

管理層討論與分析

Money Lending Business

The Group provides short-term loans to various borrowers. Those short-term loans carried interest rates ranging from 5% to 18% per annum. During the Year, the money lending business contributed a loan interest income of approximately HK\$13.7 million to the Group.

OUTLOOK

IoT Business

In 2018, with the mounting tension amid the US-China “trade war”, the competition between the two countries became increasingly intensified. Under the unfavourable conditions, the stock market in the PRC and Hong Kong suffered a severe blow, entering into a bear period. The dispute between China and the United States has been shifted from trade to science and technology issues. Therefore, the Group encountered various difficulties and drastic changes in its business development during the Year. Although the development of the US-China “trade war” remains highly uncertain, the disputes and struggles between the two countries is expected to continue.

To date, the PRC’s government has been providing guidelines on the standardised and scientific establishment of IoT industry. Along with the development of information technology, the IoT business is constantly changing and evolving. We believe that IoT industry still has bright future. Looking forward, Rentian Technology will adopt a proactive attitude in the Chinese IoT sector and focus the capital and management resources on the core and major business activities by integrating the existing resources, promoting “IoT +” and optimising the business portfolio.

貸款業務

本集團向多名借款人提供短期貸款。該等短期貸款按年利率介乎5厘至18厘計息。於本年度，貸款業務為本集團貢獻約13,700,000港元之貸款利息收入。

展望

物聯網業務

二零一八年，在中美「貿易戰」不斷升溫，雙方角力日漸白熱化，在不利消息影響下，中港股市雙雙受到重創，從而進入熊市界線。而中美爭議事實上已由貿易轉戰到科技領域，因此本集團在本年度之業務發展方面遇到種種困難及各種衝擊。然而中美「貿易戰」到底會如何發展，現仍難以斷言，但可預期兩國磨擦與角力將會持續。

迄今，中國政府正引導物聯網行業的建設規範化和科學化。隨著信息技術的發展，物聯網業務不斷的變化及演進。我們相信物聯網行業仍具備發展前景。展望未來，仁天科技將積極進取、整合現有資源、推進「物聯網+」、優化業務組合、將資金及管理資源聚焦於核心主營業務上。



Management Discussion and Analysis

管理層討論與分析

A brief discussion and analysis of the operations of the Group is as follows.

Integrated Smart IoT Solutions business

The Group has entered into the car loan risk control field with its smart IoT tracking technologies at the end of 2018. In the coming year, the Group will focus on developing solutions for the construction of smart communities and the car loan risk control solution business.

The Group continued to pursue IoT telecommunication development. In addition to EoC telecommunication equipment and fibre-optic telecommunication equipment for the existing telecommunication operators, the Group will continue to enlarge its share in the telecommunication operator market with the development and sale of auxiliary telecommunication products. New products such as homeplug has been successfully commercialised and applied by telecommunication operators.

The Group offers smart logistic bin products to renowned domestic and overseas logistic, e-commerce, retailing and catering brands. The Group expects that further enhancement will be seen in the coming year.

以下將針對本集團運營進行概要討論和分析。

整合智慧物聯網解決方案業務

本集團在二零一八年底運用物聯網智慧追蹤技術進入全新的車貸風控領域。新的一年裡，本集團將持續聚焦於智慧社區建設解決方案及車貸風險管控行業解決方案的開拓。

本集團繼續在物聯網通訊領域發力，除原有電信運營商的同軸電纜通信設備和光纖通信設備外，本集團將繼續通過研發銷售輔助通信產品佔領電信運營商客戶市場，包括電力貓在內的新產品已成功進入電信運營商的商業應用。

本集團為海內外知名的物流、電商、零售、餐飲品牌提供智慧物流箱產品。本集團預期在未來一年裡能持續取得更大進展。

Management Discussion and Analysis

管理層討論與分析

HMID Business

The Group focuses on commercial HMID and develops terminal hardware, software and service applications for treasury, taxation, finance, education and other key industries. It offers smart and mobile-internet corporate solutions including but not limited to industry-specific integrated or self-service systems, smart payment devices, printing devices and all-in-one cloud-based systems. Apart from the traditional banking sectors, the Group will continue to explore the national treasury and taxation and other sectors, in respect of the research and development of new products.

IDS Business

The Group provides specialised services to accelerate document driven business processes to over 40 companies in the property insurance and life insurance industry in the PRC. The entire service process is supported by high level of confidentiality, data accuracy and processing velocity. The Group is also engaged in development and sale of software products and technology and provision of IT services and operations in combination with various industry applications, leveraging its technological expertise in the insurance sector.

The Group will continue to focus on developing its existing business as well as expanding into new innovative solutions with high growth potential.

The management of the Group currently plans to open new intelligent documentation centers in various cities in the PRC in the coming 3 to 5 years.

人機互動業務

本集團主要聚焦於人機互動商業終端(HMID)領域，圍繞財稅、金融、教育等重點行業應用場景構建終端硬體、軟體和服務產品，提供面向企業的智慧化和移動互聯化的解決方案，包括但不限於行業化的集成式或自助式系統、智慧支付設備、列印設備和基於雲平台的一體機系統。在行業領域方面，除傳統的銀行領域外，本集團將繼續在國家財務和稅務等領域努力及研發新產品。

智能檔案服務業務

本集團為中國財產保險及人壽保險行業40多間公司提供加快文件主導業務流程之專門服務。整個服務過程具備高度保密性、數據準確性及處理速度。本集團亦從事軟件產品和技術之開發及銷售，並結合各種行業應用提供資訊科技服務及運營，利用其在保險行業之技術專長。

本集團將繼續致力於發展現有業務，並擴展到具有高增長潛力之新型創新解決方案。

本集團之管理層目前計劃在未來3至5年於中國多個城市開設全新的智能檔案中心。

Management Discussion and Analysis

管理層討論與分析

Securities Investment Business

In view of the recent uncertain economic outlook in global markets due to uncertainties over near-term economic growth prospects of Hong Kong and the PRC and the US-China trade war, the Group takes attentive but sensible approach towards investment opportunities and sticks with high-conviction calls with solid earnings growth outlooks and strong fundamentals. The Group will closely monitor the stock market and adjust its current investments portfolio from time to time according to market changes.

FINANCIAL REVIEW

Results for the Year

During the Year, the US-China trade war has become an escalating technological cold war. Emerging technologies such as the IoT industry in China faced immense challenges. The Group's revenue for the Year decreased from approximately HK\$1,531.4 million for the year ended 31 December 2017 to HK\$1,134.9 million, representing a year-on-year decrease of 25.9%. The decrease in revenue was mainly caused by the changes in revenue in the following businesses:

| Business | | 2018 | 2017 | Changes | |
|--------------|---------|--------------|--------------|--------------|---------|
| 業務 | | 二零一八年 | 二零一七年 | 變動 | |
| | | HK\$'million | HK\$'million | HK\$'million | % |
| | | 百萬港元 | 百萬港元 | 百萬港元 | % |
| IoT solution | 物聯網解決方案 | 338.9 | 668.2 | (329.3) | (49.3) |
| HMID | 人機互動 | 669.3 | 469.4 | 199.9 | 42.6 |
| IDS | 智能檔案服務 | 225.8 | 200.9 | 24.9 | 12.4 |
| Investing | 投資 | (112.7) | 174.9 | (287.6) | (164.4) |

The Group recorded a loss before taxation of approximately HK\$2,930.3 million (2017: profit before taxation of HK\$344.1 million). The loss before taxation was mainly attributable from:

- The unrealised fair value loss of financial assets at fair value through profit or loss of approximately HK\$1,480.0 million (2017: gain of HK\$284.7 million);

證券投資業務

鑑於中港兩地短期經濟發展前景不穩定及中美貿易戰，令環球市場近期經濟展望不明朗，本集團審慎及理性地處理投資機遇，專注於盈利增長前景理想、基本因素強勁、確信買入之股票。本集團將密切留意股票市場，並不時按照市場變動調整其現時之投資組合。

財務回顧

本年度業績

於本年度，中美貿易戰已演變為科技冷戰且愈演愈烈。中國物聯網產業等新興技術面對巨大挑戰。本集團本年度之收益由截至二零一七年十二月三十一日止年度約1,531,400,000港元減少至1,134,900,000港元，按年減少25.9%。收益減少主要源自下列業務之收益出現變動所致：

本集團錄得除稅前虧損約2,930,300,000港元(二零一七年：除稅前溢利344,100,000港元)，主要源於下列因素所致：

- 錄得於損益帳按公平值處理之財務資產之未變現公平值虧損約1,480,000,000港元(二零一七年：收益284,700,000港元)；

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- The impairment of goodwill of approximately HK\$897.4 million (2017: HK\$200 million); and
- The increase in loss allowance of trade receivables amounting to approximately HK\$118.4 million in relation to certain major customers of the Group, as the trade receivables due from these customers are overdue and the Board is of the view that the repayment abilities of these customers have significantly reduced.

Liquidity, Financial Resources, Borrowing and Gearing Ratio

As at 31 December 2018, the current assets and current liabilities of the Group were approximately HK\$3,671.9 million (31 December 2017: HK\$5,208.5 million) and approximately HK\$3,134.0 million (31 December 2017: HK\$1,384.1 million) respectively. The liquidity ratio, which is calculated as current assets over current liabilities, was approximately 1.17 times as at 31 December 2018, as compared to that of approximately 3.76 times as at 31 December 2017.

The Group financed its operation largely through internal cash resources and interest-bearing borrowings. As at 31 December 2018, the Group maintained cash and bank balances (including pledged bank deposits) at approximately HK\$347.2 million (31 December 2017: HK\$744.5 million). The decrease in cash and bank balances was mainly due to the increase in securities investment and payment of interest expenses during the Year. The Group's gearing ratio, expressed as a percentage of total borrowings and long-term debts (including promissory notes) over total equity, was stated at 249.5% (31 December 2017: 49.07%). The increase in gearing ratio was mainly due to the loss for the Year of approximately HK\$2,946.7 million.

The Group's total assets and total liabilities as at 31 December 2018 amounted to approximately HK\$4,325.1 million (31 December 2017: HK\$6,910.7 million) and approximately HK\$3,229.4 million (31 December 2017: HK\$2,603.1 million) respectively. The debt ratio, which is calculated based on total liabilities over total assets, was approximately 0.75 times as at 31 December 2018, as compared to that of approximately 0.38 times as at 31 December 2017.

- 商譽減值約897,400,000港元(二零一七年：200,000,000港元)；及
- 有關本集團若干主要客戶之貿易應收款項之虧損備抵增加約118,400,000港元，原因為該等客戶應付之貿易應收款項已逾期，且董事會認為該等客戶之還款能力已大幅減弱。

流動資金、財務資源、借貸及負債資產比率

於二零一八年十二月三十一日，本集團之流動資產及流動負債分別約為3,671,900,000港元(二零一七年十二月三十一日：5,208,500,000港元)及約3,134,000,000港元(二零一七年十二月三十一日：1,384,100,000港元)。於二零一八年十二月三十一日，按流動資產除以流動負債計算之流動資金比率約為1.17倍，而二零一七年十二月三十一日則約為3.76倍。

本集團主要以內部現金資源及計息借貸為其業務提供資金。於二零一八年十二月三十一日，本集團之現金及銀行結存(包括已質押銀行存款)維持於約347,200,000港元(二零一七年十二月三十一日：744,500,000港元)。現金及銀行結存減少主要是由於本年度內證券投資增加及支付利息開支所致。本集團之負債資產比率(以借貸及長期債務(包括承兌票據)總額除以權益總額之百分比列示)為249.5%(二零一七年十二月三十一日：49.07%)。負債資產比率上升主要是由於本年度內虧損約2,946,700,000港元所致。

於二零一八年十二月三十一日，本集團之資產總值及負債總額分別約為4,325,100,000港元(二零一七年十二月三十一日：6,910,700,000港元)及約3,229,400,000港元(二零一七年十二月三十一日：2,603,100,000港元)。於二零一八年十二月三十一日，按負債總額除以資產總值計算之債務比率約為0.75倍，而二零一七年十二月三十一日則約為0.38倍。

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The net asset value of the Group decreased from HK\$4,307.6 million as at 31 December 2017 to HK\$1,095.7 million as at 31 December 2018.

As at 31 December 2018, bank and other borrowings of the Group amounted to HK\$591.0 million (31 December 2017: HK\$250.0 million) from financial institutions and a bank, among which (i) the bank borrowing of HK\$200.0 million was guaranteed by Mr. King Pak Fu (“**Mr. King**”), the controlling shareholder of the Company and secured by the charges over the entire issued share capital in certain subsidiaries of the Company; (ii) HK\$141.0 million was guaranteed by Mr. King and secured by a securities account; and (iii) the bank borrowing of HK\$250.0 million was guaranteed by Mr. King and was secured by 203,854,292 shares of Enterprise Development.

As at 31 December 2018, margin facilities of approximately HK\$841.7 million (31 December 2017: HK\$897.7 million) obtained from certain regulated securities dealers were secured by financial assets at fair value through profit or loss with a carrying amount of approximately HK\$1,556.3 million (31 December 2017: HK\$2,602.9 million) and 39,682,000 shares of Enterprise Development. An amount of approximately HK\$685.5 million (31 December 2017: HK\$425.1 million) of the facilities was utilised as at 31 December 2018.

As at 31 December 2018, the convertible bonds of US\$80.0 million with an outstanding principal balance of approximately HK\$672.1 million (31 December 2017: HK\$635.5 million) were guaranteed by Mr. King and secured by the entire shares of the Group’s subsidiaries, Elite Dynamic Enterprises Limited and Best Elite Enterprises Limited. As at 31 December 2018, there is no bank deposits being pledged (2017: bank deposits of approximately HK\$6.0 million were pledged) to secure trade finance facilities and banking facilities granted to the Group.

本集團資產淨值由二零一七年十二月三十一日之4,307,600,000港元減少至二零一八年十二月三十一日之1,095,700,000港元。

於二零一八年十二月三十一日，本集團從一家金融機構及一家銀行所取得為數591,000,000港元(二零一七年十二月三十一日：250,000,000港元)之銀行及其他借貸，其中(i)為數200,000,000港元之銀行借貸由本公司控股股東景百孚先生(「**景先生**」)擔保，並以本公司若干附屬公司全部已發行股本之押記作抵押；(ii)141,000,000港元由景先生擔保，並以一個證券戶口作抵押；及(iii)為數250,000,000港元之銀行借貸由景先生擔保，並以203,854,292股企展股份作抵押。

於二零一八年十二月三十一日，從若干受規管證券交易商所取得為數約841,700,000港元(二零一七年十二月三十一日：897,700,000港元)之孖展融資，以帳面金額約1,556,300,000港元(二零一七年十二月三十一日：2,602,900,000港元)之於損益帳按公平值處理之財務資產及39,682,000股企展股份作抵押。於二零一八年十二月三十一日，本集團已動用該等融資中約685,500,000港元(二零一七年十二月三十一日：425,100,000港元)。

於二零一八年十二月三十一日，80,000,000美元之可換股債券(未轉換本金結餘為數約672,100,000港元(二零一七年十二月三十一日：635,500,000港元))由景先生擔保，並以本集團附屬公司Elite Dynamic Enterprises Limited及佳杰企業有限公司之全部股份作抵押。於二零一八年十二月三十一日，並無質押銀行存款(二零一七年十二月三十一日：約6,000,000港元之銀行存款已作質押)，作為就貿易融資信貸及本集團所獲授銀行融資之抵押。

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As at 31 December 2018, the Group had pledged certain property, plant and equipment with a net book value of approximately HK\$12.3 million (31 December 2017: HK\$13.8 million) to secure the interest-bearing borrowings of HK\$6.0 million (31 December 2017: HK\$5.4 million).

The Directors closely monitor the Group's liquidity position and financial performance and have initiated measures to improve the Group's cash flows. In the opinion of the Directors, the Group will have sufficient working capital to meet in full its financial obligations as and when they fall due for the next fifteen months from the end of the reporting period given that: (i) the Group has obtained additional banking facilities of HK\$1,100.0 million; (ii) continuous development and improvement of the Group's businesses in IoT, HMID, IDS and Securities investment; and (iii) the Group has obtained letters of undertakings from Mr. King and certain companies controlled by Mr. King confirming that they will provide financial support to the Group for the period from 1 January 2019 to 31 March 2020 to the extent that is necessary to allow the Group to continue as a going concern. Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year.

EVENT AFTER THE REPORTING PERIOD

Details of event after the reporting period were disclosed in note 39 to the consolidated financial statements.

MAJOR AND CONNECTED ACQUISITION AND DISPOSAL

The Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures during the Year.

於二零一八年十二月三十一日，本集團已質押帳面淨值約12,300,000港元(二零一七年十二月三十一日：13,800,000港元)之若干物業、廠房及設備，作為為數6,000,000港元(二零一七年十二月三十一日：5,400,000港元)之計息借貸之抵押。

董事密切監察本集團之流動資金狀況及財務表現，並已採取措施改善本集團之現金流量。董事認為，本集團將有足夠營運資金於報告期結束後十五個月到期時全面履行其財務責任，原因如下：(i)本集團已取得額外銀行融資約1,100,000,000港元；(ii)持續發展及改善本集團於物聯網、人機互動、智能檔案服務及證券投資方面之業務；及(iii)本集團已取得景先生及若干由景先生控制之公司之承諾函，確認彼等將於二零一九年一月一日至二零二零年三月三十一日期間為本集團提供財務支持，有必要讓本集團繼續持續經營。因此，董事認為按持續經營基準編製綜合財務報表屬適當之舉。

末期股息

董事會不建議派付本年度之末期股息。

報告期後事項

報告期後事項之詳情於綜合財務報表附註39披露。

重大及關連收購及出售

於本年度內，本集團並無進行任何附屬公司、聯營公司及合營企業重大收購或出售。

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管理層討論與分析

EMPLOYEES, REMUNERATION POLICY AND RETIREMENT BENEFIT SCHEME

As at 31 December 2018, the Group had approximately 1,500 employees including Directors in Hong Kong and in the PRC. Employee remuneration, bonus, share option scheme and training policies are commensurate with individual performance and experience and comparable to the market rate. The Group contributes to a Mandatory Provident Fund under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. Other employee benefits include insurance and medical cover, subsidised educational and training programmes as well as a share option scheme.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits.

CONTINGENT LIABILITIES

As at 31 December 2018, the Group did not have material contingent liabilities (31 December 2017: contingent consideration payable of HK\$16.7 million).

僱員、薪酬政策及退休福利計劃

於二零一八年十二月三十一日，本集團有約1,500名僱員（包括董事）駐於香港及中國。僱員薪酬、花紅、購股權計劃及培訓政策按個人表現及經驗和參照市場水平釐定。本集團根據香港強制性公積金計劃條例就所有香港合資格僱員向強制性公積金供款。其他僱員福利包括保險及醫療保障、資助教育及培訓計劃以及購股權計劃。

本集團中國附屬公司之僱員為中國政府所營辦國家管理退休福利計劃之成員。該等附屬公司須按工資成本之指定百分比向退休福利計劃供款，為福利提供資金。

或然負債

於二零一八年十二月三十一日，本集團並無重大或然負債（二零一七年十二月三十一日：應付或然負債16,700,000港元）。

Management Profile

管理層履歷

EXECUTIVE DIRECTORS

Mr. Kwok Kenneth Wai Lung (“Mr. Kwok”), aged 46, joined the Group in June 2014 as the chief operation officer of the Company and was appointed as executive Director of the Company on 21 December 2017. Mr. Kwok is a director of Fujian Start Group Company Limited (“**Fujian Start**”)[#](福建實達集團股份有限公司)(stock code: 600734.SH), a company listed on the Shanghai Stock Exchange since July 2018. Mr. Kwok is a graduate of Sun Yat-Sen University and Schulich Business School, York University with a Master of Business Administration degree specialized in both Finance and Strategic Management areas. He also holds a diploma of Spanish and Latin Culture from Universidad de Guanajuato, Mexico. Mr Kwok was re-designated as Chief Executive Officer of the Company with effect from 10 January 2019.

Mr. Kwok has 24 years of technology industry knowledge, information technology expertise, and senior level management experience. He has extensive experience in global market expansion and has left his footprint all over the world through his career. Before joining the Company, he held various senior management positions in Oracle Corporation, Hewlett-Packard Enterprise Company, 3Com Inc., H3C Technology Inc., and other technology enterprises, involved in diverse fields of technology investment, strategic alliance, sales and operation, and etc. Currently Mr. Kwok also holds directorships in certain subsidiaries of the Company.

Mr. Tsang To (“Mr. Tsang”), aged 43, joined the Company on 27 February 2014. He is a partner of a PRC law firm. Mr. Tsang holds a bachelor’s degree in laws from Xiamen University (廈門大學) and a master’s degree in laws from the University of London. He is admitted as a solicitor to the High Court of Hong Kong as well as a PRC qualified lawyer.

執行董事

郭璋瓏先生(「郭先生」)，46歲，於二零一四年六月加入本集團擔任本公司首席營運官及於二零一七年十二月二十一日獲委任為執行董事。郭先生自二零一八年七月起為福建實達集團股份有限公司(「**福建實達**」，證券代碼：600734.SH，上海證券交易所上市公司)之董事。郭先生畢業於中山大學及約克大學舒力克商學院(Schulich Business School, York University)，持有工商管理碩士學位，專業為財務及戰略管理。彼亦持有墨西哥 Universidad de Guanajuato 西班牙文及拉丁文化文憑。郭先生獲調任為本公司行政總裁，自二零一九年一月十日起生效。

郭先生擁有24年科技行業知識、資訊科技專長及高層管理經驗。彼於開拓全球市場方面擁有豐富經驗，發展事業期間涉足世界各地市場。加入本公司前，彼曾於甲骨文公司(Oracle Corporation)、惠普企業公司(Hewlett-Packard Enterprise Company)、3Com Inc.、H3C Technology Inc.及其他科技企業擔任不同高級管理職務，涉獵科技投資、戰略合作、銷售與營運等不同領域。郭先生現時亦擔任本公司若干附屬公司董事。

曾濤先生(「曾先生」)，43歲，於二零一四年二月二十七日加入本公司。彼為一間中國律師事務所之合夥人。曾先生持有廈門大學法學學士學位及倫敦大學法學碩士學位。彼為香港高等法院認可律師及中國合資格律師。



Management Profile 管理層履歷

Mr. Yip Denis Shing Fai (“Mr. Yip”), aged 49, joined the Company on 21 December 2017. He has over 27 years of worldwide industry experience in information management, software and global sales and services. Mr. Yip holds a Bachelor of Science degree and a Master of Science degree in Electrical Engineering and Computer Science from University of California, Berkeley, the United States. He also holds a Master of Business Administration (MBA) degree from Golden Gate University, the United States. Mr. Yip was a director of Fujian Start from December 2017 to January 2019. Prior to joining the Company, Mr. Yip was a chief executive officer and an executive director and president of Digital China Holdings Limited (stock code: 00861.HK), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) from May 2017 to November 2017. From January 1999 to July 2006, Mr. Yip held a variety of senior management positions at International Business Machines Corporation (“**IBM**”), including global vice president, general manager of the Asia Pacific Storage Division, president of the AS/400 Business in Asia Pacific Region, and general manager of the AS/400 and RS/6000 Businesses in Greater China region. Mr. Yip was in charge of various businesses at IBM based in Guangzhou, Beijing, Tokyo and Shanghai, and was at the time the youngest global vice president of IBM in 2003. In June 2016, Mr. Yip was also elected to the board of trustees of The Webb Schools, a private Boarding School in Claremont, California, the United States. He has been the global senior vice president and the president of Greater China of EMC Corporation (“**EMC**”) from July 2006 to April 2017, and was in charge of the overall business operations in mainland China, Hong Kong and Taiwan. Upon the merger of Dell Inc. (“**DELL**”) and EMC, Mr. Yip continued to be appointed as the global senior vice president of DELL and the president of Greater China of EMC. He was also a key member in the integration of DELL and EMC in Greater China region. Mr. Yip resigned on 10 January 2019.

葉成輝先生(「葉先生」)，49歲，於二零一七年十二月二十一日加入本公司。於資訊管理、軟件及環球銷售及服務方面擁有逾27年全球行業經驗。葉先生持有美國加州大學伯克利分校(University of California, Berkeley)電子工程和計算機科學理學學士學位及理學碩士學位。彼亦持有美國金門大學(Golden Gate University)工商管理碩士學位。葉先生於二零一七年十二月起至二零一九年一月為福建實達之董事。加入本公司前，葉先生於二零一七年五月至二零一七年十一月為神州控股有限公司(股份代號：00861.HK，香港聯合交易所有限公司(「聯交所」)主板上市公司)之首席執行官、執行董事兼總裁。葉先生於一九九九年一月至二零零六年七月曾擔任國際商業機器公司(「IBM」)全球副總裁、亞太區存儲事業部總經理、亞太區AS/400業務部總裁、大中華地區AS/400及RS/6000業務部總經理等高級管理職務。葉先生曾在廣州、北京、東京及上海主管IBM不同業務，於二零零三年成為最年輕之IBM全球副總裁。葉先生亦於二零一六年六月獲選為美國韋伯高中(The Webb Schools，美國加州克雷蒙特市私立寄宿制高中)之校董。彼於二零零六年七月至二零一七年四月擔任易安信公司(EMC Corporation，「EMC」)全球高級副總裁及大中華地區總裁，負責中國內地、香港及台灣之整體業務運作。在戴爾公司(Dell Inc.，「戴爾」)與EMC合併後，葉先生繼續獲委任為戴爾全球高級副總裁兼EMC大中華地區總裁。彼亦為戴爾與EMC大中華地區整合之關鍵成員。葉先生已於二零一九年一月十日辭任。

Management Profile 管理層履歷

Mr. Yuan Wenxin (“Mr. Yuan”), aged 49, joined the Company on 10 January 2018. He holds a bachelor’s degree in law from Hunan University Law School and an Executive MBA degree from China Europe International Business School. Mr. Yuan has served various banks, investment management companies under local governments, and window companies and listed companies in Hong Kong in different capacities and has extensive experience in financial investment, merger and acquisition. Mr. Yuan was an executive director, the deputy managing director and a member of the executive committee of Shougang Concord Grand (Group) Limited, whose shares is listed on the Main Board of the Stock Exchange (stock code: 00730.HK), from 2005 to January 2018 and had participated in mergers and acquisitions, restructuring, asset management and finance leasing. Mr. Yuan resigned on 10 January 2019.

袁文心先生(「袁先生」)，49歲，於二零一八年一月十日加入本公司。彼持有湖南大學法學院法學學士學位，以及中歐國際工商學院高層管理人員工商管理碩士學位。袁先生先後在銀行、地方政府投資管理公司、駐香港窗口公司及香港上市公司工作，於金融投資及併購方面擁有豐富經驗。自二零零五年起至於二零一八年一月止，袁先生為首長四方(集團)有限公司(其股份於聯交所主板上市，股份代號：00730.HK)之執行董事、副董事總經理及執行委員會之成員，期間從事併購、重組、資產管理及融資租賃工作。袁先生已於二零一九年一月十日辭任。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhang Xiaoman (“Mr. Zhang”), aged 37, joined the Company on 4 March 2015. He holds a bachelor’s degree in laws from Peking University. He is a partner of a law firm and qualified lawyer in China. He is currently an independent non-executive director of SDIC Essence Co., Ltd, which is listed on the Shanghai Stock Exchange (stock code: 600061.SH), and was an independent non-executive director of Huarong Investment Stock Corporation Limited (stock code: 02277.HK), until he resigned on 11 December 2017.

獨立非執行董事

張小滿先生(「張先生」)，37歲，於二零一五年三月四日加入本公司。彼持有北京大學法學學士學位。彼為一間中國律師事務所之合夥人及一名中國認可合資格律師。張先生現為國投安信股份有限公司(於上海證券交易所上市，證券代碼：600061.SH)之獨立非執行董事，並曾任華融投資股份有限公司(股份代號：02277.HK)之獨立非執行董事，直至二零一七年十二月十一日辭任為止。



Management Profile 管理層履歷

Mr. Chin Hon Siang (“Mr. Chin”), aged 49, joined the Company on 14 October 2015. He holds a Bachelor of Commerce Degree from Monash University, Australia. Mr Chin is a member of CPA Australia. He has over 15 years of experience in external auditing, merger and acquisition and corporate finance. He currently is an independent non-executive director of Blockchain Group Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 00364.HK) until he resigned on 13 July 2018. He served as the Chief Financial Officer of Asia Green Agriculture Corp, a company formerly listed on the Over-the-Counter Bulletin Board in the United States of America (stock code: AGAC), from September 2012 to August 2015, the Chief Finance Manager of Dukang Distillers Holdings Limited, a company listed on Singapore Exchange (stock code: GJ8.SI) and Taiwan Stock Exchange Corporation (stock code: 911616.TW), from May 2010 to March 2012 and the Chief Financial Officer of United Food Holdings Limited, a company listed on Singapore Exchange (stock code: AZR.SI), from September 2002 to April 2010.

Mr. Huang Xin (Mr. Huang”), aged 35, joined the Company on 15 November 2016. He holds a master’s degree in laws from Peking University. He has worked in United Securities Limited, HongYuan Securities Co., Limited and Credit Suisse Founder Securities Limited and engaged in investment banking business. He is currently a director of 中海陽能源集團股份有限公司 (Raypower New Energy Co., Ltd.[#]), a company listed on National Equities Exchange and Quotations (NEEQ: 430065), the director and general manager of 北京精益智慧教育科技有限公司 (Beijing Jingyixihui education technology Co.[#]) and 共青城星辰投資管理有限公司 (Gongqingcheng Xingchen Investment Co.[#]) and member of investment committee of 久泰藍山(蘇州)投資管理有限公司 (Suzhou Jiutailanshan Investment Co.[#]).

陳鴻先先生(「陳先生」)，49歲，於二零一五年十月十四日加入本公司。陳先生持有澳洲Monash University頒授之商學士學位，並為澳洲特許公認會計師公會會員。彼於外部審核、併購及企業融資方面擁有逾15年經驗。彼現為區塊鏈集團有限公司(聯交所主板上市公司，股份代號：00364.HK)之獨立非執行董事，直至二零一八年七月十三日辭任為止。於二零一二年九月至二零一五年八月期間，彼曾出任亞洲綠色農業集團公司(一間曾於美國場外櫃檯交易系統(Over-the-Counter BulletinBoard)(股份代號：AGAC)上市之公司)之財務總監；於二零一零年五月至二零一二年三月期間，彼曾出任杜康控股有限公司(一間於新加坡證券交易所(股份代號：GJ8.SI)及臺灣證券交易所(股份代號：911616.TW)上市之公司)之財務長；以及於二零零二年九月至二零一零年四月期間，彼曾出任聯合食品控股有限公司(一間於新加坡證券交易所(股份代號：AZR.SI)上市之公司)之財務總監。

黃欣先生(「黃先生」)，35歲，於二零一六年十一月十五日加入本公司。彼持有北京大學法學碩士學位。彼曾先後在聯合證券有限公司、宏源證券股份有限公司及瑞信方正證券有限責任公司從事投資銀行業務。彼現為中海陽能源集團股份有限公司(一間於中國全國中小企業股份轉讓系統上市之公司，新三板股份代號：430065)之董事；北京精益智慧教育科技有限公司及共青城星辰投資管理有限公司之董事及總經理；久泰藍山(蘇州)投資管理有限公司投資決策委員會委員。

Report of the Directors

董事會報告

The Directors hereby present their report together with the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 December 2018.

PRINCIPAL PLACE OF BUSINESS

The Company is a company incorporated in the Cayman Islands with its registered office at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business at Suites 1801-1803, 18/F., Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment holding company and, through its subsidiaries, is principally engaged in the businesses of (i) the provision of integrated smart IoT solutions to enterprise customers; (ii) human-machine interactive devices; (iii) intelligent documentation service; (iv) securities investment; and (v) money lending.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the Management Discussion and Analysis set out on pages 7 to 21 of this report. This discussion forms part of this directors' report.

Particulars of the Company's principal subsidiaries are set out in note 14 to the consolidated financial statements.

For environmental policies and performance, compliance with the relevant laws and regulations, and a description of relationships with key stakeholders, please refer to the "Environmental, Social and Governance Report" which will be available on the websites of the Company and Stock Exchange.

董事謹此提呈本公司及其附屬公司截至二零一八年十二月三十一日止財政年度之報告連同經審核綜合財務報表。

主要營業地點

本公司為於開曼群島註冊成立之公司，其註冊辦事處位於P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，而其主要營業地點為香港灣仔告士打道108號光大中心18樓1801至1803室。

主要業務及業務回顧

本公司為投資控股公司，透過其附屬公司主要從事(i)向企業客戶提供整合智能物聯網解決方案；(ii)人機互動商業終端；(iii)智能檔案服務；(iv)證券投資；及(v)貸款業務。

按照香港公司條例附表5所規定，對該等業務之進一步討論及分析可參閱本年報第7至21頁之管理層討論與分析，當中包括對本集團面對之主要風險及不明朗因素的描述，以及本集團業務相當可能有的未來發展之揭示。此討論構成本董事會報告一部分。

本公司主要附屬公司之詳情載於綜合財務報表附註14。

有關環境政策及表現、遵守相關法律及法規的情況以及與主要權益人的關係詳情，請參閱「環境、社會及管治報告」，該報告將於本公司及聯交所網站上公佈。

Report of the Directors 董事會報告

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the Year, as far as the Board and management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operation of the Group.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognises that employees are one of the significant assets of the Group. The Group aims to continue establishing a caring environment to employees and emphasise the personal development of its employees.

The Group maintains a good relationship with our customers and suppliers. The Group aims to continue providing quality products and services to our customers and establishing co-operation strategy with our suppliers.

MAJOR SUPPLIERS AND CUSTOMERS

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/supplier | 最大客戶／供應商 |
| Five largest customers/suppliers in aggregate | 五大客戶／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 owned more than 5% of the Company's issued capital) had any interest in these major customers and suppliers.

遵守相關法律及法規之情況

於本年度內，據董事會及管理層所知，本集團並無嚴重違反或不符合適用法例及規例之情況，致令本集團業務及營運受到重大影響。

與僱員、客戶及供應商之重要關係

本集團確認僱員為本集團重要資產之一。本集團以繼續營造關愛僱員之環境為目標，重視其僱員之個人發展。

本集團與客戶及供應商保持良好關係。本集團繼續以向客戶提供優質產品及服務並與供應商建立合作策略為目標。

主要供應商及客戶

於本年度內，有關本集團主要客戶及供應商應佔銷售及購貨額之資料如下：

| Percentage of the Group's total 所佔下列項目百分比 | |
|--|----------------------|
| Sales 本集團銷售總額 | Purchases 本集團購貨總額 |

| | | | |
|---|------------|-----|-----|
| The largest customer/supplier | 最大客戶／供應商 | 10% | 11% |
| Five largest customers/suppliers in aggregate | 五大客戶／供應商合計 | 20% | 21% |

於本年度內任何時間，本公司董事、彼等之聯繫人或任何股東(據董事所知擁有本公司已發行股本5%以上者)概無於該等主要客戶及供應商中擁有任何權益。

Report of the Directors

董事會報告

RESULTS AND DIVIDENDS

The results of the Group for the Year and the state of affairs of the Company and of the Group at the date are set out in the consolidated financial statements on pages 68 to 250.

The Directors do not recommend the payment of any dividend in respect of the Year.

CHARITABLE DONATIONS

During the year, the Group did not make any charitable donations.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the Year are set out in note 11 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in share capital of the Company during the Year are set out in note 30 to the consolidated financial statements.

PURCHASE, SALES OR REDEMPTION OF SECURITIES

During the Year, the Company had repurchased its own shares from the market in total of 129,570,000 shares at an aggregate consideration (before transaction costs and expenses) of HK\$21.3 million. Having considered the Group's cash reserves, the Directors believe the share repurchases would optimise capital structure of the Company and recognise value to its shareholders. At the end of the Year, 125,810,000 repurchased shares had been cancelled and the total number of issued shares of the Company was reduced to 11,022,580,530 shares and the issued share capital was HK\$11,023,000 (2017: HK\$11,148,000).

業績及股息

本集團本年度之業績及本公司與本集團於該日之事務狀況載於第68至250頁之綜合財務報表。

董事不建議就本年度派付任何股息。

慈善捐款

本集團於本年度內並無作出任何慈善捐款。

物業、廠房及設備

物業、廠房及設備於本年度內之變動詳情載於綜合財務報表附註11。

股本

本公司股本於本年度內之變動詳情載於綜合財務報表附註30。

購買、出售或贖回證券

於本年度內，本公司於市場合共購回其本身129,570,000股股份，總代價(未計交易成本及開支前)為21,300,000港元。經考慮本集團之現金儲備，董事相信股份購回將會優化本公司之資本架構並為其股東提升價值。於本年度年終，125,810,000股已獲購回股份已予註銷，而本公司之已發行股份總數減至11,022,580,530股，而已發行股本為11,023,000港元(二零一七年：11,148,000港元)。

Report of the Directors

董事會報告

Particulars of the repurchases are as follows:

購回詳情如下：

| 2018 二零一八年 | | Number of shares repurchased 購回股份數目 | Purchase price per share 每股購買價 | | Aggregate price paid 已付總價 (HK\$) (港元) |
|---------------|-----|--|-----------------------------------|---------------------------------|--|
| | | | Highest 最高價 (HK\$) (港元) | Lowest 最低價 (HK\$) (港元) | |
| September | 九月 | 9,300,000 | 0.210 | 0.187 | 1,856,530 |
| October | 十月 | 76,520,000 | 0.219 | 0.128 | 13,675,180 |
| November | 十一月 | 39,990,000 | 0.145 | 0.129 | 5,470,850 |
| December | 十二月 | <u>3,760,000</u> | 0.099 | 0.069 | <u>300,660</u> |
| | | <u>129,570,000</u> | | | <u>21,303,220</u> |

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed securities of the Company during the Year.

除上文所披露者外，本公司或其任何附屬公司於本年度概無購買、贖回或出售本公司任何上市證券。

CONVERTIBLE SECURITIES, OPTION, WARRANTS OR OTHER SIMILAR RIGHTS

Details of movements in share option of the Company are set out in note 31 to the consolidated financial statements.

可換股證券、購股權、認股權證或其他相類權利

本公司購股權之變動詳情載於綜合財務報表附註31。

Details of the convertible bonds issued during the Year or subsisting at the end of the Year are set out in note 29 to the consolidated financial statements.

於本年度發行或於本年度年終存在之可換股債券詳情載於綜合財務報表附註29。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws in the Cayman Islands, which would oblige the Company to offer shares on a pro rata basis to its existing shareholders.

優先購買權

本公司組織章程細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

Report of the Directors

董事會報告

RESERVES

Movements in the reserves of the Company during the Year are set out in note 40(a) to the consolidated financial statements. The surplus in distributable reserves of the Company as at 31 December 2018 amounted to approximately HK\$883,188,000 (2017: HK\$3,439,279,000).

FIVE YEARS SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 251 and 252 of the annual report.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

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

The Group has entered into the following connected transactions during the Year:

(a) Continuing Connected Transactions

- (i) On 24 January 2018, the Company and Fujian Start entered into the master agreement, in relation to (1) the lease of office premises; and (2) the purchase of products and services by the Group from the Fujian Start and its subsidiaries, with effect from 1 January 2018 to 31 December 2018. (the “**Master Agreement**”).

Details of the Master Agreement was set out in the Company's announcement dated 24 January 2018.

Accordingly, the Company set the annual cap for the aggregate amount under the Master Agreement at approximately HK\$29,902,000 for the Year.

儲備

本公司儲備於本年度之變動載於綜合財務報表附註40(a)。於二零一八年十二月三十一日，本公司之可供分派儲備盈餘約為883,188,000港元(二零一七年：3,439,279,000港元)。

五年概要

本集團過去五個財政年度之業績及資產負債概要載於年報第251及252頁。

關連人士交易及關連交易

關連人士交易於綜合財務報表附註36披露。

本集團於本年度內曾進行以下關連交易：

(a) 持續關連交易

- (i) 於二零一八年一月二十四日，本公司與福建實達訂立總協議，內容有關本集團向福建實達及其附屬公司(1)租用辦公室物業；及(2)採購產品及服務，由二零一八年一月一日起至二零一八年十二月三十一日止(「**總協議**」)。

有關總協議之詳情載於本公司日期為二零一八年一月二十四日之公告。

就此，本公司就本年度根據總協議項下總額設定年度上限約29,902,000港元。



Report of the Directors 董事會報告

The transactions under the Master Agreement were subject to the reporting, announcement and annual review requirements, but were exempt from the independent shareholders' approval requirement under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

During the Year, the annual aggregate rents of approximately RMB3,508,000 (equivalent to approximately HK\$4,160,000) and annual aggregate purchase of products and services of approximately RMB2,611,000 (equivalent to approximately HK\$3,097,000) were paid under the Master Agreement.

- (ii) On 2 May 2018, FSCE and 深圳市東方拓宇科技有限公司 (Shenzhen Eastaeon Technology Co., Ltd[#]) ("**Eastaeon**"), a wholly-owned subsidiary of Fujian Start, entered into a supply agreement, pursuant to which FSCE as the supplier has agreed to supply the All-in-One Thin Client Computer (一體化瘦客戶機) products and related services to Eastaeon for a term with effect from the supply agreement to 31 December 2018 (the "**Supply Agreement**").

Details of the Supply Agreement were set out in the Company's announcement dated 2 May 2018.

The proposed annual cap for the transactions contemplated under the Supply Agreement for the Year to be approximately HK\$18,600,000.

The transactions under the Supply Agreement and the proposed annual cap for the Year were subject to the reporting, announcement and annual review requirements only and were exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the year, no All-in-One Thin Client Computer product has been sold and no related service has been provided to Eastaeon under the Supply Agreement.

根據香港聯合交易所有限公司證券上市規則(「上市規則」)第十四A章·總協議項下交易須遵守申報·公告及年度審核規定·惟獲豁免遵守獨立股東批准規定。

於本年度內·根據總協議支付之年度租金合共約為人民幣3,508,000元(相等於約4,160,000港元)及購買產品及服務之年度總額約為人民幣2,611,000元(相當於約3,097,000港元)。

- (ii) 於二零一八年五月二日·實達外設與深圳市東方拓宇科技有限公司(福建實達之全資附屬公司·「東方拓宇」)訂立供應協議·據此·實達外設(作為供應商)同意向東方拓宇供應一體化瘦客戶機產品及相關服務·年期由供應協議日期起至二零一八年十二月三十一日止(「供應協議」)。

有關供應協議之詳情載於本公司日期為二零一八年五月二日之公告。

供應協議項下擬進行交易於本年度之建議年度上限將約為18,600,000港元。

根據上市規則第十四A章·供應協議項下交易及本年度之建議年度上限僅須遵守申報·公告及年度審核規定·惟獲豁免遵守獨立股東批准規定。

於本年度·並無根據供應協議出售一體化瘦身客戶機產品及並無向東方拓宇提供相關服務。

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(b) Connected Transaction

The Group did not have any connected transaction during the Year.

(c) Annual review of the continuing connected Transactions

In accordance with Rule 14A.37 of the Listing Rules, the independent non-executive directors had reviewed the above continuing connected transactions (the “**2018 Continuing Connected Transactions**”) which was subsisting during the year and confirmed that the 2018 Continuing Connected Transactions had been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the relevant agreements governing the 2018 Continuing Connected Transactions on terms that are fair and reasonable and in the interests of the Company’s shareholders as a whole.

The Company’s auditor was engaged to report on the Group’s 2018 Continuing Connected Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “**Assurance Engagements Other Than Audits or Reviews of Historical Financial Information**” and with reference to Practice Note 740 “**Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules**” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their findings and conclusions in respect of the 2018 Continuing Connected Transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor’s letter has been provided by the Company to the Stock Exchange.

(b) 關連交易

於本年度，本集團並無任何關連交易。

(c) 持續關連交易之年度審核

按照上市規則第14A.37條，獨立非執行董事已審核於年內仍然有效之上述持續關連交易（「二零一八年持續關連交易」），並確認二零一八年持續關連交易乃：

- (i) 在本集團一般及日常業務過程中訂立；
- (ii) 按一般商務條款進行；及
- (iii) 按照條款屬公平合理並符合本公司股東整體利益之二零一八年持續關連交易相關監管協議進行。

本公司已委聘核數師，按照香港會計師公會頒佈之香港鑒證業務準則第3000號（經修訂）「非審核或審閱過往財務資料之鑒證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」就本集團之二零一八年持續關連交易發表報告。核數師已根據上市規則第14A.56條發出無保留意見之函件，載列其有關本集團所進行上文披露之二零一八年持續關連交易之發現及結論。本公司已向聯交所提供核數師函件副本。

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Save as disclosed above, none of the material related party transactions as disclosed in note 36 to the consolidated financial statements for the year constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

除上文所披露者外，根據上市規則，於本年度綜合財務報表附註36披露之重大關連人士交易概不構成須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

To the extent of the above material related party transactions constituted connected transaction as defined in the Listing Rules, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

上述重大關連人士交易凡構成關連交易（定義見上市規則），本公司均已於本年度內遵守上市規則第十四A章之相關規定。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors who held office during the Year and up to the date of this report were:

Executive Directors

Mr. Kwok Kenneth Wai Lung (*Chief Executive Officer*)

Ms. Yang Xiaoying ("**Ms. Yang**")

(resigned on 17 July 2018)

Mr. Tsang To

Mr. Yip Denis Shing Fai (resigned on 10 January 2019)

Mr. Yuan Wenxin (appointed on 10 January 2018 and resigned on 10 January 2019)

Mr. Bai Xuefei ("**Mr. Bai**")

(appointed on 1 June 2018 and resigned on 17 July 2018)

Independent Non-executive Directors

Mr. Zhang Xiaoman

Mr. Chin Hon Siang

Mr. Huang Xin

In accordance with Article 116 of the Article of Association of the Company, Mr. Zhang and Mr. Huang will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

董事及董事之服務合約

於本年度內及截至本報告日期在任之董事如下：

執行董事

郭瑋瓏先生(行政總裁)

楊曉櫻女士(「楊女士」)

(於二零一八年七月十七日辭任)

曾濤先生

葉成輝先生(於二零一九年一月十日辭任)

袁文心先生(於二零一八年一月十日獲委任及於二零一九年一月十日辭任)

白雪飛先生(「白先生」)

(於二零一八年六月一日獲委任及

於二零一八年七月十七日辭任)

獨立非執行董事

張小滿先生

陳鴻先先生

黃欣先生

按照本公司組織章程細則第116條，張先生及黃先生將於應屆股東週年大會上輪流告退，惟彼等符合資格，且願意於會上接受重選。

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DIRECTORS' SERVICE CONTRACTS

Save as disclosed above, none of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

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.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

The Directors who held office at 31 December 2018 had the following interests in the shares of the Company, its holding company, subsidiaries and other associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")) at that date as recorded in the register of directors' and chief executives' interests and short positions required to be kept under section 352 of the SFO:

(i) Long positions in shares of the Company

| Name of Directors | Capacity | Ordinary shares (no. of shares) | Derivative shares (no. of shares) | Total number of shares held (no. of shares) | % of the Company's issued share capital | Note |
|-------------------|---------------------------|------------------------------------|--------------------------------------|--|---|------|
| 董事姓名 | 身份 | 普通股 (股份數目) | 衍生股份 (股份數目) | 所持 股份總數 (股份數目) | 佔本公司 已發行股本 之百分比 | 附註 |
| Mr. Kwok 郭先生 | Beneficial owner 實益擁有人 | — | 53,000,000 | 53,000,000 | 0.48% | 1 |
| Mr. Tsang 曾先生 | Beneficial owner 實益擁有人 | — | 30,000,000 | 30,000,000 | 0.27% | 2 |

Note 1: These 53,000,000 shares are derived from the interest in 53,000,000 share options granted by the Company to Mr. Kwok exercisable into 53,000,000 shares.

Note 2: These 30,000,000 shares are derived from the interest in 30,000,000 share options granted by the Company to Mr. Tsang exercisable into 30,000,000 shares.

董事服務合約

除上文所披露者外，擬於應屆股東週年大會上接受重選之董事概無與本公司訂立任何本公司不可於一年內免付補償(法定補償除外)而終止之服務合約。

管理合約

於本年度內概無訂立或存在關於本公司全部或任何重大部分業務之管理及行政合約。

董事於股份及相關股份之權益及淡倉

按照根據證券及期貨條例第352條須存置之董事及最高行政人員權益及淡倉登記冊之紀錄，於二零一八年十二月三十一日，當時在任之董事於本公司、其控股公司、附屬公司及其他相聯法團(定義見證券及期貨條例)之股份中擁有以下權益：

(i) 於本公司股份中之好倉

附註1：該53,000,000股股份衍生自本公司授予郭先生之53,000,000份購股權之權益，有關購股權可以行使，從而換取53,000,000股股份。

附註2：該30,000,000股股份衍生自本公司授予曾先生之30,000,000份購股權之權益，有關購股權可以行使，從而換取30,000,000股股份。



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DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed “**Share Option Scheme**” below and note 31 to the consolidated financial statements, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities or debt securities of the Company or had exercised any such right.

DIRECTORS' INTEREST IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries or holding companies was a party to and in which any of the Company's Directors or members of its management had a material interest in, whether directly or indirectly, subsisted at the end of the year or at any time during the Year.

DIRECTORS' INTEREST IN A COMPETING BUSINESS

During the Year and up to the date of this report, no Director is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 2 June 2017 (the “**Share Option Scheme**”). The purpose of the Share Option Scheme is to provide an opportunity for employees of the Group to acquire an equity participation in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

董事購買股份或債權證之權利

除下文「**購股權計劃**」一節及綜合財務報表附註31所披露者外，於本年度內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券(包括債權證)而獲取利益，而各董事或彼等之配偶或十八歲以下子女概無擁有可認購本公司證券或債務證券之任何權利，亦無行使任何該等權利。

董事於合約之權益

於年終或本年度內任何時間並無存在由本公司或其任何附屬公司或控股公司就本集團業務訂立，且本公司任何董事或管理層成員於當中直接或間接擁有重大權益之重大合約。

董事於競爭業務之權益

於本年度內及截至本報告日期，概無董事被視為於與本集團業務直接或間接競爭或可能競爭之業務中擁有權益(定義見上市規則)。

購股權計劃

本公司於二零一七年六月二日採納一項購股權計劃(「**購股權計劃**」)。購股權計劃旨在為本集團僱員提供機會，取得於本公司之股本權益，鼓勵彼等為本公司及其股東整體之利益，努力提升本公司及其股份之價值。

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Under the Share Option Scheme, the Company may grant to the Directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be. The maximum number of shares in respect of which share options may be granted to a specifically identified single grantee under the Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue. Under the Share Option Scheme, the options granted may be accepted by a participant within 14 days from the date of such offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable by the Directors, and commences after a vesting period of no shorter than 12 months and ends on a date which is not later than 10 years from the date of offer of the share options.

The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

As at 31 December 2018, the executive Directors and employees of the Group had the following interests in options to subscribe for shares of the Company (market value per share at 31 December 2018 (last trading date in 2018) was HK\$0.074) granted for HK\$1 under the share option scheme of the Company. The options are unlisted. Once vested, each option gives the holder the right to subscribe for one ordinary share of the Company. Assuming that all the options outstanding as at 31 December 2018 are exercised, the Company will receive proceeds of approximately HK\$145,613,000.

根據購股權計劃，本公司可向董事及本集團僱員以及董事會全權酌情認為曾經或將會對本集團作出貢獻之任何其他人士授出購股權。於根據新購股權計劃及本公司任何其他購股權計劃授出但尚未行使之所有發行在外購股權獲行使時發行之股份數目上限，合共不得超過不時已發行股份總數之30%。

於根據購股權計劃及本公司任何其他購股權計劃將授出之所有購股權獲行使時可予發行之股份總數，合共不得超過於相關普通決議案通過當日已發行股份之10%。凡向關連人士授出購股權，均須經獨立非執行董事或獨立股東(視情況而定)批准。於任何12個月期間內，根據購股權計劃可向個別指明單一承授人授出之購股權(包括已行使、已註銷及未行使之購股權)所涉股份數目上限，不得超過已發行股份總數之1%。根據購股權計劃，參與者可於由要約日期起計14日內接納所獲授之購股權。接納授出購股權之要約時，須支付代價1港元。已授出購股權之行使期由董事釐定，於不少於12個月之歸屬期結束後開始，於由購股權要約日期起計滿10年內屆滿。

購股權之行使價為股份面值、股份於授出日期在聯交所之收市價及股份於緊接授出日期前五個營業日在聯交所之平均收市價中之最高者。

於二零一八年十二月三十一日，執行董事及本集團僱員於本公司根據購股權計劃以1港元授出可認購本公司股份(股份於二零一八年十二月三十一日(二零一八年最後一個交易日)之市價為每股0.074港元)之購股權中擁有以下權益。該等購股權並無上市。每份購股權於歸屬後將賦予持有人權利認購一股本公司之普通股。假設於二零一八年十二月三十一日尚未行使之購股權獲悉數行使，本公司將獲得所得款項約145,613,000港元。

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| Category of participant | Date of grant | Exercise price | Number of share options | | | |
|-----------------------------------|-------------------------------|----------------------|--|-------------------------------|---------------------------------|---|
| | | | As at 1 January 2018 於二零一八年 一月一日 | Granted during the year | Forfeited during the year | As at 31 December 2018 於二零一八年 十二月三十一日 |
| 參與者類別 | 授出日期 | 行使價 | 購股權數目 | 年內授出 | 年內沒收 | 購股權數目 |
| Executive Directors/former | | | | | | |
| Executive Director: | | | | | | |
| 執行董事/前執行董事: | | | | | | |
| Mr. Tsang 曾先生 | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 20,000,000 | — | — | 20,000,000 |
| | 14 July 2016 二零一六年七月十四日 | HK\$0.52 0.52港元 | 10,000,000 | — | — | 10,000,000 |
| | | | <u>30,000,000</u> | <u>—</u> | <u>—</u> | <u>30,000,000</u> |
| Mr. Kwok 郭先生 | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 30,000,000 | — | — | 30,000,000 |
| | 14 July 2016 二零一六年七月十四日 | HK\$0.52 0.52港元 | 23,000,000 | — | — | 23,000,000 |
| | | | <u>53,000,000</u> | <u>—</u> | <u>—</u> | <u>53,000,000</u> |
| Ms. Yang (Note) 楊女士(附註) | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 60,000,000 | — | (60,000,000) | — |
| Employees in aggregate | | | | | | |
| 僱員總計 | | | | | | |
| | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 286,863,900 | — | (165,863,900) | 121,000,000 |
| | 14 July 2016 二零一六年七月十四日 | HK\$0.52 0.52港元 | 240,500,000 | — | (74,700,000) | 165,800,000 |
| | 6 December 2016 二零一六年十二月六日 | HK\$0.493 0.493港元 | 50,000,000 | — | (50,000,000) | — |
| | | | <u>577,363,900</u> | <u>—</u> | <u>(290,563,900)</u> | <u>286,800,000</u> |
| Total 總計 | | | <u>720,363,900</u> | <u>—</u> | <u>350,563,900</u> | <u>369,800,000</u> |

Note: Ms. Yang resigned as executive Director with effect from 17 July 2018 and the share options granted to her were lapsed on the same date.

附註：楊女士自二零一八年七月十七日起辭任執行董事職務，其獲授予之購股權於同日失效。

Apart from the foregoing, at no time during the year was the Company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

除上述者外，於年內任何時間，本公司或其任何控股公司、附屬公司或同系附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債權證而獲取利益。

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SUBSTANTIAL SHAREHOLDER AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2018, the following person (other than the Directors or chief executive of the Company) has interests or short position in the shares and underlying shares of the company, being 5% or more of the Company's issued share capital, as known to the Company or recorded in the register required to be kept under Section 336 of the SFO and in accordance with information received by the Company.

主要股東及其他人士於股份及相關股份之權益

於二零一八年十二月三十一日，據本公司所知或根據證券及期貨條例第336條須存置之登記冊所記錄及按照本公司獲得之資料，以下人士(本公司董事或最高行政人員除外)於本公司股份及相關股份中擁有佔本公司已發行股本5%或以上之權益或淡倉。

| Name of Shareholders | Capacity/Nature of interest | Number in shares interested in or deemed to be interested (Long position) 擁有權益或被視為擁有權益之股份數目 (好倉) | % of voting right (Long position) 佔投票權之百分比 (好倉) | Note |
|---|---|--|---|------|
| 股東姓名/名稱 | 身份/權益性質 | | | 附註 |
| Mr. King 景先生 | Interest in controlled corporation 於受控制法團之權益 | 6,733,523,350 | 61.09% | 1 |
| Mystery Idea Limited ("Mystery Idea") | Beneficial owner | 5,179,643,350 | 46.99% | |
| Mystery Idea Limited (「Mystery Idea」) | 實益擁有人 | | | |
| Ever Success Ventures Limited ("Ever Success") | Beneficial owner | 9,000,000 | 0.08% | |
| Ever Success Ventures Limited (「Ever Success」) | 實益擁有人 | | | |
| Better Joint Venture Limited ("Better Joint Venture") | Interest in controlled corporation | 1,455,660,000 | 13.21% | 2 |
| Better Joint Venture Limited (「Better Joint Venture」) | 於受控制法團之權益 | | | |
| | Beneficial owner | 89,220,000 | 0.81% | 2 |
| | 實益擁有人 | | | |
| Carnival 嘉年華 | Interest in controlled corporation 於受控制法團之權益 | 1,455,660,000 | 13.21% | 3 |
| Swift Fortune Investments Limited ("Swift Fortune") | Beneficial owner | 1,455,660,000 | 13.21% | |
| 捷發投資有限公司(「捷發」) | 實益擁有人 | | | |
| Mr. Wang Xu 王旭先生 | Interest in controlled corporation 於受控制法團之權益 | 1,201,600,000 | 10.90% | 4 |
| State Frontier Limited ("State Frontier") | Beneficial owner | 1,201,600,000 | 10.90% | 4 |
| 邦領有限公司(「邦領」) | 實益擁有人 | | | |

Report of the Directors

董事會報告

| Name of Shareholders | Capacity/Nature of interest | Number in shares interested in or deemed to be interested (Long position) 擁有權益或被視為擁有權益之股份數目 (好倉) | % of voting right (Long position) 佔投票權之百分比 (好倉) | Note |
|---|---|---|--|------|
| 股東姓名/名稱 | 身份/權益性質 | | | 附註 |
| Mr. Zhao Zhen Zhong 趙振中先生 | Interest in controlled corporation 於受控制法團之權益 | 592,941,176 | 5.38% | 5 |
| Superb Fortune Limited ("Superb Fortune") | Beneficial owner 實益擁有人 | 592,941,176 | 5.38% | 5 |
| Superb Fortune Limited ([Superb Fortune]) | | | | |
| Guangzhou Yuexiu Holdings Limited 廣州越秀集團有限公司 | Security interest 證券權益 | 1,000,000,000 | 9.07% | 6 |
| Ministry of Finance of the PRC 中國財政部 | Interest in controlled corporation 於受控制法團之權益 | 589,751,535 | 5.35% | 7 |
| China Huarong Asset Management Co., Ltd. 中國華融資產管理股份有限公司 | Interest in controlled corporation 於受控制法團之權益 | 589,751,535 | 5.35% | 7 |
| China Huarong Overseas Investment Holdings Co., Limited 中國華融海外投資控股有限公司 | Interest in controlled corporation 於受控制法團之權益 | 589,751,535 | 5.35% | 7 |

Notes:

- Mr. King is deemed to be interested in (i) 89,220,000 Shares held through Better Joint Venture; (ii) 5,179,643,350 Shares held through Mystery Idea; (iii) 9,000,000 Shares held through Ever Success; and (iv) 1,455,660,000 Shares held through Swift Fortune under the SFO. Each of Better Joint Venture, Mystery Idea and Ever Success are wholly-owned by Mr. King. Swift Fortune is wholly-owned by Carnival, which in turn is indirectly owned as to approximately 62.18% by Mr. King.
- Better Joint Venture is interested in 89,220,000 Shares, and is deemed to be interested in (i) 1,455,660,000 Shares held through Swift Fortune under the SFO. Swift Fortune is wholly-owned by Carnival.
- Carnival is deemed to be interested in 1,455,660,000 Shares held through Swift Fortune under the SFO. Swift Fortune is wholly-owned by Carnival.

附註:

- 根據證券及期貨條例，景先生被視為為(i)透過Better Joint Venture持有之89,220,000股股份；(ii)透過Mystery Idea持有之5,179,643,350股股份；(iii)透過Ever Success持有之9,000,000股股份及(iv)透過捷發持有之1,455,660,000股股份中擁有權益。Better Joint Venture、Mystery Idea及Ever Success各自由景先生全資擁有。捷發由嘉年華全資擁有，而嘉年華由景先生間接擁有約62.18%權益。
- 根據證券及期貨條例，Better Joint Venture於89,220,000股股份中擁有權益，並被視為為(i)透過捷發持有之1,455,660,000股股份中擁有權益。捷發由嘉年華全資擁有。
- 根據證券及期貨條例，嘉年華被視為為透過捷發持有之1,455,660,000股股份中擁有權益。捷發由嘉年華全資擁有。

Report of the Directors

董事會報告

- (4) Mr. Wang Xu is deemed to be interested in 1,201,600,000 Shares held through State Frontier under the SFO. State Frontier is wholly-owned by Mr. Wang Xu.
- (5) Mr. Zhao Zhen Zhong is deemed to be interested in 592,941,176 Shares held through Superb Fortune under the SFO. Superb Fortune is wholly-owned by Mr. Zhao Zhen Zhong.
- (6) These security interests are held by Yue Xiu Investment Consultants Limited, which is in turn wholly-owned by Yue Xiu Securities Holdings Limited, which is in turn wholly-owned by Yue Xiu Enterprises (Holdings) Limited, which is wholly-owned by Guangzhou Yuexiu Holdings Limited.
- (7) Brilliant Nexus Limited (“**Brilliant Nexus**”) is interested in 60,400,000 Shares. Brilliant Nexus is wholly-owned by China Huarong Overseas Investment Holdings Co., Limited (“**Huarong Overseas**”). These underlying shares represent a maximum of 529,351,535 new Shares that may be issued upon full conversion of the convertible bonds which are owned by Kingdom Harvest Limited (“**Kingdom Harvest**”). Kingdom Harvest is wholly-owned by Huarong Overseas. Huarong Overseas is wholly-owned by Huarong Huaqiao Asset Management Co., Ltd. (“**Huarong Huaqiao**”). Huarong Huaqiao is owned as to 51% by Huarong Zhiyuan Investment Management Co., Ltd. (“**Huarong Zhiyuan**”) and as to 40% by Guangdong Jinfeng Group Co., Ltd. (“**Guangdong Jinfeng**”). Huarong Zhiyuan is wholly-owned by China Huarong Asset Management Co., Ltd. (“**Huarong AM**”), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 02799.HK). Huarong AM is owned as to approximately 67.75% by the Ministry of Finance of the PRC (the “**MOF**”). Guangdong Jinfeng is wholly-owned by Hong Kong Jinfeng Group Co., Ltd. (“**Hong Kong Jinfeng**”), which is in turn wholly-owned by Mr. Sun Siu Kit (“**Mr. Sun**”). Each of Huarong Overseas, Huarong Huaqiao, Huarong Zhiyuan, Guangdong Jinfeng, Huarong AM, the MOF, Hong Kong Jinfeng and Mr. Sun are deemed to be interested in the Shares in which Brilliant Nexus and Kingdom Harvest are interested in under the SFO.
- (4) 根據證券及期貨條例，王旭先生被視為於透過邦領持有之1,201,600,000股股份中擁有權益。邦領由王旭先生全資擁有。
- (5) 根據證券及期貨條例，趙振中先生被視為於透過Superb Fortune持有之592,941,176股股份中擁有權益。Superb Fortune由趙振中先生全資擁有。
- (6) 該等證券權益由越秀投資諮詢有限公司持有，越秀投資諮詢有限公司由越秀證券控股有限公司全資擁有，越秀證券控股有限公司由越秀企業(集團)有限公司全資擁有，而越秀企業(集團)有限公司則由廣州越秀集團有限公司全資擁有。
- (7) Brilliant Nexus Limited (「**Brilliant Nexus**」)於60,400,000股股份中擁有權益。Brilliant Nexus由中國華融海外投資控股有限公司(「**華融海外**」)全資擁有。該等相關股份指Kingdom Harvest Limited (「**Kingdom Harvest**」)所擁有之可換股債券獲悉數轉換時可能發行之最多529,351,535股新股份。Kingdom Harvest由華融海外全資擁有。華融海外由華融華僑資產管理股份有限公司(「**華融華僑**」)全資擁有。華融華僑由華融致遠投資管理有限責任公司(「**華融致遠**」)擁有51%權益及由廣東錦峰集團有限公司(「**廣東錦峰**」)擁有40%權益。華融致遠由中國華融資產管理股份有限公司(「**華融資產管理**」)全資擁有，其股份於聯交所主板上市，股份代號：02799.HK全資擁有。華融資產管理由中國財政部(「**財政部**」)擁有約67.75%權益。廣東錦峰由香港錦峰集團有限公司(「**香港錦峰**」)全資擁有，而香港錦峰由孫少杰先生(「**孫先生**」)全資擁有。根據證券及期貨條例，華融海外、華融華僑、華融致遠、廣東錦峰、華融資產管理、財政部、香港錦峰及孫先生各自被視為於Brilliant Nexus及Kingdom Harvest擁有權益之股份中擁有權益。

All interests stated above represent long positions. As at 31 December 2018, no short positions were recorded in the Disclosure of Interests Register.

Save as disclosed above, as at 31 December 2018, the Directors were not aware of any person or corporation (other than the Director and chief executives of the Company) who had, or were deemed or taken to have, any interests or short positions in any Shares or underlying Shares as recorded in Disclosure of Interests Register or otherwise notified to the Company.

上述所有權益均為好倉。於二零一八年十二月三十一日，於權益披露登記冊內並無記錄任何淡倉。

除上文所披露者外，於二零一八年十二月三十一日，董事並不知悉任何人士或法團(除本公司董事或最高行政人員外)於任何股份或相關股份中擁有或視為或當作擁有已記錄於權益披露登記冊或另行知會本公司之任何權益或淡倉。



Report of the Directors 董事會報告

SUFFICIENCY OF PUBLIC FLOAT

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

CODE OF BEST PRACTICE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 42 to 58.

EVENT AFTER THE REPORTING PERIOD

Details of the significant event after the reporting period of the Group are set out in note 39 to the consolidated financial statements.

AUDITOR

The consolidated financial statements of the Company for the Year were audited by Mazars CPA Limited.

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Mazars CPA Limited as auditor of the Company.

ON BEHALF OF THE BOARD

Kwok Kenneth Wai Lung

Executive Director and Chief Executive Officer

Hong Kong

29 March 2019

公眾持股量之充足程度

基於本公司所得之公開資料及於本年報日期就董事所知，本公司已維持上市規則規定之公眾持股量。

最佳常規守則

本公司採納之主要企業管治常規載於第42至58頁之企業管治報告。

報告期後事項

本集團於報告期後發生之重大事項詳情載於綜合財務報表附註39。

核數師

本公司本年度之綜合財務報表由中審眾環(香港)會計師事務所有限公司審核。

本公司將於應屆股東週年大會上提呈一項決議案，續聘中審眾環(香港)會計師事務所有限公司為本公司之核數師。

代表董事會

郭瑋瓏

執行董事及行政總裁

香港

二零一九年三月二十九日

Corporate Governance Report

企業管治報告

The Company recognises that good governance standards maintained throughout the Group serves as an effective risk management mechanism for the Company. The Board is committed to ensuring a high level of corporate governance standards.

CORPORATE GOVERNANCE PRACTICES

The Board has adopted its own code on corporate governance practices which incorporate all the code provision in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. The Company will continue to enhance the corporate governance standards throughout the Group and ensure further standards be put in place by reference to the recommended best practices whenever suitable and appropriate.

Save as disclosed below, in the opinion of the Directors, the Company has adopted and complied with the CG Code as set out in Appendix 14 to the Listing Rules during the Year.

- (a) CG Code Provision A.2.1 stipulated that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Since Ms. Yang Xiaoying has stepped down from her role as the Chief Executive Officer on 21 December 2017, the Company does not have a designated position of Chief Executive Officer until the appointment of Mr. Bai Xuefei as the Chief Executive Officer on 1 June 2018. Subsequently, Mr. Bai Xuefei resigned as the Chief Executive Officer on 17 July 2018. Since then the Company did not have a designated position of Chief Executive Officer. The daily operation and management of the Company is monitored by the executive Directors. Subsequent to the year ended 31 December 2018, on 10 January 2019, Mr. Kwok Kenneth Wai Leung, an executive Director and the existing executive president of the Company, has been re-designated as an executive Director and the Chief Executive Officer of the Company. The Board will keep reviewing its current structure and the need of appointment of a suitable candidate to perform the role of Chairman.

本公司確認，本集團上下奉行之良好管治標準能有效地管理本公司之風險。董事會致力確保維持高企業管治水平。

企業管治常規

董事會已採納自訂企業管治常規守則，該守則加入上市規則附錄十四載列之企業管治守則之所有守則條文。本公司將繼續提升本集團整體之企業管治標準，確保於合適及適當之時參考建議最佳常規採用進一步之標準。

除下文所披露者外，董事認為，本公司於本年度已採納及遵守上市規則附錄十四所載之企業管治守則。

- (a) 企業管治守則之守則條文A.2.1訂明主席與行政總裁的角色應有區分，並不應由一人同時兼任。自楊曉櫻女士於二零一七年十二月二十一日卸任行政總裁一職以來，本公司並無特設行政總裁職位，直至於二零一八年六月一日委任白雪飛先生為行政總裁為止。其後，白雪飛先生於二零一八年七月十七日辭任行政總裁職務。自此以後，本公司並無特設行政總裁職位。本公司之日常營運及管理由執行董事監察。於截至二零一八年十二月三十一日止年度後，本公司之執行董事兼現任執行總裁郭璋瓏先生於二零一九年一月十日獲調任為本公司執行董事兼行政總裁。董事會將不斷檢討其現行架構及委任適當人選履行主席職務之需要。



Corporate Governance Report 企業管治報告

- (b) CG Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term and be subject to re-election. The Company has not fixed the term of appointment for non-executive directors, which constitutes a deviation from Code Provision of A.4.1. However, all non-executive directors are also subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to Article 116 in the Articles of Association of the Company.
- (c) CG Code A.6.7 stipulated that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the view of shareholders. Due to other pre-arranged business commitments which must be attended by the Directors, Ms. Yang Xiaoying and Mr. Huang Xin were not able to attend the general meeting of the Company on 27 June 2018.
- (b) 企業管治守則之守則條文A.4.1訂明非執行董事的委任應有指定任期，並須接受重新選舉。本公司並無釐定非執行董事之任期，因而構成偏離守則條文A.4.1。然而，根據本公司組織章程細則第116條，全體非執行董事亦須於本公司股東週年大會上輪流告退並接受重選。
- (c) 企業管治守則之守則條文A.6.7訂明獨立非執行董事及其他非執行董事應出席股東大會，對股東的意見有公正的了解。由於事先已有其他業務安排必須由董事出席，因此，楊曉櫻女士及黃欣先生於二零一八年六月二十七日未能出席本公司之股東大會。

DIRECTORS' SECURITIES TRANSACTIONS

Conduct on Share Dealings

The Company has adopted a code of conduct for securities transactions and dealings (the “**Code of Conduct**”) based on the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the “**Model Code**”). The terms of Code of Conduct are no less exacting than the standards in the Model Code, and the Code of Conduct applies to all the relevant persons as defined therein. Specific enquiry has been made of all Directors of the Company who have confirmed in writing of their compliance with the required standards set out in the Code of Conduct during the year under review.

董事之證券交易

股份買賣操守

本公司已根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)採納證券交易及買賣之操守守則(「**操守守則**」)。操守守則之條款不遜於標準守則內之標準，而操守守則適用於當中界定之全部有關人士。本公司已向全體董事作出特定查詢，而彼等均已書面確認於回顧年度內已遵守操守守則所載之規定標準。

Corporate Governance Report

企業管治報告

CORPORATE MANAGEMENT

Board of Directors

Composition

As at the date of this report, the Board is comprised of 5 members including 2 executive Directors and 3 independent non-executive Directors. The biographical details are set out on pages 22 to 25 of this report. The executive Directors are responsible for managing the Group's business, including business development, corporate strategies and company policies. The independent non-executive Directors endeavor to assist the Board to maintain high standards of financial and other mandatory reporting standards as well as providing adequate checks and balance for safeguarding the interest of shareholders and the Company as a whole.

Independent Non-executive Directors

For the year ended 31 December 2018, the number of independent non-executive Directors at all times exceeded one-third of the Board membership. Pursuant to the Listing Rules, the Company has received written confirmation from each independent non-executive director of his independence to the Company, and the Company considered each of them is independent under Rule 3.13 of the Listing Rules. None of the existing independent non-executive Directors of the Company is appointed for a specific term which constitutes a deviation from code provision A.4.1 of the CG Code.

However, one-third of the Directors of the Company (both executive and independent non-executive) are subject to retirement by rotation at each annual general meeting under the Articles of Association of the Company. The Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are in line to those of the CG Code. The Board is comprised of professionally qualified and diversified individuals.

企業管理

董事會

成員組合

於本報告日期，董事會由五名成員組成，包括兩名執行董事及三名獨立非執行董事，彼等之履歷載於本報告第22至25頁。執行董事負責管理本集團之業務，包括業務發展、企業策略及公司政策。獨立非執行董事致力協助董事會維持高水平之財政及其他強制性申報標準，並作出充份制衡，以保障股東及本公司之整體利益。

獨立非執行董事

於截至二零一八年十二月三十一日止年度，獨立非執行董事之人數一直超過董事會成員人數三分之一。根據上市規則，本公司已接獲各獨立非執行董事發出之確認書，確認其獨立於本公司，而本公司認為彼等均為上市規則第3.13條下之獨立人士。本公司之現任獨立非執行董事概無特定任期，此舉構成偏離企業管治守則之守則條文A.4.1。

然而，按照本公司組織章程細則，本公司三分之一之董事(包括執行董事及獨立非執行董事)須於每屆股東週年大會上輪流告退。本公司認為已採取足夠措施，確保本公司之企業管治常規符合企業管治守則之守則條文。董事會成員包括具備專業資格之多個界別人士。



Corporate Governance Report 企業管治報告

Directors' Training

All Directors should keep abreast of the responsibilities as a director, and of the conduct and business activities of the Company. The Company is responsible for arranging and funding suitable training for its Directors. All directors, namely Mr. Kwok Kenneth Wai Lung, Mr. Tsang To, Mr. Yip Denis Shing Fai, Mr. Yuan Wenxin, Mr. Zhang Xiaoman, Mr. Chin Hon Siang and Mr. Huang Xin confirmed that they had participated in appropriate continuous professional development to develop and refresh their knowledge and skills or had studied the reading materials relevant to corporate governance and other regulatory requirements in order to ensure that their contribution to the board remains informed and relevant during the Year.

All Directors had provided the Company Secretary with their training records for the year under review. All Directors are encouraged to attend relevant training courses and seminars that may require keeping abreast with the latest changes in laws, regulations and the business environment.

Board Process

The Board meets regularly throughout the year to discuss the overall strategy as well as the operational and financial performance of the Group. In 2018, the Board held 4 scheduled full board meetings. In addition, executive Board meetings are convened when necessary to deal with day-to-day matters that require the Board's prompt decision, and therefore usually only executive directors attend. Individual attendance records on full board meetings and committees meetings are set out on page 46 of this report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles of Association of the Company. Any Director, Audit Committee member, Remuneration Committee member and Nomination Committee member of the Company may take independent professional advice at the expense of the Company should they so wish.

董事培訓

全體董事應緊貼董事所負責任之最新資訊以及本公司之方針及業務活動。本公司有責任為其董事安排及撥資進行合適培訓。全體董事郭瑋瓏先生、曾濤先生、葉成輝先生、袁文心先生、張小滿先生、陳鴻先先生及黃欣先生確認曾參與合適之持續專業發展活動，以獲得及更新知識及技能，或研習與企業管治及其他監管規定之讀物，從而確保在得到全面資訊情況下為董事會作出切合其需要之貢獻。

全體董事已向公司秘書提供彼等於回顧年度內之培訓紀錄。本公司鼓勵全體董事出席相關培訓課程及座談會，該等課程及座談會或能向董事提供有關法律、規例及業務環境之最近期變動。

董事會程序

董事會全年定期舉行會議，討論整體策略以及本集團之經營及財務表現。於二零一八年，董事會曾舉行4次全體會議。此外，必要時會召開執行董事會議，處理需要董事會迅速決策之日常事宜，有關會議一般僅由執行董事出席。個別出席全體董事會會議及委員會會議之紀錄載於本報告第46頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟本公司組織章程細則所載之若干例外情況除外。本公司董事、審核委員會成員、薪酬委員會成員及提名委員會成員均可按意願獲取獨立專業意見，費用由本公司承擔。

Corporate Governance Report

企業管治報告

Board and Board Committee Attendance

The following table indicates the number of Board, Committee and general meetings during the Year and the number of attendance by each of the Directors:

董事會及董事委員會之出席率

下表顯示董事會、其轄下委員會及股東大會於本年度內舉行會議之數目及各董事出席該等會議之次數：

| Name 姓名 | Number of meetings attended/held 出席/舉行會議次數 | | | | |
|---|---|--------------------------|---------------------------------|-------------------------------|-----------------|
| | Board 董事會 | Audit Committee 審核委員會 | Remuneration Committee 薪酬委員會 | Nomination Committee 提名委員會 | General 股東大會 |
| Executive Directors 執行董事 | | | | | |
| Mr. Kwok Kenneth Wai Lung 郭璋瓏先生 | 9/9 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| Mr. Tsang To 曾濤先生 | 8/9 | N/A 不適用 | 3/3 | N/A 不適用 | 1/1 |
| Mr. Yuan Wenxin (Note 1) 袁文心先生(附註1) | 5/6 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| Ms. Yang Xiaoying (Note 2) 楊曉櫻女士(附註2) | 4/6 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 0/1 |
| Mr. Bai Xuefei (Note 3) 白雪飛先生(附註3) | 0/1 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| Mr. Yip Denis Shing Fai (Note 4) 葉成輝先生(附註4) | 8/9 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| Independent Non-executive Directors 獨立非執行董事 | | | | | |
| Mr. Zhang Xiaoman 張小滿先生 | 6/9 | 3/3 | 3/3 | 3/3 | 1/1 |
| Mr. Chin Hon Siang 陳鴻先先生 | 8/9 | 3/3 | 3/3 | 3/3 | 1/1 |
| Mr. Huang Xin 黃欣先生 | 8/9 | 3/3 | 3/3 | 3/3 | 0/1 |

Notes:

附註：

- Mr. Yuan Wenxin was appointed as an executive Director on 10 January 2018, 6 Board meetings were held after his appointment. Subsequent to the year ended 31 December 2018, Mr. Yuan Wenxin resigned on 10 January 2019.
- Ms. Yang Xiaoying resigned on 17 July 2018, 6 Board meetings were held before her resignation.
- Mr. Bai Xuefei was appointed as executive Director and Chief Executive Officer on 1 June 2018 and resigned on 17 July 2018, 1 Board meeting was held during his term.
- Subsequent to the year ended 31 December 2018, Mr. Yip Denis Shing Fai resigned on 10 January 2019.

- 袁文心先生於二零一八年一月十日獲委任為執行董事，此後已舉行6次董事會會議。於截至二零一八年十二月三十一日止年度後，袁文心先生於二零一九年一月十日辭任。
- 楊曉櫻女士於二零一八年七月十七日辭任，此前已舉行6次董事會會議。
- 白雪飛先生於二零一八年六月一日獲委任為執行董事兼行政總裁及於二零一八年七月十七日辭任，於其任內已舉行1次董事會會議。
- 於截至二零一八年十二月三十一日止年度後，葉成輝先生於二零一九年一月十日辭任。



Corporate Governance Report 企業管治報告

Board minutes are kept by the Company Secretary and are open for inspection by the Directors. Every Board member is entitled to have access to Board papers and related materials and has unrestricted access to the advice and services of the Company Secretary, and has the liberty to seek external professional advice if so required.

During the year, meetings of the Chairman and the independent non-executive Directors without presence of the executive Directors and the management were held and chaired by Mr. Kwok Kenneth Wai Lung to discuss and review the performance of the executive Directors and the management. This also includes the adequacy of systems and controls in place to safeguard the interests of the Group.

Directors' Duties

The Board in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each director has a duty to act in good faith and in the best interests of the Company.

Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or reappointment of directors, and other significant operational and financial matters. Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations.

The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements. Reasonable and prudent judgment and estimates have been made. The Group announces its financial results on a timely basis.

董事會會議紀錄由公司秘書保存，並可供董事查閱。每名董事會成員均有權取得董事會文件及相關材料，在取得公司秘書之意見及服務方面亦不受限制，並可自由尋求外部專業意見(如有需要)。

年內，主席與獨立非執行董事在並無執行董事及管理層在場情況下舉行會議，並由郭璋瓏先生擔任會議主席，討論及檢討執行董事及管理層之表現，並包括現行制度及監控是否足以保障本集團利益。

董事之職責

董事會之職責為領導及監督本集團事務，並須共同負責為本集團之成功作出努力。各董事有責任真誠地為本公司之最佳利益行事。

須提交董事會決定之事宜一般包括(但不限於)本集團整體策略、主要收購事項及出售事項、年度及中期業績、有關任命或重新任命董事之推薦建議以及其他重大營運及財務事宜。各董事均會透過每月管理資料適時獲得可能影響本集團業務之重大變動之最新資訊，包括相關規則及規例。

董事會知悉其有責任編製並每年審核財務報表。本公司於編製財務報表時採納香港公認會計原則，並已作出合理而審慎之判斷及估計。本集團適時公告其財務業績。

Corporate Governance Report

企業管治報告

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with Appendix 14 to the Listing Rules (Corporate Governance Code and Corporate Governance Report).

During the year, the Board reviewed the corporate governance policy and practices of the Company.

Indemnification of Directors and Officers

The directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the directors and officers of the Company.

企業管治職能

董事會負責履行企業管治責任，包括：

- (a) 制訂及檢討本公司之企業管治政策及常規；
- (b) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (c) 檢討及監察本公司有關遵守法律及監管規定方面之政策及常規；
- (d) 制訂、檢討及監察適用於僱員及董事之操守守則及合規手冊(如有)；及
- (e) 檢討本公司遵守上市規則附錄十四(企業管治守則及企業管治報告)之情況。

年內，董事會已檢討本公司之企業管治政策及常規。

董事及高級職員之彌償保證

董事及高級職員於擔任本公司董事及高級職員時，為履行職責而招致之任何責任，均可根據董事及高級職員責任保險獲得彌償。



Corporate Governance Report 企業管治報告

Chairman and Chief Executive Officer

Code Provision A2.1 provides that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. Since Ms. Yang Xiaoying has stepped down from her role as the Chief Executive Officer on 21 December 2017, the Company does not have a designated position of Chief Executive Officer until the appointment of Mr. Bai Xuefei as the Chief Executive Officer on 1 June 2018. Subsequently, Mr. Bai Xuefei resigned as the Chief Executive Officer on 17 July 2018. Since then the Company did not have a designated position of Chief Executive Officer. The daily operation and management of the Company is monitored by the executive Directors. Subsequent to the year ended 31 December 2018, Mr. Kwok Kenneth Wai Leung, an executive Director and the existing executive president of the Company, has been re-designated as an executive Director and the chief executive officer of the Company on 10 January 2019. The Board will keep reviewing its current structure and the need of appointment of a suitable candidate to perform the role of Chairman.

BOARD COMMITTEES

The Board established an Audit Committee, a Remuneration Committee and a Nomination Committee with defined terms of reference. Audit Committee, Remuneration Committee and Nomination Committee are chaired by independent non-executive Directors.

(a) Audit Committee

The Company has established an Audit Committee which comprises of three independent non-executive Directors namely Mr. Chin Hon Siang, Mr. Zhang Xiaoman and Mr. Huang Xin. The Audit Committee has reviewed the audit findings, the accounting principles and practices adopted by the Group, the Listing Rules and statutory compliance, and has discussed auditing, internal control, risk management and financial reporting matters (including the interim and annual financial statements) with senior management and the auditor. In addition, the Audit Committee has also reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function.

主席及行政總裁

企業管治守則條文A.2.1訂明主席與行政總裁的角色應有所區分，並不應由一人同時兼任。自楊曉櫻女士於二零一七年十二月二十一日卸任行政總裁以來，本公司並無特設行政總裁職位，直至於二零一八年六月一日委任白雪飛先生為行政總裁為止。其後，白雪飛先生於二零一八年七月十七日辭任行政總裁職務。自此以後，本公司並無特設行政總裁職位。本公司之日常營運及管理由執行董事監察。於截至二零一八年十二月三十一日止年度後，本公司之執行董事兼現任執行總裁郭璋瓏先生於二零一九年一月十日獲調任為本公司執行董事兼行政總裁。董事會將不斷檢討其現行架構及委任適當人選履行主席職務之需要。

董事委員會

董事會已成立具有界定職權範圍之審核委員會、薪酬委員會及提名委員會。審核委員會、薪酬委員會及提名委員會均由獨立非執行董事擔任主席。

(a) 審核委員會

本公司已成立審核委員會，由三名獨立非執行董事陳鴻先先生、張小滿先生及黃欣先生組成。審核委員會已審閱核數結果、本集團採納之會計原則及常規、上市規則及法定合規情況，並聯同高級管理層及核數師討論審核、內部監控、風險管理及財務申報事宜(包括中期及年度財務報表)。此外，審核委員會亦已審閱本集團會計及財務申報職能之員工在資源、資格及經驗方面是否足夠。

Corporate Governance Report

企業管治報告

The Audit Committee meet two times during the year to review the Group's annual and interim financial statements, review the external auditor's plan for the audit of the Group's accounts, review the internal control procedures and the financial reporting systems of the Group and make recommendations with respect to the appointment and reappointment of the auditor of the Company.

(b) Remuneration Committee

A Remuneration Committee has been established in accordance with the requirements of the CG Code. The Remuneration Committee comprises three independent non-executive directors, namely Mr. Zhang Xiaoman, Mr. Chin Hon Siang and Mr. Huang Xin and one executive Director, namely Mr. Tsang To. The primary duties of the Remuneration Committee are to review and determination of the remuneration policy and packages of the directors and management executives. No director is involved in deciding his own remuneration.

The Remuneration Committee meet one time during the year to review the remuneration policies and remuneration packages of the directors of the Company.

(c) Nomination Committee

A Nomination Committee has been established in accordance with the requirements of the CG Code. The Nomination Committee comprises three independent non-executive directors, namely Mr. Chin Hon Siang, Mr. Zhang Xiaoman and Mr. Huang Xin. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, and select and make recommendations to the Board on the appointment of Directors and senior management.

審核委員會於回顧年度曾舉行兩次會議，以審閱本集團之年度及中期財務報表、檢討外聘核數師有關本集團帳目之審核計劃、檢討本集團之內部監控程序及財務申報系統以及就委任及續聘本公司核數師作出推薦建議。

(b) 薪酬委員會

薪酬委員會已根據企業管治守則之規定成立。薪酬委員會由三名獨立非執行董事張小滿先生、陳鴻先先生及黃欣先生，以及一名執行董事曾濤先生組成。薪酬委員會之主要職責為檢討及釐定董事及管理級行政人員之薪酬政策及組合。概無董事參與釐定其本身之薪酬。

薪酬委員會於回顧年度曾舉行一次會議，以檢討本公司董事之薪酬政策及待遇。

(c) 提名委員會

提名委員會已根據企業管治守則之規定成立。提名委員會由三名獨立非執行董事陳鴻先先生、張小滿先生及黃欣先生組成。提名委員會之主要職責為檢討董事會之架構、規模及成員組合，以及就委任董事及高級管理人員進行甄選，並向董事會作出推薦建議。



Corporate Governance Report 企業管治報告

The nomination process for executive director would in general be tied to his or her ability to contribute through his or her business acumen and strategic thinking process for the business. As for an independent non-executive director, his or her nominations are hinged on myriad of criteria whereby he or she should possess the independence of mind.

The Nomination Committee meet two times during the year to review the year to review the size, composition and structure of the Board, assess the independence of the independent non-executive directors of the Company, review the suitability of the directors of the Company proposed for re-election at the annual general meeting and approve the nomination and appointment of the director, independent non-executive director and chief executive officer of the Company and recommend to the Board for approval.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the shareholders and the regulatory authorities.

Timely release of interim and annual results announcements reflects the Board's commitment to provide transparent and up-to-date disclosures of the Group's performance.

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's annual and interim financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements comply with accounting standards and regulatory requirements.

具體而言，執行董事之提名程序取決於執行董事利用其商業判斷及策略思考作出貢獻之能力。至於獨立非執行董事，其提名涉及眾多條件，並能否具備獨立思考能力。

提名委員會於回顧年度曾舉行兩次會議，以檢討董事會之規模、成員組合及架構，評估本公司之獨立非執行董事之獨立性，檢討本公司建議於股東週年大會上重選之本公司董事之合適性，批准本公司執行董事、獨立非執行董事及行政總裁之提名及委任，並向董事會作出推薦建議以供批准。

問責及審核

財務申報

董事會致力於向股東及監管機構作出之披露資料中，就本集團之財務表現及前景提供不偏不倚、清晰而全面之評估。

適時發佈中期及年度業績公告，反映董事會致力提供有關本集團表現之具透明度及最新披露資料。

在審核委員會協助下，董事會監督本集團財務申報程序及財務申報之質素。審核委員會檢討及監察本集團年度及中期財務報表之完整性，亦檢討本集團會計政策及該等政策之變更是否恰當，以及確保該等財務報表符合會計準則及監管規定。

Corporate Governance Report

企業管治報告

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the responsibilities of the external auditor with in respect to financial reporting which are set out in the Independent Auditor's Report on pages 59 to 67.

AUDITOR'S REMUNERATION

The fees paid/payable to the Company's auditor, Mazars CPA Limited, in respect of audit services and non-audit services for the year ended 31 December 2018 amounted to HK\$1,680,000 and HK\$653,000 respectively. Fees for non-audit services, which mainly consist of review of disclosure of financial information in 2018 interim report, agreed upon procedures in connection with the Environmental, Social and Governance Report and internal audit function; and professional services in connection with certain major transactions of HK\$338,000, HK\$165,000 and HK\$150,000, respectively.

COMPANY SECRETARY

The Company Secretary is responsible to the Board for ensuring that board procedures are followed and that the Board is fully briefed on all legislative, regulatory and corporate governance developments and that it has regard to them when making decisions and would also facilitate induction and professional development of directors. The Company Secretary is also directly responsible for the Group's compliance with the continuing obligations of the Listing Rules, Codes on Takeovers and Mergers and Share Repurchases, Companies Ordinance, Securities and Futures Ordinance and other applicable laws, rules and regulations.

Ms. Wong Yuk Ki ("**Ms. Wong**") was appointed as the company secretary of the Company on 17 July 2018. She is responsible to the Board for ensuring the board procedures are followed and that the Board is briefed on legislative, regulatory and corporate governance developments. Ms. Wong has confirmed that she had received no less than 15 hours of relevant professional training for the year ended 31 December 2018, in compliance with Rule 3.29 of the Listing Rules.

董事確認彼等有責任編製本公司帳目，而外聘核數師就財務申報所負之責任載於第59至67頁之獨立核數師報告。

核數師酬金

於截至二零一八年十二月三十一日止年度，就審核及非審核服務已付／應付本公司核數師中審眾環(香港)會計師事務所有限公司之費用分別為1,680,000港元及653,000港元。非審核服務費用主要涵蓋審閱二零一八年中報報告所披露之財務資料、有關環境、社會及管治報告以及內部審核職能之已協定程序；以及有關若干主要交易之專業服務，分別為338,000港元、165,000港元及150,000港元。

公司秘書

公司秘書向董事會負責，確保董事會程序得以遵從，並保證董事會已就全部法例、監管及企業管治發展獲得全面簡報，且董事會作出決定時已考慮彼等之意見，並負責安排董事之入職培訓及專業發展。公司秘書亦直接負責確保本集團履行上市規則、香港公司收購、合併及股份回購守則、公司條例、證券及期貨條例以及其他適用法例、規則及規例下之持續責任。

黃鈺琪女士(「**黃女士**」)於二零一八年七月十七日獲委任為本公司之公司秘書。彼須向董事會負責，確保遵守董事會議事規則，並確保董事會知悉有關法例、規例及企業管治最新狀況。黃女士確認，於截至二零一八年十二月三十一日止年度，彼已遵守上市規則第3.29條，接受不少於15小時相關專業培訓。



Corporate Governance Report 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognizes the overall responsibility for the establishment, maintenance, and review of an internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations. This system of internal control is designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

The Board, through its Audit Committee and external auditor, conducted review of the effectiveness of the Group's risk management and internal control system which covers all material controls, including financial, operational and compliance control.

The risk management contains the following processes, which are connected to setting up targets, identification of risks, risk prioritisation and assessment, risk owner appointment, review, handling, reporting, follow-up, monitoring and reacting to identified risks.

The Group's internal audit function is performed by an internal audit team, which reports directly to the Board and Audit Committee.

With the adoption of a risk-based approach, the internal audit team takes the lead to evaluate the risk management and internal control systems of the Group by reviewing all its major operations on a cyclical basis. The audit reviews cover all material controls including financial, operational and compliance controls. Results of the audit reviews in the form of internal audit reports are submitted to the members of the Audit Committee for discussion at the Audit Committee meetings. The internal audit reports are also followed up by the internal audit team to ensure that findings previously identified have been properly resolved.

風險管理及內部監控

董事會確認其有整體責任成立、維持及檢討內部監控系統，以合理地確保財務及營運資料之可靠性及完整性、營運效率及效益、保障資產及遵守法律及法規。此內部監控系統乃為管理而非消除所有錯誤之風險而設，旨在就達成組織目標提供合理而非絕對之保證。

董事會透過審核委員會及外部核數師檢討本集團風險管理及內部監控系統之成效，有關系統涵蓋所有重大監控事宜，包括財務、營運及遵例監控。

風險管理包括以下程序，其涉及設立目標、識別風險、風險優次排序及評估、風險責任人、審閱、處理、報告、跟進、監察及回應所識別之風險。

本集團之內部審核職能由內部審核團隊履行，其直接向董事會及審核委員會報告。

隨著採用以風險為基礎之方法，內部審核團隊牽頭，透過週期性檢討本集團所有主要營運，評估本集團之風險管理及內部監控系統。該審核檢討覆蓋所有重要監控，包括財務、營運及合規監控。審核檢討之結果會以內部審核報告形式向審核委員會成員匯報，以便於審核委員會會議上討論。內部審核報告亦會由內部審核團隊跟進，確保報告先前識別之事項已妥善解決。

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The Board also engaged an external professional firm to conduct the annual review of the effectiveness of the risk management and internal control systems for the Year. The Group has properly followed all recommendations, and ensures these recommendations will be implemented within a reasonable time.

The Company regulates the handling and propagation of inside information according to the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission in June 2012 and as indicated in the corporate responsibility policy and various affiliate proceedings to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the propagation of such information is efficiently and consistently made. The Company regularly reminds the Directors and employees about the due compliance with all policies regarding the inside information with the latest regulatory updates.

The Board has conducted a review of the systems of risk management and internal control for the Year to ensure the effectiveness and adequacy of the systems. Such review shall be conducted annually. The Board considered that the risk management and internal systems of Company for the Year were effective and adequate.

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting.

董事會亦委聘外部專業事務所，對本年度風險管理及內部監控系統之成效進行年度檢討。本集團已妥為跟進所有建議，並確保有關建議將於合理時間內落實。

本公司按照證券及期貨事務監察委員會於二零一二年六月發佈之「內幕消息披露指引」以及按公司責任政策和多項附屬程序所列監管內幕消息之處理及發佈，以確保內幕消息於獲適當批准披露前一直保密，並以有效及一致之方式發佈。本公司定期提醒董事及僱員妥善遵守有關內幕消息之所有政策，並提供最新監管資訊。

董事會已檢討本年度之風險管理及內部監控系統以確保其屬有效及足夠。該等檢討須每年進行。董事會認為，本公司本年度之風險管理及內部監控系統屬有效及足夠。

股東權利

本公司之股東大會乃股東與董事會之溝通機會。本公司每年於董事會可能釐定之地點舉行股東週年大會。除股東週年大會外，各個股東大會稱為股東特別大會。



Corporate Governance Report 企業管治報告

Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to the Articles of Association of the Company, shareholders are requested to follow article 72 of the Articles of Association of the Company to propose new resolutions at the general meetings. Pursuant to article 72 of the Articles of Association of the Company, general meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognized clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

召開股東特別大會及於股東大會上提呈建議

本公司之組織章程細則要求股東於股東大會上提呈新決議案時，依循本公司之組織章程細則第72條。根據本公司之組織章程細則第72條，股東大會須在兩名或以上本公司股東向本公司於香港之主要辦事處或(倘本公司並無主要辦事處)註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。股東大會亦可在一名屬認可結算所之本公司股東(或其代名人)向本公司於香港之主要辦事處或(倘本公司並無主要辦事處)註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。倘董事會未有於提交要求當日起計21日內正式召開大會，提出要求之人士或當中持有彼等總投票權過半之任何人士可自行以與董事會召開大會相同之方式(盡可能相近)召開股東大會，惟如此召開之大會不可遲於提交要求當日起計三個月後召開，而提出要求之人士因董事會未能完成有關要求而產生之所有合理開支，將由本公司向彼等作出補償。

Corporate Governance Report

企業管治報告

If a shareholder, who is entitled to attend and vote at the relevant general meeting, wishes to nominate a person (not being the nominating shareholder) to stand for election as a Director, he or she should give a notice to the Company Secretary in writing of the intention to propose a person for election as a Director and notice in writing by that person of his or her willingness to be so elected, no earlier than the day after the dispatch of the notice of the relevant general meeting and no later than 7 days prior to the date appointed for the relevant general meeting.

Detailed procedures for shareholders to propose a person for election as a Director are available on the Company's website.

Procedures for directing Shareholders' enquiries to the Board

Shareholders may send written enquiries to the Company for the attention of the Company Secretary at the Company's principal place of business in Hong Kong.

倘有權出席相關股東大會並於會上投票之股東有意提名任何人士(並非作出提名之股東)參選董事，應向公司秘書發出書面意向通知，表示建議該名人士參選董事，而該名人士亦應向本公司秘書發出書面通知，表明願意參選。有關通知須於相關股東大會通告寄發翌日至相關股東大會指定舉行日期前七日期間送交本公司秘書。

股東建議人士參選董事之詳細程序可於本公司網站查閱。

股東向董事會作出查詢之程序

股東可將向本公司作出之書面查詢送交本公司之香港主要營業地點，註明收件人為公司秘書。

DIVIDEND POLICY

The Company has adopted a dividend policy (“**Dividend Policy**”) on 29 March 2019, pursuant to which the Company may declare and distribute dividends to the shareholders of the Company to allow shareholders to share the Company’s profits and for the Company to retain adequate reserves for future growth. The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the shareholders. In proposing any dividend payout, the Board shall also take into account, inter alia, the Group’s financial results, the general financial condition of the Group, the Group’s current and future operations, the level of the Group’s debts to equity ratio, return on equity and the relevant financial covenants, liquidity position and capital requirement of the Group, surplus received from the Company’s subsidiaries and any other factors that the Board deem appropriate. The Company’s ability to pay dividends is also subject to the requirements of the Listing Rules and all relevant applicable laws, rules and regulations in the Cayman Islands, Hong Kong and the Memorandum and Articles of Association of the Company. The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

股息政策

本公司已於二零一九年三月二十九日採納股息政策(「**股息政策**」)，據此，本公司可向本公司股東宣派及分派股息，讓股東分享本公司利潤，同時讓本公司預留足夠儲備供日後發展之用。任何派付股息之建議董事會全權酌情決定，而宣派末期股息須待股東批准後方可作實。於建議宣派股息時，董事會須考慮(其中包括)本集團之財務業績、本集團之整體財務狀況、本集團現時及未來營運、本集團之債務與股本比率、股權回報率及相關財務契約水平、本集團之流動資金狀況及資金需求、向本公司附屬公司所收取之盈利及董事會認為適當之其他因素。本公司派付股息之能力亦視乎上市規則以及開曼群島及香港所有相關適用法律、規則及法規以及本公司組織章程大綱及細則之規定。董事會將持續檢討股息政策並保留其全權及絕對酌情權以隨時更新、修訂及／或修改股息政策。股息政策不會以任何方式構成本公司須派付任何特定金額之股息之具法律約束力承諾及／或不會以任何方式令本公司有責任隨時或不時宣派股息。

Corporate Governance Report

企業管治報告

INVESTOR RELATIONS AND COMMUNICATIONS

The Company continues to pursue a proactive policy in promoting investor relations and communication by maintaining meetings with institutional shareholders, fund managers and analysts through different means including meetings, presentations and correspondence. In an effort to enhance communications with shareholders and investors, the Company maintains a website (www.rentiantech.com) to disseminate information relating to the latest business developments and all Company announcements. The Company regards the Annual General Meeting (the “AGM”) as an important event as it provides direct communication between the Board and its shareholders. All shareholders of the Company are given at least a minimum of 20 clear business days notice of the date and venue of the AGM at which time the Directors and Committee members are available to answer questions on the business. The Company supports the CG Code’s principle to encourage shareholder participation. The Board, according to the Listing Rules, will conduct voting at the forthcoming AGM by poll. The results of the Company voting will be announced on the website of the Stock Exchange and the Company respectively.

CONSTITUTIONAL DOCUMENTS

During the Year, there was no significant change in the Company’s constitutional documents.

投資者關係及溝通

本公司繼續採取主動促進投資者關係和溝通之政策，與機構股東、基金經理及分析師會面，形式包括會議、簡報及書信。為加強與股東及投資者之溝通，本公司已設立一個網站(www.rentiantech.com)，方便發放有關最新業務發展之資料及本公司所有公告。本公司將股東週年大會視為重要活動，因股東週年大會可讓董事會與其股東直接溝通。本公司全體股東於股東週年大會舉行前至少有最短20個完整營業日獲通知大會舉行日期及地點，而董事及委員會成員屆時會於會上回應有關業務之提問。本公司支持企業管治守則鼓勵股東參與之原則。董事會將根據上市規則，於即將舉行之股東週年大會上以投票表決方式進行投票。本公司之投票結果將分別於聯交所網站及本公司網站公告。

憲章文件

於本年度內，本公司之憲章文件並無重大變動。

Independent Auditor's Report 獨立核數師報告



MAZARS CPA LIMITED

中審眾環(香港)會計師事務所有限公司
42nd Floor, Central Plaza
18 Harbour Road, Wanchai, Hong Kong
香港灣仔港灣道18號中環廣場42樓
Tel 電話: (852) 2909 5555
Fax 傳真: (852) 2810 0032
Email 電郵: info@mazars.hk
Website 網址: www.mazars.hk

To the shareholders of
Rentian Technology Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Rentian Technology Holdings Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) set out on pages 68 to 250, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2018, and of its financial performance and 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.

致仁天科技控股有限公司
(於開曼群島註冊成立之有限公司)
全體股東

意見

吾等已審核列載於第68至250頁仁天科技控股有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)之綜合財務報表。綜合財務報表包括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入報表、綜合股東權益變動表及綜合現金流量表連同綜合財務報表附註(包括主要會計政策概要)。

吾等認為，綜合財務報表已按照香港會計師公會頒佈之香港財務報告準則真實而公平地顯示 貴集團於二零一八年十二月三十一日之財務狀況以及於截至該日止年度之財務表現及現金流量，並已遵照香港公司條例之披露規定妥為編製。

Independent Auditor's Report

獨立核數師報告

BASIS FOR OPINION

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

Material Uncertainty Related to Going Concern

We draw attention to note 2 to the consolidated financial statements, which indicates that, as at 31 December 2018, the Group has total current liabilities of approximately HK\$3,133,983,000 that would be due for repayment in the coming twelve months. As at the same time, the Group had bank balances and cash of approximately HK\$335,913,000. These indicate a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the “Materiality Uncertainty Related to Going Concern” section, we have determined the matters described below to be the key audit matters to be communicated in our report.

意見基準

吾等按照香港會計師公會頒佈之香港審計準則進行審核。吾等於該等準則下之責任在本報告「核數師就審核綜合財務報表之責任」一節進一步闡述。按照香港會計師公會之「專業會計師道德守則」(「守則」)，吾等獨立於貴集團，並已按照守則履行其他道德責任。吾等相信，吾等已取得充分而適當之審核憑證，可為吾等之意見提供基礎。

有關持續經營之重大不確定因素

謹請留意綜合財務資料附註2，當中載述於二零一八年十二月三十一日，貴集團於未來十二個月內償還到期之流動負債總額為3,133,983,000港元。於同日，貴集團之銀行結存及現金約為335,913,000港元。該等狀況反映存在重大不確定因素，可能貴集團持續經營之能力構成重大疑問。吾等之意見並無就此事項作出修訂。

關鍵審核事項

關鍵審核事項為根據吾等之專業判斷，對吾等審核本期綜合財務報表最為重要之事項。此等事項乃於吾等審核綜合財務報表及就此出具意見時一併處理，吾等不會就此等事項分別提供意見。除「有關持續經營之重大不確定因素」一節所述之事項外，吾等將下述事項釐定作將於報告中說明之關鍵審核事項。

Independent Auditor's Report

獨立核數師報告

Key audit matters identified in our audit are summarised as follows:

吾等於審核時識別之關鍵審核事項概述如下：

Key Audit Matter 關鍵審核事項

How our audit addressed the Key Audit Matter 吾等於審核時處理關鍵審核事項之方法

Impairment review of intangible assets and goodwill
無形資產及商譽之減值檢討

Refer to notes 12 and 13 to the consolidated financial statements
參閱綜合財務報表附註 12 及 13

As a result of the acquisitions of businesses in recent years, the Group, among others, recognised certain intangible assets and goodwill.
由於近年收購業務，故 貴集團確認(其中包括)若干無形資產及商譽。

The aggregate carrying amounts of the Group's intangible assets and goodwill amounted to HK\$67,873,000 and HK\$244,092,000 as at 31 December 2018 respectively.
於二零一八年十二月三十一日， 貴集團無形資產及商譽之帳面總額分別為 67,873,000 港元及 244,092,000 港元。

The carrying amounts of intangible assets and goodwill are significant to the consolidated financial statements. The impairment review assessments of the intangible assets and goodwill were performed at relevant cash generating units ("CGUs") which involved significant judgements and estimates about the future results of the businesses.
無形資產及商譽之帳面金額對綜合財務報表有重大影響。對無形資產及商譽之減值檢討之評估在相關現金產生單位進行，當中涉及重大判斷及有關業務未來業績之估計。

Our procedures, among others, included:
吾等之程序包括但不限於：

- Assessing the competency, capability, objectivity and results of the work of independent professional valuers that were appointed by the management and assisted management to determine the recoverable amounts of the relevant CGUs;
評估由管理層委任及協助管理層釐定相關現金產生單位之可收回金額之獨立專業估值師之資歷、客觀性、能力及工作結果；
- Evaluating and challenging the appropriateness of the model used by the management to calculate the value-in-use ("VIU") of the relevant CGUs;
評價及質疑管理層計算相關現金產生單位使用價值的模型是否適當；
- Evaluating and challenging the composition of the Group's future cash flow forecasts in each CGU, and the process by which they were drawn up, including testing the underlying calculations and comparing them to the latest approved budgets;
評價及質疑 貴集團各現金產生單位內未來現金流預測的組成部分以及制定有關預測的過程，包括測試相關計算方法以及將之與最新批准預算作比較；
- Evaluating the determination of the recoverable amount of CGUs;
評價可收回現金產生單位之金額釐定；
- Challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and
基於吾等對業務及行業的認知質疑主要假設及變數是否合理；及
- Challenging the the adequacy of sensitivity analysis.
質疑敏感性分析是否足夠。

Independent Auditor's Report

獨立核數師報告

Key Audit Matter 關鍵審核事項

Fair value measurement on financial assets
有關財務資產公平值計量

Refer to notes 16 and 18 to the consolidated financial statements

參閱綜合財務報表附註 16 及 18

As at 31 December 2018, the Group had unlisted equity securities and unlisted partnership investments with carrying amounts of HK\$395,166,000 and HK\$20,285,000 respectively. These financial instruments do not have a quoted market price in an active market (the “**Unquoted Investments**”). Certain unlisted equity securities and unlisted partnership investments were classified as available-for-sale financial assets and measured at cost less impairment in previous years. Upon adoption of HKFRS 9, they were reclassified as financial assets designated as at fair value through other comprehensive income or financial assets measured at fair value through profit or loss and measured at fair value.

於二零一八年十二月三十一日，貴集團持有帳面金額分別為 395,166,000 港元及 20,285,000 港元之未上市股本證券及未上市合夥投資。該等財務工具於活躍市場並無所報市價（「無報價投資」）。於過往年度，若干未上市股本證券及未上市合夥投資分類為可供出售財務資產，並按成本減去減值計量。於採納香港財務報告準則第 9 號後，其已獲重新分類為指定於其他全面收入按公平值處理之財務資產或於損益帳按公平值計量之財務資產，並按公平值計量。

The Unquoted Investments are valued on a basis considered most appropriate by the management and independent professional valuers, depends on the nature of the underlying business which has been invested in. 無報價投資根據管理層及獨立專業估值師認為屬最合適之基準進行估值，此乃視乎所投資之業務性質而定。

The valuation of the Unquoted Investments is complex and requires the application of significant judgement by the management.

無報價投資之估值較為複雜，且管理層須應用重大判斷。

How our audit addressed the Key Audit Matter 吾等於審核時處理關鍵審核事項之方法

Our procedures, among others, included:
吾等之程序包括但不限於：

- Assessing the valuation methodology, the competence, capability, objectivity and results of the work of independent professional valuers that were appointed by the management and assisted the management to determine the fair values; 評估由管理層委任及協助管理層釐定相關公平值之獨立專業估值師之估值方法、資歷、能力、客觀性及工作結果；
- Challenging the reasonableness of key assumptions based on our knowledge and understanding of the business and market; and 基於吾等對業務及市場的認知及了解質疑主要假設是否合理；及
- Challenging the adequacy of sensitivity analysis. 質疑敏感性分析是否足夠。

Independent Auditor's Report

獨立核數師報告

Key Audit Matter 關鍵審核事項

Assessment of expected credit loss ("ECL") on loan receivables and trade receivables
對應收貸款及貿易應收款項之預期信貸虧損之評估

Refer to notes 2, 19, 20 and 37(b) to the consolidated financial statements
參閱綜合財務報表附註2、19、20及37(b)

In respect of ECL on loan receivables and trade receivables, the difference between the previously reported carrying amounts as at 31 December 2017 and the new carrying amounts based on ECL as at 1 January 2018 has been recognised in the opening retained profits, foreign currency translation reserve and non-controlling interests. 就應收貸款及貿易應收款項之預期信貸虧損而言，過往於二零一七年十二月三十一日之已呈報帳面金額與二零一八年一月一日之預期信貸虧損之差額已於期初保留溢利、外幣換算儲備及非控股權益中確認。

At end of each reporting period, where appropriate, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the end of reporting period and the date of initial recognition. The Group considers both quantitative and qualitative information, including historical experience and forward-looking information that is available without undue cost or effort. 於各報告期結束日，貴集團已於適當情況下將通過對報告期結束日至初步確認日期間之預計年期內發生之違約風險進行比較，評估自初步確認以來信貸風險有否顯著增加。貴集團就此會考慮定量及定質資料，包括過往經驗及無需付出額外成本或精力而可得之前瞻性資料。

The assessment of ECL for loan receivables and trade receivables involves significant management judgements and estimates on the amount of ECL at the reporting date. 對應收貸款及貿易應收款項之預期信貸虧損之評估涉及重大管理層判斷及於報告日期之預期信貸虧損金額之估計。

How our audit addressed the Key Audit Matter 吾等於審核時處理關鍵審核事項之方法

Our procedures, among others, included:
吾等之程序包括但不限於：

- Obtaining an understanding of the Group's credit risk management and practices, and assessing the Group's ECL policy in accordance with the requirements of HKFRS 9;
了解貴集團之信貸風險管理及常規，並根據香港財務報告準則第9號之規定評估貴集團之預期信貸虧損政策；
- Evaluating management's determination of significant increase in credit risk and the basis for classification of exposures into different categories;
評價管理層釐定信貸風險大幅增加及劃分為不同分類之基準是否適當；
- Evaluating the estimation methodology of ECL; and
評價預期信貸虧損之估計方法；及
- Considering the adequacy of the Group's disclosures in relation to credit risk and transitional arrangements of HKFRS 9.
考慮貴集團有關信貸風險及香港財務報告準則第9號之過渡安排之披露是否足夠。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's 2018 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.

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

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

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

The audit committee is responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事就其他資料負責。其他資料包括貴公司二零一八年年報所載的資料，惟不包括綜合財務報表及吾等就此發出之核數師報告。

吾等對綜合財務報表之意見並不涵蓋其他資料，吾等亦不就其他資料發表任何形式之鑒證結論。

結合吾等對綜合財務報表的審核，吾等之責任為閱覽上述的其他資料，而在此過程中，吾等會考慮其他資料是否與綜合財務報表或吾等在審核過程中了解之情況嚴重不符，或是否似乎存在重大錯誤陳述。基於吾等已進行之工作，如吾等認為其他資料存在重大錯誤陳述，則吾等須報告有關事實。就此而言，吾等並無任何報告。

董事及管治人員就綜合財務報表之責任

貴公司董事負責根據由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，編製可真實而公平地反映狀況之綜合財務報表，並對董事釐定就編製並無重大錯誤陳述（無論因欺詐或錯誤）之綜合財務報表而言屬必要之內部監控負責。

編製綜合財務報表時，貴公司董事負責評估貴集團是否有能力繼續持續經營，披露（如適用）與持續經營相關事項，以及使用持續經營會計處理，除非擬將貴集團清盤或終止經營貴集團，或除此之外並無實質替代方案，則作別論。

審核委員會負責監督貴集團之財務申報程序。



Independent Auditor's Report 獨立核數師報告

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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

核數師就審核綜合財務報表之責任

吾等之目標為合理確定綜合財務報表整體是否並無重大錯誤陳述(無論因欺詐或錯誤), 並發出包含吾等意見之核數師報告。本報告僅向全體股東作出, 除此以外不作其他用途。吾等概不就本報告之內容向任何其他人士承擔或負上責任。

合理確定屬高層次鑒證, 但不能擔保根據香港審計準則進行之審核工作總能發現存有之重大錯誤陳述。錯誤陳述可源於欺詐或錯誤, 倘錯誤陳述個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定, 即被視為重大。

作為根據香港審計準則進行審核工作一環, 吾等運用專業判斷, 在整個審核過程中抱持專業懷疑態度。吾等亦:

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險, 因應此等風險設計及執行審核程序, 以及取得充足而適當之審核憑證以為吾等之意見提供基礎。由於欺詐可能涉及串謀、偽造、故意遺漏、誤導性陳述或凌駕內部監控, 因此未能發現由此造成之重大錯誤陳述風險較未能發現因錯誤而導致之重大錯誤陳述風險為高。
- 了解與審核有關之內部監控, 以設計恰當審核程序, 惟並非旨在對 貴集團內部監控之成效發表意見。

Independent Auditor's Report

獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估董事所用會計政策是否合適，以及董事作出之會計估計及相關披露是否合理。
- 對董事採用持續經營會計基準是否恰當作出結論，並依照所得之審核憑證，決定是否存在與事件或情況有關之重大不明朗因素，而可能對貴集團持續經營之能力構成重大疑慮。倘吾等認為存在重大不明朗因素，則須於核數師報告中促請注意綜合財務報表中相關披露資料，而倘有關披露資料不足，則須修改吾等之意見。吾等之結論建基於截至本核數師報告日期為止所獲得之審核憑證。然而，未來事件或情況可能導致貴集團無法繼續持續經營。
- 評估綜合財務報表(包括披露資料)之整體列報、架構及內容，以及綜合財務報表是否已公平地反映及列報相關交易及事件。
- 就貴集團內各實體或業務活動之財務資料獲得充足審核憑證，以就綜合財務報表發表意見。吾等負責指導、監督及執行貴集團之審核工作。吾等對審核意見承擔全部責任。

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

吾等與審核委員會溝通(其中包括)計劃審核範圍及時間安排以及重大審核發現，包括吾等在審核過程中識別出之內部監控重大缺失。



Independent Auditor's Report 獨立核數師報告

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

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

Mazars CPA Limited

Certified Public Accountants
Hong Kong, 29 March 2019

The engagement director on the audit resulting in this independent auditor's report is:

Chan Hiu Fun

Practising Certificate number: P05709

吾等亦向審核委員會提交聲明，說明吾等已符合有關獨立性之相關道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性之關係及其他事項，以及(如適用)相關防範措施。

從與審核委員會溝通之事項中，吾等決定對審核本年度綜合財務報表最為重要之事項，因而構成關鍵審核事項。吾等於吾等之核數師報告中說明該等事項，除非法律或規例禁止公開披露有關事項，或在極其罕見之情況下，若合理預期在吾等報告中指出某事項所造成之負面後果將會超過其產生之公眾利益，吾等不會在此等情況下在報告中指出該事項。

中審眾環(香港)會計師事務所有限公司

執業會計師

香港，二零一九年三月二十九日

出具本獨立核數師報告的審核項目董事為：

陳曉奮

執業證書編號：P05709

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

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

| | | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|----------------------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Revenue | 收益 | 3(a) | 1,134,936 | 1,531,414 |
| Cost of sales | 銷售成本 | | (924,459) | (786,378) |
| Gross profit | 毛利 | | 210,477 | 745,036 |
| Other income | 其他收入 | 3(b) | 38,540 | 52,766 |
| Selling and distribution expenses | 銷售及分銷開支 | | (128,191) | (100,710) |
| General and administrative expenses | 一般及行政開支 | | (422,199) | (376,055) |
| Changes in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | 18 | (1,479,954) | 284,739 |
| (Loss) Profit from operation | 經營(虧損)溢利 | | (1,781,327) | 605,776 |
| Finance costs | 財務成本 | 5(a) | (205,698) | (190,103) |
| Share of result of associates | 應佔聯營公司之業績 | | — | 1,473 |
| Gain on deemed disposal of associates | 視作出售聯營公司之收益 | | — | 1,265 |
| Changes in fair value of contingent consideration payables | 應付或然代價之公平值變動 | 28 | 16,524 | — |
| Changes in fair value of contingent consideration receivables | 應收或然代價之公平值變動 | | — | 186,757 |
| Forfeiture of a deposit paid for acquisition of a subsidiary | 沒收就收購一間附屬公司已支付之按金 | | (3,000) | — |
| Impairment of intangible assets | 無形資產減值 | 12 | (59,419) | — |
| Impairment of goodwill | 商譽減值 | 13 | (897,375) | (200,000) |
| Impairment of available-for-sale financial assets | 可供出售財務資產減值 | | — | (61,109) |
| (Loss) Profit before taxation | 除稅前(虧損)溢利 | 5 | (2,930,295) | 344,059 |
| Taxation | 稅項 | 8 | (16,381) | (37,394) |
| (Loss) Profit for the year | 年內(虧損)溢利 | | (2,946,676) | 306,665 |
| Other comprehensive (loss) income: | 其他全面(虧損)收入： | | | |
| <i>Item that will not be reclassified to profit or loss:</i> | <i>不會重新分類至損益帳之項目：</i> | | | |
| Changes in fair value of financial assets designated at fair value through other comprehensive income | 指定於其他全面收入按公平值處理之財務資產之公平值變動 | | (34,239) | — |
| | | | (34,239) | — |

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

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

| | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|------------------------------------|----------------------------------|----------------------------------|
| <i>Items that are or may be reclassified to profit or loss:</i> | | | |
| Changes in fair value of available-for-sale financial assets | 會或可能重新分類至損益帳之項目： 可供出售財務資產之公平值變動 | — | (61,109) |
| Reclassification to profit or loss upon impairment of available-for-sale financial assets | 可供出售財務資產減值時重新分類至損益帳 | — | 61,109 |
| Exchange differences arising from translation of foreign operations | 換算海外業務所產生之匯兌差額 | (53,474) | 105,155 |
| Share of other comprehensive income of associates | 應佔聯營公司之其他全面收入 | — | 1,314 |
| | | (53,474) | 106,469 |
| Other comprehensive (loss) income for the year | 年內其他全面(虧損)收入 | (87,713) | 106,469 |
| Total comprehensive (loss) income for the year | 年內全面(虧損)收入總額 | (3,034,389) | 413,134 |
| (Loss) Profit attributable to: | (虧損)溢利歸屬於： | | |
| Owners of the Company | 本公司擁有人 | (2,835,001) | 202,628 |
| Non-controlling interests | 非控股權益 | (111,675) | 104,037 |
| | | (2,946,676) | 306,665 |
| Total comprehensive (loss) income attributable to: | 全面(虧損)收入總額歸屬於： | | |
| Owners of the Company | 本公司擁有人 | (2,909,675) | 278,902 |
| Non-controlling interests | 非控股權益 | (124,714) | 134,232 |
| | | (3,034,389) | 413,134 |
| | | HK cents | HK cents |
| Basic (loss) earnings per share | 每股基本(虧損)盈利 | (25.49) | 1.91 |
| Diluted (loss) earnings per share | 每股攤薄(虧損)盈利 | (25.49) | 1.89 |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

| | | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 11 | 82,029 | 84,774 |
| Intangible assets | 無形資產 | 12 | 67,873 | 155,403 |
| Goodwill | 商譽 | 13 | 244,092 | 1,141,467 |
| Available-for-sale financial assets | 可供出售財務資產 | 15 | — | 313,786 |
| Financial assets designated at fair value through other comprehensive income | 指定於其他全面收入按公平 值處理之財務資產 | 16 | 233,261 | — |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財 務資產 | 18 | 20,285 | — |
| Pledged bank deposits | 已質押銀行存款 | 21 | 1,808 | 1,210 |
| Deferred tax assets | 遞延稅項資產 | 25 | 3,828 | 1,009 |
| Deposits for acquisition of a subsidiary | 收購一間附屬公司之按金 | | — | 4,500 |
| | | | 653,176 | 1,702,149 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 17 | 201,835 | 157,319 |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財 務資產 | 18 | 2,262,871 | 3,297,511 |
| Loan receivables | 應收貸款 | 19 | 149,609 | 126,226 |
| Trade and other receivables | 貿易及其他應收款項 | 20 | 709,258 | 884,168 |
| Income tax receivables | 應收所得稅 | | 3,004 | — |
| Pledged bank deposits | 已質押銀行存款 | 21 | 9,451 | 4,820 |
| Bank balances and cash | 銀行結存及現金 | 22 | 335,913 | 738,495 |
| | | | 3,671,941 | 5,208,539 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 23 | 448,524 | 415,259 |
| Income tax payables | 應繳所得稅 | | 42,504 | 30,686 |
| Interest-bearing borrowings | 計息借貸 | 24 | 1,324,863 | 724,659 |
| Promissory notes | 承兌票據 | 26 | 645,975 | 199,881 |
| Convertible bonds | 可換股債券 | 29 | 672,117 | 13,621 |
| | | | 3,133,983 | 1,384,106 |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

| | | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|------------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Net current assets | 流動資產淨值 | | 537,958 | 3,824,433 |
| Total assets less current liabilities | 資產總值減流動負債 | | 1,191,134 | 5,526,582 |
| Non-current liabilities | 非流動負債 | | | |
| Interest-bearing borrowings | 計息借貸 | 24 | 121 | 279 |
| Deferred tax liabilities | 遞延稅項負債 | 25 | 4,609 | 26,528 |
| Promissory notes | 承兌票據 | 26 | 90,662 | 539,943 |
| Contingent consideration payables | 應付或然代價 | 28 | — | 16,713 |
| Convertible bonds | 可換股債券 | 29 | — | 635,541 |
| | | | 95,392 | 1,219,004 |
| NET ASSETS | 資產淨值 | | 1,095,742 | 4,307,578 |
| Capital and reserves | 股本及儲備 | | | |
| Share capital | 股本 | 30 | 11,022 | 11,148 |
| Reserves | 儲備 | | 893,300 | 3,829,066 |
| Equity attributable to owners of the Company | 本公司擁有人應佔股權 | | 904,322 | 3,840,214 |
| Non-controlling interests | 非控股權益 | | 191,420 | 467,364 |
| TOTAL EQUITY | 股權總值 | | 1,095,742 | 4,307,578 |

These consolidated financial statements on pages 68 to 250 were approved and authorised for issue by the Board of Directors on 29 March 2019 and signed on its behalf by

第68至250頁之綜合財務報表由以下人士代表董事會於二零一九年三月二十九日簽署批准及授權刊發

Kwok Kenneth Wai Lung
郭瑋瓏
Director and Chief Executive Officer
董事兼行政總裁

Tsang To
曾濤
Director
董事

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Attributable to the owners of the Company
歸屬於本公司擁有人

| | | Share capital | Treasury shares | Share premium | Share-based payment reserve | Capital reserve | Capital redemption reserve | Fair value reserve | Convertible bonds equity reserve | Foreign currency translation reserve | Other reserve | Statutory reserve | Retained profits | Sub-total | Non-controlling interests | Total equity |
|---|-------------------------|---------------|-----------------|--------------------|-----------------------------|--------------------|----------------------------|--------------------|----------------------------------|--------------------------------------|--------------------|--------------------|------------------|-----------|---------------------------|--------------|
| | | 股本 | 庫存股份 | 股份溢價 | 以股份支付之款項儲備 | 資本儲備 | 資本贖回儲備 | 公平價值儲備 | 債券可換股權益儲備 | 外幣換算儲備 | 其他儲備 | 法定儲備 | 保留溢利 | 小計 | 非控股權益 | 股權總值 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | | | (Note a) (附註 a) | (Note b) (附註 b) | (Note c) (附註 c) | (Note d) (附註 d) | | (Note f) (附註 f) | (Note g) (附註 g) | (Note h) (附註 h) | (Note i) (附註 i) | | | | |
| At 1 January 2017 | 於二零一七年一月一日 | 10,148 | — | 2,792,757 | 94,565 | 10,482 | 1,173 | — | 22,079 | (65,675) | (21,422) | 2,590 | 354,706 | 3,201,403 | 232,089 | 3,433,492 |
| Profit for the year | 年內溢利 | — | — | — | — | — | — | — | — | — | — | — | 202,628 | 202,628 | 104,037 | 306,665 |
| Other comprehensive (loss) income for the year | 年內其他全面(虧損)收入 | | | | | | | | | | | | | | | |
| <i>Items that are or may be reclassified to profit or loss:</i> | <i>會或可能重新分類至損益賬之項目：</i> | | | | | | | | | | | | | | | |
| Changes in fair value of available-for-sale financial assets | 可供出售財務資產之公平價值變動 | — | — | — | — | — | — | (61,109) | — | — | — | — | — | (61,109) | — | (61,109) |
| Reclassification to profit or loss upon impairment of available-for-sale financial assets | 可供出售財務資產減值時重新分類至損益賬 | — | — | — | — | — | — | 61,109 | — | — | — | — | — | 61,109 | — | 61,109 |
| Exchange differences arising from translation of foreign operations | 換算海外業務所產生之匯兌差額 | — | — | — | — | — | — | — | — | 74,960 | — | — | — | 74,960 | 30,195 | 105,155 |
| Share of other comprehensive income of associates | 應佔聯營公司之其他全面收入 | — | — | — | — | — | — | — | — | 1,314 | — | — | — | 1,314 | — | 1,314 |
| Other comprehensive income for the year | 年內其他全面收入 | — | — | — | — | — | — | — | — | 76,274 | — | — | — | 76,274 | 30,195 | 106,469 |
| Total comprehensive income for the year | 年內全面收入總額 | — | — | — | — | — | — | — | — | 76,274 | — | — | 202,628 | 278,902 | 134,232 | 413,134 |
| Transfer | 轉撥 | — | — | — | — | — | — | — | — | — | — | 9,071 | (9,071) | — | — | — |

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Attributable to the owners of the Company

歸屬於本公司擁有人

| | Share capital | Treasury shares | Share premium | Share-based payment reserve | Capital reserve | Capital redemption reserve | Fair value reserve | Convertible bonds equity reserve | Foreign currency translation reserve | Other reserve | Statutory reserve | Retained profits | Non-controlling interests | Total equity | |
|--|------------------------|-----------------|---------------|-----------------------------|-----------------|----------------------------|--------------------|----------------------------------|--------------------------------------|---------------|-------------------|------------------|---------------------------|--------------|-----------|
| | 股本 | 庫存股份 | 股份溢價 | 以股份支付之款項儲備 | 資本儲備 | 贖回儲備 | 公平價值儲備 | 債券可換股權益儲備 | 外幣換算儲備 | 其他儲備 | 法定儲備 | 保留溢利 | 非控股權益 | 股權總值 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | |
| | | | (Note a) | (Note b) | (Note c) | (Note d) | | (Note f) | (Note g) | (Note h) | (Note i) | Sub-total | | | |
| | | | (附註 a) | (附註 b) | (附註 c) | (附註 d) | | (附註 f) | (附註 g) | (附註 h) | (附註 i) | 小計 | 權益 | 股權總值 | |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | | | | | | | | |
| <i>Contributions and distributions</i> | <i>出資及分派</i> | | | | | | | | | | | | | | |
| Issue of new shares, net of expenses | 1,000 | — | 350,009 | — | — | — | — | — | — | — | — | — | 351,009 | — | 351,009 |
| Recognition of equity component of convertible bonds | — | — | — | — | — | — | — | 933 | — | — | — | — | 933 | — | 933 |
| Equity-settled share-based payments | — | — | — | 29,488 | — | — | — | — | — | — | — | — | 29,488 | — | 29,488 |
| Share options forfeited during the year | — | — | — | (14,156) | — | — | — | — | — | — | — | 14,156 | — | — | — |
| | 1,000 | — | 350,009 | 15,332 | — | — | — | 933 | — | — | — | 14,156 | 381,430 | — | 381,430 |
| Changes in ownership interests | 擁有權益變動 | | | | | | | | | | | | | | |
| <i>Non-controlling interests arising from acquisition of subsidiaries</i> | <i>收購附屬公司所產生之非控股權益</i> | | | | | | | | | | | | | | |
| Capital injections from non-controlling shareholders in a non-wholly owned subsidiary | — | — | — | — | — | — | — | — | — | — | — | — | 109,869 | — | 109,869 |
| Acquisition of addition interest in non-wholly owned subsidiaries without change in control | — | — | — | — | — | — | — | — | — | 6,566 | — | — | 6,566 | 23,449 | 30,015 |
| Acquisition of addition interest in non-wholly owned subsidiaries in relation to compensation from profit guaranteee | — | — | — | — | — | — | — | — | — | (28,529) | — | — | (28,529) | (16,300) | (44,829) |
| | — | — | — | — | — | — | — | — | — | 442 | — | — | 442 | (15,975) | (15,533) |
| | — | — | — | — | — | — | — | — | — | (21,521) | — | — | (21,521) | 101,043 | 79,522 |
| Total transactions with owners | 與擁有人進行之交易總額 | | | | | | | | | | | | | | |
| | 1,000 | — | 350,009 | 15,332 | — | — | — | 933 | — | (21,521) | — | 14,156 | 359,909 | 101,043 | 460,952 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | | | | | | | | | | | | | | |
| | 11,148 | — | 3,142,766 | 109,897 | 10,482 | 1,173 | — | 23,012 | 10,599 | (42,943) | 11,661 | 562,419 | 3,840,214 | 467,364 | 4,307,578 |

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

| | | Attributable to the owners of the Company 歸屬於本公司擁有人 | | | | | | | | | | | | | | |
|--|----------------------------|--|-----------------|---------------|-----------------------------|-----------------|----------------------------|------------------------------------|----------------------------------|--------------------------------------|---------------|-------------------|---------------------------------------|---------------------------|--------------|-------------|
| | | Share capital | Treasury shares | Share premium | Share-based payment reserve | Capital reserve | Capital redemption reserve | Fair value reserve (non-recycling) | Convertible bonds equity reserve | Foreign currency translation reserve | Other reserve | Statutory reserve | Retained profits (Accumulated losses) | Non-controlling interests | Total equity | |
| | | 股本 | 庫存股份 | 股份溢價 | 以股份支付之款項儲備 | 資本儲備 | 資本贖回儲備 | 公平值儲備 (不重新分類) | 可換股債券權益儲備 | 外幣換算儲備 | 其他儲備 | 法定儲備 | 保留溢利 (累計虧損) | 小計 | 非控股權益 | |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | |
| | | (Note j) | (Note j) | (Note a) | (Note b) | (Note c) | (Note d) | (Note e) | (Note f) | (Note g) | (Note h) | (Note i) | | | | |
| | | (附註j) | (附註j) | (附註a) | (附註b) | (附註c) | (附註d) | (附註e) | (附註f) | (附註g) | (附註h) | (附註i) | | | | |
| At 1 January 2018 (previously stated) | 於二零一八年一月一日 (過往呈列) | 11,148 | — | 3,142,766 | 109,897 | 10,482 | 1,173 | — | 23,012 | 10,599 | (42,943) | 11,661 | 562,419 | 3,840,214 | 467,364 | 4,307,578 |
| Changes in accounting policies on adoption of Hong Kong Financial Reporting Standard 9 (note 2) | 採納香港財務報告準則第9號之會計政策變動(附註2) | — | — | — | — | — | — | 20,000 | — | (414) | — | — | (15,181) | 4,405 | (6,407) | (2,002) |
| At 1 January 2018 (restated) | 於二零一八年一月一日 (經重列) | 11,148 | — | 3,142,766 | 109,897 | 10,482 | 1,173 | 20,000 | 23,012 | 10,185 | (42,943) | 11,661 | 547,238 | 3,844,619 | 460,957 | 4,305,576 |
| Loss for the year | 年內虧損 | — | — | — | — | — | — | — | — | — | — | — | (2,835,001) | (2,835,001) | (111,675) | (2,946,676) |
| Other comprehensive loss for the year | 年內其他全面虧損 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Items that will not be reclassified to profit or loss: | 不會重新分類至損益之項目: | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Changes in fair value of equity instruments designated as at fair value through other comprehensive income | 指定於其他全面收入按公平值處理之股本工具之公平值變動 | — | — | — | — | — | — | (34,239) | — | — | — | — | — | (34,239) | — | (34,239) |
| | | — | — | — | — | — | — | (34,239) | — | — | — | — | — | (34,239) | — | (34,239) |
| Items that are or may be reclassified to profit or loss: | 會或可能重新分類至損益之項目: | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Exchange differences arising from translation of foreign operations | 換算海外業務所產生之匯兌差額 | — | — | — | — | — | — | — | — | (40,435) | — | — | — | (40,435) | (13,039) | (53,474) |
| | | — | — | — | — | — | — | — | — | (40,435) | — | — | — | (40,435) | (13,039) | (53,474) |
| Other comprehensive loss for the year | 年內其他全面虧損 | — | — | — | — | — | — | (34,239) | — | (40,435) | — | — | — | (74,674) | (13,039) | (87,713) |
| Total comprehensive loss for the year | 年內全面虧損總額 | — | — | — | — | — | — | (34,239) | — | (40,435) | — | — | (2,835,001) | (2,909,675) | (124,714) | (3,034,389) |
| Transfer | 轉撥 | — | — | — | — | — | — | — | — | — | — | 5,082 | (5,082) | — | — | — |

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

| | | Attributable to the owners of the Company 歸屬於本公司擁有人 | | | | | | | | | | | | | | |
|--|----------------------------|--|-----------------|---------------|-----------------------------|-----------------|----------------------------|------------------------------------|----------------------------------|--------------------------------------|---------------|-------------------|---------------------------------------|---------------------------|--------------|-----------|
| | | Share capital | Treasury shares | Share premium | Share-based payment reserve | Capital reserve | Capital redemption reserve | Fair value reserve (non-recycling) | Convertible bonds equity reserve | Foreign currency translation reserve | Other reserve | Statutory reserve | Retained profits (Accumulated losses) | Non-controlling interests | Total equity | |
| | | 股本 | 庫存股份 | 股份溢價 | 以股份支付之款項儲備 | 資本儲備 | 資本贖回儲備 | 公平值儲備 (不重新分類) | 可換股債券權益儲備 | 外幣換算儲備 | 其他儲備 | 法定儲備 | 保留溢利 (累計虧損) | 小計 | 非控股權益 | 股東權益 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | (Note j) | (Note j) | (Note a) | (Note b) | (Note c) | (Note d) | (Note e) | (Note f) | (Note g) | (Note h) | (Note i) | | | | |
| | | (附註j) | (附註j) | (附註a) | (附註b) | (附註c) | (附註d) | (附註e) | (附註f) | (附註g) | (附註h) | (附註i) | | | | |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | | | | | | | | | |
| Contributions and distributions | 出資及分派 | | | | | | | | | | | | | | | |
| Shares repurchased and cancelled (note 30(a)) | 已購回及已註銷股份 (附註30(a)) | (126) | — | (20,876) | — | — | 126 | — | — | — | — | — | (126) | (21,002) | — | (21,002) |
| Shares repurchased but not cancelled (note 30(a)) | 已購回但未註銷股份 (附註30(a)) | — | (4) | (297) | — | — | — | — | — | — | — | — | — | (301) | — | (301) |
| Dividends paid to non-controlling shareholders | 向非控股股東派付之股息 | — | — | — | — | — | — | — | — | — | — | — | — | — | (145,955) | (145,955) |
| Reversal of equity-settled share-based payments | 撥回以權益結算以股份支付之款項 | — | — | — | (9,681) | — | — | — | — | — | — | — | — | (9,681) | — | (9,681) |
| Share options forfeited during the year | 年內沒收之購股權 | — | — | — | (31,444) | — | — | — | — | — | — | — | 31,444 | — | — | — |
| | | (126) | (4) | (21,173) | (41,125) | — | 126 | — | — | — | — | — | 31,318 | (30,984) | (145,955) | (176,939) |
| Changes in ownership interests | 擁有權益變動 | | | | | | | | | | | | | | | |
| Disposals of interests in subsidiaries without loss of control (note 34) | 出售附屬公司之權益 (並無改變控制權) (附註34) | — | — | — | — | — | — | — | — | — | 362 | — | — | 362 | 1,132 | 1,494 |
| | | — | — | — | — | — | — | — | — | — | 362 | — | — | 362 | 1,132 | 1,494 |
| Total transactions with owners | 與擁有人進行之交易總額 | (126) | (4) | (21,173) | (41,125) | — | 126 | — | — | — | 362 | — | 31,318 | (30,622) | (144,823) | (175,445) |
| Transfer | 轉撥 | — | — | — | — | — | — | — | (933) | — | — | — | 933 | — | — | — |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 11,022 | (4) | 3,121,593 | 68,772 | 10,482 | 1,299 | (14,239) | 22,079 | (30,250) | (42,581) | 16,743 | (2,260,594) | 904,332 | 191,420 | 1,095,742 |

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Notes:

- (a) Share premium represents the excess of the net proceeds or consideration from issuance of the Company's shares over their par value.
- (b) The share-based payment reserve comprises the fair value at the grant date of unexercised share options granted to and other share-based payment transactions with employees of the Group and is dealt with in accordance with the accounting policy as set out in note 2 to the consolidated financial statements.
- (c) The capital reserve represents the remaining credit balance pursuant to the Group's capital reorganisation that took place in prior years.
- (d) The capital redemption reserve has been set up in accordance with the provisions of the Companies Law of the Cayman Islands on repurchases and cancellations of the Company's shares.
- (e) Fair value reserve (non-recycling) has been set up and is dealt with in accordance with the accounting policies adopted for the changes of fair value in the financial assets designated at fair value through other comprehensive income as set out in note 2 to the consolidated financial statements.
- (f) The convertible bonds equity reserve represents the equity component (conversion right) of the convertible bonds issued as set out in note 2 to the consolidated financial statements.
- (g) The foreign currency translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation as set out in note 2 to the consolidated financial statements.
- (h) The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in equity.
- (i) In accordance with the relevant laws and regulations in the People's Republic of China (the "PRC"), it is required to appropriate 10% of the annual statutory net profits of the PRC subsidiaries (as reported in the respective statutory financial statements of the PRC subsidiaries prepared in accordance with the PRC accounting regulations), after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory surplus reserve fund before distributing the net profit. If the accumulated statutory reserve reaches 50% of the registered capital of the respective PRC subsidiaries, the subsidiary is not required to make any further appropriation.
- (j) The balance represents the amount of share capital attributable to the ordinary shares of the Company repurchased but not cancelled by the Company. At 31 December 2018, 3,760,000 ordinary shares of the Company are kept as treasury shares.

附註：

- (a) 股份溢價指發行本公司股份之所得款項淨額或代價超出其面值之部分。
- (b) 以股份支付之款項儲備包括已授予本集團僱員但尚未行使之購股權於授出日期之公平值及與本集團僱員進行之其他以股份支付之交易，乃按照綜合財務報表附註2所載之會計政策處理。
- (c) 資本儲備指根據本集團於過往年度進行股本重組之餘下貸方結餘。
- (d) 資本贖回儲備已按照開曼群島公司法之條文成立，用於購回及註銷本公司股份。
- (e) 公平值儲備(不重新分類)已成立並按綜合財務報表附註2所載就指定於其他全面收入按公平值處理之財務資產之公平值變動所採納之會計政策處理。
- (f) 可換股債券權益儲備指按綜合財務報表附註2所載已發行可換股債券之權益部分(轉換權)所採納之會計政策處理。
- (g) 外幣換算儲備已成立並按綜合財務報表附註2所載就外幣換算所採納之會計政策處理。
- (h) 其他儲備已成立以處理並無導致失去控制權之附屬公司擁有權益變動。非控股權益調整金額與已付或已收代價公平值之間的差額乃於權益確認。
- (i) 按照中華人民共和國(「中國」)相關法律及法規，中國附屬公司在根據中國會計準則對銷過往年度任何虧損後及於分派純利前，須將其每年法定純利(按根據中國會計法規編製之中國附屬公司相關法定財務報表所呈報)之10%轉撥至法定盈餘公積金。倘累計法定儲備達有關中國附屬公司註冊資本之50%，則該附屬公司毋須再作任何轉撥。
- (j) 該結餘指本公司已購回但並無註銷之本公司普通股應佔股本金額。於二零一八年十二月三十一日，3,760,000股本公司普通股被持作為庫存股份。

Consolidated Statement of Cash Flow

綜合現金流量表

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

| | Note | 2018 | 2017 |
|--|-----------------------|--------------------|-----------|
| | 附註 | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| OPERATING ACTIVITIES | 經營業務 | | |
| (Loss) Profit before taxation | 除稅前(虧損)溢利 | (2,930,295) | 344,059 |
| Amortisation expenses | 攤銷開支 | 31,635 | 29,729 |
| Amortisation of deferred day-one gain | 遞延首日收益攤銷 | (11,070) | (20,479) |
| Allowance for (Reversal of allowance) write down of inventories | 撇減存貨備抵(備抵撥回) | 2,655 | (5,283) |
| Changes in fair value of contingent consideration payables | 應付或然代價之公平值變動 | (16,524) | — |
| Changes in fair value of contingent consideration receivables | 應收或然代價之公平值變動 | — | (186,757) |
| Changes in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | 1,479,954 | (284,739) |
| Depreciation expenses | 折舊開支 | 23,420 | 19,381 |
| (Reversal of) Equity-settled share-based payments | (撥回)以權益結算以股份支付之款項 | (9,681) | 29,488 |
| Exchange difference | 匯兌差額 | 19,968 | 3,351 |
| Finance charges on obligations under finance leases | 融資租賃債務之財務支出 | 10 | 14 |
| Forfeiture of a deposit paid for acquisition of a subsidiary | 沒收就收購一間附屬公司已支付之按金 | 3,000 | — |
| Gain on deemed disposal of associates | 視作出售聯營公司之收益 | — | (1,265) |
| Impairment of available-for-sales financial assets | 可供出售財務資產減值 | — | 61,109 |
| Impairment of goodwill | 商譽減值 | 897,375 | 200,000 |
| Impairment of intangible assets | 無形資產減值 | 59,419 | — |
| Increase in loss allowance on trade receivables | 貿易應收款項虧損備抵增加 | 118,377 | 1,337 |
| Increase in loss allowance on loan receivables | 應收貸款虧損備抵增加 | 24,377 | — |
| Interest expenses on convertible bonds | 可換股債券利息開支 | 70,094 | 66,457 |
| Interest expenses on promissory notes | 承兌票據利息開支 | 53,067 | 76,462 |
| Interest expenses on interest-bearing borrowings | 計息借貸利息開支 | 82,527 | 47,170 |
| Interest income from financial institutions | 來自財務機構之利息收入 | (10,627) | (13,243) |

Consolidated Statement of Cash Flow

綜合現金流量表

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

| | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|-------------------|----------------------------------|----------------------------------|
| | 附註 | | |
| Long-term employee benefits in respect of profit guarantee | 有關溢利保證之長期僱員福利 | — | 19,060 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | 300 | 1,124 |
| Share of result of associates | 應佔聯營公司之業績 | — | (1,473) |
| Changes in working capital: | 營運資金變動： | | |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產 | (186,882) | (487,640) |
| Inventories | 存貨 | (55,317) | (22,050) |
| Loan receivables | 應收貸款 | (48,777) | (57,753) |
| Trade and other receivables | 貿易及其他應收款項 | 189 | (115,301) |
| Trade and other payables | 貿易及其他應付款項 | 32,030 | (31,620) |
| Cash used in operations | 經營所用現金 | (370,776) | (328,862) |
| Income tax paid | 已付所得稅 | (28,833) | (19,684) |
| Net cash used in operating activities | 經營業務所用現金淨額 | (399,609) | (348,546) |
| INVESTING ACTIVITIES | | | |
| 投資活動 | | | |
| Refund from (Deposit for) acquisition of a subsidiary | 收購一間附屬公司之返款(按金) | 1,500 | (4,500) |
| (Increase) Decrease in pledged bank deposits | 已質押銀行存款增加(減少) | (5,229) | 3,451 |
| Interest income received from financial institutions | 已收來自財務機構之利息收入 | 10,627 | 13,243 |
| Addition to intangible assets | 增添無形資產 | (5,521) | (9,474) |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | 321 | 27 |
| Purchase of available-for-sale financial assets | 購買可供出售財務資產 | — | (17,289) |
| Purchase of property, plant and equipment | 購買物業、廠房及設備 | (25,615) | (50,525) |
| Settlement of profit guarantee | 溢利保證結算 | (5,718) | — |
| Net cash outflow on acquisition of subsidiaries | 收購附屬公司之現金流出淨額 | — | (62,880) |
| Net cash used in investing activities | 投資活動所用現金淨額 | (29,635) | (127,947) |

Consolidated Statement of Cash Flow

綜合現金流量表

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

| | | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|------------|----------------------------|----------------------------------|----------------------------------|
| | Note 附註 | | | |
| FINANCING ACTIVITIES | | 融資活動 | | |
| Capital injections from non-controlling shareholders | | 非控股股東注資 | — | 30,015 |
| Dividends paid to non-controlling shareholders of subsidiaries | | 向附屬公司非控股股東派付之股息 | (145,955) | — |
| New bank borrowings raised | 32 | 新造銀行借貸 | 243,206 | 17,274 |
| New margin loan raised | 32 | 新造孖展貸款 | 685,499 | 425,079 |
| New other borrowings raised | 32 | 新造其他借貸 | 141,000 | 250,000 |
| Payment for acquisition of non-controlling interests | | 收購非控股權益之款項 | — | (44,829) |
| Proceeds from disposal of ownership interests in subsidiaries that does not result in a loss of control | 34 | 出售並無導致失去控制權之附屬公司之擁有權權益所得款項 | 1,494 | — |
| Proceeds from issue of new shares, net of expenses | | 發行新股所得款項(已扣除開支) | — | 351,009 |
| Proceeds from issue of promissory notes | 32 | 發行承兌票據所得款項 | — | 464,500 |
| Repayment of bank borrowings | 32 | 償還銀行借貸 | (42,125) | (10,326) |
| Repayment of margin loans | 32 | 償還孖展貸款 | (425,079) | (36,041) |
| Repayment of obligations under finance leases | 32 | 償還融資租賃債務 | (154) | (149) |
| Repayment of promissory notes | 32 | 償還承兌票據 | (226,000) | (565,240) |
| Repurchase of shares | 30 | 購回股份 | (21,303) | — |
| Interest expenses paid | 32 | 已付利息開支 | (151,094) | (127,158) |
| Net cash from financing activities | | 融資活動所得現金淨額 | 59,489 | 754,134 |

Consolidated Statement of Cash Flow

綜合現金流量表

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

| | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|--------------------------------|----------------------------------|----------------------------------|
| | 附註 | | |
| Net (decrease) increase in cash and cash equivalents | | (369,755) | 277,641 |
| Cash and cash equivalents at beginning of year | | 738,495 | 439,726 |
| Effect on exchange rate changes on cash and cash equivalents | | (32,827) | 21,128 |
| Cash and cash equivalents at end of year, represented by bank balances and cash | | 335,913 | 738,495 |
| Major of non-cash transactions | 重大非現金交易 | | |
| Issuance of promissory notes as the subscription consideration of equity instruments designated as at fair value through profit or loss | 發行承兌票據作為指定於損益帳按公平值處理之股本工具之認購代價 | 16 & 26 | 225,000 |
| Issuance of convertible bonds subject to the satisfaction of the profits guarantee | 待達成溢利保證後發行可換股債券 | | — |
| Transfer of convertible bonds to other payables upon maturity | 於到期時將可換股債券轉撥至其他應付款項 | 23(b) & 29(b) | 14,000 |
| Waiver of promissory notes and relevant interest payables for the compensation from profit guarantee | 就溢利保證賠償豁免承兌票據及相關應付利息 | | — |
| | | | (173,851) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. CORPORATION INFORMATION

Rentian Technology Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The functional currency of the Company and its subsidiaries (collectively referred to as the “**Group**”) is Hong Kong dollars (“**HK\$**”) except for those subsidiaries established in the People’s Republic of China (the “**PRC**”), Renminbi (“**RMB**”) is the functional currency.

The address of the registered office, principal place of business activities and particulars of the Company are set out in the “Corporation Information” section of the annual report for 2018.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

A summary of the principal accounting policies adopted by the Group is set out below.

1. 公司資料

仁天科技控股有限公司(「**本公司**」)在開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司(「**聯交所**」)主板上市。

本公司及其附屬公司(統稱「**本集團**」)之功能貨幣為港元，惟在中華人民共和國(「**中國**」)成立之附屬公司之功能貨幣為人民幣。

本公司註冊辦事處地址、主要營業地點及詳情載於二零一八年年報「公司資料」一節。

2. 主要會計政策

編製基準

本綜合財務報表乃按照香港財務報告準則(香港財務報告準則為一統稱，包括香港會計師公會頒佈之所有適用香港財務報告準則、香港會計準則及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。本綜合財務報表亦符合聯交所證券上市規則(「**上市規則**」)之適用披露條文。

本集團所採納主要會計政策之概要載列如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of preparation (Continued)

As at 31 December 2018, the Group had total current liabilities of approximately HK\$3,133,983,000 that would be due for repayment in the coming twelve months. As at the same date, the Group had bank balances and cash of approximately HK\$335,913,000. Subsequent to the end of the reporting period, the Group had significant net realised loss on disposal and unrealised fair value loss on its financial assets at fair value through profit or loss, resulting in a significant decrease in the carrying amount of the financial assets at fair value through profit or loss under current assets. These conditions and events indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management has prepared cash flow projections which cover a period of fifteen months from 31 December 2018 and are updated for the latest circumstances of the latest practicable date. The directors of the Company (the "Directors") have reviewed the Group's cash flow projections. The Directors closely monitor the Group's liquidity position and financial performance and have initiated measures to improve the Group's cash flows. These measures include obtaining additional financing from certain financial institutions in Hong Kong. The Group has obtained letters of undertakings from the controlling shareholder and certain companies controlled by the controlling shareholder confirming that they will provide financial support to the Group to meet its present and future financial obligations as they fall due in the next fifteen months.

In the opinion of the Directors, in light of the above, the Group will have sufficient working capital to fulfill its financial obligations as and when they fall due in the coming fifteen months from 31 December 2018. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. 主要會計政策(續)

編製基準(續)

於二零一八年十二月三十一日，本集團之流動負債總額約為3,133,983,000港元，有關負債將於未來十二個月到期償還。本集團於同日之銀行結存及現金約為335,913,000港元。於報告期結束日後，本集團於損益帳按公平值處理之財務資產錄得重大出售已變現虧損淨額及未變現公平值虧損，導致流動資產項下於損益帳按公平值處理之財務資產之帳面金額出現大幅減少。該等條件及事件顯示存有重大不確定性，可能對本集團之持續經營能力構成重大疑問，因此，其可能無法於日常業務過程中變現其資產及解除其負債。

管理層已編製現金流量預測，當中涵蓋於二零一八年十二月三十一日後之十五個月期間，並已於最後實際可行日期作出更新。本公司董事(「董事」)已審閱本集團之現金流量預測。董事密切監察本集團之流動資金狀況及財務表現，並已採取措施改善本集團之現金流量，有關措施包括從香港若干金融機構取得額外融資。本集團收到控股股東及若干由控股股東控制之公司之承諾函，確認彼等將為本集團提供財務支持以應付其於未來十五個月到期之現時及未來財務責任。

董事認為，鑑於上述所言，本集團將有足夠營運資金履行於二零一八年十二月三十一日後之十五個月內到期之財務責任。因此，董事信納，按持續經營基準編製綜合財務報表屬適當之舉。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of preparation (Continued)

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts and to provide for any further liabilities which might arise. The effect of these adjustments has not been reflected in the consolidated financial statements.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2017 consolidated financial statements except for the adoption of the following new/revised HKFRSs issued by the HKICPA, which are relevant to the Group and effective for the annual period beginning on 1 January 2018:

| | |
|-------------------------------|--|
| Amendments to HKFRS 2 | Classification and Measurement of Share-based Payment Transactions |
| HK(IFRIC) – Interpretation 22 | Foreign Currency Transactions and Advance Consideration |
| HKFRS 9 | Financial Instruments |
| HKFRS 15 | Revenue from Contracts with Customers |

Adoption of new/revised HKFRSs

Amendments to HKFRS 2: Classification and Measurement of Share-based Payment Transactions

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The adoption of the amendments did not have any significant impact on the consolidated financial statements.

2. 主要會計政策(續)

編製基準(續)

倘本集團無法繼續持續經營，則須作出調整，以將資產價值撇減至其可收回金額，並就任何可能產生之其他負債計提撥備。該等調整之影響並無於綜合財務報表中反映。

本綜合財務報表之編製基準與二零一七年綜合財務報表所採納之會計政策貫徹一致，惟採用以下由香港會計師公會頒佈、與本集團有關且於二零一八年一月一日開始之年度期間生效之新訂／經修訂香港財務報告準則除外：

| | |
|--------------------------|----------------|
| 香港財務報告準則第2號之修訂 | 以股份支付之交易之分類及計量 |
| 香港(國際財務報告詮釋委員會) – 詮釋第22號 | 外幣交易及預收預付代價 |
| 香港財務報告準則第9號 | 財務工具 |
| 香港財務報告準則第15號 | 來自客戶合約之收益 |

採納新訂／經修訂香港財務報告準則

香港財務報告準則第2號之修訂：以股份支付之交易之分類及計量

此等修訂規定歸屬及非歸屬條件對現金結算以股份支付計量之影響之會計處理；預扣稅責任具有淨額結算特徵之以股份支付之交易；以及交易類別由現金結算變更為以股本結算之以股份支付條款及條件之修訂。

採納此等修訂對綜合財務報表並無任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HK(IFRIC) — Interpretation 22: Foreign Currency Transactions and Advance Consideration

This Interpretation provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

The Interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way.

The adoption of the Interpretation did not have any significant impact on the consolidated financial statements.

HKFRS 9: Financial instruments

The following terms are used in these consolidated financial statements:

- FVPL: fair value through profit or loss.
- FVOCI: fair value through other comprehensive income.
- Designated FVOCI: equity instruments designated at FVOCI.
- Mandatory FVOCI: debt instruments measured at FVOCI.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)
香港(國際財務報告詮釋委員會)－詮釋
第22號：外幣交易及預收預付代價

此詮釋為確定「交易日期」提供指引，以確定於初始確認實體以外幣預先收取或支付代價之交易中產生之相關資產、支出或收入(或其一部分)時使用之匯率。

此詮釋釐清「交易日期」是指因預先支付或收取代價而產生之非貨幣性資產或負債之初始確認日期。倘若在確認相關項目目前有多筆預先支付或收取之款項，則應以此種方式確定每筆預付或預收款項之交易日期。

採納此詮釋對綜合財務報表並無任何重大影響。

香港財務報告準則第9號：財務工具

該等綜合財務報表使用以下詞彙：

- 於損益帳按公平值處理：於損益帳按公平值處理。
- 於其他全面收入按公平值處理：於其他全面收入按公平值處理。
- 指定於其他全面收入按公平值處理：指定於其他全面收入按公平值處理之股本工具。
- 強制於其他全面收入按公平值處理：於其他全面收入按公平值處理計量之債務工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 9: Financial instruments (Continued)

HKFRS 9 replaces HKAS 39, *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018. It introduces new requirements for the classification and measurement of financial assets, financial liabilities, impairment for financial assets and hedge accounting.

In accordance with the transitional provisions in HKFRS 9, comparative information has not been restated and the Group has applied HKFRS 9 retrospectively to financial instruments that existed at 1 January 2018 (i.e. the date of initial application), except as described below:

- (a) The following assessments are made on the basis of facts and circumstances that existed at the date of initial application:
- (i) the determination of the business model within which a financial asset is held;
 - (ii) the designation of financial assets or financial liabilities at FVPL or, in case of financial assets, at Designated FVOCI; and
 - (iii) the de-designation of financial assets or financial liabilities at FVPL.

The above resulting classification shall be applied retrospectively.

2. 主要會計政策(續)

採納新訂/經修訂香港財務報告準則(續)

香港財務報告準則第9號：財務工具(續)

香港財務報告準則第9號於二零一八年一月一日或之後開始之年度期間取代香港會計準則第39號「財務工具：確認及計量」。香港財務報告準則第9號就財務資產、財務負債、財務資產減值及對沖會計法之分類及計量引入新規定。

按照香港財務報告準則第9號之過渡條文，比較資料並無重列，而本集團已對二零一八年一月一日(即初始應用日期)存在之財務工具追溯應用香港財務報告準則第9號，惟下文所述者除外：

- (a) 以下評估乃根據於初始應用日期存在之事實及情況作出：
- (i) 確定持有財務資產之業務模式；
 - (ii) 指定於損益帳按公平值處理之財務資產或財務負債，或如屬財務資產，則指定於其他全面收入按公平值處理；及
 - (iii) 重新指定於損益帳按公平值處理之財務資產或財務負債。

上述形成之分類須予追溯應用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 9: Financial instruments (Continued)

- (b) If, at the date of initial application, determining whether there has been a significant increase in credit risk since initial recognition would require undue cost or effort, a loss allowance is recognised at an amount equal to lifetime expected credit loss (“ECL”) at each reporting date until the financial instrument is derecognised unless that financial instrument has low credit risk at a reporting date.
- (c) For investments in equity instruments that were measured at cost under HKAS 39, the instruments are measured at fair value at the date of initial application.

Differences between the previous carrying amounts under HKAS 39 and the current carrying amounts upon adoption of HKFRS 9 are recognised directly in components of equity at 1 January 2018 as summarised below:

2. 主要會計政策(續)

採納新訂/經修訂香港財務報告準則(續)

香港財務報告準則第9號：財務工具(續)

- (b) 倘於初始應用日期評估自初始確認以來信貸風險是否顯著增加須付出過多成本或精力，則按相等於各個報告日期按相等全期預期信貸虧損之虧損備抵金額確認，直至有關財務工具終止確認為止，惟該財務工具於報告日期具有低信貸風險除外。
- (c) 就曾經根據香港會計準則第39號按成本計量之股本工具投資而言，該等工具按初始應用日期之公平值計量。

按香港會計準則第39號項下之過往帳面金額與採納香港財務報告準則第9號後之現有帳面金額之差額已直接於二零一八年一月一日之股權部分中確認，詳情概述如下：

| | | Fair value reserve (non-recycling) | Foreign currency translation reserve | Retained profits | Sub-total | Non-controlling interests | Total equity |
|---------------------------------------|---------------|------------------------------------|--------------------------------------|------------------|--------------|---------------------------|----------------|
| | | 公平值儲備 (不重新分類) | 外幣換算儲備 | 保留溢利 | 小計 | 非控股權益 | 股權總值 |
| | | 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 |
| At 1 January 2018 | 於二零一八年一月一日 | | | | | | |
| Recognition of additional credit loss | 確認額外信貸虧損 | — | (489) | (11,876) | (12,365) | (7,538) | (19,903) |
| Recognition of fair value gain (loss) | 確認公平值收益(虧損) | 20,000 | — | (5,085) | 14,915 | — | 14,915 |
| Tax impact | 稅務影響 | — | 75 | 1,780 | 1,855 | 1,131 | 2,986 |
| Increase (Decrease) | 增加(減少) | 20,000 | (414) | (15,181) | 4,405 | (6,407) | (2,002) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 9: Financial instruments (Continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

(i) Classification and measurement of financial instruments

The adoption of HKFRS 9 has no significant effect on the classification and measurement of the Group's financial assets and financial liabilities, except explained below.

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

2. 主要會計政策(續)

採納新訂/經修訂香港財務報告準則(續)

香港財務報告準則第9號：財務工具(續)

有關過往會計政策及過渡方法之性質及變動影響之進一步詳情載列如下：

(i) 財務工具之分類及計量

除下文所闡述者外，採納香港財務報告準則第9號對本集團財務資產及財務負債之分類及計量並無重大影響。

下表為按照香港會計準則第39號之原先計量分類及帳面金額與按照香港財務報告準則第9號之新計量分類及帳面金額就本集團於二零一八年一月一日各類財務資產進行之對帳：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 9: Financial instruments (Continued)

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

As at 1 January 2018

2. 主要會計政策(續)

採納新訂/經修訂香港財務報告準則(續)

香港財務報告準則第9號：財務工具(續)

- (i) 財務工具之分類及計量(續)

於二零一八年一月一日

Measurement category and carrying amount under HKFRS 9

根據香港財務報告準則第9號之計量分類及帳面金額

| Measurement category under HKAS 39 | 根據香港會計準則第39號之計量分類 | Carrying amount under HKAS 39 根據會計準則第39號之帳面金額 HK\$'000 千港元 | Amortised cost 攤銷成本 HK\$'000 千港元 | Designated FVOCI 指定於其他全面收入按公平值處理 HK\$'000 千港元 | FVPL 於損益帳按公平值處理 HK\$'000 千港元 |
|--|--------------------------------|---|---|--|---------------------------------------|
| Loans and receivables (note i) | 貸款及應收款項(附註i) | | | | |
| Loan receivables | 應收貸款 | 126,226 | 126,226 | — | — |
| Trade receivables | 貿易應收款項 | 611,147 | 591,244 | — | — |
| Note receivables | 應收票據 | 2,720 | 2,720 | — | — |
| Deposits and other debtors | 按金及其他應收帳款 | 105,388 | 105,388 | — | — |
| Pledged bank deposits | 已質押銀行存款 | 6,030 | 6,030 | — | — |
| Cash and cash equivalents | 現金及現金等價物 | 738,495 | 738,495 | — | — |
| Available-for-sale financial assets | 可供出售財務資產 | | | | |
| Unlisted equity securities in a private limited company incorporated outside Hong Kong (note ii) | 於香港境外註冊成立之私人有限公司之非上市股本證券(附註ii) | 247,500 | — | 267,500 | — |
| Listed equity securities in Hong Kong (note iii) | 香港上市之股本證券(附註iii) | 48,997 | — | — | 48,997 |
| Unlisted equity securities in a private partnership incorporated outside Hong Kong (note iv) | 於香港境外註冊成立之私人合夥企業之非上市股本證券(附註iv) | 17,289 | — | — | 12,204 |
| Financial assets carried at FVPL (note v) | 於損益帳按公平值處理列帳之財務資產(附註v) | | | | |
| Equity securities listed in Hong Kong | 香港上市之股本證券 | 2,561,686 | — | — | 2,561,686 |
| Equity securities listed outside Hong Kong | 香港境外上市之股本證券 | 3,042 | — | — | 3,042 |
| Equity-linked notes | 股票掛鈎票據 | 282,785 | — | — | 282,785 |
| Wealth management products, unlisted | 財富管理產品，非上市 | 449,998 | — | — | 449,998 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 9: Financial instruments (Continued)

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

Notes:

- (i) These items continue to be measured at amortised cost.

The Group has recognised additional loss allowances for trade and other receivables of HK\$19,903,000 under HKFRS 9, which decreased retained profits by HK\$10,096,000, foreign currency translation reserve by HK\$414,000 and non-controlling interests by HK\$6,407,000 and increased deferred tax assets by HK\$2,986,000 as at 1 January 2018.

- (ii) The unlisted equity securities in a private limited company incorporated outside Hong Kong that were previously classified as available-for-sale financial assets and measured at cost less accumulated impairment of HK\$247,500,000 are now classified as Designated FVOCI since, at the date of initial application, these investments are neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 applies and are designated as Designated FVOCI.

The difference between the carrying amount and the fair value of HK\$20,000,000 as at 1 January 2018 was recognised in fair value reserves (non-recycling) on 1 January 2018.

- (iii) The listed equity securities in Hong Kong that were previously classified as available-for-sale financial assets amounted to HK\$48,997,000 are now classified as FVPL since, at the date of initial application, these investments are not designated or not eligible to be designated as Designated FVOCI.

- (iv) The unlisted partnership investments that were previously classified as available-for-sale financial assets and measured at cost less accumulated impairment of HK\$17,289,000 are now classified as FVPL since, at the date of initial application, these investments are not designated or not eligible to be designated as Designated FVOCI.

The difference between the carrying amount and the fair value of HK\$5,085,000 as at 1 January 2018 was recognised in retained profits on 1 January 2018.

- (v) These items continue to be measured at fair value.

2. 主要會計政策(續)

採納新訂/經修訂香港財務報告準則(續)

香港財務報告準則第9號：財務工具(續)

(i) 財務工具之分類及計量(續)

附註：

- (i) 該等項目繼續用按攤銷成本計量。

於二零一八年一月一日，本集團已根據香港財務報告準則第9號就貿易及其他應收款項確認額外減值虧損19,903,000港元，保留溢利、外幣換算儲備及非控股權益因而分別減少10,096,000港元、414,000港元及6,407,000港元，遞延稅項資產則增加2,986,000港元。

- (ii) 於香港境外註冊成立之私人有限公司之非上市股本證券原先分類為可供出售財務資產並按成本減累計減值247,500,000港元計量，而現在則分類為指定於其他全面收入按公平值處理，原因為於初始應用日期，該等投資既非持作買賣，亦非收購人於確認業務合併中之或然代價(香港財務報告準則第3號適用)及指定為指定於其他全面收入按公平值處理。

於二零一八年一月一日之帳面金額與公平值之差額20,000,000港元已於二零一八年一月一日於公平值儲備(不重新分類)中確認。

- (iii) 於香港上市之股本證券原先分類為可供出售財務資產48,997,000港元計量，而現在則分類為於損益帳按公平值處理，原因為於初始應用日期，該等投資並非指定或合資格指定為指定於其他全面收入按公平值處理。

- (iv) 非上市合夥投資原先分類為可供出售財務資產並按成本減累計減值17,289,000港元計量，而現在則分類為於損益帳按公平值處理，原因為於初始應用日期，該等投資並非指定或合資格指定為指定於其他全面收入按公平值處理。

於二零一八年一月一日之帳面金額與公平值之差額5,085,000港元已於二零一八年一月一日於保留溢利中確認。

- (v) 該等項目繼續按公平值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 9: Financial instruments (Continued)

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

The following table shows the effects of transition to HKFRSs 9 and 15 on the carrying amounts of financial assets under HKAS 39 based on the measurement category under HKFRS 9 on 1 January 2018:

2. 主要會計政策(續)

採納新訂/經修訂香港財務報告準則(續)

香港財務報告準則第9號：財務工具(續)

- (i) 財務工具之分類及計量(續)

下表顯示過渡至香港財務報告準則第9號及第15號對按照香港財務報告準則第9號項下於二零一八年一月一日之計量分類釐定之香港會計準則第39號項下財務資產帳面金額之影響：

| | | Carrying amount under HKAS 39 as at 31 December 2017 於二零一七年十二月三十一日根據香港會計準則第39號之帳面金額 HK\$'000 千港元 | Remeasurement on transition to HKFRS 9 過渡至香港財務報告準則第9號之重新計量 HK\$'000 千港元 (Decrease) Increase (減少)增加 | Carrying amount under HKFRS 9 as at 1 January 2018 於二零一八年一月一日根據香港財務報告準則第9號之帳面金額 HK\$'000 千港元 |
|--|--------------------------|---|--|---|
| Amortised cost | 攤銷成本 | | | |
| Loan receivables | 應收貸款 | 126,226 | — | 126,226 |
| Trade receivables | 貿易應收款項 | 611,147 | (19,903) | 591,244 |
| Note receivables | 應收票據 | 2,720 | — | 2,720 |
| Deposits and other debtors | 按金及其他應收帳款 | 105,388 | — | 105,388 |
| Pledged bank deposits | 已質押銀行存款 | 6,030 | — | 6,030 |
| Cash and cash equivalents | 現金及現金等價物 | 738,495 | — | 738,495 |
| Designated FVOCI | 指定於其他全面收入按公平值處理 | | | |
| Unlisted equity securities in a private limited company incorporated outside Hong Kong | 於香港境外註冊成立之私人有限公司之非上市股本證券 | 247,500 | 20,000 | 267,500 |
| FVPL | 於損益帳按公平值處理 | | | |
| Equity securities listed in Hong Kong | 香港上市之股本證券 | 48,997 | — | 48,997 |
| Equity securities listed in Hong Kong | 香港上市之股本證券 | 2,561,686 | — | 2,561,686 |
| Equity securities listed outside Hong Kong | 香港境外上市之股本證券 | 3,042 | — | 3,042 |
| Equity-linked notes | 股票掛鈎票據 | 282,785 | — | 282,785 |
| Wealth management products, unlisted | 財富管理產品，非上市 | 449,998 | — | 449,998 |
| Unlisted partnership investments | 非上市合夥投資 | 17,289 | (5,085) | 12,204 |
| | | 5,201,303 | (4,988) | 5,196,315 |

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 9: Financial instruments (Continued)

(ii) Credit loss

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the ECL model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the ECL model to financial assets measured at amortised cost.

The following table reconciles the closing loss allowance on trade and loan receivables determined in accordance with HKAS 39 as at 31 December 2017 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018:

2. 主要會計政策(續)

採納新訂/經修訂香港財務報告準則(續)

香港財務報告準則第9號：財務工具(續)

(ii) 信貸虧損

香港財務報告準則第9號以預期信貸虧損模型取代香港會計準則第39號之「已產生虧損」模型。預期信貸虧損模型要求持續計量與財務資產相關之信貸風險，因此會較香港會計準則第39號之「已產生虧損」會計模型更早確認預期信貸虧損。

本集團應用預期信貸虧損模型處理按攤銷成本計量之財務資產。

下表為於二零一七年十二月三十一日按照香港會計準則第39號釐定之貿易應收款項及應收貸款期末虧損抵備與於二零一八年一月一日按照香港財務報告準則第9號釐定之期初虧損抵備進行之對帳：

| | | HK\$'000 千港元 |
|---|--------------------------------|-----------------|
| Loss allowance at 31 December 2017 under HKAS 39 | 於二零一七年十二月三十一日按照香港會計準則第39號之虧損抵備 | 22,478 |
| Additional credit loss recognised at 1 January 2018 on: | 就以下項目於二零一八年一月一日確認之額外信貸虧損： | |
| — Trade receivables | — 貿易應收款項 | 19,903 |
| Loss allowance at 1 January 2018 under HKFRS 9 | 於二零一八年一月一日按照香港財務報告準則第9號之虧損抵備 | 42,381 |

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綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

HKFRS 15: Revenue from Contracts with Customers

HKFRS 15 replaces, among others, HKASs 18 and 11 which specified the revenue recognition arising from sale of goods and rendering of services and the accounting for construction contracts respectively. HKFRS 15 establishes a comprehensive framework for revenue recognition and certain costs from contracts with customers within its scope. It also introduces a cohesive set of disclosure requirements that would result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group has elected to apply the cumulative effect transition method and recognised the cumulative effect of initial adoption as an adjustment to the opening balance of components of equity at 1 January 2018 (i.e. the date of initial application). Therefore, the comparative information has not been restated for the effect of HKFRS 15.

In addition, the Group has applied HKFRS 15 retrospectively only to contracts that were not completed at 1 January 2018 in accordance with the transitional provisions therein.

The adoption of this standard does not have a significant impact on the measurement and recognition of revenue of the Group.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for financial assets at FVPL and Designated FVOCI, which are measured at fair value as explained in the accounting policies set out below.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第15號：來自客戶合約之收益

香港財務報告準則第15號取代(其中包括)香港會計準則第18號及第11號，當中載列分別自銷售貨品及服務以及建築合約入帳所產生之收益確認。香港財務報告準則第15號建立一個全面架構，確認其範疇內來自客戶合約之收益及若干成本。其亦引入一整套披露規定，將導致實體向使用者提供財務報表時，須載列實體與客戶訂立之合約所產生之收益及現金流之性質、金額、時間及不確定性等全面資料。

本集團已選擇使用累計影響過渡方法及已確認初始應用之累計影響為二零一八年一月一日(即初始應用日期)權益部分期初結餘之調整。因此，比較資料並無就香港財務報告準則第15號之影響重列。

此外，根據該準則之過渡條文，本集團僅就於二零一八年一月一日尚未完成之合約追溯應用香港財務報告準則第15號。

採納該準則對本集團之收益計量及確認並無重大影響。

計量基準

編製本綜合財務報表所採用之計量基準為歷史成本，惟如下文載列之會計政策所述，於損益帳按公平值處理及指定於其他全面收入按公平值處理之財務資產以公平值計量。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries as at 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

2. 主要會計政策(續)

計量基準

綜合財務報表包括本公司及其所有附屬公司截至每年十二月三十一日為止之財務報表。附屬公司之財務報表乃於與本公司相同之報告年度使用與本公司貫徹一致之會計政策編製。

集團內公司間之所有結餘、交易、收支及集團內公司間交易所產生盈虧會全數對銷。附屬公司之業績由本集團取得控制權當日起至有關控制權終止當日止綜合計算。

非控股權益於綜合全面收入報表及綜合財務狀況表之股權中與本公司擁有人分開呈列。於被收購公司之非控股權益為現時擁有權權益，賦予持有人權利於被收購公司清盤時按比例攤分被收購公司之資產淨值，初步按公平值或按現時擁有權工具所佔被收購公司可識別資產淨值已確認金額之比例計量。計量基準會因應逐項收購選擇。除非香港財務報告準則規定採納另一計量基準，否則其他類型非控股權益初步按公平值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Contingent consideration arising from business combination

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. 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 re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

Allocation of total comprehensive income

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

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. 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 the owners of the Company.

2. 主要會計政策(續)

計量基準(續)

業務合併產生之或然代價

將由收購方轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整於調整源自於計量期(最長為收購日期起計12個月)內所取得有關於收購日期之公平值之新資料時,方於商譽確認。不符合作為計量期間調整之或然代價公平值變動之其後會計處理取決於或然代價如何分類。分類為權益之或然代價不會於其後報告日期重新計量,而其後結算於權益內入帳。分類為資產或負債之或然代價會於其後報告日期重新計量,而相應盈虧於損益帳中確認。

分配全面收入總額

損益及其他全面收入各組成部分會歸屬於本公司擁有人及非控股權益。全面收入總額會歸屬於本公司擁有人及非控股權益,即使此舉會導致非控股權益之結餘出現虧絀。

擁有權權益變動

倘本集團於附屬公司之擁有權權益出現變動,但並無導致本集團失去對該附屬公司之控制權,則入帳列作股權交易。本集團會調整控股與非控股權益之帳面金額,以反映彼等於附屬公司之相關權益之變動。非控股權益之調整款額與已付或已收代價之公平值兩者間之任何差額,會直接於股權確認並歸屬於本公司擁有人。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Changes in ownership interest (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the holding company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented within these notes, investments in subsidiaries are stated at cost less impairment losses. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2. 主要會計政策(續)

計量基準(續)

擁有權權益變動(續)

當本集團失去對附屬公司之控制權時，出售損益按(i)已收代價之公平值及於失去控制權當日所釐定任何保留權益之公平值之總額與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益於失去控制權當日之帳面金額兩者間之差額計算。先前就已出售附屬公司於其他全面收入確認之款額，按控股公司直接出售相關資產或負債所須使用之相同基準入帳。在前附屬公司保留之任何投資及該前附屬公司所結欠或應收之任何金額，會由失去控制權當日起入帳列作財務資產、聯營公司、合營公司或其他項目(如適用)。

附屬公司

附屬公司指受本集團控制之實體。當本集團就參與實體業務所得可變動回報承擔風險或享有權利，並能透過其於該實體之權力影響該等回報時，本集團即控制該實體。如有事實及情況顯示一項或多項控制權要素出現變化，則本集團會重新評估其是否控制接受投資公司。

於附註內呈列之本公司財務狀況表中，於附屬公司之投資按成本減去減值虧損入帳。投資之帳面金額如高於可收回金額，按個別基準扣減至其可收回金額。本公司按已收及應收股息基準將附屬公司之業績入帳。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investments in associates are accounted for under the equity method of accounting. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

2. 主要會計政策(續)

聯營公司

聯營公司指本集團對其擁有重大影響力之實體。重大影響力指參與接受投資公司財務及營運政策決定但並非控制或共同控制有關政策之權力。

本集團於聯營公司之投資以權益會計法入帳。根據權益會計法，有關投資初步按成本入帳，其後就本集團應佔接受投資公司資產淨值之收購後變動及與該投資相關之任何減值虧損作出調整。倘本集團應佔接受投資公司之虧損相等於或超過其於該接受投資公司之權益(包括任何實質上構成本集團於該接受投資公司之淨投資一部分之長期權益)之帳面金額，則本集團不再確認其應佔之進一步虧損，惟本集團已產生法定或推定責任，或已代表該接受投資公司付款，則作別論。

收購聯營公司產生之商譽按投資成本超出本集團應佔所收購聯營公司之可識別資產及負債公平淨值之差額計量。有關商譽計入於聯營公司之權益內。另一方面，本集團應佔其可識別資產及負債公平淨值超出投資成本之任何差額即時於損益帳確認為收入。

本集團與其聯營公司之間進行交易所產生之未變現盈虧會予以對銷，惟以本集團於該等接受投資公司之權益為限；而倘未變現虧損提供證據顯示所轉讓資產出現減值，則有關虧損會即時於損益帳確認。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units (“CGUs”). An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Any resulting gain or loss arising from remeasuring the previously held equity interests in the acquiree at the acquisition date fair value is recognised in profit or loss or other comprehensive income, as appropriate.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

2. 主要會計政策(續)

商譽

收購業務產生之商譽按所轉撥之代價、於被收購公司之任何非控股權益金額及於被收購公司之先前所持股本權益之公平值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務之商譽會確認為一項獨立資產，按成本減累計減值虧損列帳，並每年作減值測試，或於有事件發生或情況有變而顯示帳面值可能減值時進行較頻密之減值測試。就減值測試及釐定出售盈虧而言，商譽被分配至現金產生單位（「現金產生單位」）。商譽之減值虧損不予撥回。

另一方面，重新評估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於被收購公司之任何非控股權益金額及收購公司先前於被收購公司所持權益之公平值總額之任何差額（如有），隨即於損益帳確認為一項議價購買收入。

任何自重新計量先前所持被收購公司之股本權益於收購日期所產生收益或虧損公平值於損益帳或其他全面收入中確認（如適用）。

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列帳。物業、廠房及設備項目之成本包括其購買價及令資產達致其營運狀況及運送至其運作地點作擬定用途之任何直接應佔費用。維修及保養開支於產生當年在損益帳中扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual values over their estimated useful life. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately. The principal annual rates used for this purpose are as follows:

| | |
|----------------------------------|---------|
| Buildings | 5% |
| Leasehold improvement | 20%-50% |
| Moulds | 10%-30% |
| Plant and machinery | 9% |
| Furniture, fixture and equipment | 18%-50% |
| Motor vehicles | 18%-33% |

Assets held under finance leases are depreciated over the shorter of their expected useful lives or the terms of the leases.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

Intangible assets

Trademarks

Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired and carried at cost less accumulated impairment losses.

2. 主要會計政策(續)

物業、廠房及設備(續)

折舊按直線法計算，以於各物業、廠房及設備項目之估計可用年期將該等物業、廠房及設備項目之成本撇銷至其餘值。倘物業、廠房及設備項目各部分具有不同可用年期，則項目成本按合理基準分配及分開折舊。就此使用之主要年率如下：

| | |
|----------|---------|
| 樓宇 | 5% |
| 租賃物業裝修 | 20%-50% |
| 模具 | 10%-30% |
| 廠房及機器 | 9% |
| 傢具、裝置及設備 | 18%-50% |
| 汽車 | 18%-33% |

根據融資租賃持有之資產按其預計可用年期或租期之較短期間折舊。

物業、廠房及設備項目於出售時或預期持續使用該資產不會產生未來經濟利益時終止確認。終止確認資產所產生之任何盈虧(按出售所得款項淨額與項目帳面金額之差額計算)計入項目終止確認年度之損益帳。

無形資產

商標

在業務合併中購入之商標按收購日期之公平值確認。無限定可用年期之商標每年作減值測試，或於有事件發生或情況有變而顯示帳面金額可能減值時進行較頻密之減值測試，並按成本減累計減值虧損列帳。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

Customer relationships, customer contracts, computer software copyright and software patents

The customer relationships, customer contracts, computer software copyright and software patents acquired in a business combination are recognised at fair value at the acquisition date. Amortisation is provided on the straight-line basis over their estimated useful lives of 2-10 years.

Research and development costs

Research costs are expensed as incurred. Costs incurred on development activities, which involve the application of research findings to a plan or design for the production of new or substantially improved products and processes, are capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development.

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it Group transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

2. 主要會計政策(續)

無形資產(續)

客戶關係、客戶合約、電腦軟件版權及軟件專利

在業務合併中購入之客戶關係、客戶合約、電腦軟件版權及軟件專利按收購日期之公平值確認。攤銷於其2至10年之估計可用年期內以直線法撥備。

研究及開發成本

研究成本於產生時確認為開支。開發活動成本(涉及將研究結果應用於生產全新產品或大幅改進產品及工序之計劃或設計)若在產品或工序在技術及商業上可行,且本集團具有足夠資源完成開發時將會撥充資本。

財務工具

財務資產

確認及終止確認

當且僅當本集團成為該等工具之合約條文之一方時,財務資產方會確認,而於確認時乃以交易日期為基準。

當且僅當(i)本集團於財務資產未來現金流量之合約權利屆滿,或(ii)本集團轉讓該財務資產,同時(a)本集團轉移該項財務資產擁有權之絕大部分風險及回報,或(b)本集團既無轉移亦無保留該項財務資產擁有權之絕大部分風險及回報,且並無保留該項財務資產之控制權時,方會終止確認財務資產。

倘本集團保留被轉移財務資產擁有權之絕大部分風險及回報,則本集團繼續確認該項財務資產,同時就所收所得款項確認抵押借貸。

倘本集團既無轉移亦無保留已轉移財務資產擁有權之絕大部分風險及回報,並繼續控制該項財務資產,則本集團按其持續參與程度確認該項財務資產,並就可能須支付之金額確認相關負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Recognition and derecognition (Continued)

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

Classification and measurement

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) Mandatory FVOCI; (iii) Designated FVOCI; or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model.

Derivatives embedded in a hybrid contract in which a host is an asset within the scope of HKFRS 9 are not separated from the host. Instead, the entire hybrid contract is assessed for classification.

1) *Financial assets measured at amortised cost*

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

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

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

確認及終止確認(續)

財務資產(不包括並無重大融資部分之貿易應收款項)初步按公平值另加(如並非於損益帳按公平值列帳)收購財務資產直接應佔之交易成本確認。有關貿易應收款項初步按其交易價格計量。

分類及計量

於初始確認時，財務資產分類為(i)按攤銷成本計量；(ii)強制於其他全面收入按公平值處理；(iii)指定於其他全面收入按公平值處理；或(iv)於損益帳按公平值處理。

於初始確認時，財務資產分類取決於本集團管理財務資產及之業務模式及財務資產之合約現金流量特點。財務資產於初始確認後不會進行重新分類，除非本集團改變管理財務資產之業務模式，在此情況下，所有受影響之相關財務資產於業務模式變更後首個年度報告期間之首日進行重新分類。

嵌入混合合約(其主要資產為香港財務報告準則第9號範圍內之資產)中之衍生工具不得與主要資產分別計量。取而代之，混合合約整項作分類評估。

1) *按攤銷成本計量之財務資產*

倘財務資產符合以下兩項條件及並非指示於損益帳按公平值處理，則按攤銷成本計量：

- (i) 以收取合約現金流量為目的而持有財務資產之經營模式下持有；及
- (ii) 其合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

按攤銷成本計量之財務資產其後採用實際利率法計量，並可能會出現減值。減值、終止確認或攤銷過程產生之收益及虧損於損益帳確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

2) Mandatory FVOCI

A financial asset is measured at Mandatory FVOCI if both of the following conditions are met and is not designated as at FVPL:

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

The financial asset is subsequently measured at fair value. Interest calculated using the effective interest method, impairment gains or losses and foreign exchange gains and losses are recognised in profit or loss. Other gains or losses are recognised in other comprehensive income until the financial asset is derecognised. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

2) 強制於其他全面收入按公平值處理

倘財務資產符合以下兩項條件及並非指示於損益帳按公平值處理，則強制於其他全面收入按公平值處理計量：

- (i) 以收取合約現金流量及出售為目的而持有財務資產之經營模式下持有；及
- (ii) 其合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

財務資產其後按公平值計量。減值、終止確認或攤銷過程產生之收益及虧損於損益帳確認。利用實際利率法計算之利息、減值收益或虧損以及外匯收益及虧損於損益帳中確認。其他收益或虧損於其他綜合收入中確認，直至財務資產終止確認。財務資產終止確認時，之前於其他全面收入中呈報之累計收益或虧損將重新分類至損益帳，列作重新分類調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

3) Designated FVOCI

Upon initial recognition, the Group may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 applies in other comprehensive income. The classification is determined on an instrument-by-instrument basis.

These equity investments are subsequently measured at fair value and are not subject to impairment. Dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other gains or losses are recognised in other comprehensive income and shall not be subsequently reclassified to profit or loss. Upon derecognition, the cumulative gain or loss is transferred directly to accumulated profits or losses.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

3) 指定於其他全面收入按公平值處理

於初始確認後，本集團可作出不可撤回之選擇，於其他綜合收入呈列股本工具投資公平值之其後變動，倘該等投資既非持作買賣，亦非收購人於確認業務合併中之或然代價（香港財務報告準則第3號適用）。分類乃按個別工具基準釐定。

該等股本工具其後按公平值計量及毋須作出減值。除非股息明確表示為收回部分投資成本，否則股息於損益帳中確認。其他收益或虧損於其他全面收入中確認，且其後不會重新分類至損益帳。於終止確認後，累計收益或虧損將直接轉移至損益帳。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

4) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, and financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which does not include any dividend or interest earned on the financial assets. Dividend or interest income is presented separately from fair value gain or loss.

A financial asset is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

4) 於損益帳按公平值處理之財務資產

該等投資包括並非按攤銷成本計量或於其他全面收入按公平值處理之財務資產，其中包括持作買賣之財務資產、於初步確認時指定於損益帳按公平值處理之財務資產及業務合併中或然代價安排產生之財務資產(香港財務報告準則第3號適用)，以公平值列帳，所產生之任何盈虧於損益帳確認，惟不包括任何自財務資產所賺取之股息或利息。股息或利息收入與公平值收益或虧損分開呈列。

財務資產如屬以下各項，則分類為持作買賣：

- (i) 主要為於短期內出售而購入；
- (ii) 於初始確認時，其集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分；或
- (iii) 並非財務擔保合約或並非指定有效對沖工具之衍生工具。

財務資產僅會於初步確認時指定於損益帳按公平值處理可消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致處理方法不一之情況時，方可如此指定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

4) Financial assets at FVPL (Continued)

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition as at FVPL, and financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which does not include any dividend or interest earned on the financial assets. Dividend or interest income is presented separately from fair value gain or loss.

Financial assets are classified as held for trading if they are (i) acquired or incurred principally for the purpose of selling or repurchasing in the near future; (ii) part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or (iii) derivatives that are not financial guarantee contracts or not designated and effective hedging instruments.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

4) 於損益帳按公平值處理之財務資產(續)

於損益帳按公平值處理之財務資產包括持作買賣之財務資產、於初步確認時指定於損益帳按公平值處理之財務資產及業務合併中或然代價安排產生之財務資產(香港財務報告準則第3號適用)，以公平值列帳，所產生之任何盈虧於損益帳確認，惟不包括任何自財務資產所賺取之股息或利息。股息或利息收入與公平值收益或虧損分開呈列。

倘財務資產(i)主要為於短期內出售或購回而購入或產生；(ii)由本集團集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分；或(iii)並非財務擔保合約亦非指定為有效對沖工具之衍生工具，則分類為持作買賣財務資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

The Group classified its financial assets into one of the following categories before 1 January 2018:

1) Financial assets at FVPL

Financial assets are designated at initial recognition as at FVPL only if (i) the designation eliminate or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis; or (ii) they are part of a group of financial assets and/or financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) they contain embedded derivatives that would need to be separately recorded.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

2) Loans and receivables

Loans and receivables including loan receivables, trade and other receivables, pledged bank deposits and bank balances and cash are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

本集團於二零一八年一月一日前將其財務資產分類為以下其中一個類別：

1) 於損益帳按公平值處理之財務資產(續)

財務資產僅會於下列情況下於初步確認時指定為於損益帳按公平值處理：(i) 該項指定消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致處理方法不一之情況；或(ii) 該等財務資產或財務負債屬受管理且根據明文風險管理策略按公平值基準評估表現之一組財務資產及／或財務負債之一部分；或(iii) 該等財務資產或財務負債包含須分開記錄之嵌入式衍生工具。

倘一份合約包含一項或多項嵌入式衍生工具，則整份混合合約或會指定為於損益帳按公平值處理之財務資產，惟倘嵌入式衍生工具不能大幅改變現金流量或明顯不得將嵌入式衍生工具分開則除外。

2) 貸款及應收款項

貸款及應收款項包括應收貸款、貿易及其他應收款項、已質押銀行存款以及銀行結存及現金，為有固定或可釐定付款額而並無活躍市場報價且非持作買賣之非衍生財務資產。此等貸款及應收款項以實際利率法按攤銷成本計量，惟倘應收款項為無固定還款期或貼現影響不大之免息貸款，則按成本減去減值虧損列帳。攤銷成本於到期前各期間經計及收購時之任何折讓或溢價後計算。終止確認、減值或透過攤銷過程所產生之盈虧於損益帳確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

3) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as a separate component of equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

確認及計量(續)

3) 可供出售財務資產

可供出售財務資產為指定為此類別或不予分類為其他財務資產類別之非衍生財務資產，按公平值計量，而價值變動確認為股權獨立部分，直至資產被出售、收集或以其他方式處置為止，或直至資產被釐定為已減值為止，屆時，之前於其他全面收入中呈報之累計收益或虧損將重新分類至損益帳，列作重新分類調整。

並無活躍市場報價且公平值不能可靠地計量之可供出售財務資產按成本減去減值虧損列帳。

財務負債

確認及終止確認

當且僅當本集團成為該等工具之合約條文之一方時，財務資產方會確認，而於確認時乃以交易日期為基準。

當且僅當財務負債於負債終絕時方終止確認，即相關合約訂明之責任獲解除、註銷或屆滿時。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities (Continued)

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are direct attributable to the issue of the financial liabilities.

The Group's financial liabilities include contingent consideration payables, trade and other payables, interest-bearing borrowings, promissory notes and convertible bonds. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Financial liabilities at FVPL include financial liabilities held for trading, financial liabilities designated upon initial recognition as at FVPL and financial liabilities that are contingent consideration of an acquirer in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss (including interest expenses) recognised in profit or loss, except for the portion of fair value changes of financial liabilities designated at FVPL that are attributable to the credit risk of the liabilities which is presented in other comprehensive income unless such treatment would create or enlarge an accounting mismatch in profit or loss. The amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss. Upon derecognition, the cumulative gain or loss is transferred directly to accumulated profits or losses. Interest expenses are presented separately from fair value gain or loss. Before the adoption of HKFRS 9, all the fair value gain or loss of financial liabilities at FVPL is recognised in profit or loss.

2. 主要會計政策(續)

財務工具(續)

財務負債(續)

分類及計量

財務負債初始按公平值計量，而倘財務負債並非於損益帳按公平值處理，則加上發行財務負債直接應佔之交易成本。

本集團之財務負債包括應付或然代價、貿易及其他應付款項、計息借貸、承兌票據及可換股債券。所有財務負債(於損益帳按公平值處理之財務負債除外)初步按公平值確認，其後以實際利率法按攤銷成本計量，惟倘貼現影響並不重大，則按成本列帳。

於損益帳按公平值處理之財務負債包括持作買賣之財務負債、於初步確認時指定於損益帳按公平值處理之財務負債及業務合併中或然代價安排產生之財務負債(香港財務報告準則第3號適用)，以公平值列帳，所產生之任何盈虧(包括利息開支)於損益帳確認，惟不包括於其他綜合收入中呈列之負債信貸風險所產生之指定於損益帳按公平值處理之財務負債變動部分，除非有關處理將構成或擴大損益的會計錯配。於其他綜合收入所呈列之金額其後不得轉移至損益帳。於終止確認後，累計收益或虧損已直接轉移至累計損益帳。利息開支與公平值收益或虧損分開呈列。於採納香港財務報告準則第9號前，於損益帳按公平值處理之財務負債之公平值收益或虧損於損益帳中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities (Continued)

Classification and measurement (Continued)

A financial liability is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial liabilities are designated at initial recognition as at FVPL only if:

- (i) the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases;
- (ii) they are part of a group of financial liabilities or financial assets and financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or
- (iii) they contain one or more embedded derivatives, in which case the entire hybrid contract may be designated as a financial liability at FVPL, except where the embedded derivatives do not significantly modify the cash flows or it is clear that separation of the embedded derivatives is prohibited.

Derivatives embedded in a hybrid contract with a host that is not an asset within the scope of HKFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their economic characteristics and risks are not closely related to those of the host, and the hybrid contract is not measured at FVPL.

2. 主要會計政策(續)

財務工具(續)

財務負債(續)

分類及計量(續)

財務負債如屬以下各項，則分類為持作買賣：

- (i) 主要為於短期內出售而購入；
- (ii) 於初始確認時，其集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分；或
- (iii) 並非財務擔保合約或並非指定有效對沖工具之衍生工具。

財務負債僅會於下列情況下於初步確認時指定為於損益帳按公平值處理：

- (i) 該項指定消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致處理方法不一之情況；
- (ii) 其屬受管理且根據明文風險管理策略按公平值基準評估表現之一組財務資產或財務負債及財務負債之一部分；或
- (iii) 其包含一項或以上嵌入式衍生工具，於此情況下，整份混合合約或會指定為於損益帳按公平值處理之財務負債，惟倘嵌入式衍生工具不能大幅改變現金流量或明顯不得將嵌入式衍生工具分開則除外。

嵌入混合合約(其主要資產並非香港財務報告準則第9號範圍內之資產)中之衍生工具符合衍生工具定義、經濟特徵及風險與主合約並非密切關連，而混合合約並非按於損益帳按公平值處理計量，則其被視作獨立衍生工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9

Applicable from 1 January 2018

The Group recognises loss allowances for ECL on financial assets that are measured at amortised cost (including loan receivables, trade receivables, other receivables, pledged bank deposits and cash and cash equivalents) to which the impairment requirements apply in accordance with HKFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2. 主要會計政策(續)

財務工具(續)

香港財務報告準則第9號項下財務資產及其他項目之減值

自二零一八年一月一日起適用

本集團就按攤銷成本計量之財務資產(包括應收貸款、貿易應收款項、其他應收款項、已質押銀行存款以及現金及現金等價物)確認虧損備抵,根據香港財務報告準則第9號應用有關減值規定。除下文所詳述之特定處理外,於各報告日期,倘財務資產之信貸風險自初始確認起大幅增加,本集團會按相等於全期預期信貸虧損之金額計量財務資產之虧損備抵。倘財務資產之信貸風險自初始確認起並無大幅增加,本集團會按相等於12個月預期信貸虧損之金額計量財務資產之虧損備抵。

計量預期信貸虧損

預期信貸虧損為信貸虧損之概率加權估計。信貸虧損以財務工具之預計年內所有現金不足額之現值計量。

就財務資產而言,信貸虧損為根據合約應付實體之合約現金流量與實體預期收取之現金流量間之差額現值。

全期預期信貸虧損指因財務工具預期年內所有可能發生之違約事件而導致之預期信貸虧損,而12個月預期信貸虧損指預期因報告日期後12個月內可能發生之財務工具違約事件而導致之全期預期信貸虧損之部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Applicable from 1 January 2018 (Continued)

Measurement of ECL (Continued)

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral
- (iv) industry of debtors
- (v) geographical location of debtors
- (vi) external credit risk ratings

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument, except in the case of Mandatory FVOCI, the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria:

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (ii) there is a breach of financial covenants by the counterparty.

2. 主要會計政策(續)

財務工具(續)

香港財務報告準則第9號項下財務資產及其他項目之減值(續)

自二零一八年一月一日起適用(續)

計量預期信貸虧損(續)

倘預期信貸虧損按集體基準計量，則財務工具基於以下一項或以下之共同信貸風險特徵分類：

- (i) 逾期資料
- (ii) 工具性質
- (iii) 抵押品性質
- (iv) 債務人之行業
- (v) 債務人之地理位置
- (vi) 外部信貸風險評級

虧損備抵於各報告日期重新計量，以反映自初始確認起之財務工具信貸風險及虧損之變動。於虧損備抵所引致之變動於損益帳中確認為減值收益或虧損，並對財務工具之帳面金額作出相應之調整，惟於強制於其他全面收入按公平值處理時，虧損備抵則於其他綜合收入中確認並於公平值儲備(會重新分類)中累計。

違約之定義

本集團認為以下各項就內部信貸風險管理而言構成違約事件，原因為過往經驗顯示，倘財務工具符合以下任何條件，本集團可能無法悉數收回未償還合約金額：

- (i) 內部產生或取自外部來源之資料表明，債務人不太可能向債權人(包括本集團)悉數還款(不計及本集團持有之任何抵押品)；或
- (ii) 交易對手違反財務契諾。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Applicable from 1 January 2018 (Continued)

Assessment of significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. In particular, the following information is taken into account in the assessment: (i) the debtor's failure to make payments of principal or interest on the due dates; (ii) an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available); (iii) an actual or expected significant deterioration in the operating results of the debtor; and (iv) actual or expected changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

2. 主要會計政策(續)

財務工具(續)

香港財務報告準則第9號項下財務資產及其他項目之減值(續)

自二零一八年一月一日起適用(續)

信貸風險顯著增加之評估

在評估財務工具之信貸風險自初始確認以來有否顯著增加時，本集團會比較分別於報告日期與於初始確認日期評估之財務工具違約風險。在進行重新評估時，本集團會考慮合理且具理據支持之定量及定性資料，包括過往經驗及在無須付出過多成本及努力下即可獲得之前瞻性資料。具體而言，評估已計及以下資料：(i)債務人未能在合約到期日支付本金或利息；(ii)財務工具之外部或內部信貸評級(如有)出現實際或預期之重大下跌情況；(iii)債務人經營業績出現實際或預期之重大倒退；及(iv)技術、市場、經濟或法律環境之實際或預期變動對債務人向本集團履行責任之能力構成重大不利影響。

儘管存有上文所述者，倘財務工具於報告日期獲確定具有低信貸風險，則本集團假設財務工具之信貸風險自初始確認以來並無顯著增加。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Applicable from 1 January 2018 (Continued)

Low credit risk

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Simplified approach of ECL

For trade and other receivables without a significant financing components or otherwise for which the Group applies the practical expedient not to account for the significant financing components and operating and finance lease receivables, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2. 主要會計政策(續)

財務工具(續)

香港財務報告準則第9號項下財務資產及其他項目之減值(續)

自二零一八年一月一日起適用(續)

低信貸風險

財務負債如屬以下各項，則獲確定為具有低信貸風險：

- (i) 其違約風險較低；
- (ii) 借款人於短期內絕對有能力履行其合約現金流量之義務；及
- (iii) 經濟及商業條件長遠之不利變化不一定會降低借款人履行合約現金流義務之能力。

預期信貸虧損之簡化方法

對於並無重大融資成分之貿易及其他應收款項或本集團適用之實際權宜(不計入重大融資成分以及經營及融資租賃應收款項)，本集團採用簡化方法計算預期信貸虧損。本集團根據各個報告日期之全期預期信貸虧損確認虧損備抵，並建立基於其過往信貸虧損經驗作出之撥備矩陣，並就債務人之特定因素及經濟狀況之前瞻性因素作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Applicable from 1 January 2018 (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (i) significant financial difficulties of the issuer or the borrower;
- (ii) a breach of contract, such as a default or past due event;
- (iii) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (vi) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (v) the disappearance of an active market for that financial assets because of financial difficulties; and
- (vi) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

2. 主要會計政策(續)

財務工具(續)

香港財務報告準則第9號項下財務資產及其他項目之減值(續)

自二零一八年一月一日起適用(續)

信貸減值財務資產

當發生一項或多項對財務資產估計未來現金流量有負面影響之事件時，財務資產即出現信貸減值。財務資產出現信貸減值之證據包括以下可觀察事件：

- (i) 發行人或借款人面對重大財務困難；
- (ii) 違反合約，如欠繳或逾期事件；
- (iii) 借款人之貸款人因與借款人有關之經濟或合約原因，向借款人授出貸款人在其他情況下不會考慮授出之優惠；
- (iv) 借款人可能將告破產或進行其他財務重組；
- (v) 財務資產因發行人出現財務困難而失去活躍市場；及
- (vi) 以大幅折扣購買或源生一項財務資產，該折扣反映已產生信貸虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Applicable from 1 January 2018 (Continued)

Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Applicable before 1 January 2018

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at FVPL, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

2. 主要會計政策(續)

財務工具(續)

香港財務報告準則第9號項下財務資產及其他項目之減值(續)

自二零一八年一月一日起適用(續)

撇銷

當本集團並無合理預期收回全部或部分財務資產之合約現金流量時，則會撇銷該財務資產。當本集團確定債務人並無可產生足夠現金流量以償還撇銷金額之資產或收入來源時，本集團會實行一項撇銷帳面總額之政策。本集團預期不會從大幅收回撇銷金額。然而，於適當情況下，在考慮法律意見後，本集團可能仍會根據收款程序處理被撇銷之財務資產。其後收回之任何款項於損益帳中確認。

於二零一八年一月一日前適用

本集團會於各報告期結束日評估是否有客觀證據顯示財務資產(於損益帳按公平值處理者除外)出現減值。按攤銷成本列帳之財務資產之減值虧損按資產帳面金額與按財務資產原實際利率貼現之估計未來現金流量現值之差額計量。倘資產之可收回金額增加，而是項增加能夠客觀地與確認減值後發生之事件有關，則於往後期間透過損益帳撥回有關減值虧損，惟該項資產於撥回減值當日之帳面金額不得超過原先並無確認減值時之攤銷成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Applicable before 1 January 2018 (Continued)

When an available-for-sale financial asset is impaired, a cumulative loss comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and current fair value, less any previously recognised impairment loss in profit or loss, is reclassified from equity to profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss in respect of available-for-sale equity instrument are not reversed through profit or loss. Any subsequent increase in fair value of available-for-sale equity instrument after recognition of impairment loss is recognised in equity. Reversal of impairment loss of available-for-sale debt instruments are reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

2. 主要會計政策(續)

財務工具(續)

香港財務報告準則第9號項下財務資產及其他項目之減值(續)

於二零一八年一月一日前適用(續)

可供出售財務資產出現減值時，其收購成本(已扣除任何本金還款及攤銷)與當前公平值之差額減去任何先前於損益帳確認之減值虧損所得之累計虧損，將由權益重新分類至損益帳，列作重新分類調整。就可供出售股本工具於損益帳確認之減值虧損不得於損益帳撥回。可供出售股本工具於確認減值虧損後之任何公平值增加於股權確認。倘可供出售債務工具公平值增加之客觀因素與於損益帳確認減值虧損後發生之事件有關，則該工具之減值虧損會於損益帳撥回。

至於按成本列帳之可供出售財務資產，減值虧損之金額按財務資產之帳面金額與按類似財務資產現有市場回報率貼現之估計未來現金流量現值之差額計量。有關減值虧損不予撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Convertible bonds

The component of the convertible bonds that exhibits characteristics of a liability is recognised as a liability in the consolidated statement of financial position, net of issue costs.

On the issue of the convertible bonds, the fair value of the liability component is determined using a market rate for a similar bond that does not have a conversion option; and this amount is carried as a long-term liability on the amortised cost basis until extinguished on conversion or redemption. The early redemption option components are measure at fair value at the issue date. In subsequent period, the early redemption option component is measure at fair value with changes in fair value recognised in profit or loss.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in the convertible bonds equity reserve within shareholders' equity, net of issue costs. The value of the conversion option carried in equity is not changed in subsequent years. When the conversion option is exercised, the balance of the convertible bonds equity reserve is transferred to share capital or other appropriate reserve. When the conversion option remains unexercised at the expiry date, the balance remained in the convertible bonds equity reserve is transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Issue costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised. Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of proceeds.

2. 主要會計政策(續)

可換股債券

可換股債券具負債特徵之部分於綜合財務狀況表確認為負債，當中扣除發行成本。

於發行可換股債券時，負債部分之公平值採用不帶換股權之類似債券之市場利率釐定，而此金額按攤銷成本基準列為長期負債，直至於轉換或贖回時被消除為止。提早贖回權部分按發行當日之公平值計量。於往後期間，提早贖回權部分按公平值計量，公平值變動會於損益帳確認。

所得款項結餘分配至已確認並計入股東權益內可換股債券權益儲備之換股權，當中扣除發行成本。於權益列帳之轉換權之價值於其後年度不變。當換股權獲行使時，可換股債券權益儲備之結餘會轉撥至股本或其他適當儲備。當換股權於到期日仍未行使時，可換股債券權益儲備之結餘會轉撥至保留溢利。換股權獲轉換或到期時不會於損益帳中確認任何收益或虧損。

發行成本乃根據首次確認可換股債券之負債及權益部分時所得款項分配至該等工具之比例，分配至可換股債券之負債及權益部分。發行可換股債券相關之交易費用按所得款項分配比例分配至負債及權益部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue recognition

Dividend income from investments is recognised when the Group's rights to receive payment have been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Applicable from 1 January 2018

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The Group's revenue from the integrated smart internet-of-things ("IoT") solutions ("IoT solution"), human-machine interactive devices ("HMID") and intelligent documentation service ("IDS") businesses represents the sale of electronic, printer, terminal and hardware products to enterprise customers and the provision of information technology related consultation services and printing outsourcing services.

Identification of performance obligations

At contract inception, the Group assesses the goods or a service promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

2. 主要會計政策(續)

現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為可知數額現金而所承受之價值變動風險不大之短期高流動性投資項目。

收益確認

來自投資之股息收入於本集團收取付款之權利確定後確認。有關股息之經濟利益極有可能將會流入本集團且股息能可靠地計量。

自二零一八年一月一日起適用

香港財務報告準則第15號之來自客戶合約之收益

貨品或服務之性質

本集團來自整合智能物聯網(「物聯網」)解決方案(「物聯網解決方案」、人機互動商業終端(「人機互動」)及智能檔案服務(「智能檔案服務」)業務之收益指向企業客戶銷售電子、打印機、終端及硬件產品以及提供有關顧問服務之資訊科技及打印外包服務。

識別履約責任

於合約開始時，本集團評估合約內向客戶承諾之貨物或服務，並將每個轉讓予客戶之承諾識別為履約責任：

- (a) 不同貨品及服務(或一組貨品或服務)；或
- (b) 不同之商品及大致相同服務，其具有向客戶轉讓之相同模式。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Applicable from 1 January 2018 (Continued)

Revenue from contracts with customers within HKFRS 15 (Continued)

Identification of performance obligations (Continued)

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) 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.

2. 主要會計政策(續)

收益確認(續)

自二零一八年一月一日起適用(續)

香港財務報告準則第15號之來自客戶合約之收益(續)

識別履約責任(續)

倘符合以下兩項準則，向客戶承諾之貨品或服務則屬不同：

- (a) 客戶可單獨或連同客戶隨時可得之其他資源(從貨品或服務中受益即能夠區別貨品或服務)；及
- (b) 本集團向客戶轉讓貨品或服務之承諾可與合約中之其他承諾分開識別(即轉讓貨品或服務之承諾就合約而言屬不同)。

收益確認時間

當本集團履行合約中之履約責任，即向客戶轉讓承諾貨品或服務(即資產)時，確認收益。

本集團於一段時間內轉讓貨品或服務之控制權，因此於一段時間內履行了履約責任並確認收益，前提為符合以下其中一項準則：

- (a) 客戶於本集團履約之同時取得並消耗由本集團履約所提供之利益；
- (b) 本集團之履約創建或改良一項資產(例如在建工程)，而客戶在資產被創建或改良之過程中控制該資產；或
- (c) 本集團之履約並未創建一項對本集團而言可用於替代用途之資產，而本集團就迄今為止已完成之履約擁有取得付款之可執行權利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Applicable from 1 January 2018 (Continued)

Revenue from contracts with customers within HKFRS 15 (Continued)

Timing of revenue recognition (Continued)

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Sale of product is recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Service income of consultation and printing outsourcing services are recognised over time when services are rendered.

For revenue recognised over time under HKFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the output method (i.e. based on the direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract) to measure the progress towards complete satisfaction of the performance obligation because the method provides a faithful depiction of the Group's performance and reliable information is available to the Group to apply the method. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. The Group applies the output method as services completed to date over the life of the contract.

2. 主要會計政策(續)

收益確認(續)

自二零一八年一月一日起適用(續)

香港財務報告準則第15號之來自客戶合約之收益(續)

收益確認時間(續)

倘於一段時間內未有履行履約責任，則本集團於客戶取得對承諾資產之控制權時履行履約責任。於確定何時轉移控制權時，本集團考慮控制權之概念以及如合法所有權、實際擁有權、支付權、資產所有權之重大風險及回報以及客戶承兌等指標。

銷售產品於客戶取得承諾資產控制權之時間點確認，通常與貨品交付予客戶及所有權通過之時間一致。

顧問及打印外包服務之服務收入於提供服務之期間確認。

就根據香港財務報告準則第15號於一段時間內確認之收益而言，倘履約責任之結果可予合理計量，則本集團採用輸出法(即根據直接將對客戶迄今為止轉移之貨品或服務價值與合約中承諾之剩餘貨品或服務比較計量)，以衡量履約責任完全履行之進度，原因為該方法能中肯描述本集團之表現，而本集團可採用該方法提供可靠之資料。否則，本集團僅以所產生成本為限確認收益，直至其可合理計量履約責任的結果。本集團就迄今已完成合約年期之服務應用輸出法。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Applicable from 1 January 2018 (Continued)

Revenue from contracts with customers within HKFRS 15 (Continued)

Transaction price: significant financing components

When the contract contains a significant financing component (i.e. the customer or the Group is provided with a significant benefit of financing the transfer of goods or services to the customer), in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money. The effect of the significant financing component is recognised as an interest income or interest expense separately from revenue from contracts with customers in profit or loss.

The Group determines the interest rate that is commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception by reference to, where appropriate, the interest rate implicit in the contract (i.e. the interest rate that discounts the cash selling price of the goods or services to the amount paid in advance or arrears), the prevailing market interest rates, the Group's borrowing rates and other relevant creditworthiness information of the customer of the Group.

Interest income

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost or Mandatory FVOCI that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

2. 主要會計政策(續)

收益確認(續)

自二零一八年一月一日起適用(續)

香港財務報告準則第15號之來自客戶合約之收益(續)

交易價格：重大融資部分

倘合約包含重大融資部分(即向客戶轉讓貨品或服務為客戶或本集團帶來重大利益)，本集團於釐定交易價格時就金額時間值之影響而調整已承諾之代價金額。重大融資部分之影響與來自客戶合約之收益分開於損益帳中確認為利息收入或利息開支。

本集團根據合約中隱含利率(即將貨品或服務之現金售價與預付或拖欠金額折扣之利率)、現行市場利率、本集團之借貸利率及本集團客戶之其他相關信譽資料(視適用者而定)於合約開始時釐定本集團與其客戶之獨立融資交易所反映比率相應之利率。

利息收入

來自財務資產之利息收入運用實際利息法確認。就按攤銷成本計量或強制於其他全面收入按公平值處理且並無信貸減值之財務資產而言，實際利率適用於資產之帳面總額，而就具信貸減值之財務資產而言，其適用於攤銷成本(即扣除虧損備抵之帳面總額)。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Applicable before 1 January 2018

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably and on the following bases:

- Sale of products is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title is passed.
- Service income is recognised when services are rendered.
- Realised gain or loss on financial assets at FVPL is recognised on a trade date basis whilst unrealised gain or loss on financial assets at FVPL is recognised to restate to their fair value at end of the reporting period.
- Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

2. 主要會計政策(續)

收益確認(續)

於二零一八年一月一日前適用

收益乃於經濟利益極有可能將會流入本集團且收益及成本(如適用)能可靠地計量時按下列基準確認：

- 銷售產品於轉移擁有權之風險及回報時確認，一般與貨品交付客戶及所有權轉交時同時發生。
- 服務收入於提供服務時確認。
- 於損益帳按公平值處理之財務資產之已變現收益或虧損按交易日基準確認，而於損益帳按公平值處理之財務資產之未變現收益或虧損則以重列其於報告期結束日之公平值之方式確認。
- 財務資產之利息收入參考未償還本金及適用實際利率按時間基準計算。

合約資產及合約負債

倘本集團透過於客戶支付代價前或在支付到期應付前將貨品或服務轉移予客戶，合約將呈列為合約資產，不包括呈列為應收款項之任何金額。相反，倘客戶支付代價，或本集團有權無條件取得代價金額，則於本集團向客戶轉讓貨品或服務前，合約將於作出付款或付款到期應付(以較早者為準)時呈列為合約負債。應收款項為本集團無條件或在支付到期代價前所需時間流逝之取得代價權利。

單一合約或一組相關合約以合約資產淨值或合約負債淨額呈列。無關合約之合約資產及合約負債並不按淨額基準呈列。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The consolidated financial statements are presented in Hong Kong Dollars ("**HK\$**"), which is the Company's functional currency, and rounded to the nearest thousands unless stated otherwise.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

2. 主要會計政策(續)

外幣換算

本集團各實體之財務報表內所列項目依照各實體營運所在之主要經濟環境所用貨幣(「**功能貨幣**」)計量。綜合財務報表以本公司之功能貨幣港元呈列，而除非另有指明，否則會四捨五入至最接近之千位。

外幣交易採用交易當日之匯率換算為功能貨幣。因結算該等交易及按年結日匯率換算以外幣計值之貨幣資產及負債而產生之外匯收益及虧損於損益帳中確認。因重新換算以公平值列帳之非貨幣項目而產生之外匯收益及虧損於損益帳中確認，惟倘有關收益及虧損乃因重新換算直接於股權確認收益及虧損之非貨幣項目而產生，則同樣直接於股權確認。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

The results and financial position of all the group entities that have a functional currency different from the presentation currency (“**foreign operations**”) are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at end of the reporting period;
- Income and expenses for each statement of comprehensive income are translated at average exchange rate;
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group’s net investment in a foreign operation are recognised as a separate component of equity;
- On the disposal of a foreign operation, which includes the disposal of the Group’s entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;

2. 主要會計政策(續)

外幣換算(續)

功能貨幣有別於呈列貨幣之各集團實體(「海外業務」)之業績及財務狀況，乃按以下方式換算為呈列貨幣：

- 於各財務狀況表呈列之資產及負債，以及(如適用)就收購海外業務產生之資產及負債(被視為該海外業務之資產及負債)帳面金額作出之商譽及公平值調整，按報告期結束日之收市匯率換算；
- 各全面收入報表之收入及開支按平均匯率換算；
- 所有因上述換算而產生之匯兌差額及因構成本集團於海外業務之淨投資一部分之貨幣項目而產生之匯兌差額，確認為股權之獨立部分；
- 出售海外業務(包括出售本集團於海外業務之全部權益，涉及喪失包含海外業務附屬公司之控制權之出售事項，或部分出售於包含海外業務之聯營公司之權益，而不再以權益會計法處理當中之保留權益)時，涉及該海外業務而於其他全面收入中確認並於股權獨立部分中累計之匯兌差額累計金額於確認出售盈虧時由股權重新分類至損益帳；

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not recognised in profit or loss;
- On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2. 主要會計政策(續)

外幣換算(續)

- 部分出售本集團包含海外業務之附屬公司之權益，而本集團不會因此喪失對該附屬公司之控制權時，於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新歸入該海外業務之非控股權益，且不會於損益帳確認；及
- 至於所有其他部分出售(包括部分出售聯營公司，而本集團不會因此喪失重大影響力)，於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新分類至損益帳。

存貨

存貨按成本及可變現淨值兩者中之較低者列帳。成本包括全部購買成本及(如適用)使存貨達致目前地點及狀況產生之其他成本。成本按加權平均成本法計算。可變現淨值指日常業務過程中之估計售價減估計銷售所需成本。

存貨一經出售，其帳面金額於相關收益之確認期間確認為開支。存貨撇減至可變現淨值之任何金額及所有存貨虧損於撇減或虧損之發生期間確認為開支。倘存貨之任何撇減出現任何逆轉，則逆轉金額於逆轉發生期間確認為原確認為開支之存貨扣減。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible assets, interests in associates and interests in subsidiaries may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value-in-use (“VIU”). In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whenever there is an indication that those assets may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. Impairment losses are recognised as expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or CGU that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. 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. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2. 主要會計政策(續)

其他資產之減值

於各報告期結束日，本集團審閱內部及外部所得資料，以評估是否有跡象顯示其物業、廠房及設備、無形資產、於聯營公司之權益及於附屬公司之權益可能出現減值，或先前確認之減值虧損是否不再存在或可能有所減少。倘有任何該等跡象存在，則根據其公平值減出售成本及使用價值(以較高者為準)估計該項資產之可收回金額。此外，本集團每年藉估計其可收回金額，對具有不限定期間之無形資產及目前不可使用之無形資產進行減值測試，並於有跡象顯示該等資產或會減值時作減值測試。倘無法估計個別資產之可收回金額，本集團則估計可獨立產生現金流量之最小資產組別(即現金產生單位)之可收回金額。

倘資產或現金產生單位之可收回金額估計低於其帳面金額，則資產或現金產生單位之帳面金額會減至其可收回金額。減值虧損即時於損益帳確認為開支。

撥回之減值虧損以假設在過往年度並無確認減值虧損之情況下釐定之資產或現金產生單位之帳面金額為限。撥回之減值虧損即時於損益帳確認為收入。

借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)之直接應佔借貸成本，在扣除特定借貸之任何暫時性投資之投資收入後，會撥充資本作為該等資產成本之一部分。於該等資產大致上可作其擬定用途或出售時，該等借貸成本將會停止撥充資本。所有其他借貸成本於產生期間確認為開支。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account/recognised as a deduction from the carrying amount of the relevant asset and is released to profit or loss over the expected useful life of the relevant asset on a systematic basis.

Leases

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.

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to profit or loss over the term of the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of leased asset.

2. 主要會計政策(續)

政府補助

倘有合理保證將會收取政府補助及將符合所有附帶條件，則有關補助將按公平值確認。當補助涉及開支項目時，會按有系統基準於需配合補助之年度確認為收入，以抵銷擬用作補償之成本。倘補助涉及資產，則將公平值計入遞延收入帳戶／確認為有關資產帳面金額之扣減，並於有關資產之預期可用年期按有系統基準撥入損益帳。

租賃

凡租賃條款將擁有權之絕大部分風險及回報轉移予承租人之租賃，皆分類為融資租賃。所有其他租賃則分類為經營租賃。

根據融資租賃持有之資產按租賃資產之公平值或最低租賃付款現值之較低者確認為本集團資產。結欠出租人之相應負債計入綜合財務狀況表作為融資租賃債務。融資費用指租賃承擔總額與已收購資產公平值之差額，於相關租賃期內自損益帳扣除，以反映各會計期間債務餘額之固定定期費率。

根據經營租賃應付之租金於相關租賃期內以直線法自損益帳扣除。

租賃優惠於損益帳確認為使用租賃資產所協定之淨代價之一部分。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

Defined contribution plans

The Group, other than overseas and PRC subsidiaries, operates Mandatory Provident Fund (“MPF”) schemes to provide retirement benefits for its full time permanent employees in Hong Kong. The obligations for contributions to retirement benefit schemes are recognised as expenses in profit or loss as incurred. The assets of the schemes are held separately from those of the Group with independent trustees.

Pursuant to the law and regulations of the PRC, contributions to the defined contribution retirement schemes for the Group’s PRC staff are made to the relevant government authorities in the PRC, which are calculated on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. These contributions are recognised as expenses in profit or loss as incurred.

Long service payment

The Group’s net obligation in respect of long service payment under the Hong Kong Employment Ordinance is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including retirement scheme benefit. Re-measurements are recognised in profit or loss in the year in which they arise.

2. 主要會計政策(續)

僱員福利

短期僱員福利

薪金、年度花紅、有薪年假、界定供款退休計劃供款及非貨幣福利之成本於僱員提供相關服務之年度累計。

界定供款計劃

本集團(海外及中國附屬公司除外)營辦強制性公積金(「強積金」)計劃，為其香港全職永久僱員提供退休福利。向退休福利計劃供款之責任於產生時在損益帳確認為開支。計劃資產由獨立受託人持有，與本集團之資產分開。

根據中國之法律及法規，本集團為其中國員工制定之界定供款退休計劃之供款會交予中國有關政府機構，供款需按中國規定以適用薪資成本之若干百分比計算。該等供款於產生時在損益帳確認為開支。

長期服務金

本集團根據香港僱傭條例有關長期服務金之責任淨額為僱員於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任乃以預期單位貸記法計算，並貼現至其現值，再扣除任何相關資產(包括退休計劃福利)之公平值。重新計量於產生年度在損益帳確認。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Other long-term employee benefits: Contingent payments under profit guarantee arrangements

The Group's obligation in respect of contingent payments is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods under the profit guarantee arrangements. The obligation is calculated using the projected unit credit method and discounted to its present value. The measurement takes into account various factors including the expectation of attaining the earning targets. Re-measurements are recognised in profit or loss in the year in which they arise.

Share-based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("**vesting date**"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of the review, with a corresponding adjustment to the reserve within equity.

2. 主要會計政策(續)

僱員福利(續)

其他長期僱員福利：溢利保證安排下之或然付款

本集團之或然付款責任為僱員根據溢利保證安排於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任使用預期單位貸記法計算，並貼現至其現值。有關計量計及多項因素，包括達至盈利目標之預期。重新計量於產生年度在損益帳確認。

以股份付款之交易

以股權結算之交易

本集團僱員(包括董事)提供服務以換取股份或有關股份之權利時，即以股份付款之交易方式收取薪酬。與僱員進行該等交易之成本乃參考股本工具於授出日期之公平值計量。向僱員授出之購股權之公平值確認為僱員成本，而股權內之儲備會相應增加。公平值乃使用二項式模型釐定，當中已考慮任何市場條件及非歸屬條件。

以股權結算之交易之成本連同股權之相應增加於達成歸屬條件之期間確認，直至有關僱員不再須達成任何非市場歸屬條件而可享有有關獎勵之日(「歸屬日期」)為止。本公司於歸屬期內審閱預期最終歸屬之購股權數目。已於過往期間確認之累計公平值之任何調整於審閱年度於損益帳扣除/計入，並於股權內對儲備作出相應之調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Share-based payment transactions (Continued)

Equity-settled transactions (Continued)

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 retained profits.

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2. 主要會計政策(續)

以股份付款之交易(續)

以股權結算之交易(續)

當購股權於歸屬日期後被沒收或於到期日仍未獲行使時，之前於購股權儲備確認之金額會轉撥至保留溢利。

稅項

即期所得稅支出乃按就無須課稅或不得抵扣項目調整之年內業績計算，並使用於報告期結束日已實行或大致上已實行之稅率計算。

遞延稅項乃使用負債法，就資產與負債之稅基與該等資產及負債於綜合財務報表內之帳面金額於報告期結束日之所有暫時差額作出撥備。然而，倘遞延稅項因初步確認商譽而產生，或因業務合併以外之交易之其他資產或負債而產生，而進行交易時對會計溢利或應課稅溢利或虧損均無影響，則不予確認。

遞延稅項資產及負債乃按照於報告期結束日已實行或大致上實行之稅率及稅務法律，按照預期將於收回資產或償還負債之期間適用之稅率計量。

遞延稅項資產在極可能有未來應課稅溢利以動用可抵扣暫時差額、稅項虧損及稅項抵免時確認。

遞延稅項按於附屬公司及聯營公司之投資所產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間，以及暫時差額不大可能於可見未來撥回之情況除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

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 Group or of the holding company of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of 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 holding company of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the holding company of the Group.

2. 主要會計政策(續)

關連人士

關連人士為與本集團有關連之人士或實體。

- (a) 任何人士或其近親如符合以下情況，即與本集團有所關連：
 - (i) 擁有本集團之控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團控股公司之主要管理人員。
- (b) 任何實體如符合以下任何條件，即與本集團有所關連：
 - (i) 該實體與本集團屬同一集團之成員公司(意即控股公司、附屬公司及同系附屬公司各自互有關連)。
 - (ii) 一個實體為另一實體之聯營公司或合營公司(或另一實體為當中成員之集團之成員之聯營公司或合營公司)。
 - (iii) 兩個實體均為同一第三方之合營公司。
 - (iv) 一個實體為第三方實體之合營公司，而另一實體為該第三方之聯營公司。
 - (v) 該實體為一離職後福利計劃，而其受益人為本集團或與其有關連之實體之僱員。倘本集團本身為該計劃，則發起之僱主亦與本集團有所關連。
 - (vi) 該實體受(a)項列明之人士控制或共同控制。
 - (vii) (a)(i)項列明之人士對該實體有重大影響力或為該實體(或其控股公司)之主要管理人員。
 - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團控股公司提供主要管理人員服務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2. 主要會計政策(續)

關連人士(續)

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或同居伴侶；
- (b) 該名人士之配偶或同居伴侶之子女；及
- (c) 該名人士或其配偶或同居伴侶之受養人。

於關連人士之定義中，聯營公司包括該聯營公司之附屬公司，而合營公司包括該合營公司之附屬公司。

分類報告

經營分類及於綜合財務報表申報之各分類項目金額均按定期提供予本集團最高層行政管理人員之財務資料劃分，以於本集團各業務及地區之間分配資源及評估其表現。

個別重大經營分類於進行財務報告時不會合併計算，惟倘若分類具有類似經濟特性，以及產品及服務性質、生產程序性質、客戶種類或類型、分銷產品或提供服務之方法以及監管環境性質相類似時則作別論。並非個別重大之經營分類在上述大部分條件共通時可予合併。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

(i) *Estimation uncertainty*

Loss allowance for ECL

The Group's management estimates the loss allowance for trade and other receivables, and loan receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of uncertainty which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and receivables, and loan receivables. Details of the key assumption and inputs used in estimating ECL are set out in note 37(b) to the consolidated financial statements.

Allowance for inventories

The Group's management reviews the condition of inventories at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

2. 主要會計政策(續)

關鍵會計估計及判斷

管理層於編製綜合財務報表時會作出關於未來之估計及假設以及判斷。有關估計、假設及判斷會影響本集團會計政策之應用情況、資產、負債、收入及開支之申報金額以及所披露之資料，並持續根據經驗及相關因素(包括在各種情況下相信對未來事件作出之合理預期)評估。於適用時，會計估計之修訂會於作出修訂之期間及未來期間(如有關修訂同時影響未來期間)確認。

(i) *估計不確定因素*

期預期信貸虧損之虧損備抵

本集團之管理層運用違約風險及預期虧損率等多項輸入項目及假設估計貿易及其他應收款項以及應收貸款之虧損備抵。估計涉及高度不確定因素，此乃根據本集團於各報告期末之過往資料、現行市場狀況及前瞻性估計。倘估計有別於原先估計，有關差額將影響貿易及其他應收款項以及應收貸款之帳面值。有關估計預期信貸虧損時所用主要假設及輸入項目詳情載於綜合財務報表附註37(b)。

存貨備抵

本集團之管理層於各報告期結束日檢討存貨情況，就確認為過時、滯銷或不可能回收或不適合用於生產之存貨作出備抵。本集團就各項產品逐一檢討存貨，並根據市場價格及現行市況作出備抵。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Impairment of investments and receivables

The Group assesses annually if investment in subsidiaries and associates has suffered any impairment in accordance with HKAS 36 and follows the guidance of HKFRS 9 in determining whether amounts due from these entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

Impairment of goodwill and intangible assets with indefinite useful life

The Group determines whether goodwill and intangible assets with indefinite useful life are impaired at least on an annual basis. This requires an estimation of the VIU of the CGUs to which the goodwill and intangible assets with indefinite useful life are allocated. Estimating the VIU requires the Group to make an estimate of the expected cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Details of the estimates used to calculate the recoverable amounts of goodwill and intangible assets with indefinite useful life are given in notes 13 and 12 to the consolidated financial statements respectively.

Based on the Group's assessment, amounts of approximately HK\$897,375,000 and HK\$59,419,000 have been provided for the impairment of goodwill and intangible assets respectively (2017: Impairment of goodwill of HK\$200,000,000).

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

投資及應收款項減值

本集團根據香港會計準則第36號每年評估於附屬公司及聯營公司之投資有否出現減值，並依循香港財務報告準則第9號之指引釐定應收此等實體之款項有否出現減值。有關方法詳載於相關之會計政策。評估時須估計資產之未來現金流量(包括預期股息)及挑選適當之貼現率。倘此等實體之財務表現及狀況日後有變，會影響對減值虧損之估計，因而須對帳面金額作出調整。

商譽及具有不限定可用年期之無形資產減值

本集團至少每年一次釐定商譽及具有不限定可用年期之無形資產有否減值。釐定商譽有否減值需估計獲分配商譽及具有不限定可用年期之無形資產之現金產生單位之使用價值。本集團計算公平值減出售成本時，需決定所用模型及選出適當之比率、折讓及其他因素。本集團估計使用價值時，需估計該現金產生單位預期產生之現金流量，並選出適當之貼現率計算該等現金流量之現值。

有關用於計算具有不限定可用年期之商譽及無形資產可收回金額之估算詳情分別載於綜合財務報表附註13及12。

根據本集團之評估，已分別作出約897,375,000港元及59,419,000港元之商譽及無形資產(二零一七年：200,000,000港元之商譽減值)撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are 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 impair the income tax and deferred tax provision in the year in which such determination is made.

Deferred tax liabilities

Deferred tax liabilities have not been provided for the withholding tax that would be payable on the undistributed earnings of certain entities of the Group in the PRC as those earnings are not expected to be distributable in the foreseeable future. Details of deferred tax liabilities are disclosed in note 25 to the consolidated financial statements.

Useful lives and impairment of property, plant and equipment

The Group's management reviews the residual value, useful lives and depreciation method of property, plant and equipment at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

所得稅

本集團須繳納若干司法權區之所得稅。釐定所得稅撥備需運用重大估算。在日常業務過程中有多項交易及計算方式會導致未能確定最終稅項。倘該等事宜最終所計出之稅項與最初錄得之金額有別，則有關差額將影響釐定稅項年度之所得稅及遞延稅項撥備。

遞延稅項負債

鑑於本集團若干中國實體之未分派盈利預期不會於可見將來可予分派，本集團並未就該等盈利應付之預扣稅作出遞延稅項撥備。有關遞延稅項負債之詳情於綜合財務報表附註25披露。

物業、廠房及設備之可用年期及減值

本集團管理層於各報告期結束日審慎考慮對資產之預計用量、損耗及技術過時之潛在性，以檢討物業廠房及設備之殘值、可用年期及折舊方法。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Useful lives and impairment of property, plant and equipment (Continued)

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group's management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by reference to the higher of VIU and fair value less costs of disposal. VIU is determined using the discounted cash flow method. Owing to inherent risk associated with estimations in the timing and magnitude of the future cash flows and fair value less costs of disposal, the estimated recoverable amount of the asset may be different from its actual recoverable amount and profit or loss could be affected by accuracy of the estimations.

Estimated useful life of customer relationships, customer contracts, computer software copyrights and software patents

The Group determines the estimated useful life and related amortisation charge for customer relationships, customer contracts, computer software copyrights and software patents classified as intangible assets with reference to the estimated period that the Group intends to derive future economic benefits from the use of customer relationships, customer contracts, computer software copyrights and software patents. The Group will assess annually and revise the useful life of customer relationships, customer contracts, computer software copyrights and software patents to reflect the actual economic benefits derived from the customer relationships, customer contracts, computer software copyrights and software patents.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

物業、廠房及設備之可用年期及減值(續)

在釐定資產是否出現減值或過往導致減值之事件是否不再存在時，本集團管理層須評估有否出現可能影響資產價值之事件或該影響資產價值之事件是否並不存在。倘有任何該等跡象存在，則會參考使用價值及公平值減出售成本兩者中之較高者釐定資產之可收回金額。使用價值乃採用貼現現金流量法釐定。鑑於估計未來現金流量及公平值減出售成本之時間及數額涉及固有風險，資產之估計可收回金額或會與實際可收回金額有所不同，而有關估計之準確度可能對損益帳造成影響。

客戶關係、客戶合約、電腦軟件版權及軟件專利之估計可用年期

本集團參照本集團擬透過利用分類為無形資產之客戶關係、客戶合約、電腦軟件版權及軟件專利產生未來經濟利益之估計期間釐定客戶關係、客戶合約、電腦軟件版權及電腦軟件版權之估計可用年期及相關攤銷開支。本集團將每年評估及修訂客戶關係、客戶合約、電腦軟件版權及軟件專利之可用年期，以反映從客戶關係、客戶合約、電腦軟件版權及軟件專利產生之實際經濟利益。

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綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) *Estimation uncertainty (Continued)*

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors of the Company have determined the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of the Group's financial assets designated at FVOCI or FVPL, promissory notes, contingent consideration payables, convertible bonds, share options granted and other employee benefits, the Group uses market-observable data to the extent it is available. The management of the Group will exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs to the valuation model. Where there is a material change in the fair value of the assets/liabilities, the causes of the fluctuations will be reported to the directors of the Company. Notes 16, 18, 26, 28, 29 and 31 to the consolidated financial statements provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of those assets and liabilities.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) *估計不確定因素(續)*

公平值計量及估值過程

為進行財務匯報，本集團部分資產及負債乃按公平值計量。本公司董事已決定合適之估值技術及公平值計量輸入項目。

於估計本集團指定於其他全面收入或損益帳按公平值處理之財務資產、承兌票據、應付或然代價、可換股債券、已授出購股權及其他僱員福利之公平值時，本集團會利用市場可觀察數據(以可獲得者為限)。本集團之管理層將按經驗行使判斷，以制訂及釐定合適之估值技術及估值模型輸入項目。倘資產／負債公平值出現重大變動，則會向本公司董事匯報造成有關波動之原因。綜合財務報表附註16、18、26、28、29及31提供關於釐定該等資產及負債時所用估值技術、輸入項目及主要假設之詳細資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(ii) Judgement

Control over Enterprise Development Holdings Limited

In April 2017, the Group acquired additional 24.01% equity interests in Enterprise Development Holdings Limited (“**Enterprise Development**”), a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange. Together with the additional 16.64% equity interests acquired, the Group held 40.65% equity interests in aggregate in Enterprise Development and its subsidiaries (collectively referred to as “**ED Group**”). Although the Company held less than half of the ownership interests and voting rights in Enterprise Development, the Group has considered that it has control over Enterprise Development on a de facto power basis after considering (i) the voting rights held by the Group is relatively larger than other investors; (ii) dispersion of shareholdings of other investors in Enterprise Development; and (iii) relatively low and passive participation of the other shareholders at the shareholders’ meetings. Accordingly, the financial results of Enterprise Development have been consolidated in the consolidated financial statements of the Company since April 2017.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(ii) 判斷

對企展控股有限公司之控制權

於二零一七年四月，本集團增購企展控股有限公司(「**企展**」，一間於開曼群島註冊成立之有限公司，其股份於聯交所主板上市)24.01%股本權益。連同已收購之另外16.64%股本權益，本集團合共持有企展及其附屬公司(統稱「**企展集團**」)40.65%股本權益。儘管本公司持有企展少於半數擁有權權益及表決權，惟考慮到(i)本集團持有之表決權相比其他投資者所持有者相對較高；(ii)其他投資者於企展之股權分散；及(iii)其他股東出席股東大會之比率偏低且較為被動，本集團認為其對企展擁有實際控制權。因此，企展之財務業績自二零一七年四月起已於本公司之綜合財務報表中綜合入帳。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(ii) Judgement (Continued)

Following the completion of placing of Enterprise Development's shares in June 2017, the Group's equity interests in Enterprise Development were diluted from 40.65% to 38.72%. Together with the additional 4.84% equity interests acquired after June 2017, the Group held 43.56% equity interests in Enterprise Development as at 31 December 2017. Mr. King Pak Fu ("Mr. King") (controlling shareholder of the Company) undertook that he shall cast the voting rights controlled by him in Enterprise Development in the same manner and the same way as does the Group in all shareholders' meetings. As at 31 December 2017, Mr. King held approximately 14.76% equity interests in Enterprise Development through his wholly-owned investment vehicles and therefore, together with the voting rights held by Mr. King, the Group has 58.32% voting rights in aggregate in Enterprise Development. Accordingly, the financial results of Enterprise Development have been consolidated in the consolidated financial statements of the Company as at 31 December 2017.

After the disposal of 0.57% equity interests held by the Group during the reporting period, the Group held 42.99% equity interests in Enterprise Development, together with the voting rights held by Mr. King of approximately 14.43% equity interests in Enterprise Development through his wholly-owned investment vehicles, the Group has 57.42% voting rights in aggregate in Enterprise Development. Therefore, the Group continues to consolidate the financial results of Enterprise Development. Details of the equity interests disposed during the year are set out in note 34 to the consolidated financial statements.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(ii) 判斷(續)

於二零一七年六月完成配售企展股份後，本集團於企展之股本權益由40.65%攤薄至38.72%。連同於二零一七年六月額外收購之4.84%股本權益，本集團於二零一七年十二月三十一日持有企展43.56%股本權益。景百孚先生(「景先生」，本公司之控股股東)承諾其於全部股東會議上行使其所控制企展之表決權之方式及方法，會與本集團相同。於二零一七年十二月三十一日，景先生透過其全資擁有之投資工具持有企展約14.76%股本權益，因此，連同景先生持有之表決權，本集團合計擁有企展58.32%表決權。因此，企展之財務業績已於本公司於二零一七年十二月三十一日之綜合財務報表中綜合入帳。

於報告期內出售本集團所持0.57%股本權益後，本集團持有企展42.99%股本權益，連同景先生透過其全資擁有之投資工具持有企展約14.43%股本權益之表決權，本集團合共擁有企展57.42%表決權。因此，本集團繼續將企展之財務業績綜合入帳。年內出售股本權益之詳情載於綜合財務報表附註34。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

| | |
|------------------------------------|--|
| Annual Improvements to HKFRSs | 2015-2017 Cycle ¹ |
| HKFRS 16 | Leases ¹ |
| HK(IFRIC) — Interpretation 23 | Uncertainty over Income Tax Treatments ¹ |
| Amendments to HKAS 19 | Employee benefits ¹ |
| Amendments to HKAS 28 | Investments in Associates and Joint Ventures ¹ |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation ¹ |
| Amendments to HKASs 1 and 8 | Definition of Material ² |
| Amendments to HKFRS 3 | Definition of a Business ³ |
| HKFRS 17 | Insurance Contracts ⁴ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵ |

¹ Effective for annual periods beginning on or after 1 January 2019

² Effective for annual periods beginning on or after 1 January 2020

³ Effective for acquisitions that occur on or after the beginning of the first annual period beginning on or after 1 January 2020

⁴ Effective for annual periods beginning on or after 1 January 2021

⁵ The effective date to be determined

2. 主要會計政策(續)

香港財務報告準則之未來變動

於授權刊發本綜合財務報表當日，香港會計師公會已頒佈以下新訂／經修訂香港財務報告準則，該等準則於本年度尚未生效，而本集團亦未有提早採用。

| | |
|----------------------------|--------------------------------------|
| 香港財務報告準則之年度改進 | 二零一五年至二零一七年週期 ¹ |
| 香港財務報告準則第16號 | 租賃 ¹ |
| 香港(國際財務報告詮釋委員會)詮釋第23號 | 有關所得稅處理方法之不確定因素 ¹ |
| 香港會計準則第19號之修訂 | 僱員福利 ¹ |
| 香港會計準則第28號之修訂 | 於聯營公司及合營公司之投資 ¹ |
| 香港財務報告準則第9號之修訂 | 具有負補償之預付特性 ¹ |
| 香港會計準則第1號及第8號之修訂 | 重大之定義 ² |
| 香港財務報告準則第3號之修訂 | 業務之定義 ³ |
| 香港財務報告準則第17號 | 保險合約 ⁴ |
| 香港財務報告準則第10號及香港會計準則第28號之修訂 | 投資者與其聯營公司或合營公司間之資產出售或注資 ⁵ |

¹ 於二零一九年一月一日或之後開始之年度期間生效

² 於二零二零年一月一日或之後開始之年度期間生效

³ 於二零二零年一月一日或之後開始之首個年度期間或之後出現收購時生效

⁴ 於二零二一年一月一日或之後開始之年度期間生效

⁵ 生效日期待定

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRSs (Continued)

The Group is in the process of making an assessment of what the impacts of these amendments are expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course and will be taken into consideration when determining whether to adopt any of these new requirements before their effective date and which transitional approach to take, where there are alternative approaches allowed under the new standards.

HKFRS 16: Leases

HKFRS 16 significantly changes, among others, the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for these two types of leases differently. HKFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease.

2. 主要會計政策(續)

香港財務報告準則之未來變動(續)

本集團現正評估該等修訂於初步應用之期間之預期影響。本集團迄今已識別新準則若干方面可能會對綜合財務報表造成重大影響。預期影響之進一步詳情於下文討論。由於本集團尚未完成評估故可能會於適當時候識別出其他影響，並於新規定允許使用替代安排之情況下，會於決定是否在任何該等新規定之生效日期前採納該等規定及採取何種過渡安排時考慮有關影響。

香港財務報告準則第16號：租賃

香港財務報告準則第16號大幅更改(其中包括)對承租人之會計方法，以單一模型取代香港會計準則第17號下之雙重模型。該單一模型規定除非相關資產為低價值資產，否則承租人須就因年期超過12個月之所有租賃而產生之權利及責任確認使用權資產及租賃負債。出租人會計方法方面，香港財務報告準則第16號大致秉承香港會計準則第17號之出租人會計規定。因此，出租人繼續將租賃分類為經營租賃或融資租賃，並以不同方式將該兩類租賃入帳。香港財務報告準則第16號亦規定承租人及出租人提供更詳盡披露資料。

香港財務報告準則第16號將主要影響本集團作為承租人就物業、廠房及設備租賃(現時分類為經營租賃)之會計方法。預期應用新會計模型將導致資產及負債同時增加，並影響租期內於損益表確認開支的時間。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRSs (Continued)

HKFRS 16: Leases (Continued)

As disclosed in note 35 to the consolidated financial statements, at 31 December 2018 the Group's future minimum lease payments under non-cancellable operating leases amounted to HK\$36,158,000 for properties, which is payable between 1 and 6 years after the reporting date. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. The combination of straight-line depreciation of the right-of-use asset and the effective interest rate applied to the lease liability will result in a higher total charge to the profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term, but there is no impact on the total expenses recognised over the lease term. The directors of the Company anticipate that the application of HKFRS 16 would not have significant impact on the financial position and performance of the Group comparing HKAS 17 currently adopted by the Group. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

2. 主要會計政策(續)

香港財務報告準則之未來變動(續)

香港財務報告準則第16號：租賃(續)

誠如綜合財務報表附註35所披露，於二零一八年十二月三十一日，本集團於不可撤銷經營租賃下有關物業之未來最低租賃付款為36,158,000港元，須於報告日期後一至六年內支付。初步評估顯示，該等安排將符合香港財務報告準則第16號下租賃之定義，因此本集團將就所有該等租賃確認使用權資產及相應負債，除非該等租賃於香港財務報告準則第16號應用時符合資格作為低價值或短期租賃，則作別論。使用權資產之直線折舊加上應用於租賃負債之實際利率將會增加租賃初始年度在損益帳扣除之支出總額，並減少租期較後部分之開支，惟對於租期內確認之開支總額並無影響。本公司董事預計，相比本集團目前採納之香港會計準則第17號，應用香港財務報告準則第16號不會對本集團之財務狀況及表現產生重大影響。此外，應用新規定可能導致上文所列之計量、呈列及披露有變。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. REVENUE AND OTHER INCOME

An analysis of the Group's revenue and other income by category:

3. 收益及其他收入

本集團收益及其他收入按分類之分析：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--------------------|---|----------------------------------|----------------------------------|
| (a) Revenue | Revenue from contracts with customers within HKFRS 15 | 788,430 | 918,243 |
| | Sale of products | 445,472 | 420,272 |
| | Rendering of services | 1,233,902 | 1,338,515 |
| | Revenue from other sources | | |
| | Dividend income from financial assets at FVPL | 52,547 | 47,991 |
| | Interest income from financial assets at FVPL | 2,318 | — |
| | Net realised (loss) gain on disposal of financial assets at FVPL (note i) | (167,523) | 126,883 |
| | Interest income from loan receivables | 13,692 | 18,025 |
| | | (98,966) | 192,899 |
| | | 1,134,936 | 1,531,414 |

Note:

- (i) Represented the proceeds from the sale of investments at FVPL of HK\$1,762,099,000 (2017: HK\$1,897,001,000) less relevant costs and carrying value of the investments sold of HK\$1,929,622,000 (2017: HK\$1,770,118,000).
- (ii) The amount of revenue recognised for the year ended 31 December 2018 that was included in the contract liabilities at the beginning of the year is HK\$34,684,000.

附註：

- (i) 指出售於損益帳按公平值處理之投資之所得款項1,762,099,000港元(二零一七年：1,897,001,000港元)減相關成本及已出售投資之帳面值1,929,622,000港元(二零一七年：1,770,118,000港元)。
- (ii) 計入年初合約負債之截至二零一八年十二月三十一日止年度已確認之收益金額為34,684,000港元。

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|-------------------------|---|----------------------------------|----------------------------------|
| (b) Other income | Amortisation of deferred day-one gain (note 26) | 11,070 | 20,479 |
| | Government grant (note) | 13,667 | 14,687 |
| | Interest income from financial institutions | 10,627 | 13,243 |
| | Others | 3,176 | 4,357 |
| | | 38,540 | 52,766 |

Note: Government grant represent rewards to certain subsidiaries of the Company located in the PRC with no further obligations and conditions to be complied with.

附註：政府補助指對本公司若干位於中國之附屬公司作出之獎勵，毋須遵守其他義務及條件。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. REVENUE AND OTHER INCOME (Continued)

(c) Disaggregation of revenue

3. 收益及其他收入(續)

(c) 收益分拆

| | | Year ended 31 December 2018 截至二零一八年十二月三十一日止年度 | | | |
|--|------------------------|--|---------------------------------|----------------------------------|--------------------------------|
| | | IoT solution 物聯網 解決方案 HK\$'000 千港元 | HMID 人機互動 HK\$'000 千港元 | IDS 智能檔案服務 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Revenue from contracts with customers within HKFRS 15 | 香港財務報告準則第15號之來自客戶合約之收益 | | | | |
| Major products | 主要產品 | | | | |
| IoT solutions products | 物聯網解決方案產品 | 102,643 | — | — | 102,643 |
| HMID electronic products | 人機互動電子產品 | — | 80,622 | — | 80,622 |
| Printer products | 打印機產品 | — | 287,622 | — | 287,622 |
| Terminals, software and hardware products | 終端、軟件及硬件產品 | 22,676 | 294,867 | — | 317,543 |
| | | 125,319 | 663,111 | — | 788,430 |
| Major services | 主要服務 | | | | |
| Provision of IoT solutions services | 提供物聯網解決方案服務 | 213,537 | — | — | 213,537 |
| Provision of printing outsourcing services | 提供打印外包服務 | — | — | 225,750 | 225,750 |
| Others | 其他 | — | 6,185 | — | 6,185 |
| | | 213,537 | 6,185 | 225,750 | 445,472 |
| Total revenue | 總收益 | 338,856 | 669,296 | 225,750 | 1,233,902 |
| Timing of revenue recognition | 收益確認時間 | | | | |
| At a point in time | 於某一時點確認 | 125,319 | 663,111 | — | 788,430 |
| Over time | 隨時間確認 | 213,537 | 6,185 | 225,750 | 445,472 |
| | | 338,856 | 669,296 | 225,750 | 1,233,902 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SEGMENTAL INFORMATION

The following is an analysis of the Group's revenue and results by operating segments, based on information provided to the chief operating decision maker (the "CODM") who is the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance. This is also the basis upon which the Group is arranged and organised.

During the years ended 31 December 2018 and 2017, there are four reportable and operating segments as follows:

- (a) IoT solution
- (b) HMID
- (c) IDS
- (d) Securities and other investment ("Investing")

The Group's other operating segments do not meet any of the quantitative thresholds for determining as reportable segments. The information of these other operating segments are included in the "Unallocated" column.

Segments results represent the results from each reportable segment without allocation of finance costs. The following analysis is the measure reported to executive directors, being the CODM, for the purposes of resources allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resources between segments, all direct segment assets and liabilities are grouped under respective reportable segments and the remaining assets and liabilities are grouped as unallocated corporate assets and liabilities.

4. 分類資料

下文是基於為將資源分配至各分類及評估該等分類之表現而向主要營運決策人(即本公司執行董事)提供的資料,按經營分類對本集團收益及業績進行之分析。此亦為本集團安排及組織之基礎。

於截至二零一八年及二零一七年十二月三十一日止年度,本集團有以下四個可報告及經營分類:

- (a) 物聯網解決方案
- (b) 人機互動
- (c) 智能檔案服務
- (d) 證券及其他投資(「投資」)

本集團其他經營分類並不達到釐定可報告分類之任何量化最低要求。該等其他經營分類之資料已計入「未經分配」一欄。

分類業績指各可報告分類之業績,當中並無分配財務成本。以下分析為向執行董事(即主要營運決策人)作出報告之方法,以供分配資源及評估分類表現。

就監察分類表現及於各分類間分配資源而言,所有直接分部資產及負債根據有關可報告分部分類,而餘下資產及負債分類為未分配企業資產及負債。

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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments

An analysis of the Group's revenue and results by reportable segment is set out below:

4. 分類資料(續)

按業務分類

本集團收益及業績按可報告分類之分析載列如下：

| | | Year ended 31 December 2018 截至二零一八年十二月三十一日止年度 | | | | | |
|--|-----------------------------------|--|---------------------------------|----------------------------------|------------------------------------|--|--------------------------------|
| | | IoT solution 物聯網 解決方案 HK\$'000 千港元 | HMID 人機互動 HK\$'000 千港元 | IDS 智能檔案服務 HK\$'000 千港元 | Investing 投資 HK\$'000 千港元 | Unallocated 未經分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Revenue from contracts with customers within HKFRS 15 | 香港財務報告準則第15號 之來自客戶合約之收益 | | | | | | |
| Sale of products, at a point in time | 於某一時點銷售產品 | 125,319 | 663,111 | — | — | — | 788,430 |
| Rendering of services, over time | 隨時間提供服務 | 213,537 | 6,185 | 225,750 | — | — | 445,472 |
| | | <u>338,856</u> | <u>669,296</u> | <u>225,750</u> | <u>—</u> | <u>—</u> | <u>1,233,902</u> |
| Revenue from other sources | 來自其他來源之收益 | | | | | | |
| Dividend income from financial assets at FVPL | 於損益帳按公平值處理之 財務資產之股息收入 | — | — | — | 52,547 | — | 52,547 |
| Interest income from financial assets at FVPL | 於損益帳按公平值處理之 財務資產之利息收入 | — | — | — | 2,318 | — | 2,318 |
| Net realised loss on disposal of financial assets at FVPL | 出售於損益帳按公平值處 理之財務資產之已變現 虧損淨額 | — | — | — | (167,523) | — | (167,523) |
| Interest income from loan receivables | 應收貸款之利息收入 | — | — | — | — | 13,692 | 13,692 |
| | | <u>—</u> | <u>—</u> | <u>—</u> | <u>(112,658)</u> | <u>13,692</u> | <u>(98,966)</u> |
| Total revenue | 總收益 | <u>338,856</u> | <u>669,296</u> | <u>225,750</u> | <u>(112,658)</u> | <u>13,692</u> | <u>1,134,936</u> |
| Operating results | 經營業績 | | | | | | |
| Segment results | 分類業績 | <u>(1,131,541)</u> | <u>13,640</u> | <u>27,179</u> | <u>(1,596,798)</u> | <u>(37,077)</u> | <u>(2,724,597)</u> |
| Finance costs | 財務成本 | | | | | | <u>(205,698)</u> |
| Loss before taxation | 除稅前虧損 | | | | | | <u>(2,930,295)</u> |
| Other information | 其他資料 | | | | | | |
| Segment assets | 分類資產 | <u>825,820</u> | <u>675,618</u> | <u>96,160</u> | <u>2,517,466</u> | <u>210,053</u> | <u>4,325,117</u> |
| Segment liabilities | 分類負債 | <u>(208,675)</u> | <u>(234,528)</u> | <u>(54,931)</u> | <u>(2,543,444)</u> | <u>(187,797)</u> | <u>(3,229,375)</u> |

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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料(續)

按業務分類(續)

| | | Year ended 31 December 2018 截至二零一八年十二月三十一日止年度 | | | | | |
|--|-----------------------|--|----------|----------|-------------|-------------|-------------|
| | | IoT solution | HMID | IDS | Investing | Unallocated | Total |
| | | 物聯網 解決方案 | 人機互動 | 智能檔案服務 | 投資 | 未經分配 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Other information | 其他資料 | | | | | | |
| Additions to property, plant and equipment and intangible assets | 添置物業、廠房及設備以及無形資產 | 18,021 | 4,952 | 8,137 | — | 26 | 31,136 |
| Loss allowance on trade receivables | 貿易應收款項虧損備抵 | (106,402) | (11,816) | (159) | — | — | (118,377) |
| Loss allowance on loan receivables | 應收貸款虧損備抵 | — | — | — | — | (24,377) | (24,377) |
| Allowance for write down of inventories | 撇減存貨備抵 | — | (2,655) | — | — | — | (2,655) |
| Change in fair value of financial assets at FVPL | 於損益帳按公平值處理之財務資產之公平值變動 | — | — | — | (1,479,954) | — | (1,479,954) |
| Change in fair value of contingent consideration payables | 應付或然代價之公平值變動 | 16,524 | — | — | — | — | 16,524 |
| Depreciation and amortisation | 折舊及攤銷 | (41,998) | (7,405) | (4,181) | — | (1,471) | (55,055) |
| Forfeiture of a deposit paid for acquisition of a subsidiary | 沒收就收購一間附屬公司已支付之按金 | (3,000) | — | — | — | — | (3,000) |
| Impairment of goodwill | 商譽減值 | (897,375) | — | — | — | — | (897,375) |
| Impairment of intangible assets | 無形資產減值 | (59,419) | — | — | — | — | (59,419) |
| Research and development costs | 研究及開發成本 | (16,718) | (5,939) | (2,749) | — | — | (25,406) |
| Reversal of share-based payment in respect of share options | 撥回有關購股權之以股份支付之款項 | — | — | — | — | 9,681 | 9,681 |

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料(續)

按業務分類(續)

Year ended 31 December 2017
截至二零一七年十二月三十一日止年度

| | | IoT solution 物聯網 解決方案 HK\$'000 千港元 | HMD 人機互動 HK\$'000 千港元 | IDS 智能檔案服務 HK\$'000 千港元 | Investing 投資 HK\$'000 千港元 | Unallocated 未經分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---------------------------|--|--------------------------------|----------------------------------|------------------------------------|--|--------------------------------|
| Revenue | 收益 | | | | | | |
| Sales of products | 銷售產品 | 455,072 | 463,171 | — | — | — | 918,243 |
| Service income | 服務收入 | 213,147 | 6,200 | 200,925 | — | — | 420,272 |
| Dividend income from financial assets at FVPL | 於損益帳按公平值處理之財務資產之股息收入 | — | — | — | 47,991 | — | 47,991 |
| Net realised gain on disposal of financial assets at FVPL | 出售於損益帳按公平值處理之財務資產之已變現收益淨額 | — | — | — | 126,883 | — | 126,883 |
| Interest income from loan receivables | 應收貸款之利息收入 | — | — | — | — | 18,025 | 18,025 |
| Total revenue | 總收益 | 668,219 | 469,371 | 200,925 | 174,874 | 18,025 | 1,531,414 |
| Operating results | 經營業績 | | | | | | |
| Segment results | 分類業績 | 200,571 | 24,100 | 25,002 | 369,072 | (84,583) | 534,162 |
| Finance costs | 財務成本 | | | | | | (190,103) |
| Profit before taxation | 除稅前溢利 | | | | | | 344,059 |
| Other information | 其他資料 | | | | | | |
| Segment assets | 分類資產 | 2,306,521 | 678,604 | 119,605 | 3,639,994 | 165,964 | 6,910,688 |
| Segment liabilities | 分類負債 | (258,717) | (170,544) | (63,010) | (1,964,179) | (146,660) | (2,603,110) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料(續)

按業務分類(續)

Year ended 31 December 2017
截至二零一七年十二月三十一日止年度

| | | IoT solution 物聯網 解決方案 HK\$'000 千港元 | H MID 人機互動 HK\$'000 千港元 | IDS 智能檔案服務 HK\$'000 千港元 | Investing 投資 HK\$'000 千港元 | Unallocated 未經分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-----------------------|--|----------------------------------|----------------------------------|------------------------------------|--|--------------------------------|
| Other information | 其他資料 | | | | | | |
| Additions to property, plant and equipment and intangible assets | 添置物業、廠房及設備以及無形資產 | | | | | | |
| — Additions | — 添置 | 32,975 | 5,530 | 17,815 | — | 3,679 | 59,999 |
| — Additions — Acquisition of subsidiaries | — 添置 — 收購附屬公司 | 32,191 | — | — | — | — | 32,191 |
| (Allowance) reversal of loss allowance on trade receivables | 貿易應收款項虧損備抵之(備抵)撥回 | (572) | (772) | 7 | — | — | (1,337) |
| Reversal of allowance for write down of inventories | 撇減存貨備抵撥回 | — | 5,283 | — | — | — | 5,283 |
| Changes in fair value of contingent consideration receivables | 應收或然代價之公平值變動 | 186,757 | — | — | — | — | 186,757 |
| Change in fair value of financial assets at FVPL | 於損益帳按公平值處理之財務資產之公平值變動 | — | — | — | 284,739 | — | 284,739 |
| Depreciation and amortisation | 折舊及攤銷 | (35,768) | (6,759) | (5,916) | — | (667) | (49,110) |
| Impairment of available-for-sale financial assets | 可供出售財務資產減值 | — | — | — | (61,109) | — | (61,109) |
| Impairment of goodwill | 商譽減值 | (200,000) | — | — | — | — | (200,000) |
| Research and development costs | 研究及開發成本 | (12,997) | (7,039) | (2,266) | — | — | (22,302) |
| Share of result of associates | 應佔聯營公司之業績 | 1,473 | — | — | — | — | 1,473 |
| Long-term employee benefits in respect of profit guarantee | 有關溢利保證之長期僱員福利 | (19,060) | — | — | — | — | (19,060) |
| Share-based payment in respect of profit guarantee | 有關溢利保證之以股份支付之款項 | (10,423) | — | — | — | — | (10,423) |
| Share-based payment in respect of share options | 有關購股權之以股份支付之款項 | — | — | — | — | (19,065) | (19,065) |

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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

Geographical information

The Group operates in two principal geographical areas: Hong Kong (country of domicile) and the PRC.

The following table sets out information about geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, intangible assets and goodwill ("specified non-current assets"). The geographical location of customers is based on the location at which the services are provided or the goods are delivered. The geographical location of specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill.

4. 分類資料(續)

地區資料

本集團主要於兩個地理位置營運：香港（註冊地點）及中國。

下表載列有關(i)本集團來自外部客戶之收益；及(ii)本集團物業、廠房及設備、無形資產及商譽(「指定非流動資產」)之地理位置資料。客戶之地理位置以提供服務或交付貨品之位置為基礎。指定非流動資產之地理位置以資產本身所在地(倘屬物業、廠房及設備)、所分配營運之位置(倘屬無形資產及商譽)為基礎。

| | | Revenue from external customers 來自外部客戶之收益 | | Specified non-current assets 指定非流動資產 | |
|-----------|----|--|----------------------------------|---|----------------------------------|
| | | 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 |
| The PRC | 中國 | 1,231,606 | 1,271,832 | 391,696 | 1,377,902 |
| Hong Kong | 香港 | (98,966) | 208,691 | 2,298 | 3,742 |
| Overseas | 海外 | 2,296 | 50,891 | — | — |
| | | 1,134,936 | 1,531,414 | 393,994 | 1,381,644 |

Information about major customers

No single customer individually contributed 10% or more of the Group's revenue for the years ended 31 December 2018 and 2017.

有關主要客戶之資料

於截至二零一八年及二零一七年十二月三十一日止年度，概無單一客戶為本集團收益貢獻10%或以上。

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綜合財務報表附註

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

5. (LOSS) PROFIT BEFORE TAXATION

(Loss) Profit before taxation is stated after charging (crediting):

5. 除稅前(虧損)溢利

除稅前(虧損)溢利經扣除(計入)下列各項後列帳：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| (a) Finance costs | 財務成本 | | |
| Interest on promissory notes (note 26) | 承兌票據利息 (附註26) | 53,067 | 76,462 |
| Interest on convertible bonds (note 29) | 可換股債券利息 (附註29) | 70,094 | 66,457 |
| Interest on interest-bearing borrowings | 計息借貸利息 | 82,527 | 47,170 |
| Interest expenses for financial liabilities at amortised cost | 按攤銷成本列帳之財務負 債利息開支 | 205,688 | 190,089 |
| Finance charges on obligations under finance leases | 融資租賃債務之融資費用 | 10 | 14 |
| Total borrowing costs | 總借貸成本 | 205,698 | 190,103 |
| (b) Other items | 其他項目 | | |
| Loss allowance on trade receivables | 貿易應收款項虧損備抵 | 118,377 | 1,337 |
| Loss allowance on loan receivables | 應收貸款虧損備抵 | 24,377 | 247 |
| Allowance (Reversal of allowance) for write-down of inventories | 撇減存貨備抵(備抵撥回) | 2,655 | (5,283) |
| Amortisation of intangible assets ** (note 12) | 無形資產攤銷** (附註12) | 31,635 | 29,729 |
| Auditor's remuneration | 核數師酬金 | | |
| — Audit-related assurance services | — 核數相關鑒證服務 | 1,650 | 1,500 |
| — Other services | — 其他服務 | 653 | 788 |
| Cost of inventories * | 存貨成本* | 597,601 | 650,316 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 23,420 | 19,381 |
| Exchange loss, net | 匯兌虧損淨額 | 1,722 | 3,351 |
| Operating lease charges on premises | 物業之經營租賃支出 | 25,775 | 23,892 |
| Research and development costs | 研究及開發成本 | 25,406 | 22,302 |

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綜合財務報表附註

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

5. (LOSS) PROFIT BEFORE TAXATION (Continued)

5. 除稅前(虧損)溢利(續)

| | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| (b) Other items (Continued) | | |
| Staff costs, including directors' remuneration: | | |
| — Salaries and other allowances | 224,123 | 159,780 |
| — Contributions to defined contribution plans | 34,354 | 29,152 |
| — Share-based payment in respect of share options | (9,681) | 19,065 |
| — Share-based payment in respect of profit guarantee | — | 10,423 |
| — Long-term employee benefits in respect of profit guarantee | — | 19,060 |
| | — | — |

Note: * Cost of inventories includes HK\$38,272,000 (2017: HK\$28,128,000) relating to staff costs, depreciation and operating lease charges, the amounts of which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** Included in "General and administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

附註：* 存貨成本包括與員工成本、折舊及經營租賃支出相關之38,272,000港元（二零一七年：28,128,000港元），有關款項亦已按各開支類別計入上文個別披露之相關總金額內。

** 計入綜合損益及其他全面收入報表之「一般及行政開支」。

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

6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(a) Directors' and chief executive's emoluments

The aggregate amounts of emoluments received or receivable by the Company's directors and chief executive are as follows:

6. 董事及最高行政人員酬金

(a) 董事及最高行政人員酬金

本公司董事及最高行政人員已收或應收之酬金總額如下：

| | | Year ended 31 December 2018 截至二零一八年十二月三十一日止年度 | | | | | |
|--|--|---|------------------------|--|--|-----------------|---------------|
| | | Basic salaries, Allowance and other Fees | Discretionary bonus | Retirement Benefit scheme contributions | Equity- settled share-based payment | Total | |
| | | 基本薪金、 津貼及 袍金 | 酌情花紅 | 退休福利 計劃供款 | 以股份支付 之款項 | 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 | |
| | | | (Note (i)) (附註(i)) | | (Note (ii)) (附註(ii)) | | |
| Executive directors | 執行董事 | | | | | | |
| Mr. Kwok Kenneth Wai Lung ("Mr. Kwok") | 郭璋瓏先生(「郭先生」) | — | 2,375 | — | 18 | (677) | 1,716 |
| Mr. Yuen Wenxin (Appointed on 10 January 2018 and resigned on 10 January 2019) | 袁文心先生 (於二零一八年一月十日 獲委任及於二零一九年 一月十日辭任) | — | 1,952 | — | 18 | — | 1,970 |
| Mr. Bai Xuefei (Appointed on 1 June 2018 and resigned on 17 July 2018) | 白雪飛先生 (於二零一八年六月一日 獲委任及於二零一八年 七月十七日辭任) | — | 511 | — | 3 | — | 514 |
| Ms. Yang Xiaoying (Resigned on 17 July 2018) | 楊曉櫻女士 (於二零一八年 七月十七日辭任) | — | 858 | — | 11 | — | 869 |
| Mr. Tsang To | 曾濤先生 | — | 360 | — | 18 | (319) | 59 |
| Mr. Yip Denis Shing Fai ("Mr. Yip") (Resigned on 10 January 2019) | 葉成輝先生(「葉先生」) (於二零一九年一月十日 辭任) | — | 5,781 | — | 16 | — | 5,797 |
| Independent non-executive directors | 獨立非執行董事 | | | | | | |
| Mr. Zhang Xiaoman | 張小滿先生 | 240 | — | — | — | — | 240 |
| Mr. Chin Hon Siang | 陳鴻先先生 | 240 | — | — | — | — | 240 |
| Mr. Huang Xin | 黃欣先生 | 240 | — | — | — | — | 240 |
| | | 720 | 11,837 | — | 84 | (996) | 11,645 |

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綜合財務報表附註

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

6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

6. 董事及最高行政人員酬金(續)

(a) 董事及最高行政人員酬金(續)

Year ended 31 December 2017
截至二零一七年十二月三十一日止年度

| | | Fees | Basic salaries, allowance and other benefits 袍金 基本薪金、 津貼及 其他福利 | Discretionary bonus 酌情花紅 | Retirement benefit scheme contributions 退休福利 計劃供款 | Equity-settled share-based payment 權益結算 以股份支付 之款項 | Total 總計 |
|---|---------------------------------|-----------------|--|--|--|--|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 (Note (i)) (附註(i)) | HK\$'000 千港元 | HK\$'000 千港元 (Note (ii)) (附註(ii)) | HK\$'000 千港元 |
| Executive directors | 執行董事 | | | | | | |
| Ms. Yang Xiaoying | 楊曉櫻女士 | — | 1,250 | — | 18 | 911 | 2,179 |
| Mr. Tsang To | 曾濤先生 | — | 360 | — | 18 | 638 | 1,016 |
| Mr. Yip Denis Shing Fai (Appointed on 21 December 2017) | 葉成輝先生 (於二零一七年 十二月二十一日獲委任) | — | 175 | — | 2 | — | 177 |
| Mr. Kwok Kenneth Wai Lung (Appointed on 21 December 2017) | 郭璋瓏先生 (於二零一七年 十二月二十一日獲委任) | — | 59 | — | — | 6 | 65 |
| Mr. Choi Chi Fai (Resigned on 21 December 2017) | 蔡志輝先生 (於二零一七年 十二月二十一日辭任) | — | 1,824 | — | 18 | 1,140 | 2,982 |
| Independent non-executive directors | 獨立非執行董事 | | | | | | |
| Mr. Zhang Xiaoman | 張小滿先生 | 240 | — | — | — | — | 240 |
| Mr. Chin Hon Siang | 陳鴻先先生 | 240 | — | — | — | — | 240 |
| Mr. Huang Xin | 黃欣先生 | 240 | — | — | — | — | 240 |
| | | <u>720</u> | <u>3,668</u> | <u>—</u> | <u>56</u> | <u>2,695</u> | <u>7,139</u> |

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綜合財務報表附註

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

6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

Note:

- (i) Mr. Kwok is entitled to a discretionary bonus in respect of each financial year of the Company in an amount to be determined by the board of directors which is subject to a cap. No discretionary bonus was paid or payable to Mr. Kwok for the years ended 31 December 2018 and 2017.
- (ii) Equity-settled share-based payment represents share options granted to the directors of the Company under a share option scheme adopted by the Company. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions.

Details of share options granted to the directors of the Company and other employees, including the principal terms and number of options granted, are set out in note 31 to the consolidated financial statements.

No director waived and agreed to waive any emoluments during the years ended 31 December 2018 and 2017. An incentive payment of HK\$1,730,000 was paid to Mr. Yip to join the Group for the year ended 31 December 2018 (2017: HK\$Nil). No compensation for loss of office was paid or payable to any director for both years.

(b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at end of the reporting period or at any time during the years ended 31 December 2018 and 2017.

6. 董事及最高行政人員酬金(續)

(a) 董事及最高行政人員酬金(續)

附註：

- (i) 郭先生有權於本公司各財政年度收取酌情花紅，金額將由董事會釐定並受上限金額所規限。於截至二零一八年及二零一七年十二月三十一日止年度概無向郭先生支付或應付酌情花紅。
- (ii) 權益結算以股份支付之款項指根據本公司所採納之購股權計劃授予本公司董事之購股權。該等購股權之價值按本集團有關以股份付款之交易之會計政策計量。

有關向本公司董事及其他僱員授予購股權之詳情(包括主要條款及授出購股權數目)載於綜合財務報表附註 31。

於截至二零一八年及二零一七年十二月三十一日止年度，並無董事放棄或同意放棄任何酬金。於截至二零一八年十二月三十一日止年度，本集團已向葉先生支付1,730,000港元作為加盟本集團之獎金(二零一七年：零港元)。於兩個年度內，本集團概無向任何董事支付或應付任何款項作為離職補償。

(b) 董事於交易、安排或合約中之重大權益

概無本公司董事於本公司就其業務所訂立，並於報告期結束日或截至二零一八年及二零一七年十二月三十一日止年度內任何時間有效之重大交易、安排及合約中擁有直接或間接重大權益。

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7. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Among the five individuals with the highest emoluments, three (2017: two) are executive directors whose emoluments are disclosed in note 6 to the consolidated financial statements.

The emoluments paid to the remaining two (2017: three) individuals during the year 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 |
|---|-------------|----------------------------------|----------------------------------|
| Basic salaries, share option and allowances | 基本薪金、購股權及津貼 | 2,993 | 9,455 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 18 | 66 |
| | | 3,011 | 9,521 |

The emoluments fell within the following bands:

| | | Number of individuals 人數 | |
|-------------------------------|----------------------------|-----------------------------|---------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| HK\$1,000,001 – HK\$1,500,000 | 1,000,001 港元至 1,500,000 港元 | 1 | — |
| HK\$1,500,001 – HK\$2,000,000 | 1,500,001 港元至 2,000,000 港元 | 1 | 1 |
| HK\$2,500,001 – HK\$3,000,000 | 2,500,001 港元至 3,000,000 港元 | — | 1 |
| HK\$5,000,001 – HK\$5,500,000 | 5,000,001 港元至 5,500,000 港元 | — | 1 |
| | | 2 | 3 |

During the year ended 31 December 2018, HK\$1,730,000 (2017: HK\$Nil) were paid by the Group to the five highest paid individuals (including directors and other employees) as an inducement to join or upon joining the Group and no emoluments (2017: HK\$Nil) were paid by the Group to the five highest paid individuals (including directors and other employees) as compensation for loss of office.

7. 最高薪人士

五位最高薪人士中三位(二零一七年：兩位)為執行董事及最高行政人員，彼等之酬金於綜合財務報表附註6內披露。

年內已付其餘兩位(二零一七年：三位)人士之酬金如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|-------------|----------------------------------|----------------------------------|
| Basic salaries, share option and allowances | 基本薪金、購股權及津貼 | 2,993 | 9,455 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 18 | 66 |
| | | 3,011 | 9,521 |

酬金介乎以下範圍：

| | | Number of individuals 人數 | |
|-------------------------------|----------------------------|-----------------------------|---------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| HK\$1,000,001 – HK\$1,500,000 | 1,000,001 港元至 1,500,000 港元 | 1 | — |
| HK\$1,500,001 – HK\$2,000,000 | 1,500,001 港元至 2,000,000 港元 | 1 | 1 |
| HK\$2,500,001 – HK\$3,000,000 | 2,500,001 港元至 3,000,000 港元 | — | 1 |
| HK\$5,000,001 – HK\$5,500,000 | 5,000,001 港元至 5,500,000 港元 | — | 1 |
| | | 2 | 3 |

於截至二零一八年十二月三十一日止年度，本集團向五位最高薪人士(包括董事及其他僱員)支付1,730,000港元(二零一七年：零港元)作為鼓勵加盟或加盟本集團時之獎金，惟本集團並無向五位最高薪人士(包括董事及其他僱員)支付酬金作為離職補償(二零一七年：零港元)。

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綜合財務報表附註

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8. TAXATION

Hong Kong Profits Tax has not been provided as the Group's entities either have no assessable profit or incurred a loss for taxation purposes for the year ended 31 December 2018 (2017: the Group's entities either have no assessable profit or their assessable profits are wholly absorbed by unrelieved tax losses brought forward from previous years).

The applicable PRC Enterprise Income Tax ("EIT") for the PRC subsidiaries is at the statutory rate of 25% (2017: 25%) based on their taxable profit, unless otherwise specified below.

Seven (2017: seven) PRC subsidiaries of the Company have been officially designated by the local tax authority as "High and New Technology Enterprises". A reduced tax rate of 15% (2017: 15%) for the period of three years was granted as long as those PRC subsidiaries meet the high-tech enterprise qualification.

In 2017, a PRC subsidiary of the Company was qualified as software enterprises and granted a tax holiday of two-year tax exemption followed by three-year 50% tax reduction (subject to annual review), starting from the first profit making year from the PRC tax perspective under the then effective tax regulations. This PRC subsidiary made the first-year profit in 2016. As a result, it is exempted from EIT for 2017, and is subject to EIT at 12.5% from 2018 to 2020 and at 25% from 2021 onwards.

Withholding tax represents tax charged by the PRC tax authority on dividends distributed by the Group's PRC subsidiary during the year.

8. 稅項

由於本集團之實體於截至二零一八年十二月三十一日止年度並無應課稅溢利或產生稅務虧損(二零一七年：本集團之實體並無應課稅溢利或其應課稅溢利已被於過往年度結轉之未抵銷稅項虧損全數抵銷)，故並無計提香港利得稅撥備。

除非下文另有指明，否則中國附屬公司之適用中國企業所得稅乃根據其應課稅溢利按25%(二零一七年：25%)之法定稅率計算。

本公司七間(二零一七年：七間)中國附屬公司獲地方稅務機關正式認定為「高新技術企業」。該等中國附屬公司於符合高新技術企業資格之期間可享有三年期15%(二零一七年：15%)之減免稅率。

於二零一七年，本公司一間中國附屬公司為合資格軟件企業，可根據當時有效之稅務法規由首個獲利年度(就中國稅務層面而言)起享有免繳兩年稅項之稅務優惠期，隨後三年可減免50%稅項(須經每年檢討)。此中國附屬公司之首個獲利年度為二零一六年。因此，該附屬公司免繳二零一七年企業所得稅，二零一八年至二零二零年按12.5%之稅率繳納企業所得稅，由二零二一年起按25%之稅率繳納企業所得稅。

預扣稅指中國稅務機關就本集團附屬公司於本年度內分派股息所收取得稅項。

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

8. TAXATION (Continued)

8. 稅項(續)

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------------------------|-------------------|----------------------------------|----------------------------------|
| Current tax | 本期稅項 | | |
| PRC EIT | 中國企業所得稅 | | |
| Current year | 本年度 | 10,574 | 45,321 |
| Over provision in prior year | 過往年度超額撥備 | (4,110) | (1,066) |
| | | 6,464 | 44,255 |
| Withholding tax | 預扣稅 | 31,878 | — |
| Deferred tax (Note 25) | 遞延稅項(附註25) | (21,961) | (6,861) |
| Tax expenses for the year | 年內稅項開支 | 16,381 | 37,394 |

Reconciliation of tax expenses

稅項開支對帳

| | | 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 taxation | 除稅前(虧損)溢利 | (2,930,295) | 344,059 |
| Tax at rate applicable to the jurisdictions concerned | 按有關司法權區適用之稅率計算之稅項 | (489,798) | 48,462 |
| Non-deductible expenses | 不可扣稅開支 | 185,171 | 32,706 |
| Tax exempted revenue | 免稅收益 | (16,797) | (28,787) |
| Share of results of associates | 應佔聯營公司之業績 | — | (243) |
| Utilisation of previously unrecognised tax losses | 動用先前未確認之稅項虧損 | — | (23,780) |
| Unrecognised tax losses | 未確認之稅項虧損 | 308,939 | 10,827 |
| Over provision in prior year | 過往年度超額撥備 | (4,110) | (1,066) |
| Withholding tax | 預扣稅 | 31,878 | — |
| Others | 其他 | 1,098 | (725) |
| Tax expenses for the year | 年內稅項開支 | 16,381 | 37,394 |

The weighted average applicable tax rate was 16.72% (2017: 14.09%), representing the weighted average of the rates of taxation prevailing in the territories in which the Group operates.

加權平均適用稅率為 16.72% (二零一七年：14.09%)，即本集團營運所在地區之當前加權平均稅率。

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9. DIVIDENDS

The directors of the Company resolved not to declare any payment of final dividend for the years ended 31 December 2018 and 2017.

9. 股息

本公司董事議決不就截至二零一八年及二零一七年十二月三十一日止年度宣派任何末期股息。

10. (LOSS) EARNINGS PER SHARE

The calculation of basic and diluted (loss) earnings per share are based on the following data:

10. 每股(虧損)盈利

每股基本及攤薄(虧損)盈利乃基於以下數據計算：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|--|------------------------------------|------------------------------------|
| Numerator | | | |
| (Loss) Profit attributable to owners of the Company used in computing basic and diluted (loss) earnings per share | 分子 用於計算每股基本及攤薄(虧損)盈利之本公司擁有人應佔(虧損)盈利 | (2,835,001) | 202,628 |
| | | | |
| | | 2018 二零一八年 '000 shares 千股 | 2017 二零一七年 '000 shares 千股 |
| Denominator | | | |
| Weighted average number of ordinary shares in issue during the year used in computing basic (loss) earnings per share | 分母 用於計算每股基本(虧損)盈利之年內已發行普通股加權平均數 | 11,123,292 | 10,625,103 |
| Effect of dilution – weighted average number of ordinary shares | 攤薄影響 — 普通股加權平均數 | — | 79,648 |
| Consideration shares | 代價股份 | — | — |
| Weighted average number of ordinary shares in issue during the year used in computing diluted (loss) earnings per share | 用於計算每股攤薄(虧損)盈利之年內已發行普通股加權平均數 | 11,123,292 | 10,704,751 |

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10. (LOSS) EARNINGS PER SHARE (Continued)

Notes:

- (a) The weighted average number of ordinary shares in issue during the year ended 31 December 2018 takes into account the effects arising from the repurchasing of shares during the year ended 31 December 2018 as set out in note 30 to the consolidated financial statements. The weighted average number of ordinary shares in issue during the year ended 31 December 2017 takes into account the effects arising from the placing of shares in July 2017.
- (b) As at 31 December 2017, the Company's dilutive potential ordinary shares comprise consideration shares to be issued under the profit guarantee arrangement as the directors of the Company are virtually certain that profit guarantee arrangement was met.
- (c) For the years ended 31 December 2018 and 2017, other dilutive potential ordinary shares were excluded from the calculation of diluted (loss) earnings per share as their inclusion would have been anti-dilutive or the specific conditions were not met.

10. 每股(虧損)盈利(續)

附註：

- (a) 於截至二零一八年十二月三十一日止年度之已發行普通股加權平均數已計及綜合財務報表附註30所載於截至二零一八年十二月三十一日止年度購回股份所產生之影響。於截至二零一七年十二月三十一日止年度之已發行普通股加權平均數已計及於二零一七年七月配售股份所產生之影響。
- (b) 於二零一七年十二月三十一日，本公司之潛在攤薄普通股包括將根據溢利保證安排發行之代價股份，原因為本公司董事認為溢利保證安排幾可肯定會達成。
- (c) 於截至二零一八年及二零一七年十二月三十一日止年度，計算每股攤薄(虧損)盈利時已剔除其他潛在攤薄普通股，原因為計入該等普通股會有反攤薄影響或特定條件尚未達成。

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11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、廠房及設備

| | | Buildings outside Hong Kong 位於香港境外 之樓宇 HK\$'000 千港元 | Leasehold improvements 租賃物業裝修 HK\$'000 千港元 | Moulds 模具 HK\$'000 千港元 | Plant and machinery 廠房及機器 HK\$'000 千港元 | Furniture, fixtures and equipment 傢具、裝置及 設備 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---------------|---|--|---------------------------------|--|--|--|--------------------------------|
| Carrying amount | 帳面金額 | | | | | | | |
| At 1 January 2017 | 於二零一七年一月一日 | — | 6,514 | 17,202 | 7,589 | 15,249 | 1,930 | 48,484 |
| Additions – acquisition of subsidiaries | 添置 — 收購附屬公司 | — | — | — | — | 1,488 | — | 1,488 |
| Additions | 添置 | 13,331 | 6,819 | 3,517 | 16,784 | 9,645 | 429 | 50,525 |
| Disposals | 出售 | — | (653) | — | — | (498) | — | (1,151) |
| Depreciation | 折舊 | (300) | (3,378) | (5,404) | (2,341) | (7,159) | (799) | (19,381) |
| Exchange realignments | 匯兌調整 | 534 | 474 | 1,222 | 1,164 | 1,311 | 104 | 4,809 |
| | | <u>13,565</u> | <u>9,776</u> | <u>16,537</u> | <u>23,196</u> | <u>20,036</u> | <u>1,664</u> | <u>84,774</u> |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 13,565 | 9,776 | 16,537 | 23,196 | 20,036 | 1,664 | 84,774 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | | | | | | | |
| Cost | 成本 | 13,878 | 18,376 | 29,878 | 27,079 | 33,012 | 3,865 | 126,088 |
| Accumulated depreciation | 累計折舊 | (313) | (8,600) | (13,341) | (3,883) | (12,976) | (2,201) | (41,314) |
| | | <u>13,565</u> | <u>9,776</u> | <u>16,537</u> | <u>23,196</u> | <u>20,036</u> | <u>1,664</u> | <u>84,774</u> |
| Carrying amount | 帳面金額 | | | | | | | |
| At 1 January 2018 | 於二零一八年一月一日 | 13,565 | 9,776 | 16,537 | 23,196 | 20,036 | 1,664 | 84,774 |
| Additions | 添置 | — | 6,057 | 3,419 | 10,818 | 4,784 | 537 | 25,615 |
| Disposals | 出售 | — | — | — | (38) | (409) | (174) | (621) |
| Depreciation | 折舊 | (617) | (4,684) | (6,085) | (3,958) | (7,331) | (745) | (23,420) |
| Exchange realignments | 匯兌調整 | (677) | (443) | (754) | (1,473) | (906) | (66) | (4,319) |
| | | <u>12,271</u> | <u>10,706</u> | <u>13,117</u> | <u>28,545</u> | <u>16,174</u> | <u>1,216</u> | <u>82,029</u> |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 12,271 | 10,706 | 13,117 | 28,545 | 16,174 | 1,216 | 82,029 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | | | | | | | |
| Cost | 成本 | 13,159 | 23,413 | 31,612 | 35,021 | 33,071 | 2,978 | 139,254 |
| Accumulated depreciation | 累計折舊 | (888) | (12,707) | (18,495) | (6,476) | (16,897) | (1,762) | (57,225) |
| | | <u>12,271</u> | <u>10,706</u> | <u>13,117</u> | <u>28,545</u> | <u>16,174</u> | <u>1,216</u> | <u>82,029</u> |

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綜合財務報表附註

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

11. PROPERTY, PLANT AND EQUIPMENT (Continued)

Property, plant and equipment with a net book value at end of the reporting period of HK\$12,271,000 (2017: HK\$13,565,000) were pledged to secure loans of HK\$5,693,000 (2017: HK\$5,007,000) as set out in note 24(b) to the consolidated financial statements.

The net book value of the Group's property, plant and equipment as at 31 December 2018 included an amount of HK\$19,000 (2017: HK\$248,000) in respect of assets held under finance leases as set out in note 24(g) to the consolidated financial statements.

11. 物業、廠房及設備(續)

於報告期結束日帳面淨值為12,271,000港元(二零一七年：13,565,000港元)之物業、廠房及設備已作質押，作為綜合財務報表附註24(b)所載5,693,000港元(二零一七年：5,007,000港元)之貸款之抵押。

本集團物業、廠房及設備於二零一八年十二月三十一日之帳面淨值包括有關綜合財務報表附註24(g)所載根據融資租賃持有之資產之19,000港元(二零一七年：248,000港元)。

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綜合財務報表附註

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

12. INTANGIBLE ASSETS

12. 無形資產

| | | Computer software copyright 電腦軟件版權 HK\$'000 千港元 | Customer contracts 客戶合約 HK\$'000 千港元 | Customer relationships 客戶關係 HK\$'000 千港元 | Software patents 軟件專利 HK\$'000 千港元 | Trademarks 商標 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---------------|--|---|---|---|-------------------------------------|--------------------------------|
| Carrying amount | 帳面金額 | | | | | | |
| At 1 January 2017 | 於二零一七年一月一日 | 2,527 | — | 108,076 | — | 32,236 | 142,839 |
| Additions – acquisition of subsidiaries | 添置 — 收購附屬公司 | — | 2,976 | 11,974 | 8,433 | 7,320 | 30,703 |
| Additions | 添置 | — | — | — | 9,474 | — | 9,474 |
| Amortisation | 攤銷 | (652) | (1,677) | (26,936) | (464) | — | (29,729) |
| Exchange realignments | 匯兌調整 | — | — | — | 920 | 1,196 | 2,116 |
| | | <u>1,875</u> | <u>1,299</u> | <u>93,114</u> | <u>18,363</u> | <u>40,752</u> | <u>155,403</u> |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 1,875 | 1,299 | 93,114 | 18,363 | 40,752 | 155,403 |
| Cost | 成本 | 2,961 | 2,976 | 136,677 | 18,845 | 40,752 | 202,211 |
| Accumulated amortisation | 累計攤銷 | (1,086) | (1,677) | (43,563) | (482) | — | (46,808) |
| | | <u>1,875</u> | <u>1,299</u> | <u>93,114</u> | <u>18,363</u> | <u>40,752</u> | <u>155,403</u> |
| Carrying amount | 帳面金額 | | | | | | |
| At 1 January 2018 | 於二零一八年一月一日 | 1,875 | 1,299 | 93,114 | 18,363 | 40,752 | 155,403 |
| Additions | 添置 | — | — | — | 5,521 | — | 5,521 |
| Amortisation | 攤銷 | (651) | (974) | (27,934) | (2,076) | — | (31,635) |
| Impairment | 減值 | (1,224) | — | (58,195) | — | — | (59,419) |
| Exchange realignments | 匯兌調整 | — | — | — | (1,090) | (907) | (1,997) |
| | | <u>—</u> | <u>325</u> | <u>6,985</u> | <u>20,718</u> | <u>39,845</u> | <u>67,873</u> |
| At 31 December 2018 | 於二零一八年十二月三十一日 | — | 325 | 6,985 | 20,718 | 39,845 | 67,873 |
| Cost | 成本 | 2,961 | 2,976 | 136,677 | 23,167 | 39,845 | 205,626 |
| Accumulated amortisation | 累計攤銷 | (1,737) | (2,651) | (71,497) | (2,449) | — | (78,334) |
| Accumulated impairment | 累計減值 | (1,224) | — | (58,195) | — | — | (59,419) |
| | | <u>—</u> | <u>325</u> | <u>6,985</u> | <u>20,718</u> | <u>39,845</u> | <u>67,873</u> |

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綜合財務報表附註

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

12. INTANGIBLE ASSETS (Continued)

Customer contracts, certain customer relationships and software patents were acquired as a result of the acquisition of ED Group in April 2017. Amortisation for customer contracts, customer relationships and software patents are provided on the straight-line basis over their estimated useful lives of 2, 4 and 10 years respectively and their carrying amounts are measured at cost less accumulated amortisation and impairment losses.

Certain customer relationships and computer software copyright were acquired as a result of the acquisition of the Next Concept International Investment Limited (“**Next Concept**”) and its subsidiaries (collectively referred as “**Next Concept Group**”) in April 2016. Amortisation is provided on the straight-line basis over their estimated useful lives of 5 years. The carrying amounts of customer relationships and computer software copyright are measured at cost less accumulated amortisation and impairment losses.

As at 31 December 2018, the directors of the Company consider the operating environment of the Next Concept Group in the PRC continues to be very challenging which indicated that the business of Next Concept Group will experience significant decline in the future and these intangible assets acquired as a result of the acquisition of the Next Concept Group were tested for impairment (see note 13) and impairment loss of HK\$59,419,000 was recognised for the year ended 31 December 2018 (2017: HK\$Nil).

12. 無形資產(續)

客戶合約、若干客戶關係及軟件專利乃因於二零一七年四月收購企展集團而購入。客戶合約、客戶關係及軟件專利之攤銷於分別為2年、4年及10年之估計可用年期內以直線法計提，而其帳面金額按成本減累計攤銷及減值虧損計量。

若干客戶關係及電腦軟件版權乃因於二零一六年四月收購進念國際投資有限公司(「**進念**」)及其附屬公司(統稱「**進念集團**」)而購入。攤銷於其5年之估計可用年期內以直線法撥備。客戶關係及電腦軟件版權之帳面金額按成本減去累計攤銷及減值虧損計量。

於二零一八年十二月三十一日，本公司之董事認為，進念集團於中國之營商環境仍屬困難，表示進念集團之業務日後將會錄得大幅下降，而該等因收購進念集團而收購之無形資產已進行減值測試(見附註13)，截至二零一八年十二月三十一日止年度已確認減值虧損59,419,000港元(二零一七年：零港元)。

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綜合財務報表附註

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

12. INTANGIBLE ASSETS (Continued)

Trademarks were acquired as a result of the acquisition of Smart Express Development Limited (“**Smart Express**”) and its subsidiaries in September 2014 and ED Group in April 2017. The trademarks acquired have been granted for period of 10 years by the relevant government and can be renewed at the expiry date of each trademark with insignificant cost. Coupled with the fact that previous trademarks acquired have been previously renewed for further 10 years with an option of renewal at the expiry date, the Group has determined that these assets have an indefinite useful life. Trademarks are therefore measured at cost less accumulated impairment losses.

As at 31 December 2018 and 2017, trademarks were tested for impairment (see note 13) and no impairment loss was charged for both years.

12. 無形資產(續)

商標乃因分別於二零一四年九月及二零一七年四月收購Smart Express Development Limited (「**Smart Express**」)及其附屬公司以及企展集團而購入。所收購之商標已獲有關政府批予10年期，並可於各商標到期當日以極低費用續期。有鑑於先前收購之商標已再續期10年，並附帶於各商標到期當日續期之選擇權，本集團認定該等資產具有不限定可用年期。因此，商標按成本減累計減值虧損計量。

於二零一八年及二零一七年十二月三十一日，商標已進行減值測試(見附註13)，兩個年度內並無扣除減值虧損。

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綜合財務報表附註

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

13. GOODWILL

13. 商譽

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|-----------------|----------------------------------|----------------------------------|
| Reconciliation of carrying amount | 帳面金額對帳 | | |
| At beginning of the reporting period | 於報告期初 | 1,141,467 | 1,194,558 |
| Acquisition of subsidiaries | 收購附屬公司 | — | 146,909 |
| Impairment losses | 減值虧損 | (897,375) | (200,000) |
| At end of the reporting period | 於報告期結束日 | 244,092 | 1,141,467 |
| At 31 December | 於十二月三十一日 | | |
| Cost | 成本 | 1,341,467 | 1,341,467 |
| Accumulated impairment losses | 累計減值虧損 | (1,097,375) | (200,000) |
| | | 244,092 | 1,141,467 |

Goodwill arose because the consideration paid for the acquisitions effectively included amounts in relation to the benefits originated from future market development and the assembled workforce of the acquired businesses. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

The carrying amounts of trademarks with indefinite useful lives (see note 12) as at 31 December 2018 includes an amount of HK\$32,495,000 (2017: HK\$33,226,000) and HK\$7,350,000 (2017: HK\$7,526,000) which are attributable to the Group's CGU of Fujian Start Computer Equipment Company Limited* ("FSCE") and its subsidiaries (collectively referred as "FSCE Group") and ED Group respectively.

產生商譽之原因為就收購事項所支付之代價實際上包括源自未來市場發展及所收購業務集人力之利益金額。該等利益由於不符合可識別無形資產之確認條件，故不會與商譽分開確認。預期已確認之商譽不可用於扣減所得稅。

具有不限定可用年期之商標(見附註12)於二零一八年十二月三十一日之帳面金額包括32,495,000港元(二零一七年: 33,226,000港元)之款項及7,350,000港元(二零一七年: 7,526,000港元)，乃分別來自本集團福建實達電腦設備有限公司(「實達外設」)及其附屬公司(統稱「實達外設集團」)以及企展集團之現金產生單位。

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綜合財務報表附註

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

13. GOODWILL (Continued)

All of the goodwill related to the operating segments of HMID and IoT solution. Goodwill is monitored by the management at each CGU within HMID and IoT solution segments.

The carrying amount of goodwill was allocated to the Group's CGUs identified as follows:

13. 商譽(續)

所有商譽乃關於人機互動經營分類及物聯網解決方案經營分類。管理層會按以下人機互動分類及物聯網解決方案分類之各個現金產生單位監察商譽。

商譽帳面金額分配至本集團所識別各現金產生單位如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|-------------------------|----------------------------------|----------------------------------|
| HMID business segment | 人機互動業務分類 | | |
| FSCE Group | 實達外設集團 | 114,786 | 114,786 |
| IoT solution business segment | 物聯網解決方案業務分類 | | |
| Shenzhen CNEOP Technology Company Limited * (“CNEOP”) | 深圳市中光遠科技有限公司 (「中光遠」) | 3,792 | 49,845 |
| Shenzhen Hexicom Technologies Company Limited * (“Hexicom”) | 深圳市海億康科技有限公司 (「海億康」) | 9,135 | 49,652 |
| Guangzhou Wealth-Depot Logistics Technology Company Limited * (“Wealth-Depot”) | 廣州大庫工業設備有限公司 (「大庫」) | 7,609 | 52,309 |
| Next Concept Group | 進念集團 | — | 702,225 |
| Hangzhou Lepei Telecommunication Company Limited * (“Lepei”) | 杭州樂佩通信有限公司(「樂佩」) | 25,741 | 25,741 |
| ED Group | 企展集團 | 71,631 | 135,511 |
| Beijing Weein Software Technology Company Limited * (“Weein”) | 北京微應軟件科技有限公司 (「微應」) | 11,398 | 11,398 |
| | | 244,092 | 1,141,467 |

* The official names are in Chinese and the English names are translated for identification purpose only.

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

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綜合財務報表附註

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13. GOODWILL (Continued)

The Group has engaged independent valuers, Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“JLL”), APAC Asset Valuation and Consulting Limited (“APAC”) and Graval Consulting Limited (“Graval”) to perform an appraisal of the value of the CGUs in the HMID and IoT solution business segments. The recoverable amounts of CGUs have been determined on the basis of higher of the CGUs’ fair value less costs of disposal and VIU calculations.

As at 31 December 2018 and 2017, based on the valuation reports prepared by APAC, the recoverable amounts for the HMID business segment’s CGU was determined based on VIU calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 17% (2017: 17%) and cash flows beyond the five-year are extrapolated using a growth rate of 3% (2017: 3%). Based on the assessment, the recoverable amount for the HMID business segment’s CGU was estimated to be higher than its carrying amount and no impairment loss was recognised for the years ended 31 December 2018 and 2017.

As at 31 December 2018, based on the valuation reports prepared by APAC, JLL and Graval, the VIU of the respective CGUs in IoT solution business segment were higher than its fair value less costs of disposal (2017: except for the CGUs of ED Group and Next Concept Group). The recoverable amounts of these CGUs were therefore determined based on the VIU calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rates applied to the projections was 19% to 31% (2017: 20% to 22%) and cash flows beyond the five-year period are extrapolated using a growth rate of 3% (2017: 3%). The key assumptions have been determined based on past performance and management expectations for the industry development. The discount rates used was pre-tax and reflect specific risks relating to these CGUs. Based on the valuations, the recoverable amount of certain CGUs was lower than their carrying amounts, impairment losses of HK\$897,375,000 was recognised for the year ended 31 December 2018.

13. 商譽(續)

本集團已委聘獨立估值師仲量聯行企業評估及諮詢有限公司(「仲量聯行」)、亞太資產評估及顧問有限公司(「亞太」)及博浩企業顧問有限公司(「博浩企業」)評估人機互動及物聯網解決方案業務分類之價值。現金產生單位之可收回金額按現金產生單位公平值減處置成本及使用價值計算法(以較高者為準)釐定。

於二零一八年及二零一七年十二月三十一日，根據亞太所編製之估值報告，人機互動現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率為17%(二零一七年：17%)，而5年期後之現金流量乃使用3%(二零一七年：3%)之增長率推算。於截至二零一八年及二零一七年十二月三十一日止年度，基於有關評估，人機互動現金產生單位之可收回金額估計高於帳面金額，故並無確認減值虧損。

於二零一八年十二月三十一日，根據亞太、仲量聯行及博浩企業所編製之估值報告，物聯網解決方案業務分類有關現金產生單位之使用價值高於其公平值減出售成本(二零一七年：不包括企展集團及進念集團之現金產生單位)。因此，該等現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率為19%至31%(二零一七年：20%至22%)，而5年期後之現金流量乃使用3%(二零一七年：3%)之增長率推算。主要假設由管理層按過去表現及對行業發展之預期釐定。所用貼現率為稅前並能反映該等現金產生單位之特定風險。於截至二零一八年十二月三十一日止年度，基於有關評估，若干現金產生單位之可收回金額低於帳面金額，故已確認減值虧損897,375,000港元。

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13. GOODWILL (Continued)

As at 31 December 2017, based on the valuation report prepared by JLL, the fair value less costs of disposal of the respective CGU of Next Concept Group was higher than its VIU. The recoverable amount of the CGU was therefore determined based on the fair value less costs of disposal by the management. As the recoverable amount was lower than the carrying amount of the CGU, an impairment loss of HK\$200,000,000 was recognised for the year ended 31 December 2017. The calculation of the fair value less costs of disposal are based on adjusted ratios of enterprise value (“EV”) divided by earnings before interest and tax (“EBIT”) (“EV/EBIT”) of several comparable public companies (ranging from 5.7 to 11.2) multiplied by the EBIT of Next Concept Group and control premium of 18%, and discounted for the lack of marketability (“DLOM”) at 17%. The comparable public companies are chosen based on factors such as industry similarity, company size, profitability and financial risks.

As at 31 December 2017, the recoverable amount for a group of CGUs in ED Group were determined, based on quoted market prices of Enterprise Development on the Stock Exchange at end of the reporting period, to be higher than the carrying amount of these CGUs. Accordingly, the Group’s management considers that trademarks and goodwill attributable to CGUs in ED Group are not impaired.

The directors considered that the goodwill related to the operating segment of IoT solution business were impaired as significant reduction in a number of major customers following the fierce market competition and the uncertainties casted by US-China trade war that resulted in a decline of revenue during the current year and reduced anticipated cash flows from the future operating synergies from exploiting the customer base of the Group’s existing IoT solution, HMID and IDS businesses. It is expected that future performance in IoT solution business will follow the actual situation in the current year and aggregate impairment loss on goodwill of HK\$897,375,000 was recognised in profit or loss for the year ended 31 December 2018.

13. 商譽(續)

於二零一七年十二月三十一日，根據仲量聯行所編製之估值報告，進念集團有關現金產生單位之公平值減處置成本高於使用價值。因此，管理層按公平值減出售成本釐定現金產生單位之可收回金額。由於現金產生單位之可收回金額低於帳面金額，故就截至二零一七年十二月三十一日止年度確認減值虧損200,000,000港元。計算公平值減處置成本時建基於多間可資比較公眾公司之經調整企業價值(「EV」)除以除利息及稅項前盈利(「EBIT」)之比率(「EV/EBIT」)(介乎5.7至11.2)，再乘以進念集團之EBIT及18%之控制權溢價，並作出17%之不可銷售性折讓(「DLOM」)。該等可資比較公眾公司乃基於行業近似度、公司規模、盈利能力及財務風險等因素挑選。

於二零一七年十二月三十一日，於企展集團一組現金產生單位之可收回金額已根據企展於報告期結束日在聯交所所報市價釐定，有關金額將高於該等現金產生單位之帳面金額。因此，本集團之管理層認為企展集團現金產生單位之商標及商譽並無減值。

董事認為，有關物聯網解決方案業務之經營分部之商譽已減值，原因為市場競爭激烈及中美貿易戰造成不確定因素，導致本年度收益減少，並減低了本集團現有物聯網解決方案、人機互動及智能檔案服務業務發掘客戶群之未來營運協同效益所產生預期現金流量，致使主要客戶數目大幅下降。預期物聯網業日後之表現將與本年度之實際情況一致，商譽減值虧損總額897,375,000港元已於截至二零一八年十二月三十一日止年度之損益帳中確認。

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14. SUBSIDIARIES

Details of the principal subsidiaries at end of the reporting period are as follows:

14. 附屬公司

主要附屬公司於報告期結束日之詳情如下：

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別 | Place of operation 經營地點 | Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司所持股本權益百分比 | | Principal activities 主要業務 |
|--|--|----------------------------|---|--|-----------------------------------|--|
| | | | | Directly 直接 | Indirectly 間接 | |
| Gauteng Focus Limited | The BVI/Limited liability company | Hong Kong | — | 100% | — | Investment holding |
| Gauteng Focus Limited | 英屬處女群島/有限公司 | 香港 | | | | 投資控股 |
| Loyal Fine Limited | The BVI/Limited liability company | Hong Kong | United States Dollar ("US\$") 1 | 100% | — | Investment holding |
| Loyal Fine Limited | 英屬處女群島/有限公司 | 香港 | 1美元 | | | 投資控股 |
| Easy Talent Limited ("Easy Talent") 智易有限公司(「智易」) | The BVI/Limited liability company | Hong Kong | US\$10 | — | 65.79% | Investment holding |
| | 英屬處女群島/有限公司 | 香港 | 10美元 | | (2017: 66.14%) (二零一七年: 66.14%) | 投資控股 |
| Enterprise Development 企展 | The Cayman Islands/Limited liability company | Hong Kong | HK\$52,650,898 ordinary shares | — | 42.99% | Investment holding |
| | 開曼群島/有限公司 | 香港 | 52,650,898港元普通股 | | (2017: 43.56%) (二零一七年: 43.56%) | 投資控股 |
| Forefront International (Hong Kong) Limited | Hong Kong/Limited liability company | Hong Kong | HK\$100,000 ordinary shares HK\$6,000,000 non-voting deferred shares (note (i)) | — | 100% | Provision of management services for the Group |
| 福方(香港)有限公司 | 香港/有限公司 | 香港 | 100,000港元普通股 6,000,000港元無投票權遞延股份(附註(i)) | | | 為本集團提供管理服務 |
| Great Develop Group Limited 拓盈集團有限公司 | Hong Kong/Limited liability company | Hong Kong | HK\$1 ordinary share | — | 100% | Investment holding |
| | 香港/有限公司 | 香港 | 1港元普通股 | | | 投資控股 |

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

14. SUBSIDIARIES (Continued)

14. 附屬公司(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別 | Place of operation 經營地點 | Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司所持股本權益百分比 | | Principal activities 主要業務 |
|--|--|----------------------------|--|--|------------------|-------------------------------|
| | | | | Directly 直接 | Indirectly 間接 | |
| Holly Good Group Limited 浩金集團有限公司 | Hong Kong/Limited liability company 香港/有限公司 | Hong Kong 香港 | HK\$1 ordinary share 1港元普通股 | — | 100% | Investment holding 投資控股 |
| Jiashengtai (HK) Limited 嘉盛泰(香港)有限公司 | Hong Kong/Limited liability company 香港/有限公司 | Hong Kong 香港 | HK\$1 ordinary share 1港元普通股 | — | 51% | Investment holding 投資控股 |
| King Billion International Limited 景億國際有限公司 | Hong Kong/Limited liability company 香港/有限公司 | Hong Kong 香港 | HK\$1 ordinary share 1港元普通股 | — | 100% | Investment holding 投資控股 |
| Luck Success Development Limited Luck Success Development Limited | The BVI/Limited liability company 英屬處女群島/有限公司 | Hong Kong 香港 | — | — | 100% | Investment holding 投資控股 |
| Next Concept 進念 | The BVI/Limited liability company 英屬處女群島/有限公司 | Hong Kong 香港 | US\$100 100美元 | — | 51% | Investment holding 投資控股 |
| Premium Talent Group Limited Premium Talent Group Limited | The BVI/Limited liability company 英屬處女群島/有限公司 | Hong Kong 香港 | — | — | 100% | Investment holding 投資控股 |
| Red Square Group Limited 方鴻集團有限公司 | Hong Kong/Limited liability company 香港/有限公司 | Hong Kong 香港 | HK\$1 ordinary share 1港元普通股 | — | 100% | Investment holding 投資控股 |
| Rentian Finance Company Limited 仁天財務有限公司 | Hong Kong/Limited liability company 香港/有限公司 | Hong Kong 香港 | HK\$2,000,000 ordinary shares 2,000,000港元普通股 | — | 100% | Money-lending 貸款 |
| Sino Wealthy Limited Sino Wealthy Limited | The BVI/Limited liability company 英屬處女群島/有限公司 | Hong Kong 香港 | US\$1 1美元 | — | 100% | Trading of securities 證券買賣 |

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

14. SUBSIDIARIES (Continued)

14. 附屬公司(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別 | Place of operation 經營地點 | Particulars of issued and fully paid share capital/ 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司所持股本權益百分比 | | Principal activities 主要業務 |
|---|--|----------------------------|--|--|--------------------------|---|
| | | | | Directly 直接 | Indirectly 間接 | |
| Smart Express | The BVI/Limited liability company | Hong Kong | US\$2 | — | 100% | Investment holding |
| Smart Express | 英屬處女群島/有限公司 | 香港 | 2美元 | | | 投資控股 |
| Beijing Orient LegendMaker Software Development Company Limited * (北京東方龍馬軟件發展有限公司) | The PRC/Limited liability company | The PRC | Registered and paid-up capital of RMB110,000,000 | — | 65.79% (2017: 66.14%) | Provision of integrated business software solutions |
| 北京東方龍馬軟件發展有限公司 | 中國/有限責任公司 | 中國 | 註冊及繳足資本人民幣110,000,000元 | | (二零一七年: 66.14%) | 提供綜合商業軟件解決方案 |
| Weein (北京微應軟件科技有限公司) | The PRC/Limited liability company | The PRC | Registered capital of RMB20,408,163 and paid-up capital of RMB11,548,163 (note ii) | — | 51% | Provision in (i) research, development and production of mobile internet technology consulting services; (ii) the provision of Tencent Wechat's enterprise technology solutions; and (iii) the operation of network carrier's mobile marketing and education institution's mobile servicing platform. |
| 北京微應軟件科技有限公司 | 中國/有限責任公司 | 中國 | 註冊資本人民幣20,408,163元及繳足資本人民幣11,548,163元 (附註ii) | | | (i) 提供移動互聯網技術研究、開發、生產及諮詢服務； (ii) 提供騰訊微信企業技術解決方案；及(iii) 經營網絡營運商移動營銷及教育機構移動服務平台 |

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

14. SUBSIDIARIES (Continued)

14. 附屬公司(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別 | Place of operation 經營地點 | Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司所持股本權益百分比 | | Principal activities 主要業務 |
|--------------------------------|--|----------------------------|---|--|------------------|--|
| | | | | Directly 直接 | Indirectly 間接 | |
| CNEOP (深圳市中光遠科技有限公司) | The PRC/Limited liability company | The PRC | Registered capital of RMB20,000,000 and paid-up capital of RMB20,000,000 (2017: RMB14,375,000) (note iii) | — | 61% | Research, development and production of mobile data capture intelligence terminals; provision of IoT application and solutions based on automatic identification and data capture technologies; and operation of IoT data servicing platform |
| 深圳市中光遠科技有限公司 | 中國/有限責任公司 | 中國 | 註冊資本人民幣20,000,000元及繳足資本人民幣20,000,000元(二零一七年: 人民幣14,375,000元)(附註iii) | | | 移動數據智能採集終端之研發與生產; 基於自動識別與數據採集技術提供物聯網應用及解決方案; 及物聯網資料服務平台運營 |
| FSCE (福建實達電腦設備有限公司) | The PRC/Limited liability company | The PRC | Registered and paid-up capital of RMB148,181,800 | — | 100% | Design, manufacturing and distribution of printers, terminals and POS electronic products and provision of related services under its own brand name "Start" in the PRC |
| 福建實達電腦設備有限公司 | 中國/有限責任公司 | 中國 | 註冊及繳足資本人民幣148,181,800元 | | | 於中國設計、製造及分銷打印機、終端機及POS電子產品, 並以自有品牌名稱「實達(Start)」提供相關服務 |

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

14. SUBSIDIARIES (Continued)

14. 附屬公司(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別 | Place of operation 經營地點 | Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司所持股本權益百分比 | | Principal activities 主要業務 |
|--|--|----------------------------|--|--|------------------|---|
| | | | | Directly 直接 | Indirectly 間接 | |
| Hexicom (深圳市海億康科技有限公司) | The PRC/Limited liability company | The PRC | Registered and paid-up capital of RMB30,000,000 | — | 70% | Research and development, manufacturing and sales of IoT and Industrial 4.0 network solutions in the PRC |
| 深圳市海億康科技有限公司 | 中國/有限責任公司 | 中國 | 註冊及繳足資本 人民幣 30,000,000元 | | | 於中國研發、製造及銷售物聯網及工業4.0網絡解決方案 |
| Jiangsu Start Dima Data Processing Company Limited * (江蘇實達迪美數據處理有限公司) | The PRC/Limited liability company | The PRC | Registered and paid-up capital of RMB13,000,000 | — | 76.92% | Software and technology development and printing outsourcing services in the PRC |
| 江蘇實達迪美數據處理有限公司 | 中國/有限責任公司 | 中國 | 註冊及繳足資本 人民幣 13,000,000元 | | | 於中國從事軟件及技術開發以及打印外包服務 |
| Lepei (杭州樂佩通信有限公司) | The PRC/Limited liability company | The PRC | Registered and paid-up capital of RMB1,300,000 | — | 52.50% | Research and development, design and manufacturing of optical transmission network equipment and software products for Gigabit-Capable Passive Optical Network and Ethernet Passive Optical Network communication |
| 杭州樂佩通信有限公司 | 中國/有限責任公司 | 中國 | 註冊及繳足資本 人民幣 1,300,000元 | | | 研發、設計及製造千兆無源光網路及乙太網無源光網路通信相關之光纖傳輸網絡設備及軟件產品 |

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

14. SUBSIDIARIES (Continued)

14. 附屬公司(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別 | Place of operation 經營地點 | Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司所持股本權益百分比 | | Principal activities 主要業務 |
|--|--|----------------------------|---|--|------------------|---|
| | | | | Directly 直接 | Indirectly 間接 | |
| Qingdao Jiashengtai Technology Services Co. Ltd * (青島嘉盛泰科技服務有限公司) | The PRC/Limited liability company | The PRC | Registered capital of US\$2,000,000 and paid-up capital of US\$400,000 | — | 51% | One-stop solution, including but not limited to marketing research, software design, IT solution and strategic business consultation and development, to companies in the commodities industry in the PRC |
| 青島嘉盛泰科技服務有限公司 | 中國/有限責任公司 | 中國 | 註冊資本2,000,000美元及繳足資本400,000美元 | | | 向中國大宗商品行業之公司提供一站式解決方案，包括但不限於市場推廣研究、軟件設計、資訊科技解決方案及策略業務諮詢及開發 |
| Wealth-Depot (廣州大庫工業設備有限公司) | The PRC/Limited liability company | The PRC | Registered capital RMB30,000,000 (2017: RMB7,296,000) and paid-up capital of RMB7,296,000 (note iv) | — | 83% | Design and manufacture of the standard returnable radio-frequency identification smart bins, implementation of smart warehouse and smart logistics solution |
| 大庫 廣州大庫工業設備有限公司 | 中國/有限責任公司 | 中國 | 註冊資本人民幣30,000,000元(二零一七年: 人民幣7,296,000元)及繳足資本人民幣7,296,000元(附註iv) | | | 設計及製造標準可流通射頻識別智能物流箱，實施智慧倉儲及智慧物流之解決方案 |

Unless stated otherwise, the percentage of equity interests held by the Company for the years ended 31 December 2018 and 2017 are the same.

除非另有指明，否則本公司於截至二零一八年及二零一七年十二月三十一日止年度持有相同股本權益百分比。

* The official names are in Chinese and the English names are translated for identification purpose only.

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

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綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Notes:

- (i) Holders of deferred shares have no rights to vote at general meetings or receive any dividend. Upon winding up, they are entitled to one half of the balance of the company's assets after HK\$100,000,000,000 has been distributed to holders of ordinary shares.
- (ii) The remaining registered share capital of RMB8,860,000 are committed by non-controlling shareholders to inject on or before 31 December 2020.
- (iii) Share premium of RMB5,625,000 has been transferred to the registered capital during the year.
- (iv) The remaining registered capital of RMB18,844,320 and RMB3,859,680 are committed by the Group and non-controlling shareholders respectively to inject on or before 11 September 2045.

None of the subsidiaries had any loan capital in issue at any time during the years ended 31 December 2018 and 2017.

14. 附屬公司(續)

附註：

- (i) 遞延股份之持有人無權在股東大會上投票，亦無權收取任何股息。在清盤時，該公司資產中 100,000,000,000 港元將首先用於分派予普通股之持有人，而餘額之一半由遞延股份之持有人享有。
- (ii) 其餘註冊股本人民幣 8,860,000 元由非控股股東於二零二零年十二月三十一日或之前注入。
- (iii) 股份溢價人民幣 5,625,000 元已於本年度轉撥至註冊資本。
- (iv) 其餘註冊資本人民幣 18,844,320 元及人民幣 3,859,680 元分別由本集團及非控股股東於二零四五年九月十一日或之前注入。

各附屬公司於截至二零一八年及二零一七年十二月三十一日止年度內任何時間並無任何已發行借貸資本。

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綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests (“NCI”)

The following table shows the information relating to Next Concept Group and Easy Talent and its subsidiaries (collectively referred to as “**Easy Talent Group**”) that have material NCI. The summarised financial information represents amounts before inter-company eliminations.

14. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料

下表顯示有關擁有重大非控股權益之進念集團及智易及其附屬公司(統稱「**智易集團**」)之資料。財務資料概要指公司間對銷前之數額。

| | | Next Concept Group 進念集團 | |
|---|---------------|----------------------------|-----------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| Proportion of NCI’s ownership interests | 非控股權益之擁有權權益比例 | 49% | 49% |
| | | HK\$’000 千港元 | HK\$’000 千港元 |
| Current assets | 流動資產 | 184,322 | 361,961 |
| Non-current assets | 非流動資產 | 2,703 | 90,542 |
| Current liabilities | 流動負債 | (176,240) | (21,340) |
| Non-current liabilities | 非流動負債 | — | (21,253) |
| Net assets | 資產淨值 | 10,785 | 409,910 |
| Carrying amount of NCI | 非控股權益之帳面金額 | 5,285 | 200,856 |

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綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

14. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料(續)

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| Revenue | 收益 | 8,070 | 193,232 |
| (Loss) Profit for the year | 年內(虧損)溢利 | (101,164) | 154,821 |
| Total comprehensive (loss) income for the year | 年內全面(虧損)收入總額 | (119,219) | 174,437 |
| (Loss) Profit attributable to NCI | 歸屬於非控股權益之(虧損)溢利 | (49,570) | 66,457 |
| Dividends paid to NCI | 已付非控股權益之股息 | 137,154 | — |
| Net cash flows (used in) generated from: | (用於)來自下列各項之現金流量淨額： | | |
| Operating activities | 經營業務 | (3,212) | 116,275 |
| Investing activities | 投資活動 | 10,934 | 12,338 |
| Financing activities | 融資活動 | (189,382) | 5,943 |

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綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

14. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料(續)

| | | Easy Talent Group 智易集團 | |
|---|----------------|---------------------------|-----------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| Proportion of NCI's ownership interests | 非控股權益之實際擁有權益比例 | 34.21% | 33.86% |
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Current assets | 流動資產 | 275,349 | 328,094 |
| Non-current assets | 非流動資產 | 35,864 | 38,073 |
| Current liabilities | 流動負債 | (59,879) | (63,964) |
| Non-current liabilities | 非流動負債 | (1,742) | (2,408) |
| Net assets | 資產淨值 | 249,592 | 299,795 |
| Carrying amount of NCI | 非控股權益之帳面金額 | 85,376 | 101,523 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

14. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料(續)

Easy Talent Group 智易集團

| | | Year ended 31 December 2018 截至 二零一八年 十二月三十一 止年度 HK\$'000 千港元 | Post-acquisition period ended 31 December 2017 截至 二零一七年 十二月三十一 止收購後期間 HK\$'000 千港元 |
|---|--------------------|--|---|
| Revenue | 收益 | <u>179,021</u> | <u>220,010</u> |
| (Loss) Profit for the year/period | 年內/期內(虧損)溢利 | <u>(36,903)</u> | <u>9,201</u> |
| Total comprehensive (loss) income for the year/period | 年內/期內全面(虧損)收入總額 | <u>(53,186)</u> | <u>26,423</u> |
| (Loss) Profit attributable to NCI | 歸屬於非控股權益之(虧損)溢利 | <u>(13,758)</u> | <u>3,289</u> |
| Dividends paid to NCI | 已付非控股權益之股息 | <u>—</u> | <u>—</u> |
| Net cash flows (used in) generated from: | (用於)來自下列各項之現金流量淨額： | | |
| Operating activities | 經營業務 | <u>(3,561)</u> | <u>59,532</u> |
| Investing activities | 投資活動 | <u>(5,016)</u> | <u>(2,419)</u> |
| Financing activities | 融資活動 | <u>(1,360)</u> | <u>(502)</u> |

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綜合財務報表附註

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

15. AVAILABLE-FOR-SALE FINANCIAL ASSETS

15. 可供出售財務資產

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|------------------------------|----------------------------------|----------------------------------|
| | Note 附註 | | |
| Listed equity securities in Hong Kong, at fair value | 於香港上市之股本證券，按公平值 | — | 48,997 |
| Unlisted equity securities in a private limited company incorporated outside Hong Kong, at cost | 於香港境外註冊成立之私人有限公司之非上市股本證券，按成本 | — | 247,500 |
| Unlisted equity securities in a private partnership incorporated outside Hong Kong, at cost | 於香港境外註冊成立之私人合夥企業之非上市股本證券，按成本 | — | 17,289 |
| | | — | 313,786 |

Upon the adoption of HKFRS 9 on 1 January 2018, the Group has designated the unlisted equity securities in a private limited company incorporated outside Hong Kong as financial assets designated at FVOCI and reclassified the listed equity securities in Hong Kong and unlisted partnership investments as financial assets at FVPL.

於二零一八年一月一日採用香港財務報告準則第9號時，本集團指定於香港境外註冊成立之私人有限公司之非上市股本證券為指定於其他全面收入按公平值處理之財務資產，並將於香港上市之股本證券及非上市合夥投資分類為於損益帳按公平值處理之財務資產。

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綜合財務報表附註

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

16. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

16. 指定於其他全面收入按公平值處理之財務資產

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------------|----------------------------------|----------------------------------|
| Unlisted equity securities in a private limited company incorporated outside Hong Kong | 於香港境外註冊成立之私人有限公司之非上市股本證券 | 233,261 | — |

The balance represents the Group's equity interests in Co-Lead Holdings Limited ("Co-Lead"), a company incorporated in the BVI with limited liabilities. As at 31 December 2017, the Group held 10.77% equity interests in Co-Lead which was included in available-for-sale financial assets as set out in note 15 to the consolidated financial statements. Due to the allotment of new shares to other investors during 2018, the Group's equity interests in Co-Lead were diluted from 10.77% to 8.58%. The principal activity of Co-Lead is investment holding.

During the year ended 31 December 2018, a decrease in fair value of HK\$34,239,000 (2017: HK\$Nil) in Co-Lead was recognised in fair value reserve (non-recycling). The fair value of Co-Lead was determined by Access Partner Consultancy & Appraisals Limited ("Access Partner"), an independent valuer, which was based on the price-to-net book value ("P/B") ratios of the comparable companies and adjusted by minority discounts at end of the reporting period and is categorised within level 3 of the fair value hierarchy.

No investment in financial assets designated at FVOCI has been disposed of during the year. There was no transfers of any cumulative gain or loss arising from financial assets designated at FVOCI within equity during the current year.

該結餘指本集團於一間於英屬處女群島註冊成立之有限公司Co-Lead Holdings Limited(「Co-Lead」)之股本權益。於二零一七年十二月三十一日，本集團持有Co-Lead之10.77%股本權益，已計入綜合財務報表附註15所載之可供出售財務資產。由於Co-Lead於二零一八年度向其他投資者配發新股，故本集團於Co-Lead之股本權益由10.77%攤薄至8.58%。Co-Lead之主要業務為投資控股。

於截至二零一八年十二月三十一日止年度，Co-Lead之公平值減少34,239,000港元(二零一七年：零港元)已於公平值儲備(不重新分類)中確認。Co-Lead之公平值由獨立估值師亞克碩顧問及評估有限公司(「亞克碩」)釐定，此乃根據可資比較公司於報告期結束日之市帳率，並就少數權益折讓作出調整而定，其已分類為公平值架構級別三計量。

本年度概無出售有關指定於其他全面收入按公平值處理之財務資產。本年度權益內亦無於其他全面收入按公平值處理之財務資產所產生之任何累計收益或虧損轉移。

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綜合財務報表附註

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17. INVENTORIES

17. 存貨

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|------------------|-----|----------------------------------|----------------------------------|
| Raw materials | 原材料 | 111,939 | 94,523 |
| Work-in-progress | 在製品 | 33,660 | 27,286 |
| Finished goods | 製成品 | 56,236 | 35,510 |
| | | 201,835 | 157,319 |

At end of the reporting period, all inventories, excluding those fully provided for with nil carrying value, are stated at cost.

於報告期結束日，除帳面值為零並已計提全數撥備之存貨外，所有存貨均按成本列帳。

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綜合財務報表附註

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18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

18. 於損益帳按公平值處理之財務資產

| | | Note 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------------|------------|----------------------------------|----------------------------------|
| Held for trading | 持作買賣 | | | |
| Equity securities listed in Hong Kong | 香港上市股本證券 | (a) | 1,696,636 | 2,561,686 |
| Equity securities listed outside Hong Kong | 香港境外上市股本證券 | (a) | — | 3,042 |
| Bonds listed outside Hong Kong | 香港境外上市之債券 | (a) | 348,765 | — |
| Others mandatorily measured at FVPL | 其他強制於損益帳按公平值處理計量 | | | |
| Equity-linked notes (the "ELN") | 股票掛鈎票據 | (b) (g) | — | 282,785 |
| Wealth management products, unlisted | 財富管理產品，非上市 | (c) (g) | 55,565 | 449,998 |
| Unlisted equity securities in a private limited company incorporated outside Hong Kong | 於香港境外註冊成立之私人有限公司之非上市股本證券 | (d) | 136,212 | — |
| Unlisted equity securities in a private limited company incorporated in Hong Kong | 於香港註冊成立之私人有限公司之非上市股本證券 | (e) | 25,693 | — |
| Unlisted partnership investments | 非上市合夥投資 | (f) | 20,285 | — |
| | | | 2,283,156 | 3,297,511 |
| Analysed as: | 分析為： | | | |
| Current portion | 流動部分 | | 2,262,871 | 3,297,511 |
| Non-current portion | 非流動部分 | | 20,285 | — |
| | | | 2,283,156 | 3,297,511 |

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綜合財務報表附註

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

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes:

- (a) The fair values of listed equity securities and listed bonds are based on quoted market prices in active markets at end of the reporting period. Upon the adoption of HKFRS 9 on 1 January 2018, the Group has reclassified the listed equity securities in Hong Kong of HK\$48,997,000 included in available-for-sales financial assets as set out in note 15 to the consolidated financial statements as financial assets at FVPL.

During the year ended 31 December 2018, the fair value loss on listed equity securities of HK\$812,945,000 (2017: fair value gain of HK\$264,967,000) and listed bonds of HK\$31,305,000 (2017: HK\$Nil) were recognised in profit or loss.

- (b) The fair value of the ELN was determined by the issuer of the ELN, based on the expected proceeds received from disposal of the underlying securities at the quoted market prices at end of the reporting period after deducting any accrued transaction costs.

During the year ended 31 December 2018, the fair value loss on the ELN of HK\$282,785,000 (2017: fair value gain of HK\$11,665,000) was recognised in profit or loss (note (g)).

- (c) As at 31 December 2018 and 2017, the unlisted wealth management products comprise of unlisted funds and financial products.

As at 31 December 2018, these unlisted wealth management products were subscribed from (i) a company registered and approved by Securities and Futures Commission of Hong Kong; and (ii) a bank in the PRC (2017: (i) a company registered and approved by the Asset Management Association of China; (ii) a company registered and approved by Securities and Futures Commission of Hong Kong; and (iii) certain banks in the PRC. These products were redeemable at the discretion of the Group from time to time and the intention of holding them was for short-term investment. Included in these products, HK\$22,875,000 (2017: HK\$258,924,000) and HK\$32,690,000 (2017: HK\$53,795,000) were denominated in RMB and US\$ respectively.

18. 於損益帳按公平值處理之財務資產(續)

附註：

- (a) 上市股本證券及上市債券之公平值乃基於報告期結束日在活躍市場所報之市價計算。於二零一八年一月一日採納香港財務報告準則第9號後，本集團已將計入綜合財務報表附註15所載可供出售財務資產之香港上市股本證券48,997,000港元重新分類之作為於損益帳按公平值處理之財務資產。

於截至二零一八年十二月三十一日止年度，上市股本證券之公平值虧損812,945,000港元(二零一七年：公平值收益264,967,000港元)及上市債券31,305,000港元(二零一七年：零港元)已於損益帳中確認。

- (b) 股票掛鈎票據之公平值由股票掛鈎票據發行人基於報告期結束日按市場報價出售相關證券之預計已收所得款項，並扣除任何應計交易成本釐定。

於截至二零一八年十二月三十一日止年度，股票掛鈎票據之公平值虧損282,785,000港元(二零一七年：公平值收益11,665,000港元)已於損益帳中確認(附註(g))。

- (c) 於二零一八年及二零一七年十二月三十一日，非上市財富管理產品包括非上市基金及財務產品。

於二零一八年十二月三十一日，該等非上市財富管理產品乃向(i)已登記及經香港證券及期貨事務監察委員會認可之公司；及(ii)中國一間銀行(二零一七年：(i)一間已登記及經中國證券投資基金業協會認可之公司；(ii)一間已登記及經香港證券及期貨事務監察委員會認可之公司；及(iii)中國若干銀行認購。該等產品可由本集團不時酌情贖回，旨在作為短期投資持有。該等產品中，22,875,000港元(二零一七年：258,924,000港元)及32,690,000港元(二零一七年：53,795,000港元)分別以人民幣及美元計值。

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18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

(c) (Continued)

The fair values of these products were reported and provided by the fund managers and the banks. During the year ended 31 December 2018, the fair value loss on these products of HK\$291,779,000 (2017: fair value gain of HK\$8,107,000) was recognised in profit or loss (note (g) for the fair value loss of HK\$270,655,000 for certain unlisted funds).

(d) In August 2018, the Group entered into a subscription agreement with Satinu Resources Group Limited (“**Satinu**”), a company incorporated in the BVI with limited liabilities, pursuant to which the Group shall acquire 2.11% equity interests in Satinu at a consideration of HK\$175,000,000 by issuing Promissory Notes J (as hereinafter defined in note 26). The fair value of the Promissory Notes J was determined by APAC. The principal activities of Satinu are provision of integrated financial services, securities brokerage services, money lending, securities and other direct investments.

During the year ended 31 December 2018, the fair value loss of HK\$35,028,000 (2017: HK\$Nil) in respect of the investments in Satinu was recognised in profit or loss. The fair value of the equity interests in Satinu was determined by Access Partner, which based on the P/B approach and adjusted by minority discounts at end of the reporting period and is categorized within level 3 of the fair value hierarchy.

(e) In August 2018, the Group entered into a subscription agreement with Simagi Finance Company Limited (“**Simagi**”), a company incorporated in Hong Kong with limited liability, pursuant to which the Group shall acquire 11.63% equity interests in Simagi at a consideration of HK\$50,000,000 by issuing Promissory Notes K (as hereinafter defined in note 26). Due to the allotment of new shares to other investors, the Group's equity interests in Simagi were diluted to 10.10% at end of the reporting period. The fair value of the Promissory Notes K was determined by APAC. The principal activity of Simagi is engaging in money lending business.

During the year ended 31 December 2018, the fair value loss of HK\$22,976,000 (2017: HK\$Nil) in respect of the investments in Simagi was recognised in profit or loss. The fair value of the equity interests in Simagi was determined by Access Partner, which based on the price-to-earning (“**P/E**”) approach and adjusted by minority discounts at end of the reporting period and is categorized within level 3 of the fair value hierarchy.

18. 於損益帳按公平值處理之財務資產(續)

附註：(續)

(c) (續)

該等產品之公平值由基金經理及銀行報告及提供。於截至二零一八年十二月三十一日止年度，該等產品之公平值虧損291,779,000港元(二零一七年：公平值收益8,107,000港元)已於損益帳中確認(附註(g)載有若干未上市基金之公平值虧損270,655,000港元)。

(d) 於二零一八年八月，本集團與Satinu Resources Group Limited(「**Satinu**」，一間於英屬處女群島註冊成立之有限公司)訂立認購協議，據此，本集團須按代價175,000,000港元透過發行承兌票據J(定義見下文附註26)收購Satinu 2.11%股本權益。承兌票據J之公平值由亞太釐定。Satinu之主要活動為提供整合財務服務、證券經紀服務、借貸、證券及其他直接投資。

於截至二零一八年十二月三十一日止年度，有關於Satinu投資之公平值虧損35,028,000港元(二零一七年：零港元)已於損益帳中確認。Satinu股本權益之公平值由亞克碩釐定，此乃根據於報告期結束日採用市帳率方法，並就少數權益折讓作出調整而定，其已分類為公平值架構級別三計量。

(e) 於二零一八年八月，本集團與Simagi Finance Company Limited(「**Simagi**」，一間於香港註冊成立之有限公司)訂立認購協議，據此，本集團須按代價50,000,000港元透過發行承兌票據K(定義見下文附註26)收購Simagi 11.63%股本權益。由於Simagi向其他投資者配發新股，故本集團於Simagi之股本權益攤薄至報告期結束日之10.10%。承兌票據K之公平值由亞太釐定。Simagi之主要活動為從事借貸業務。

於截至二零一八年十二月三十一日止年度，有關於Simagi投資之公平值虧損22,976,000港元(二零一七年：零港元)已於損益帳中確認。Simagi股本權益之公平值由亞克碩釐定，此乃根據於報告期結束日採用市盈率方法，並就少數權益折讓作出調整而定，其已分類為公平值架構級別三計量。

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18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (f) In March 2017, the Group entered into a subscription agreement with an independent third party and agreed to contribute US\$10,000,000 (representing approximately 5.69% of the committed capital of the partnership at the date of subscription) in a private partnership incorporated in the Cayman Islands (“Partnership Commitment”). As at 31 December 2017, the Group held 4.59% of the committed capital of the partnership which was included in available-for-sale financial assets as set out in note 15 to the consolidated financial statements. Upon the adoption of HKFRS 9 on 1 January 2018, the Group has reclassified the unlisted partnership investments of HK\$17,289,000 as financial assets at FVPL and recognised a fair value loss of HK\$5,085,000 in retained profits at that date.

During the year ended 31 December 2018, the Group has further contributed US\$1,719,000 (equivalent to HK\$13,492,000) (2017: US\$2,218,000 (equivalent to HK\$17,289,000)) and held 4.59% of the committed capital of the partnership as at 31 December 2018. The remaining Partnership Commitment will be contributed by installments requested by the general partner of the partnership upon at least 10 business days’ in advance written notice.

The fair value of the unlisted partnership investments was determined by APAC, based on the asset approach and adjusted by minority discounts at end of the reporting period and is categorised within level 3 of the fair value hierarchy. During the year ended 31 December 2018, the fair value loss on the unlisted partnership investments of HK\$3,135,000 (2017: HK\$Nil) was recognised in profit or loss.

- (g) In late 2018, the Group was unable to contact the issuers, companies registered and approved by the Asset Management Association of China, for the redemption of the ELN and certain unlisted funds, and noticed from the media that the issuers’ office in the PRC has not been in operation. Subsequently, the Group is yet to receive any response of the redemption matter. In view of such incidents have cast significant doubt on the recoverability of the ELN and these unlisted funds, the directors of the Company considered their fair values to be zero and fair value loss on the ELN and unlisted funds of HK\$282,785,000 and HK\$270,655,000 were recognised in profit or loss respectively.

18. 於損益帳按公平值處理之財務資產(續)

附註：(續)

- (f) 於二零一七年三月，本集團與一名獨立第三方訂立認購協議，並同意向一個於開曼群島註冊成立之私人合夥出資10,000,000美元（相當於該合夥於認購日期之已承諾資本約5.69%）（「合夥承諾」）。於二零一七年十二月三十一日，本集團持有該合夥之已承諾資本4.59%，已計入綜合財務報表附註15所載之可供出售財務資產。於二零一八年一月一日採納香港財務報告準則第9號時，本集團已將非上市合夥投資17,289,000港元重新分類為於損益帳按公平值處理之財務資產，並已於當日在保留溢利確認公平值虧損5,085,000港元。

於截至二零一八年十二月三十一日止年度，本集團已進一步出資1,719,000美元（相等於13,492,000港元）（二零一七年：2,218,000美元（相等於17,289,000港元）），並於二零一八年十二月三十一日持有該合夥已承諾資本之4.59%。餘下之合夥承諾將應合夥之普通合夥人要求於發出最少10個營業日之事先書面通知之情況下分期出資。

非上市合夥投資之公平值由亞太釐定，此乃於報告期結束日採用以資產為基礎法釐定，並就少數權益折讓作出調整，並已分類為公平值架構級別三計量。於截至二零一八年十二月三十一日止年度，非上市合夥投資之公平值虧損3,135,000港元（二零一七年：零港元）已於損益帳確認。

- (g) 於二零一八年底，本集團未能就贖回股票掛鈎票據及若干未上市基金聯絡發行人（已於中國登記及經中國證券投資基金業協會認可之公司），並從媒體得悉發行人於中國之辦事處並沒有正常運作。其後，本集團尚未收到任何有關贖回事宜之回應。鑒於有關事件對股票掛鈎票據及該等未上市基金之可收回性構成重大疑問，本公司董事認為其公平值為零，股票掛鈎票據及未上市基金之公平值虧損282,785,000港元及270,655,000港元已分別於損益帳中確認。

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19. LOAN RECEIVABLES

Loans granted to borrowers are repayable according to repayment schedules. The balance comprises loan receivables from:

| | | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------------|--------|-------|----------------------------------|----------------------------------|
| Loan receivables | 應收貸款 | | 194,276 | 146,516 |
| Less: Loss allowance | 減：虧損備抵 | 37(b) | (44,667) | (20,290) |
| | | | 149,609 | 126,226 |

Notes:

- (a) At end of the reporting period, (1) loan receivables of HK\$129,298,000 were unsecured, carried at fixed interest rate of ranging from 15% to 18% per annum (2017: HK\$90,628,000 were unsecured, carried at fixed interest rate of ranging from 10% to 18% per annum) and within the respective maturity dates; (2) no loan receivables was secured (2017: HK\$31,981,000 was secured by listed securities with fair value amounted to HK\$91,313,000, carried at fixed interest rate of 15% per annum and within its maturity date and HK\$3,617,000 was secured, carried at fixed interest rate of 5% per annum and within its maturity date); and (3) remaining loan receivables of HK\$64,978,000 (2017: HK\$20,290,000) were unsecured, carried at fixed interest rate of ranging from 5% to 15% (2017: 5%) per annum and overdue.
- (b) The loan receivables of HK\$64,138,000 (2017: HK\$122,609,000) and HK\$85,471,000 (2017: HK\$3,617,000) were denominated in HK\$ and RMB respectively.
- (c) Information about the Group's exposure to credit risk and loss allowance for loan receivables is included in note 37(b) to the consolidated financial statements.

19. 應收貸款

借款人獲授之貸款須按照還款時間表償還。有關結餘包括源於下列各項之應收貸款：

| | | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------------|--------|-------|----------------------------------|----------------------------------|
| Loan receivables | 應收貸款 | | 194,276 | 146,516 |
| Less: Loss allowance | 減：虧損備抵 | 37(b) | (44,667) | (20,290) |
| | | | 149,609 | 126,226 |

附註：

- (a) 於報告期結束日，(1) 129,298,000 港元之應收貸款為無抵押，按固定年利率介乎 15 厘至 18 厘計息 (二零一七年：90,628,000 港元之應收貸款為無抵押，按固定年利率介乎 10 厘至 18 厘計息) 且各自並無逾期；(2) 概無抵押應收貸款 (二零一七年：31,981,000 港元之應收貸款以公平值 91,313,000 港元之上市證券作抵押及按固定年利率 15 厘計息且並無逾期及 3,617,000 港元應收貸款為有抵押，按固定年利率 5 厘計息及並無逾期)；及 (3) 64,978,000 港元 (二零一七年：20,290,000 港元) 之其餘應收貸款為無抵押，按固定年利率介乎 5 厘至 15 厘 (二零一七年：5 厘) 計息及已逾期。
- (b) 64,138,000 港元 (二零一七年：122,609,000 港元) 及 85,471,000 港元 (二零一七年：3,617,000 港元) 之應收貸款分別以港元及人民幣計值。
- (c) 有關本集團就應收貸款所面對之信貸風險及虧損備抵資料載於綜合財務報表附註 37(b)。

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綜合財務報表附註

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

20. TRADE AND OTHER RECEIVABLES

20. 貿易及其他應收款項

| | | Note 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------------------|---------------|------------|----------------------------------|----------------------------------|
| Trade receivables | 貿易應收款項 | | | |
| Trade receivables | 貿易應收款項 | | 452,323 | 613,335 |
| Less: Loss allowance | 減：虧損備抵 | 37(b) | (134,483) | (2,188) |
| | | (a) | 317,840 | 611,147 |
| Notes receivables | 應收票據 | (b) | 2,337 | 2,720 |
| Other receivables | 其他應收款項 | | | |
| Prepayments to suppliers | 向供應商預付之款項 | (c) | 225,419 | 159,189 |
| Prepayments | 預付款項 | | 4,030 | 5,724 |
| Deposits and other debtors | 按金及其他應收帳款 | | 159,632 | 105,388 |
| | | | 389,081 | 270,301 |
| | | | 709,258 | 884,168 |

Notes:

- (a) The ageing analysis of trade receivables, net of loss allowance, based on the invoice date, is as follows:

附註：

- (a) 貿易應收款項(扣除虧損備抵)按發票日期之帳齡分析如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------|----------|----------------------------------|----------------------------------|
| Within 90 days | 90天內 | 212,906 | 435,504 |
| 91 – 180 days | 91至180天 | 9,858 | 33,261 |
| 181 – 365 days | 181至365天 | 25,534 | 59,390 |
| Over 365 days | 365天以上 | 69,542 | 82,992 |
| | | 317,840 | 611,147 |

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綜合財務報表附註

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

20. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(a) (Continued)

The Group allows a credit period of 30 – 90 (2017: 30 – 90) days to its customers.

Information about the Group's exposure to credit risks and loss allowance for trade receivables is included in note 37(b) to the consolidated financial statements.

(b) Notes receivables were not past due at end of the reporting period and will mature within 30 to 180 days (2017: 30 to 180 days).

(c) These prepayments to suppliers are unsecured, interest free and will be used to offset against future purchases from suppliers.

21. PLEDGED BANK DEPOSITS

At end of the reporting period, the Group pledged bank deposits amounting to HK\$11,259,000 (2017: HK\$6,030,000) to banks to secure trade finance facilities and banking facilities granted to subsidiaries. Deposits amounting to HK\$9,451,000 (2017: HK\$4,820,000) have a maturity period within one year and are therefore classified as current assets. Deposits amounting to HK\$1,808,000 (2017: HK\$1,210,000) have a maturity period more than one year and are therefore classified as non-current assets. The pledged bank deposits carry fixed interest rate at 0.3% (2017: 0.35%) per annum as at 31 December 2018. The pledged bank deposits will be released upon the settlement of relevant trade finance facilities and banking facilities.

22. BANK BALANCES AND CASH

At end of the reporting period, the bank balances of the Group denominated in RMB amounted to HK\$315,835,000 (2017: HK\$623,353,000). The government of the PRC has implemented foreign exchange control and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the government of the PRC.

20. 貿易及其他應收款項(續)

附註：(續)

(a) (續)

本集團給予其客戶30至90(二零一七年：30至90)天之信貸期。

有關本集團所面對信貸風險及貿易應收款項虧損備抵之資料載於綜合財務報表附註37(b)。

(b) 應收票據於報告期結束日並未逾期，將於30至180天(二零一七年：30至180天)內到期。

(c) 該等預付供應商之款項為無抵押、免息及將用於抵銷未來向供應商購貨之金額。

21. 已質押銀行存款

於報告期結束日，本集團向多家銀行質押銀行存款11,259,000港元(二零一七年：6,030,000港元)，作為授予附屬公司之貿易融資信貸及銀行融資之抵押。9,451,000港元(二零一七年：4,820,000港元)之存款期限為一年內，因此分類為流動資產。1,808,000港元(二零一七年：1,210,000港元)之存款期限為一年以上，因此分類為非流動資產。於二零一八年十二月三十一日，已質押銀行存款按固定年利率0.3厘(二零一七年：0.35厘)計息。已質押銀行存款將於相關貿易融資信貸及銀行融資結清後獲解除。

22. 銀行結存及現金

於報告期結束日，本集團以人民幣計值之銀行結存為315,835,000港元(二零一七年：623,353,000港元)。中國政府已實施外匯管制，而將該等資金匯出中國須受限於中國政府施加之匯兌限制。

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綜合財務報表附註

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23. TRADE AND OTHER PAYABLES

23. 貿易及其他應付款項

| | | Note 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|------------------|------------|----------------------------------|----------------------------------|
| Trade payables to third parties | 第三方貿易應付款項 | (a) | 215,548 | 209,963 |
| Notes payables | 應付票據 | | 25,824 | — |
| Other payables | 其他應付款項 | | | |
| Accrued charges | 應計費用 | | 87,582 | 109,546 |
| Amount due to a non-controlling shareholder | 應付一名非控股股東款項 | | — | 6,004 |
| Interest payables | 應付利息 | 32 | 31,364 | 26,392 |
| Other creditors | 其他應付帳款 | (b) | 51,635 | 29,141 |
| Trade deposits received | 已收貿易按金 | (c) | 36,571 | 34,213 |
| | | | 207,152 | 205,296 |
| | | | 448,524 | 415,259 |

Notes:

- (a) The credit period of trade payables is normally within 90 (2017: 90) days. The ageing analysis of the trade payables, based on the invoice date is as follows:

附註：

- (a) 貿易應付款項之信貸期一般於90(二零一七年：90)天內償付。貿易應付款項按發票日期之帳齡分析如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------|----------|----------------------------------|----------------------------------|
| Within 90 days | 90天內 | 169,219 | 199,469 |
| 91 – 180 days | 91至180天 | 5,648 | 3,047 |
| 181 – 365 days | 181至365天 | 13,064 | 1,999 |
| Over 365 days | 365天以上 | 27,617 | 5,448 |
| | | 215,548 | 209,963 |

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綜合財務報表附註

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

23. TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

- (b) The balance included amounts due to the Selling Shareholder B (as hereinafter defined in note 29(b) to the consolidated financial statements) of HK\$33,360,000 (2017: HK\$Nil).
- (c) The balance represents the contract liabilities from contracts with customers within HKFRS 15 at end of the reporting period and the movements (excluding those arising from increases and decreases both occurred within the same year) of the contract liabilities during the year are as follows:

23. 貿易及其他應付款項(續)

附註：(續)

- (b) 該結餘包括應付售股股東B之款項(定義見下文綜合財務報表附註29(b)) 33,360,000 港元(二零一七年：零港元)。
- (c) 該結餘指於報告期結束日根據香港財務報告準則第15號與客戶訂立之合約產生之合約負債，而合約負債於年內之變動(不包括於同一年度增加及減少產生之變動)如下：

| | | 2018 二零一八年 HK\$'000 千港元 |
|---|---------------|----------------------------------|
| At 1 January | 於一月一日 | 34,213 |
| Recognised as revenue | 確認為收益 | (34,684) |
| Receipt of advances or recognition of receivables | 收取預先支付或確認應收款項 | 38,985 |
| Exchange realignment | 匯兌調整 | (1,943) |
| At 31 December | 於十二月三十一日 | <u>36,571</u> |

As at 31 December 2018, all contract liabilities are expected to be settled within next 12 months.

於二零一八年十二月三十一日，預期所有合約負債將於未來12個月內償付。

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

24. INTEREST-BEARING BORROWINGS

24. 計息借貸

| | | Note 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|---|------------|----------------------------------|----------------------------------|
| Bank borrowings, unsecured and guaranteed | 銀行借貸，無抵押及有擔保 | (a) | 28,405 | 5,103 |
| Bank borrowings, secured and unguaranteed | 銀行借貸，有抵押及無擔保 | (b) | 14,801 | 11,707 |
| Bank borrowings, secured and guaranteed | 銀行借貸，有抵押及有擔保 | (c) | 200,000 | 27,616 |
| Margin loans, secured and unguaranteed | 孖展貸款，有抵押及無擔保 | (d) | 685,499 | 425,079 |
| Loan from a third party, unsecured and unguaranteed | 來自一名第三方之貸款，無抵押及無擔保 | (e) | 5,000 | 5,000 |
| Loans from financial institutions, secured and guaranteed | 來自財務機構之貸款，有抵押及有擔保 | (f) | 391,000 | 250,000 |
| Obligations under finance leases | 融資租賃債務 | (g) | 279 | 433 |
| | | | 1,324,984 | 724,938 |
| The maturity of the interest-bearing borrowings are as follows: | 計息借貸之到期情況如下： | | | |
| Within 1 year | 一年內 | | 1,324,863 | 724,659 |
| 2 to 5 years | 二至五年 | | 121 | 279 |
| | | | 1,324,984 | 724,938 |
| Portion classified as current liabilities | 分類為流動負債之部分 | | (1,324,863) | (724,659) |
| Non-current portion | 非流動部分 | | 121 | 279 |
| Analysis of the amount due based on scheduled payment dates set out in the loan agreements (ignoring the effect of any repayment on demand clause) is as follows: | 基於貸款協議所載預訂付款日之到期款項分析（撇除任何按要求償還條款之影響）如下： | | | |
| Within 1 year | 一年內 | | 1,324,863 | 474,659 |
| 2 to 5 years | 二至五年 | | 121 | 250,279 |
| | | | 1,324,984 | 724,938 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

24. INTEREST-BEARING BORROWINGS (Continued)

Notes:

(a) Bank borrowings, unsecured and guaranteed

The bank borrowings were denominated in RMB (2017: RMB) and carried interest (i) at the prevailing interest rate of loan prime rate plus 178 basis points; (ii) at prevailing interest rate of loan prime rate plus 0.55%; or (iii) at fixed rate of ranging of 5.655% to 8% per annum (2017: prevailing interest rate of loan prime rate plus 135.50 basis points). At end of the reporting period, (i) bank borrowings of HK\$5,180,000 were guaranteed by non-controlling shareholders of a subsidiary; (ii) bank borrowings of HK\$5,009,000 were guaranteed by a director of a subsidiary, non-controlling shareholders of a subsidiary and a third party; (iii) bank borrowings of HK\$6,831,000 were guaranteed by a subsidiary; and (iv) bank borrowings of HK\$11,385,000 were guaranteed by the controlling shareholder of the Company and a third party (2017: HK\$5,103,000 were guaranteed by a director of a subsidiary and non-controlling shareholders of a subsidiary). The bank borrowings are wholly repayable within one year.

(b) Bank borrowings, secured and unguaranteed

The bank borrowings were denominated in RMB (2017: RMB) and carried interest (i) at the loan prime rate plus 0.475%; or (ii) at fixed rate of 5.655% per annum (2017: (i) the loan prime rate plus 1.4% per annum; or (ii) at fixed rate of 5.655% per annum). At end of the reporting period, (i) bank borrowings of HK\$5,693,000 (2017: HK\$5,007,000) were secured by the Group's property, plant and equipment; and (ii) bank borrowings of HK\$9,108,000 (2017: HK\$6,700,000) were secured by certain trade receivables. The bank borrowings are wholly repayable within one year.

(c) Bank borrowings, secured and guaranteed

The bank borrowings carried interest at The Hong Kong Interbank Offered Rate ("HIBOR") plus 4.6% per annum (2017: (i) at the prevailing interest rate of loan prime rate plus 170.30 basis points; (ii) at fixed rate of 5.655% per annum; or (iii) at the loan prime rate plus 1.52% per annum). The bank borrowings were secured by the charges over the entire issued share capital in certain subsidiaries of the Company, guaranteed by the controlling shareholder of the Company (2017: bank borrowings of HK\$6,003,000 were secured by certain trade receivables and guaranteed by the Company, non-controlling shareholders and directors of a subsidiary; and the remaining bank borrowings of HK\$21,613,000 were secured by pledged bank deposits and guaranteed by a director of a subsidiary). The bank borrowings are wholly repayable within one year.

Included in bank borrowings, HK\$Nil (2017: HK\$27,616,000) were denominated in RMB.

24. 計息借貸(續)

附註:

(a) 銀行借貸，無抵押及有擔保

該等銀行借貸以人民幣(二零一七年十二月三十一日：人民幣)計值，按(i)現行最優惠貸款年利率加178個基點；(ii)現行最優惠貸款年利率加0.55厘；或(iii)固定年利率介乎5.655厘至8厘(二零一七年：現行最優惠貸款年利率加135.50個基點)計息。於報告期結束日，(i)5,180,000港元之銀行借貸由一間附屬公司之非控股股東擔保；(ii)5,009,000港元之銀行借貸由一間附屬公司之董事、一間附屬公司之非控股股東及一名第三方擔保；(iii)6,831,000港元之銀行借貸由一間附屬公司擔保；及(iv)11,385,000港元之銀行借貸由本公司控股股東及一名第三方擔保(二零一七年：5,103,000港元之銀行借貸由一間附屬公司之董事及一間附屬公司之非控股股東擔保)。該等銀行借貸須於一年內悉數償還。

(b) 銀行借貸，有抵押及無擔保

該等銀行借貸以人民幣(二零一七年：人民幣)計值，按(i)最優惠貸款年利率加0.475厘；或(ii)固定年利率5.655厘(二零一七年：最優惠貸款年利率加1.4厘；或(ii)固定年利率5.655厘)計息。於報告期結束日，(i)5,693,000港元(二零一七年：5,007,000港元)之銀行借貸以本集團之物業、廠房及設備作抵押；及(ii)9,108,000港元(二零一七年：6,700,000港元)之銀行借貸以若干貿易應收款項作抵押。該等銀行借貸須於一年內悉數償還。

(c) 銀行借貸，有抵押及有擔保

該等銀行借貸按香港銀行同業拆息加年利率4.6厘(二零一七年：(i)現行最優惠貸款年利率加170.30個基點；(ii)固定年利率5.655厘；或(iii)最優惠貸款年利率加1.52厘)計息。該等銀行借貸以本公司若干附屬公司全部已發行股本之押記作抵押，由本公司之控股股東擔保(二零一七年：6,003,000港元之銀行借貸以若干貿易應收款項作抵押，由本公司、一間附屬公司之非控股股東及董事擔保；而餘下21,613,000港元之銀行借貸以已質押銀行存款作抵押，由一間附屬公司之董事擔保)。該等銀行借貸須於一年內悉數償還。

銀行借貸中零港元(二零一七年：27,616,000港元)以人民幣計值。

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24. INTEREST-BEARING BORROWINGS (Continued)

Notes: (Continued)

(d) Margin loans, secured and unguaranteed

The margin loans were secured by certain listed equity securities held under the securities margin account, with a total market value of HK\$1,523,247,000 as at 31 December 2018 (2017: HK\$1,561,083,000). These loans carried interest rate of (i) ranging from 5.125% to 12% per annum; or (ii) at prime rate plus 2.5% per annum (2017: ranging from 3% to 8.25% per annum) and are repayable on demand.

(e) Loan from a third party, unsecured and unguaranteed

The loan due to an independent third party is unsecured, carried interest rate of 9% per annum (2017: 9% per annum) and are repayable within one year.

(f) Loans from financial institutions, secured and guaranteed

The loans due to financial institutions of HK\$250,000,000 is secured by 203,854,292 share of Enterprise Development, guaranteed by the controlling shareholder of the Company and carried interest rate at The Bank of China (Hong Kong) Limited ("BOCHK")'s HK\$ prime rate plus 2% per annum (2017: the same). The loan is due in July 2019 (2017: July 2019) pursuant to the loan agreement. The loan agreement contains clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Company has complied with the covenants and met the scheduled repayment obligations, and therefore the loan was classified as current liabilities in 2017 even though the directors of the Company do not expect that the lender would exercise their rights to demand repayment.

The remaining loans due to financial institutions of HK\$141,000,000 (2017: HK\$Nil) is secured by a securities account, with a total market value of HK\$451,396,000 as at 31 December 2018, guaranteed by the controlling shareholder of the Company and carried at fixed rate of 6.625% per annum. The loans are wholly repayable within one year.

24. 計息借貸(續)

附註：(續)

(d) 孖展貸款，有抵押及無擔保

該等孖展貸款以於證券孖展帳戶持有之若干上市股本證券作抵押，於二零一八年十二月三十一日之總市值為1,523,247,000港元(二零一七年：1,561,083,000港元)。該等貸款(i)按年利率介乎5.125厘至12厘；或(ii)最優惠利率加年利率2.5厘(二零一七年：年利率介乎3厘至8.25厘)計息，並須按要求償還。

(e) 來自一名第三方之貸款，無抵押及無擔保

該等應付獨立第三方之貸款為無抵押，按年利率9厘(二零一七年：年利率9厘)計息，並須於一年內償還。

(f) 來自財務機構之貸款，有抵押及有擔保

該筆應付財務機構之貸款250,000,000港元以203,854,292股企展股份作抵押，由本公司之控股股東擔保，按中國銀行(香港)有限公司(「中銀香港」)港元最優惠利率加年利率2厘計息(二零一七年：相同)。根據貸款協議，該貸款於二零一九年七月(二零一七年：二零一九年七月)到期。貸款協議載有條款，給予貸款人權利隨時按其全權酌情要求即時還款，而不論本公司是否已遵守契諾及履行預訂還款責任。因此，即使本公司董事預期貸款人不會行使權利要求還款，該筆貸款已於二零一七年分類為流動負債。

141,000,000港元(二零一七年：零港元)應付財務機構之餘下貸款由一個證券帳戶作抵押，該證券帳戶於二零一八年十二月三十一日之總市值為451,396,000港元，由本公司控股股東擔保，並按年利率6.625厘列帳。該等貸款須於一年內悉數償還。

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

24. INTEREST-BEARING BORROWINGS (Continued)

Notes: (Continued)

(g) Obligations under finance leases

24. 計息借貸(續)

附註：(續)

(g) 融資租賃債務

| | | Minimum lease payments 最低租賃付款 | | Present value of minimum lease payments 最低租賃付款現值 | |
|--|----------------|----------------------------------|----------------------------------|---|----------------------------------|
| | | 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 |
| Amount payable | 應付款項 | | | | |
| Within one year | 一年內 | 164 | 164 | 145 | 154 |
| In the second to fifth years inclusive | 第二至第五年(包括首尾兩年) | 122 | 286 | 134 | 279 |
| | | 286 | 450 | 279 | 433 |
| Future finance charges | 未來融資費用 | (7) | (17) | | |
| Present value of lease obligations | 租賃債務現值 | 279 | 433 | | |
| Amount due for settlement within 12 months | 於12個月內到期清償之金額 | | | 158 | 154 |
| Amount due for settlement after 12 months | 於12個月後到期清償之金額 | | | 121 | 279 |
| | | | | 279 | 433 |

The obligations under finance leases are interest-bearing at 1.45% (2017: 1.45%) per annum and are repayable in monthly instalments with the final instalment due in April 2020.

融資租賃債務按年利率1.45厘(二零一七年：1.45厘)計息，須每月分期攤還，最後一期還款於二零二零年四月到期。

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

25. DEFERRED TAXATION

The following is the analysis of major deferred taxation assets (liabilities) recognised by the Group and movement thereon:

25. 遞延稅項

以下為本集團所確認主要遞延稅項資產(負債)及其變動之分析：

| | | 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 | 3,828 | 1,009 |
| Deferred tax liabilities | 遞延稅項負債 | (4,609) | (26,528) |
| | | (781) | (25,519) |

| | | Allowance for trade and other receivables 貿易及其他 應收款項備抵 HK\$'000 千港元 | Fair value adjustments 公平值 調整 HK\$'000 千港元 | Others 其他 HK\$'000 千港元 | Total 其他總計 HK\$'000 千港元 |
|--|---|--|---|---------------------------------|----------------------------------|
| At 1 January 2017 | 於二零一七年 一月一日 | 549 | (30,518) | — | (29,969) |
| Additions – acquisition of subsidiaries | 添置 — 收購附屬 公司 | — | (2,865) | 377 | (2,488) |
| Credited to profit or loss | 計入損益帳 | 6 | 6,855 | — | 6,861 |
| Exchange realignments | 匯兌調整 | 41 | — | 36 | 77 |
| At 31 December 2017 and 1 January 2018 (previously stated) | 於二零一七年 十二月三十一日及 二零一八年 一月一日 (過往呈列) | 596 | (26,528) | 413 | (25,519) |
| Effect on adoption of HKFRS 9 (note 2) | 採納香港財務報告 準則第9號之影響 (附註2) | 2,986 | — | — | 2,986 |
| At 31 December 2017 and 1 January 2018 (restated) | 於二零一七年 十二月三十一日及 二零一八年 一月一日(經重列) | 3,582 | (26,528) | 413 | (22,533) |
| Credited to profit or loss (note 8) | 計入損益帳 (附註8) | 42 | 21,919 | — | 21,961 |
| Exchange realignments | 匯兌調整 | (190) | — | (19) | (209) |
| At 31 December 2018 | 於二零一八年 十二月三十一日 | 3,434 | (4,609) | 394 | (781) |

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25. DEFERRED TAXATION (Continued)

At end of the reporting period, the Group had unrecognised tax losses of approximately HK\$2,386,821,000 (2017: HK\$555,725,000) available for offsetting against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The expiry dates of unrecognized tax losses 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 |
|---|-------------------------|----------------------------------|----------------------------------|
| Tax losses without expiry date | 並無到期日之稅項虧損 | 2,374,434 | 555,725 |
| Tax losses expiring on 31 December 2023 | 於二零二三年十二月三十一日期 之稅項虧損 | 12,387 | — |
| | | 2,386,821 | 555,725 |

The accumulated profits of HK\$181,459,000 (2017: HK\$527,707,000) from certain PRC subsidiaries would be subject to additional tax if they are distributed. No deferred tax liabilities have been recognised in respect of the tax that would be payable on the distribution of the accumulated profits as the Company controls the dividend policy of these subsidiaries and in the opinion of the directors of the Company, these accumulated profits, at the present time, are retained for financing the continuing operations of the entities and no distribution would be made in the foreseeable future.

25. 遞延稅項(續)

於報告期結束日，本集團有未確認稅項虧損約2,386,821,000港元(二零一七年：555,725,000港元)，可供抵銷未來溢利。由於未能預測未來溢利來源，故並無就該等稅項虧損確認遞延稅項資產。未確認之稅項虧損之到期日如下：

若干中國附屬公司之累計溢利181,459,000港元(二零一七年：527,707,000港元)如被分派，將須繳納額外稅項。由於本公司控制該等附屬公司之股息政策，且本公司董事認為該等累計溢利目前保留作該等附屬公司之持續經營資金，不會於可見將來分派，故並無就分派該等累計溢利時應付之稅項確認遞延稅項負債。

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26. PROMISSORY NOTES

26. 承兌票據

| | | Debt component 債務部分 HK\$'000 千港元 | Deferred day-one gain 遞延首日收益 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 | 964,793 | 33,256 | 998,049 |
| Fair value of promissory notes issued at the inception date | 已發行承兌票據於初始日期之公平值 | 452,791 | — | 452,791 |
| Day-one gain of newly issued promissory notes at inception not recognised in profit or loss | 新發行承兌票據於初始時未於損益帳確認之首日收益 | — | 11,709 | 11,709 |
| Interest charged for the year | 年內利息支出 | 76,462 | — | 76,462 |
| Interest payable on promissory notes included in other payables | 計入其他應付款項之承兌票據應付利息 | (39,617) | — | (39,617) |
| Amortisation of deferred day-one gain | 遞延首日收益攤銷 | — | (20,479) | (20,479) |
| Set-off with contingent consideration receivables | 抵銷應收或然代價 | (173,851) | — | (173,851) |
| Settlement | 結算 | (565,240) | — | (565,240) |
| At 1 January 2018 | 於二零一八年 一月一日 | 715,338 | 24,486 | 739,824 |
| Fair value of promissory notes issued at the inception date | 已發行承兌票據於初始日期之公平值 | 219,909 | — | 219,909 |
| Interest charged for the year (note 5(a)) | 年內利息支出 (附註5(a)) | 53,067 | — | 53,067 |
| Interest payable on promissory notes included in other payables (note 32) | 計入其他應付款項之承兌票據應付利息 (附註32) | (39,093) | — | (39,093) |
| Amortisation of deferred day-one gain (note 3(b)) | 遞延首日收益攤銷 (附註3(b)) | — | (11,070) | (11,070) |
| Settlement | 結算 | (226,000) | — | (226,000) |
| At 31 December 2018 | 於二零一八年 十二月三十一日 | 723,221 | 13,416 | 736,637 |

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

26. PROMISSORY NOTES (Continued)

26. 承兌票據(續)

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|--------------|----------------------------------|----------------------------------|
| The maturity of the promissory notes is as follows: | 承兌票據之到期情況如下： | | |
| Within 1 year | 一年內 | 645,975 | 199,881 |
| 2 to 5 years | 二至五年 | 85,662 | 534,943 |
| Over 5 years | 五年以上 | 5,000 | 5,000 |
| | | <u>736,637</u> | <u>739,824</u> |
| Portion classified as current liabilities | 分類為流動負債之部分 | (645,975) | (199,881) |
| Non-current portion | 非流動部分 | <u>90,662</u> | <u>539,943</u> |

Promissory Notes A, Promissory Notes B, Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I

In prior years, the Group issued several promissory notes ("Promissory Notes A", "Promissory Notes B", "Promissory Notes F", "Promissory Notes G", "Promissory Notes H" and "Promissory Notes I") of HK\$80,000,000, HK\$400,000,000, HK\$8,000,000, HK\$1,500,000, HK\$5,000,000 and HK\$450,000,000, at 5% interest rate per annum with 7 years of maturity, at 6% interest rate per annum with 2 years of maturity, at 6% interest rate per annum with 4 years of maturity, at 6% interest rate per annum with 5 years of maturity, at 6% interest rate per annum with 7 years of maturity and at 6% interest rate per annum with 2 years of maturity from the date of issue respectively, to several independent third parties.

承兌票據A、承兌票據B、承兌票據F、承兌票據G、承兌票據H及承兌票據I

於過往年度，本集團發行分別80,000,000港元、400,000,000港元、8,000,000港元、1,500,000港元、5,000,000港元及450,000,000港元之多份承兌票據(「承兌票據A」、「承兌票據B」、「承兌票據F」、「承兌票據G」、「承兌票據H」及「承兌票據I」)予數名獨立第三方，承兌票據A按年利率5厘發行，於由發行日期起計滿七年時到期，承兌票據B按年利率6厘發行，於由發行日期起計滿兩年時到期，承兌票據F按年利率6厘發行，於由發行日期起計滿四年時到期，承兌票據G按年利率6厘發行，於由發行日期起計滿五年時到期，承兌票據H按年利率6厘發行，於由發行日期起計滿七年時到期，而承兌票據I按年利率6厘發行，於由發行日期起計滿兩年時到期。

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26. PROMISSORY NOTES (Continued)

Promissory Notes A, Promissory Notes B, Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I (Continued)

During the year ended 31 December 2018, interest expenses on Promissory Notes A, Promissory Notes B, Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I of HK\$9,686,000, HK\$Nil, HK\$480,000, HK\$90,000, HK\$300,000 and HK\$32,746,000 (2017: HK\$8,900,000, HK\$18,221,000, HK\$412,000, HK\$48,000, HK\$50,000 and HK\$13,642,000); and amortisation of deferred day-one gain on Promissory Notes A, Promissory Notes B and Promissory Notes I of HK\$5,050,000, HK\$Nil and HK\$5,854,000 (2017: HK\$5,049,000, HK\$4,804,000 and HK\$1,982,000) were recognised in profit or loss respectively.

The Promissory Notes B of HK\$400,000,000 matured and was fully settled in 2017.

Promissory Notes C

In January 2016, the Group issued promissory notes of HK\$200,000,000 in aggregate at 4% interest rate per annum with 2 years of maturity from the date of issue to a financial institution in Hong Kong (“**Promissory Notes C**”). Promissory Notes C is guaranteed by the controlling shareholder of the Company and secured by the charges over the entire issued share capital in certain subsidiaries of the Company.

During the year ended 31 December 2018, interest expenses on Promissory Notes C of HK\$2,038,000 (2017: HK\$16,978,000); and amortisation of deferred day-one gain on Promissory Notes C of HK\$166,000 (2017: HK\$8,644,000) were recognised in profit or loss.

The Promissory Notes C of HK\$200,000,000 matured and was fully settled during the year.

26. 承兌票據(續)

承兌票據A、承兌票據B、承兌票據F、承兌票據G、承兌票據H及承兌票據I (續)

於截至二零一八年十二月三十一日止年度，承兌票據A、承兌票據B、承兌票據F、承兌票據G、承兌票據H及承兌票據I之利息開支分別9,686,000港元、零港元、480,000港元、90,000港元、300,000港元及32,746,000港元(二零一七年：8,900,000港元、18,221,000港元、412,000港元、48,000港元、50,000港元及13,642,000港元)；以及承兌票據A、承兌票據B及承兌票據I之遞延首日收益攤銷分別5,050,000港元、零港元及5,854,000港元(二零一七年：5,049,000港元、4,804,000港元及1,982,000港元)已於損益帳確認。

400,000,000港元之承兌票據B已於二零一七年到期並悉數結算。

承兌票據C

於二零一六年一月，本集團按年利率4厘發行合共200,000,000港元之承兌票據(「**承兌票據C**」)予香港一間財務機構，於由發行日期起計滿兩年時到期。承兌票據C由本公司控股股東提供擔保，並以本公司若干附屬公司全部已發行股本之押記作抵押。

於截至二零一八年十二月三十一日止年度，承兌票據C之利息開支2,038,000港元(二零一七年：16,978,000港元)及遞延首日收益攤銷166,000港元(二零一七年：8,644,000港元)已於損益帳確認。

200,000,000港元之承兌票據C已於年內到期及悉數結算。

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26. PROMISSORY NOTES (Continued)

Promissory Notes D and Promissory Notes E

In connection with the acquisition of 51% equity interests in Next Concept Group in April 2016, the Group issued two promissory notes (“**Promissory Notes D**” and “**Promissory Notes E**”) of HK\$165,240,000 each to the selling shareholders of Next Concept Group as part of the acquisition consideration. Promissory Notes D and Promissory Notes E were issued at interest rate per annum of 3% and matured on 30 April 2017 and 30 April 2018 respectively.

During the year ended 31 December 2018, no interest expenses on Promissory Notes D and Promissory Notes E (2017: HK\$6,998,000 and HK\$11,213,000) were recognised in profit or loss respectively as the Promissory D and Promissory Notes E were fully settled in 2017.

Promissory Notes J and Promissory Notes K

In connection with the acquisition of financial assets at FVPL in August 2018 as set out in note 18(d) and 18(e) to the consolidated financial statements, the Group issued two promissory notes (“**Promissory Notes J**” and “**Promissory Notes K**”) of HK\$175,000,000 and HK\$50,000,000 to Satinu and Simagi respectively as subscription consideration. Promissory Notes J and Promissory Notes K were both issued at 6.5% interest rate per annum with 1 year of maturity from the date of issue.

At the issue dates, the fair value of Promissory Notes J and Promissory Notes K were HK\$171,240,000 and HK\$48,669,000 respectively on initial recognition and measured based on the present value of their expected future cash flows. In obtaining the present value, risk-adjusted discount rate of 9.3% per annum were applied as an input. The risk-adjusted discount rates were estimated by APAC based on the interest rate of notes issuers with similar credit rating of the Company. Subsequently, Promissory Notes J and Promissory Notes K were measured at amortised cost by using an effective interest method until extinguished on redemption.

During the year ended 31 December 2018, interest expenses on Promissory Notes J and Promissory Notes K of HK\$5,847,000 and HK\$1,880,000 were recognised in profit or loss respectively.

Partial settlement of HK\$26,000,000 in Promissory Notes J was made during the year.

26. 承兌票據(續)

承兌票據D及承兌票據E

就於二零一六年四月收購進念集團51%股本權益，本集團發行各為165,240,000港元之兩份承兌票據(「**承兌票據D**」及「**承兌票據E**」)予進念集團之售股股東。承兌票據D及承兌票據E按年利率3厘發行，並已分別於二零一七年四月三十日及二零一八年四月三十日到期，作為部分收購代價。

於截至二零一八年十二月三十一日止年度，由於承兌票據D及承兌票據E已於二零一七年悉數結算，因此承兌票據D及承兌票據E概無利息開支(二零一七年：6,998,000港元及11,213,000港元)於損益帳確認。

承兌票據J及承兌票據K

有關於二零一八年八月收購於損益帳按公平值處理之財務資產(有關內容載於綜合財務報表附註18(d)及18(e))，本集團分別向Satinu及Simagi發行175,000,000港元及50,000,000港元之兩份承兌票據(「**承兌票據J**」及「**承兌票據K**」)，作為認購代價。承兌票據J及承兌票據K均按年利率6.5厘發行，於發行日期起計一年內到期。

於發行日期，承兌票據J及承兌票據K於初步確認時之公平值分別為171,240,000港元及48,669,000港元，此乃按預期未來現金流量之現值計量。得出有關現值時已使用年率9.3厘之風險調整貼現率作輸入項目。風險調整貼現率乃亞太根據與本公司相若之票據發行人之利率估算之貼現率估算。其後，承兌票據J及承兌票據K採用實際利率法按攤銷成本計量，直至於贖回時被消除為止。

於截至二零一八年十二月三十一日止年度，承兌票據J及承兌票據K之利息開支分別5,847,000港元及1,880,000港元已於損益帳確認。

26,000,000港元之承兌票據J已於年內部分結算。

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27. DEFINED CONTRIBUTION PLANS

The group companies in Hong Kong participate in the MPF scheme which is a defined contribution scheme managed by independent trustees. The assets of the fund are held separately from those of the group companies and are managed by independent professional fund managers. Under the MPF scheme, each of the companies (the employer) and its employees make monthly contributions to the MPF scheme at 5% of the employees' earnings as defined under the MPF legislation. The monthly contributions of each of the employees are subject to a cap of HK\$1,500 (2017: cap of HK\$1,500) and thereafter contributions are voluntary.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of the PRC. These subsidiaries of the Group are required to contribute certain percentage of their payroll costs to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

Contributions of approximately HK\$34,354,000 (2017: HK\$29,152,000) were made during the year ended 31 December 2018.

At 31 December 2018 and 2017, the Group had no material forfeited contribution available to reduce its contributions to the retirement benefits scheme in future years.

27. 界定供款計劃

本集團旗下在香港之公司已參加強積金計劃，該計劃乃由獨立受託人管理之界定供款計劃。該基金之資產與本集團各公司之資產分開持有，並由獨立專業基金經理管理。根據強積金計劃，各公司（僱主）及其僱員須根據強積金法例所界定，各自每月向強積金計劃作出相等於僱員收入5%之供款。每名僱員之每月供款上限為1,500港元（二零一七年：1,500港元），超出之供款純屬自願性質。

本集團中國附屬公司之僱員為中國政府所營辦國家管理退休福利計劃之成員。本集團之附屬公司須向退休福利計劃貢獻其工資成本之若干百分比，以作為福利資金。本集團關於退休福利計劃之唯一責任為作出指定供款。

本集團於截至二零一八年十二月三十一日止年度作出之供款約為34,354,000港元（二零一七年：29,152,000港元）。

於二零一八年及二零一七年十二月三十一日，本集團並無重大已沒收供款可供扣減未來年度之退休福利計劃供款。

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28. CONTINGENT CONSIDERATION PAYABLES

28. 應付或然代價

| | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| At beginning of the reporting period 於報告期初 | 16,713 | 15,540 |
| Fair value change 公平值變動 | (16,524) | — |
| Settlement of profit guarantee 溢利保證結算 | (5,718) | — |
| Compensation from profit guarantee 溢利保證賠償 | 5,590 | — |
| Exchange realignments 匯兌調整 | (61) | 1,173 |
| At end of the reporting period 於報告期結束日 | — | 16,713 |

In April 2016, the Group completed the acquisition of 75% equity interests in Lepei. As part and parcel of the acquisition, the Group and the selling shareholders of Lepei (the “**Selling Shareholders A**”) entered into a profit guarantee agreement (the “**PG Agreement**”), pursuant to which the Group shall pay cash up to the value of RMB4,898,000 (equivalent to HK\$5,718,000) and RMB9,477,000 (equivalent to HK\$11,064,000) for the year ended 31 December 2017 and year ended 31 December 2018 respectively (“**Lepei Compensation**”), to the Selling Shareholders A if the profits after taxation of Lepei for the years ended 31 December 2016, 2017 and 2018 reached RMB4,500,000 (equivalent to HK\$5,346,000), RMB5,850,000 (equivalent to HK\$6,950,000) and RMB7,605,000 (equivalent to approximately HK\$9,036,000) respectively (the “**Lepei Profit Guarantee**”). In the opinion of the directors of the Company, this profit guarantee is for the exchange of control for Lepei and therefore considered as contingent consideration payables.

於二零一六年四月，本集團完成收購樂佩75%股本權益。作為收購的一部分，本集團與樂佩之售股股東（「**售股股東A**」）訂立一份溢利保證協議，據此，倘樂佩截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之除稅後溢利分別達到人民幣4,500,000元（相等於5,346,000港元）、人民幣5,850,000元（相等於6,950,000港元）及人民幣7,605,000元（相等於約9,036,000港元），則本集團須於截至二零一七年十二月三十一日止年度及截至二零一八年十二月三十一日止年度分別向售股股東A支付價值最高人民幣4,898,000元（相等於5,718,000港元）及人民幣9,477,000元（相等於11,064,000港元）之現金（「**樂佩賠償**」）（「**樂佩溢利保證**」）。本公司董事認為，該溢利保證乃為交換樂佩之控制權，因此被視為應付或然代價。

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28. CONTINGENT CONSIDERATION PAYABLES

(Continued)

If Lepei is not able to meet the Lepei Profit Guarantee, the Selling Shareholders A have jointly and severally, unconditionally and irrevocably guaranteed to compensate the Group, from deducting not more than RMB5,608,000 (equivalent to HK\$6,663,000), RMB7,290,000 (equivalent to HK\$8,661,000) and RMB9,477,000 (equivalent to HK\$11,260,000) for the years ended 31 December 2016, 2017 and 2018 respectively from Lepei Compensation if the profits after taxation of Lepei for the years ended 31 December 2016, 2017 and 2018 do not reach the guarantee level. The additional consideration or compensation shall be settled in cash.

In December 2018, the Group has paid additional consideration of RMB4,898,000 (equivalent to HK\$5,718,000) to the Selling Shareholders A as the accumulated profit after tax of Lepei for the years ended 31 December 2016 and 2017 exceeded RMB10,350,000 (equivalent to HK\$12,296,000).

Since the accumulated profit after tax of Lepei for the years ended 31 December 2016, 2017 and 2018 was less than RMB17,955,000 (equivalent to HK\$21,332,000), the Group considered that the Lepei Profit Guarantee was not met.

28. 應付或然代價(續)

倘樂佩無法達到樂佩溢利保證，則售股股東A已共同及各別地、無條件地及不可撤銷地擔保向本集團賠償，方式為倘樂佩截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之除稅後溢利未能達致保證水平，則就截至二零一六年、二零一七年及二零一八年十二月三十一日止年度分別從樂佩賠償扣除不多於人民幣5,608,000元(相等於6,663,000港元)、人民幣7,290,000元(相等於8,661,000港元)及人民幣9,477,000元(相等於11,260,000港元)。額外代價或賠償應以現金結清。

於二零一八年十二月，本集團已向售股股東A支付額外代價人民幣4,898,000元(相當於5,718,000港元)作為樂佩截至二零一六年及二零一七年十二月三十一日止年度超過人民幣10,350,000元(相當於12,296,000港元)之累計除稅後溢利。

由於樂佩截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之累計除稅後溢利少於人民幣17,955,000元(相等於約21,332,000港元)，本集團認為樂佩溢利保證未能達成。

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29. CONVERTIBLE BONDS

The movement of liability component at amortised costs of the convertible bonds is as follows:

29. 可換股債券

可換股債券按攤銷成本之負債部分變動如下：

| | | 2016 Convertible Bonds 二零一六年 可換股債券 (Note a) (附註 a) HK\$'000 千港元 | 2017 Convertible Bonds 二零一七年 可換股債券 (Note b) (附註 b) 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 | 599,150 | — | 599,150 |
| Nominal value of convertible bonds issued | 已發行可換股債券之面值 | — | 14,000 | 14,000 |
| Equity component at the issue date | 於發行日期之權益部分 | — | (933) | (933) |
| Liability components at the issue date | 於發行日期之負債部分 | — | 13,067 | 13,067 |
| Interest charged for the year | 年內利息支出 | 65,903 | 554 | 66,457 |
| Interest payable on convertible bonds included in other payables | 計入其他應付款項之可換股債券應付利息 | (34,286) | — | (34,286) |
| Exchange realignments | 匯兌調整 | 4,774 | — | 4,774 |
| | | 36,391 | 554 | 36,945 |
| At 31 December 2017 and at 1 January 2018 | 於二零一七年十二月三十一日及於二零一八年一月一日 | 635,541 | 13,621 | 649,162 |
| Interest charged for the year (note 5(a)) | 年內利息支出 (附註 5(a)) | 69,715 | 379 | 70,094 |
| Interest payable on convertible bonds included in other payables (note 32) | 計入其他應付款項之可換股債券應付利息 (附註 32) | (34,436) | — | (34,436) |
| Reclassification (note 23(b)) | 重新分類(附註 23(b)) | — | (14,000) | (14,000) |
| Exchange realignments | 匯兌調整 | 1,297 | — | 1,297 |
| | | 36,576 | (13,621) | 22,955 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 672,117 | — | 672,117 |

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29. CONVERTIBLE BONDS (Continued)

29. 可換股債券(續)

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|---------------|----------------------------------|----------------------------------|
| The maturity of the convertible bonds is as follows: | 可換股債券之到期情況如下： | | |
| Within 1 year | 一年內 | 672,117 | 13,621 |
| 2 to 5 years | 二至五年 | — | 635,541 |
| | | <u>672,117</u> | <u>649,162</u> |
| Portion classified as current liabilities | 分類為流動負債之部分 | <u>(672,117)</u> | <u>(13,621)</u> |
| | | <u>—</u> | <u>635,541</u> |
| Non-current portion | 非流動部分 | — | 635,541 |

Notes:

- (a) On 9 September 2016, the Company, as the issuer, entered into a placing agreement with a lead manager, pursuant to which the Company conditionally agreed to issue, and the lead manager conditionally agreed to procure (a) the first round investors to subscribe for the initial convertible bonds in the principal amount of US\$80,000,000 (the "2016 Convertible Bonds I"); and (b) the second round investors to subscribe for the additional convertible bonds in the principal amount of US\$30,000,000 (the "2016 Convertible Bonds II"), at the initial conversion price of HK\$0.586 per share (collectively referred to the "2016 Convertible Bonds") based on the agreed exchange rate of US\$1 = HK\$7.755.

On 23 September 2016, the Company issued 2016 Convertible Bonds I of US\$80,000,000 to two investors which is convertible into 1,058,703,070 conversion shares at maximum. The 2016 Convertible Bonds I are secured, interest-bearing at 5.5% per annum and have a term of 3 years. As 2016 Convertible Bonds I will mature in September 2019, they are therefore classified as current liabilities.

附註：

- (a) 於二零一六年九月九日，本公司(作為發行人)與牽頭經辦人訂立一份配售協議。據此，本公司有條件同意發行，而牽頭經辦人則有條件同意促使(a)首輪投資者認購首批可換股債券，本金額為80,000,000美元(「二零一六年可換股債券I」)；及(b)第二輪投資者認購額外可換股債券，本金額為30,000,000美元(「二零一六年可換股債券II」)，初步轉換價為每股0.586港元(統稱「二零一六年可換股債券」)，按協定匯率1美元兌7.755港元計算。

於二零一六年九月二十三日，本公司向兩名投資者發行80,000,000美元之二零一六年可換股債券I(最多可轉換為1,058,703,070股轉換股份)。二零一六年可換股債券I為有抵押、按年利率5.5厘計息及年期為三年。由於二零一六年可換股債券I將於二零一九年九月到期，故已分類為流動負債。

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29. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

- (b) In August 2015, the Group completed the acquisition of 51% equity interests in CNEOP. As part and parcel of the acquisitions, the Group and a selling shareholder of CNEOP (the “**Selling Shareholder B**”) entered into a profit guarantee agreement, pursuant to which the Company shall issue and allot the convertible bonds in the principal amounts up to the value of HK\$29,060,000 and pay up to HK\$8,290,000 in cash to the Selling Shareholder B subject to the satisfaction of the profit indicator.

On 25 May 2017, the Company issued convertible bonds in the principal amount of HK\$14,000,000 (the “**2017 Convertible Bonds**”), at the adjusted conversion price of HK\$0.42 per share which is convertible into 33,333,333 conversion shares at maximum, to the Selling Shareholder B upon the satisfaction of the profit indicator for the years ended 31 December 2015 and 2016. The 2017 Convertible Bonds are unsecured, interest free and have a term of 1 year.

The 2017 Convertible Bonds of HK\$14,000,000 have matured at end of the reporting period and were included in the “Trade and other payables” as at 31 December 2018. None of the principal amount of the 2017 Convertible Bonds has been converted into conversion shares.

Due to the satisfaction of the profit indicator for the year ended 31 December 2017, the Group is obligated to issue convertible bonds in principal amount of HK\$15,060,000 and pay cash of HK\$4,300,000 to the Selling Shareholder B. However, no convertible bond or cash has been issued or paid to the Selling Shareholder B during the year ended 31 December 2018 and the aggregate amount payable to the Selling Shareholder B of HK\$19,360,000 was included in the “Trade and other payables” as at 31 December 2018.

29. 可換股債券(續)

附註：(續)

- (b) 於二零一五年八月，本集團完成收購中光遠51%股本權益。作為收購的一部分，本集團與中光遠之售股股東(「**售股股東B**」)訂立一份溢利保證協議，據此，在達成溢利指標之規限下，本公司將向售股股東B發行及配發本金額價值最高29,060,000港元之可換股債券及支付最多8,290,000港元現金。

在達成截至二零一五年及二零一六年十二月三十一日止年度之溢利指標後，於二零一七年五月二十五日，本公司按經調整轉換價每股0.42港元向售股股東B發行本金額為14,000,000港元之可換股債券(「**二零一七年可換股債券**」)，最多可轉換為33,333,333股轉換股份。二零一七年可換股債券為無抵押及免息，年期為1年。

於二零一八年十二月三十一日，14,000,000港元之二零一七年可換股債券已於報告期結束日到期，計入「貿易及其他應付款項」。二零一七年可換股債券之本金額並無轉換為轉換股份。

由於截至二零一七年十二月三十一日止年度已達成溢利指標，本集團須發行本金額為15,060,000港元之可換股債券，並向售股股東B支付現金4,300,000港元。然而，於截至二零一八年十二月三十一日止年度並無向售股股東B發行可換股債券或支付現金，應付售股股東B之總額19,360,000港元已於二零一八年十二月三十一日計入「貿易及其他應付款項」。

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30. SHARE CAPITAL

30. 股本

| | | 2018 二零一八年 | | 2017 二零一七年 | |
|---|------------------|--|-----------------|--|-----------------|
| | | No. of shares 股份數目 (Thousands) (千股) | HK\$'000 千港元 | No. of shares 股份數目 (Thousands) (千股) | HK\$'000 千港元 |
| Authorised: | 法定： | | | | |
| At beginning of the reporting period and at end of the reporting period | 於報告期初及於報告期結束日 | | | | |
| Ordinary shares of HK\$0.001 each | 每股面值0.001港元之普通股 | 5,000,000,000 | 5,000,000 | 5,000,000,000 | 5,000,000 |
| Issued and fully paid: | 已發行及繳足： | | | | |
| At beginning of the reporting period | 於報告期初 | | | | |
| Ordinary shares of HK\$0.001 each | 每股面值0.001港元之普通股 | 11,148,390 | 11,148 | 10,148,390 | 10,148 |
| Shares repurchased (note (a)) | 已購回股份 (附註(a)) | (125,810) | (126) | — | — |
| Issue of new shares | 發行新股份 | — | — | 1,000,000 | 1,000 |
| At end of the reporting period | 於報告期結束日 | | | | |
| Ordinary shares of HK\$0.001 each | 每股面值0.001港元之普通股 | 11,022,580 | 11,022 | 11,148,390 | 11,148 |

Note:

- (a) During the year, pursuant to the general mandate given to the directors of the Company, the Company repurchased a total of 129,570,000 of its shares on the Stock Exchange at a total consideration of HK\$21,303,000, in which 125,810,000 shares were cancelled. The nominal value of the cancelled shares of HK\$126,000 was credited to capital redemption reserve. The remaining 3,760,000 shares were recognised as treasury shares as at 31 December 2018.

The total consideration paid to repurchase these shares were HK\$21,303,000, which has been deducted from equity attributable to the owners of the Company.

附註：

- (a) 於本年度，根據授予本公司董事之一般授權，本公司按總代價21,303,000港元於聯交所合共購回129,570,000股股份，其中125,810,000股股份已註銷。126,000港元之已註銷股份面值已計入資本贖回儲備。餘下3,760,000股股份已於二零一八年十二月三十一日確認為庫存股份。

就購回該等股份之總代價為21,303,000港元，該款項已從本公司擁有人應佔股權中扣減。

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31. SHARE OPTIONS

(a) Share option scheme

On 2 June 2017, with approval by the shareholders, the Company adopted a new share option scheme (the “**Scheme**”) for a period of 10 years to replace the share option scheme approved on 6 August 2007 that would otherwise expire on 6 August 2017.

Under the Scheme, the Company may grant options to directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group. The options will expire either after 10 years from the date of grant or upon the termination or the issuance of termination notice of the relevant grantee’s employment with the Group. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be.

The maximum number of shares in respect of which share options may be granted to a specifically identified single grantee under the Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

31. 購股權

(a) 購股權計劃

於二零一七年六月二日，本公司在股東批准下採納一項新購股權計劃（「計劃」），有效期10年，以取代於二零零七年八月六日獲批准並應於二零一七年八月六日屆滿之購股權計劃。

根據計劃，本公司可向本集團董事及僱員以及董事會全權酌情認為曾經或將會對本集團作出貢獻之任何其他人士授出購股權。購股權將於由授出日期起計10年後或於終止或藉發出終止通知終止相關承授人與本集團之僱傭關係後失效。將於根據計劃及本公司任何其他購股權計劃授出但尚未行使之所有發行在外購股權獲行使時發行之股份數目上限，合共不得超過不時已發行股份總數之30%。

於根據計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時可予發行之股份總數，合共不得超過於通過相關普通決議案當日已發行股份之10%。凡向關連人士授出購股權，均須經獨立非執行董事或獨立股東（視情況而定）批准。

於任何12個月期間內，根據計劃可向個別指明單一承授人授出之購股權（包括已行使、已註銷及未行使之購股權）所涉股份數目上限，不得超過已發行股份總數之1%。

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31. SHARE OPTIONS (Continued)

(a) Share option scheme (Continued)

Under the Scheme, the options granted may be accepted by a participant within 14 days from the date of such offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable by the directors of the Company, and commences after a vesting period of no shorter than 12 months and ends on a date which is not later than 10 years from the date of offer of the share options. The subscription price for shares payable on exercise of share options granted under the Scheme shall be a price determined by the directors of the Company, but shall in any event not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of share.

The options granted prior to and remaining outstanding at termination, if any, shall continue to be valid and exercisable in accordance with the terms of the Scheme.

31. 購股權(續)

(a) 購股權計劃(續)

根據計劃，參與者可於由要約日期起計14日內接納所獲授之購股權。接納授出購股權之要約時須支付1港元代價。所授出購股權之行使期由本公司董事釐定，於不少於12個月之歸屬期後開始，最遲於購股權要約日期起計滿10年之日結束。根據計劃授出之購股權獲行使時應付之股份認購價由本公司董事釐定，惟在任何情況下不得低於下列之最高者：(i) 股份於授出要約日期(必須為交易日)在聯交所每日報價表所列之收市價；(ii) 股份於緊接授出要約日期前五個交易日在聯交所每日報價表所列之平均收市價；及(iii) 股份面值。

於終止時已授出及仍未行使之購股權(如有)將繼續有效及可按照計劃之條款行使。

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31. SHARE OPTIONS (Continued)

(b) Movement in share option granted:

The following table discloses movements of the Company's share options held by directors and employees of the Group during the years ended 31 December 2018 and 2017:

2018:

| Name of category of participant | Date of grant ^a | Exercise price | Outstanding at 1 January 2018 於二零一八年一月一日 尚未行使 | Reclassification during the year 年內重新分類 | Granted during the year 年內授出 | Exercised during the year 年內行使 | Lapsed/ Forfeited during the year 年內失效/沒收 | Outstanding at 31 December 2018 於二零一八年十二月三十一日 尚未行使 | The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant 本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元 |
|---|--|-------------------------|---|--|---------------------------------|-----------------------------------|---|--|--|
| Directors in aggregate 董事總計 | 30 March 2015 二零一五年三月三十日 14 July 2016 二零一六年七月十四日 | 0.247 0.520 | 110,000,000 33,000,000 | — — | — — | — — | (60,000,000) — | 50,000,000 33,000,000 | 0.245 0.530 |
| Employees in aggregate 僱員總計 | 30 March 2015 二零一五年三月三十日 14 July 2016 二零一六年七月十四日 6 December 2016 二零一六年十二月六日 | 0.247 0.520 0.493 | 286,863,900 240,500,000 50,000,000 | — — — | — — — | — — — | (165,863,900) (74,700,000) (50,000,000) | 121,000,000 165,800,000 — | 0.245 0.530 0.495 |
| | | | <u>720,363,900</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>(350,563,900)</u> | <u>369,800,000</u> | |
| Weighted average exercise price (HK\$) 加權平均行使價(港元) | | | 0.368 | — | — | — | 0.340 | 0.394 | |

31. 購股權(續)

(b) 已授出購股權之變動：

下表披露於截至二零一八年及二零一七年十二月三十一日止年度由本集團董事及僱員持有之本公司購股權之變動：

二零一八年：

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31. SHARE OPTIONS (Continued)

(b) Movement in share option granted (Continued):

2017:

| Name of category of participant | Date of grant ^Δ | Exercise price | Outstanding at 1 January 2017 | Reclassification during the year | Granted during the year | Exercised during the year | Lapsed/Forfeited during the year | Outstanding at 31 December 2017 | The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant |
|---|-------------------------------|-------------------|-------------------------------|----------------------------------|-------------------------|---------------------------|----------------------------------|---------------------------------|---|
| 參與者類別名稱 | 授出日期 ^Δ | 行使價 HK\$ 港元 | 於二零一七年一月一日尚未行使 | 年內重新分類 | 年內授出 | 年內行使 | 年內失效/沒收 | 於二零一七年十二月三十一日尚未行使 | 本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元 |
| Directors in aggregate 董事總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | 152,363,900 | (42,363,900) | — | — | — | 110,000,000 | 0.245 |
| | 14 July 2016 二零一六年七月十四日 | 0.520 | 80,000,000 | (47,000,000) | — | — | — | 33,000,000 | 0.530 |
| Employees in aggregate 僱員總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | 442,411,250 | 42,363,900 | — | — | (197,911,250) | 286,863,900 | 0.245 |
| | 14 July 2016 二零一六年七月十四日 | 0.520 | 508,800,000 | 47,000,000 | — | — | (315,300,000) | 240,500,000 | 0.530 |
| | 6 December 2016 二零一六年十二月六日 | 0.493 | 50,000,000 | — | — | — | — | 50,000,000 | 0.495 |
| | | | <u>1,233,575,150</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>(513,211,250)</u> | <u>720,363,900</u> | |
| Weighted average exercise price (HK\$) 加權平均行使價(港元) | | | <u>0.387</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>0.415</u> | <u>0.368</u> | |

Δ The options granted on 30 March 2015, 14 July 2016 and 6 December 2016 were vested as follows:

50% of the share options granted will vest on the second anniversary of the date of grant, subject to the satisfaction of the certain specific conditions; and the remaining 50% of the share options granted will vest on the third anniversary of the date of grant, subject to the satisfaction of the certain specific conditions.

No share options were exercised for the years ended 31 December 2018 and 2017. As at 31 December 2018 and 2017, no share options were exercisable.

31. 購股權(續)

(b) 已授出購股權之變動(續):

二零一七年:

| Name of category of participant | Date of grant ^Δ | Exercise price | Outstanding at 1 January 2017 | Reclassification during the year | Granted during the year | Exercised during the year | Lapsed/Forfeited during the year | Outstanding at 31 December 2017 | The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant |
|---|-------------------------------|-------------------|-------------------------------|----------------------------------|-------------------------|---------------------------|----------------------------------|---------------------------------|---|
| 參與者類別名稱 | 授出日期 ^Δ | 行使價 HK\$ 港元 | 於二零一七年一月一日尚未行使 | 年內重新分類 | 年內授出 | 年內行使 | 年內失效/沒收 | 於二零一七年十二月三十一日尚未行使 | 本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元 |
| Directors in aggregate 董事總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | 152,363,900 | (42,363,900) | — | — | — | 110,000,000 | 0.245 |
| | 14 July 2016 二零一六年七月十四日 | 0.520 | 80,000,000 | (47,000,000) | — | — | — | 33,000,000 | 0.530 |
| Employees in aggregate 僱員總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | 442,411,250 | 42,363,900 | — | — | (197,911,250) | 286,863,900 | 0.245 |
| | 14 July 2016 二零一六年七月十四日 | 0.520 | 508,800,000 | 47,000,000 | — | — | (315,300,000) | 240,500,000 | 0.530 |
| | 6 December 2016 二零一六年十二月六日 | 0.493 | 50,000,000 | — | — | — | — | 50,000,000 | 0.495 |
| | | | <u>1,233,575,150</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>(513,211,250)</u> | <u>720,363,900</u> | |
| Weighted average exercise price (HK\$) 加權平均行使價(港元) | | | <u>0.387</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>0.415</u> | <u>0.368</u> | |

Δ 於二零一五年三月三十日、二零一六年七月十四日及二零一六年十二月六日授出之購股權按下述方式歸屬:

待若干特定條件達成後，已授出購股權之50%將於授出日期之第二週年日歸屬；待若干特定條件達成後，已授出購股權其50%將於授出日期之第三週年日歸屬。

於截至二零一八年及二零一七年十二月三十一日止年度，概無購股權獲行使。於二零一八年及二零一七年十二月三十一日，並無購股權可行使。

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31. SHARE OPTIONS (Continued)

(c) Fair value of share options and assumptions

The fair value of the share options granted is measured at the date of grant, using the binomial option pricing model, taking into account the terms and conditions of the share-based arrangement except for non-market vesting conditions. The fair value calculated is inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The inputs into the model are as follows:

| Grant date | Weighted average fair value at grant date | The closing price of the Company's shares quoted on the Stock Exchange at grant date | Exercise price | Risk-free interest rate | Expected volatility | Expected life | Expected dividend yield |
|-------------------------------|---|--|-------------------------------|-------------------------|---------------------|-----------------|-------------------------|
| 授出日期 | 於授出日期之加權平均公平值 HK\$ per share 每股港元 | 本公司股份於授出日期在聯交所 所報之收市價 HK\$ per share 每股港元 | 行使價 HK\$ per share 每股港元 | 無風險利率 | 預期波幅 | 預期行使期 | 預期股息率 |
| 30 March 2015 二零一五年三月三十日 | 0.134 | 0.247 | 0.247 | 1.450% | 66% | 10 years 10年 | N/A 不適用 |
| 14 July 2016 二零一六年七月十四日 | 0.205 | 0.520 | 0.520 | 0.925% | 44% | 10 years 10年 | N/A 不適用 |
| 6 December 2016 二零一六年十二月六日 | 0.185 | 0.490 | 0.493 | 1.438% | 39% | 10 years 10年 | N/A 不適用 |

The expected volatility was determined by using the historical volatility of the Company's share price over the last one year of share option granted. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate.

During the year ended 31 December 2018, the fair value of equity-settled share-based payment in respect of the Scheme of HK\$9,681,000 was reversed (2017: HK\$19,065,000 was recognised) in profit or loss.

31. 購股權(續)

(c) 購股權公平值及假設

已授出購股權之公平值乃經考慮以股份為基礎安排之條款及條件(非市場歸屬條件除外)後，以二項式購股權定價模型於授出日期計量。因受到計算公平值時之所作假設及所採用計算模型之限制，所計出之公平值本身屬主觀及不確定。計算模型所用之輸入項目如下：

預期波幅乃使用上一授出購股權年度本公司股價之歷史波幅釐定。計算購股權公平值所用之變數及假設乃以董事最佳估計作基礎。

於截至二零一八年十二月三十一日止年度，有關計劃之權益結算以股份支付之款項之公平值9,681,000港元已於損益帳撥回(二零一七年：已確認19,065,000港元)。

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32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Details of the changes in the Group's liabilities from financing activities are as follows:

32. 融資活動所產生負債之變動

本集團融資活動所產生負債之變動詳情如下：

| | | Interest payables 應付利息 HK\$'000 千港元 (Note 23) (附註23) | Interest-bearing borrowings 計息借貸 HK\$'000 千港元 (Note 24) (附註24) | Promissory notes 承兌票據 HK\$'000 千港元 (Note 26) (附註26) | Convertible bonds 可換股債券 HK\$'000 千港元 (Note 29) (附註29) | Total 總計 HK\$'000 千港元 |
|---|------------------|---|---|--|--|--------------------------------|
| At 1 January 2017 | 於二零一七年一月一日 | 32,463 | 41,982 | 998,049 | 599,150 | 1,671,644 |
| Changes from financing cash flows: | 融資現金流量變動： | | | | | |
| New bank borrowings raised | 新造銀行借貸 | — | 17,274 | — | — | 17,274 |
| New margin loans raised | 新造孖展貸款 | — | 425,079 | — | — | 425,079 |
| New other borrowings raised | 新造其他借貸 | — | 250,000 | — | — | 250,000 |
| Proceeds from issue of promissory notes | 發行承兌票據所得款項 | — | — | 464,500 | — | 464,500 |
| Repayment of bank borrowings | 償還銀行借貸 | — | (10,326) | — | — | (10,326) |
| Repayment of margin loans | 償還孖展貸款 | — | (36,041) | — | — | (36,041) |
| Repayment of obligations under finance leases | 償還融資租賃債務 | — | (149) | — | — | (149) |
| Repayment of promissory notes | 償還承兌票據 | — | — | (565,240) | — | (565,240) |
| Interest expenses paid | 已付利息開支 | (127,158) | — | — | — | (127,158) |
| Total changes from financing cash flows | 融資現金流量變動總額 | (127,158) | 645,837 | (100,740) | — | 417,939 |

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32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

32. 融資活動所產生負債之變動(續)

| | | Interest payables 應付利息 HK\$'000 千港元 (Note 23) (附註23) | Interest-bearing borrowings 計息借貸 HK\$'000 千港元 (Note 24) (附註24) | Promissory notes 承兌票據 HK\$'000 千港元 (Note 26) (附註26) | Convertible bonds 可換股債券 HK\$'000 千港元 (Note 29) (附註29) | Total 總計 HK\$'000 千港元 |
|---|--------------------------------|---|---|--|--|--------------------------------|
| Exchange realignments | 匯兌調整 | — | 5,026 | — | 4,774 | 9,800 |
| Other non-cash changes: | 其他非現金變動： | | | | | |
| Finance costs | 財務成本 | 47,184 | — | 76,462 | 66,457 | 190,103 |
| Compensation from profit guarantee | 溢利保證賠償 | (8,611) | — | (165,240) | — | (173,851) |
| Acquisition of subsidiaries | 收購附屬公司 | — | 32,093 | — | — | 32,093 |
| Interest payables on convertibles bonds | 可換股債券應付利息 | 34,286 | — | — | (34,286) | — |
| Interest payables on promissory notes | 承兌票據應付利息 | 48,228 | — | (48,228) | — | — |
| Others | 其他 | — | — | (20,479) | 13,067 | (7,412) |
| Total other changes | 其他變動總額 | 121,087 | 32,093 | (157,485) | 45,238 | 40,933 |
| 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 | 26,392 | 724,938 | 739,824 | 649,162 | 2,140,316 |

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32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

32. 融資活動所產生負債之變動(續)

| | | Interest payables | Interest-bearing borrowings | Promissory notes | Convertible bonds | Total |
|--|----------------------|-------------------|-----------------------------|------------------|-------------------|------------------|
| | | 應付利息 | 計息借貸 | 承兌票據 | 可換股債券 | 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 |
| | | (Note 23) | (Note 24) | (Note 26) | (Note 29) | |
| | | (附註23) | (附註24) | (附註26) | (附註29) | |
| Changes from financing cash flows: | 融資現金流量變動： | | | | | |
| New bank borrowings raised | 新造銀行借貸 | — | 243,206 | — | — | 243,206 |
| New margin loans raised | 新造孖展貸款 | — | 685,499 | — | — | 685,499 |
| New other borrowings raised | 新造其他借貸 | — | 141,000 | — | — | 141,000 |
| Repayment of bank borrowings | 償還銀行借貸 | — | (42,125) | — | — | (42,125) |
| Repayment of margin loans | 償還孖展貸款 | — | (425,079) | — | — | (425,079) |
| Repayment of obligations under finance leases | 償還融資租賃債務 | — | (154) | — | — | (154) |
| Repayment of promissory notes | 償還承兌票據 | — | — | (226,000) | — | (226,000) |
| Interest expenses paid | 已付利息開支 | (151,094) | — | — | — | (151,094) |
| Total changes from financing cash flows | 融資現金流量變動總額 | (151,094) | 602,347 | (226,000) | — | 225,253 |
| Exchange realignments | 匯兌調整 | — | (2,301) | — | 1,297 | (1,004) |
| Other non-cash changes: | 其他非現金變動： | | | | | |
| Finance costs (note 5(a)) | 財務成本(附註5(a)) | 82,537 | — | 53,067 | 70,094 | 205,698 |
| Interest payables on convertibles bonds | 可換股債券應付利息 | 34,436 | — | — | (34,436) | — |
| Interest payables on promissory notes | 承兌票據應付利息 | 39,093 | — | (39,093) | — | — |
| Issuance of promissory notes as the subscription consideration | 發行承兌票據作為認購代價 | — | — | 219,909 | — | 219,909 |
| Transfer to other payables upon maturity | 到期時轉入其他應付款項 | — | — | — | (14,000) | (14,000) |
| Others | 其他 | — | — | (11,070) | — | (11,070) |
| Total other changes | 其他變動總額 | 156,066 | — | 222,813 | 21,658 | 400,537 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 31,364 | 1,324,984 | 736,637 | 672,117 | 2,765,102 |

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33. MARGIN FACILITIES

As at 31 December 2018, margin facilities of HK\$841,733,000 (2017: HK\$897,732,000) from certain regulated securities dealers were granted to the Group under which financials assets at FVPL of HK\$1,556,315,000 and 39,682,000 shares of Enterprise Development held by the Group (2017: financials assets at FVPL of HK\$2,553,850,000 and certain available-for-sale financial assets of HK\$48,997,000) were treated as collateral for the facilities granted. The Group utilised part of these facilities amounting to HK\$685,499,000 as at 31 December 2018 (2017: HK\$425,079,000).

34. DISPOSAL OF INTERESTS IN SUBSIDIARIES WITHOUT LOSS OF CONTROL

Disposal of 0.57% equity interests in Enterprise Development

As at 31 December 2017, the Group held 43.56% equity interests in Enterprise Development. In October 2018, the Group disposed 3,000,000 shares of Enterprise Development, representing 0.57% equity interests in Enterprise Development, on the Stock Exchange at an aggregate proceed of HK\$1,494,000.

Upon completion of the disposal, the Group's equity interests in Enterprise Development were reduced from 43.56% to 42.99%, resulting in an increase in non-controlling interests of HK\$1,132,000 and an increase in equity attributable to the owners of the Company of HK\$362,000.

33. 孖展融資

於二零一八年十二月三十一日，若干受規管證券經紀向本集團授出孖展融資841,733,000港元(二零一七年：897,732,000港元)，據此，於損益帳按公平值處理之財務資產1,556,315,000港元及本集團持有之39,682,000股企展股份(二零一七年：於損益帳按公平值處理之財務資產2,553,850,000港元及若干可供出售財務資產48,997,000港元)被視為獲授融資之抵押品處理。於二零一八年十二月三十一日，本集團已動用該等融資之一部分，為數685,499,000港元(二零一七年：425,079,000港元)。

34. 出售附屬公司之權益(並無改變控制權)

出售企展0.57%股本權益

於二零一七年十二月三十一日，本集團持有企展43.56%股本權益。於二零一八年十月，本集團於聯交所以所得款項總額1,494,000港元出售3,000,000股企展股份，相當於企展0.57%股本權益。

完成出售事項後，本集團於企展之股本權益由43.56%減至42.99%，致使非控股權益增加1,132,000港元，而本公司擁有人應佔股權增加362,000港元。

| | | HK\$'000 千港元 |
|---|--------------------|-----------------|
| Consideration received in cash | 已收現金代價 | 1,494 |
| Disposal of interests in subsidiaries without loss of control | 出售附屬公司之權益(並無改變控制權) | (1,132) |
| Difference recognised in other reserves included in equity | 於其他儲備中確認並計入權益之差額 | 362 |

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35. COMMITMENTS UNDER OPERATING LEASES

The Group leases a number of properties under operating leases, which typically run for an initial period of 1-6 years. None of these leases includes contingent rentals. At end of the reporting period, the Group had future lease payments under non-cancellable operating leases, which are payable as follows:

35. 經營租賃承擔

本集團以一般初步為期一至六年之經營租賃租用多項物業。有關租賃並不包括或然租金。於報告期結束日，本集團根據不可註銷經營租賃之未來租賃付款應按以下年期支付：

| | | 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 | 15,844 | 15,280 |
| In the second to fifth years inclusive | 第二至第五年(包括首尾兩年) | 19,890 | 12,458 |
| Over five years | 超過五年 | 424 | — |
| | | 36,158 | 27,738 |

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綜合財務報表附註

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

36. RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in these consolidated financial statements, the Group had the following significant related party transactions during the year:

36. 關連人士交易

除本綜合財務報表其他部分所披露之資料外，本集團於年內進行之重大關連人士交易如下：

| Related party relationship 關連人士關係 | Nature of transaction 交易性質 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--|----------------------------------|----------------------------------|
| Key management personnel, i.e. the directors 主要管理人員(即董事) | Salaries and other allowances 薪金及其他津貼 | 12,557 | 4,388 |
| | Contributions to defined contribution plans 界定供款計劃供款 | 84 | 56 |
| | Equity-settled share-based payment 權益結算以股份支付之款項 | (996) | 2,695 |
| | Total compensation 補償總額 | 11,645 | 7,139 |
| Related company [^] 關連公司 [^] | Operating lease expenses 經營租賃開支 | 4,160 | 3,572 |
| | Purchases of products 購買產品 | 3,097 | — |
| | Service fee expenses 服務費開支 | — | 115 |
| | Sales of products 銷售產品 | — | (129) |

[^] The related company was controlled by the controlling shareholder.

[^] 該關連公司由控股股東控制。

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綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments are financial assets designated at FVOCI, pledged bank deposits, bank balances and cash, interest-bearing borrowings, promissory notes and convertible bonds. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as financial assets at FVPL, loan receivables, trade and other receivables and trade and other payables, which arise directly from its business activities.

The accounting policies for financial instruments have been applied to the line items below:

37. 財務風險管理目標及政策

本集團之主要財務工具為指定於其他全面收入按公平值處理之財務資產、已質押銀行存款、銀行結存及現金、計息借貸、承兌票據以及可換股債券。此等財務工具之主要用途乃為本集團之營運籌集及維持融資。本集團有若干其他財務工具，如直接自其業務活動產生之於損益帳按公平值處理之財務資產、應收貸款、貿易及其他應收款項以及貿易及其他應付款項。

財務工具之會計政策已應用於以下各項：

| | | Financial assets at amortised cost 按攤銷成本 列帳之 財務資產 HK\$'000 千港元 | Financial assets at FVPL 於損益帳 按公平值處理 之財務資產 HK\$'000 千港元 | Designated FVOCI 指定於其他 全面收入 按公平值處理 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|------------------------------|---|--|--|--------------------------------|
| At 31 December 2018 | 於二零一八年 十二月三十一日 | | | | |
| Assets as per consolidated statement of financial position | 列於綜合財務狀況表之 資產 | | | | |
| Financial assets designated at FVOCI | 指定於其他全面收入 按公平值處理之 財務資產 | — | — | 233,261 | 233,261 |
| Loan receivables | 應收貸款 | 149,609 | — | — | 149,609 |
| Trade receivables | 貿易應收款項 | 317,840 | — | — | 317,840 |
| Notes receivables | 應收票據 | 2,337 | — | — | 2,337 |
| Deposits and other debtors | 按金及其他應收帳款 | 159,632 | — | — | 159,632 |
| Financial assets at FVPL | 於損益帳按公平值處理 之財務資產 | — | 2,283,156 | — | 2,283,156 |
| Pledged bank deposits | 已質押銀行存款 | 11,259 | — | — | 11,259 |
| Cash and cash equivalents | 現金及現金等價物 | 335,913 | — | — | 335,913 |
| Total | 總計 | 976,590 | 2,283,156 | 233,261 | 3,493,007 |

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

37. 財務風險管理目標及政策(續)

| At 31 December 2018 | 於二零一八年十二月三十一日 | Financial liabilities at amortised cost 按攤銷成本 列帳之財務負債 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|----------------------|--|--------------------------------|
| Liabilities as per consolidated statement of financial position | 列於綜合財務狀況表之負債 | | |
| Interest-bearing borrowings | 計息借貸 | 1,324,984 | 1,324,984 |
| Promissory notes | 承兌票據 | 736,637 | 736,637 |
| Convertible bonds | 可換股債券 | 672,117 | 672,117 |
| Trade payables | 貿易應付款項 | 215,548 | 215,548 |
| Notes payables | 應付票據 | 25,824 | 25,824 |
| Financial liabilities included in other payables (note 23) | 計入其他應付款項之財務負債 (附註23) | 90,646 | 90,646 |
| Total | 總計 | 3,065,756 | 3,065,756 |

| At 31 December 2017 | 於二零一七年十二月三十一日 | Loans and receivables 貸款及 應收款項 HK\$'000 千港元 | Financial assets at FVPL 於損益帳 按公平值處理 之財務資產 HK\$'000 千港元 | Available-for-sale financial assets 可供出售 財務資產 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---------------------|---|--|--|--------------------------------|
| Assets as per consolidated statement of financial position | 列於綜合財務狀況表之資產 | | | | |
| Available-for-sale financial assets | 可供出售財務資產 | — | — | 313,786 | 313,786 |
| Loan receivables | 應收貸款 | 126,226 | — | — | 126,226 |
| Trade receivables | 貿易應收款項 | 611,147 | — | — | 611,147 |
| Notes receivables | 應收票據 | 2,720 | — | — | 2,720 |
| Deposits and other debtors | 按金及其他應收帳款 | 105,388 | — | — | 105,388 |
| Financial assets at FVPL | 於損益帳按公平值處理 之財務資產 | — | 3,297,511 | — | 3,297,511 |
| Pledged bank deposits | 已質押銀行存款 | 6,030 | — | — | 6,030 |
| Cash and cash equivalents | 現金及現金等價物 | 738,495 | — | — | 738,495 |
| Total | 總計 | 1,590,006 | 3,297,511 | 313,786 | 5,201,303 |

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

37. 財務風險管理目標及政策(續)

| | 於二零一七年 十二月三十一日 | Financial liabilities at amortised cost 按攤銷成本列帳之 財務負債 HK\$'000 千港元 | Financial liabilities at FVPL 於損益帳按公平值 處理之財務負債 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|---------------------|---|--|--------------------------------|
| At 31 December 2017 | | | | |
| Liabilities as per consolidated statement of financial position | 列於綜合財務狀況表之負債 | | | |
| Interest-bearing borrowings | 計息借貸 | 724,938 | — | 724,938 |
| Promissory notes | 承兌票據 | 739,824 | — | 739,824 |
| Convertible bonds | 可換股債券 | 649,162 | — | 649,162 |
| Trade payables | 貿易應付款項 | 209,963 | — | 209,963 |
| Contingent consideration payable | 應付或然代價 | — | 16,713 | 16,713 |
| Financial liabilities included in other payables (note 23) | 計入其他應付款項之財務負債(附註23) | 67,633 | — | 67,633 |
| Total | 總計 | 2,391,520 | 16,713 | 2,408,233 |

The main risks arising from the Group's financial instruments are equity price risk, credit risk, liquidity risk, interest rate risk and foreign currency risk. The directors of the Company generally adopt conservative strategies on its risk management and limit the Group's exposure to these risks to a minimum. The directors of the Company review and agree policies for managing each of these risks and they are summarised below.

(a) Equity price risk

The Group is exposed to equity price risk arising from financial assets at FVPL and financial assets designated as at FVOCI. The sensitivity analysis has been determined based on the exposure to equity price risk.

本集團財務工具所產生之主要風險為股價風險、信貸風險、流動資金風險、利率風險及外幣風險。本公司董事一般對風險管理採取審慎策略，並將本集團面對之風險減至最低。本公司董事檢討及協定有關管理以上各種風險之政策，各種風險已概列於下文。

(a) 股價風險

本集團面對之股價風險來自買賣計入於損益帳按公平值處理之財務資產及指定於其他全面收入按公平值處理之財務資產。敏感度分析乃根據所面對之股價風險釐定。

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Equity price risk (Continued)

At end of the reporting period, if the fair value had been 18% (2017: 5%) higher or lower while all other variables were held constant, the Group's net loss would decrease or increase by HK\$407,307,000 and fair value reserve (non-recycling) would increase or decrease by HK\$41,987,000 (2017: net profits would increase or decrease by HK\$164,876,000 and other equity reserves would increase or decrease by HK\$2,450,000) as a result of changes in fair value of investments. The Group's sensitivity to equity price has changed significantly during the year mainly due to more volatile price fluctuation.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the equity prices or other relevant risk variables had occurred at end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the equity prices or the relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant equity price or the relevant risk variables over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2017.

37. 財務風險管理目標及政策(續)

(a) 股價風險(續)

於報告期結束日，倘若公平值上升或下跌18%（二零一七年：5%），在所有其他變數不變之情況下，投資公平值變動將令本集團虧損淨額減少或增加407,307,000港元，而其他股本儲備將增加或減少41,987,000港元（二零一七年：純利增加或減少164,876,000港元），而公平值儲備（不重新分類）將增加或減少2,450,000港元。本集團對股價之敏感度於年內因價格大幅波動而出現大幅變動。

敏感度分析乃假設股價或其他相關風險變數於報告期結束日出現合理可能變動而釐定，並適用於當日存在之股價風險。敏感度分析亦假設本集團投資之公平值隨相關股價或相關風險變數之歷史關係而變動，以及所有其他變數不變。上述變動指管理層對相關股價或相關風險變數於下年度報告期結束日前期間出現合理可能變動之評估。進行分析之基準與二零一七年相同。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Equity price risk (Continued)

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

(b) Credit risk

The carrying amount of financial assets recognised on the consolidated statement of financial position, which is net of impairment losses, represents the Group's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements. The credit risk of the Group is primarily attributable to trade and other receivables, loan receivables, pledged bank deposits and bank balances.

Trade receivables

The Group trades only with recognised and creditworthy parties. It is the Group's policy that all customer who which to trade on credit terms are subject to credit verification procedures. The management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of three months.

37. 財務風險管理目標及政策(續)

(a) 股價風險(續)

本公司董事認為，由於各報告期結束日所面對之風險並不反映年內所面對之風險，故敏感度分析不能代表潛在股價風險。

(b) 信貸風險

財務資產之帳面金額於綜合財務狀況表中確認，該款項已扣除減值虧損，並指本集團所面對之信貸風險，並無計及任何所持抵押品或其他信貸保證之價值。

貿易應收款項

本集團僅與受認可及信譽良好之客戶進行交易。本集團之政策為所有有意以信貸條款進行交易之客戶，均須接受信貸審核程序。管理層設有信貸政策，並會持續監察該等信貸風險。本集團會定期就每名主要客戶之財務水平及狀況進行信貸評估。本集團透過設立為期三個月之最高付款期以控制其有關貿易應收款項之信貸風險。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. Credit evaluations focus on the customer's past history of making payments when due 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.

At end of the reporting period, the Group had a concentration of credit risk as 32% (2017: 23%) and 46% (2017: 39%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the IoT solution segment, 10% (2017: 9%) and 35% (2017: 30%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the IDS segment and 5% (2017: 11%) and 23% (2017: 28%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the HMID segment.

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

本集團面對之信貸風險主要受每名客戶之個別特點影響。該等評估着眼於客戶過往之到期付款紀錄及目前之付款能力，並計及客戶之個別資料及與客戶經營所在經濟環境有關之資料。

於報告期結束日，由於貿易應收款項中32%（二零一七年：23%）及46%（二零一七年：39%）分別為應收本集團物聯網解決方案分類最大客戶及五大客戶之款項，10%（二零一七年：9%）及35%（二零一七年：30%）分別為應收本集團智能檔案服務分類最大客戶及五大客戶之款項，而5%（二零一七年：11%）及23%（二零一七年：28%）分別為應收本集團人機互動分類最大客戶及五大客戶之款項，本集團出現集中信貸風險之情況。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

The Group's customer base consists of a wide range of clients and the trade receivables are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The Group applies a simplified approach in calculating ECL for trade receivables and recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience over the past three years and adjusted for current and forward-looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the year.

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

本集團之客戶群由多個客戶組成，貿易應收款項按代表客戶根據合約條款支付所有到期款項能力之共同風險特徵分類。本集團採用簡化方法計算貿易應收款項之預期信貸虧損，根據各個報告日期之全期預期信貸虧損確認虧損備抵，並建立基於其過往信貸虧損經驗作出之撥備矩陣，就債務人之特定因素及經濟狀況之前瞻性因素作出調整。撥備矩陣所用預期虧損率為根據過去三年之實際信貸虧損經驗計算每個類別之預期損失率，並就當前及前瞻因素進行調整，以反映收集過往數據期間經濟狀況、當前條件及本集團就應收款項預計年期之未來經濟狀況估計之間之差額。年內估計技術或所作出之重大假設並無變動。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix as at 31 December 2018 is summarised below.

As at 31 December 2018

| | |
|--------------------------------|--------------|
| Not past due | 並未逾期 |
| Within 90 days past due | 逾期90天內 |
| 91 – 180 days past due | 逾期91至180天 |
| 181 – 365 days past due | 逾期181至365天 |
| Over 365 days, past due (Note) | 逾期365天以上(附註) |

Note: Included credit impaired (but not purchased or originated) of HK\$84,519,000.

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

有關使用撥備矩陣之貿易應收款項信貸風險及預期信貸虧損於二零一八年十二月三十一日之資料概述如下。

於二零一八年十二月三十一日

| Expected loss rate 預期虧損率 % | Gross carrying amount 總帳面金額 HK\$'000 千港元 | Loss allowance 虧損備抵 HK\$'000 千港元 |
|----------------------------------|---|---|
| 0.29% | 216,996 | 638 |
| 1.54% | 17,274 | 267 |
| 3.32% | 19,617 | 651 |
| 6.65% | 51,260 | 3,409 |
| 88.00% | 147,176 | 129,518 |
| | 452,323 | 134,483 |

附註：包括信貸減值(惟未購買或產生) 84,519,000 港元。

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綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

The ageing of trade receivables as at 31 December 2017 which are past due but not impaired is as follows:

| | | 2017 二零一七年 HK\$'000 千港元 |
|-------------------------------|----------|----------------------------------|
| Neither past due nor impaired | 並無逾期或減值 | 437,720 |
| Within 90 days | 90天內 | 44,891 |
| 91 – 180 days | 91至180天 | 36,377 |
| 181 – 365 days | 181至365天 | 52,054 |
| Over 365 days | 365天以上 | 40,105 |
| Past due but not impaired | 已逾期但未減值 | 173,427 |
| | | <u>611,147</u> |

Included in the Group's trade receivables balance as at 31 December 2017 were debtors with carrying amounts of HK\$173,427,000, which were past due as at 31 December 2017 but which the Group has not impaired as there have not been any significant changes in credit quality and the directors of the Company believe that the amounts are fully recoverable.

Receivables that were neither past due nor impaired as at 31 December 2017 related to a wide range of customers for whom there was no history of default.

The Group does not hold any collateral over trade receivables as at 31 December 2018 and 2017.

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

於二零一七年十二月三十一日已逾期但未減值之貿易應收款項帳齡如下：

| | 2017 二零一七年 HK\$'000 千港元 |
|-------------------------------|----------------------------------|
| Neither past due nor impaired | 437,720 |
| Within 90 days | 44,891 |
| 91 – 180 days | 36,377 |
| 181 – 365 days | 52,054 |
| Over 365 days | 40,105 |
| Past due but not impaired | 173,427 |
| | <u>611,147</u> |

本集團之貿易應收款項結餘包括於二零一七年十二月三十一日帳面金額為173,427,000港元之應收帳款，於二零一七年十二月三十一日已逾期惟本集團仍未作出減值，原因為信貸質素並無任何重大變動而本公司董事相信該等款項可全數收回。

於二零一七年十二月三十一日，既無逾期亦無減值之應收款項與並無任何違約紀錄而層面廣泛之客戶有關。

於二零一八年及二零一七年十二月三十一日，本集團並無就貿易應收款項持有任何抵押品。

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綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

As at 31 December 2018, the Group recognised loss allowance of HK\$134,483,000 (2017: HK\$2,188,000) on the trade receivables. The movement in the loss allowance for trade receivables during the year is summarised below. The comparative amounts represent the loss allowance for impairment losses recognised under HKAS 39.

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

於二零一八年十二月三十一日，本集團已就貿易應收款項確認虧損備抵 134,483,000 港元(二零一七年：2,188,000 港元)。年內貿易應收款項之虧損備抵變動於下文中概述。比較數字指根據香港會計準則第 39 號所確認減值虧損之虧損備抵。

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------------|----------------------------------|----------------------------------|
| At beginning of the reporting period (previously stated) | 於報告期初 (過往呈列) | 2,188 | 780 |
| Effect on adoption of HKFRS 9 (note 2) | 採納香港財務報告準則第 9 號之影響(附註 2) | 19,903 | — |
| At beginning of the reporting period (restated) | 於報告期初 (經重列) | 22,091 | 780 |
| Increase in allowance | 備抵增加 | 118,377 | 1,337 |
| Amount written off | 撇銷金額 | (145) | — |
| Exchange realignments | 匯兌調整 | (5,840) | 71 |
| At end of the reporting period | 於報告期結束日 | 134,483 | 2,188 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables

The Group has adopted procedures in extending credit terms to loan borrowers and in monitoring its credit risk. The credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of other receivables periodically. At end of the reporting period, 44% (2017: 25%) and 87% (2017: 88%) of the total loan receivables were due from the Group's largest borrower and the five largest borrowers respectively within the unallocated segment.

The Group uses three categories for loan receivables which reflect their credit and how the loss allowance is determined for each of those categories. These internal credit risk rating are aligned to external credit rating companies, such as Standard and Poor, Moody's and Fitch.

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

應收貸款

本集團已採納若干有關給予貸款借款人之信貸期之程序以及監察有關信貸風險之程序。給予貸款借款人信貸期之信貸政策包括評定及評估貸款借款人之信用度及財務狀況。管理層亦會密切監察所有未收債項及定期審閱其他應收款項之收款情況。於報告期結束日，應收貸款總額中44%(二零一七年：25%)及87%(二零一七年：88%)分別為應收本集團最大借款人及五大借款人之款項，而該等借款人乃屬於未經分配分類。

本集團使用應收貸款之三個類別，反映其信貸及釐定各類別之虧損備抵之方式。該等內部信貸風險評級與標準普爾、穆迪及惠譽等外部信貸評級公司一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables (Continued)

A summary of the assumptions underpinning the Group's ECL model is as follows:

| Category 類別 | Company definition of category 公司針對各類之釋義 | Basis for recognition of ECL provision 確認預期信貸虧損撥備之基準 |
|---------------------------|---|---|
| Performing | Borrowers have a low risk of default and a strong capacity to meet contractual cash flows | 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime |
| 正常 | 借款人違約風險很低且有能力產生合約要求之現金流量 | 未來12個月之預期虧損。對於預期存續期在12個月內之資產，預期虧損基於其預期存續期計量 |
| Special attention 特別關注 | Interest and/or principal repayments are 60 days past due 利息及／或本金還款逾期60日 | Lifetime expected losses 預期存續期內的虧損 |
| Non-performing 不良 | Interest and/or principal repayments are 90 days past due 利息及／或本金還款逾期90日 | Lifetime expected losses 預期存續期內的虧損 |

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

應收貸款(續)

本集團預期信貸虧損模型基於之假設總結如下：

Notes to the Consolidated Financial Statements

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables (Continued)

An analysis of changes in the gross amounts of loan receivables is as follows:

| | | Stage 1 第一階段 HK\$'000 千港元 | Stage 2 第二階段 HK\$'000 千港元 | Stage 3 第三階段 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------------|
| Gross loan receivables as at 1 January 2018 | 於二零一八年一月一日之應收貸款總額 | 126,226 | — | 20,290 | 146,516 |
| New loans originated | 新貸款 | 173,933 | — | — | 173,933 |
| Loans repaid during the year | 年內已償還貸款 | (126,173) | — | — | (126,173) |
| Transfer to lifetime ECL (Stage 3) | 轉撥至全期預期信貸虧損(第三階段) | (44,688) | — | 44,688 | — |
| As at 31 December 2018 | 於二零一八年十二月三十一日 | 129,298 | — | 64,978 | 194,276 |

An analysis of credit risk exposure by the Group's internal credit rating system is as follows:

按本集團內部信貸評級系統劃分之信貸風險分析如下：

| | | Stage 1 第一階段 HK\$'000 千港元 | Stage 2 第二階段 HK\$'000 千港元 | Stage 3 第三階段 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-------------------------------|--------|------------------------------------|------------------------------------|------------------------------------|--------------------------------|
| Internal rating grades | 內部信貸評級 | | | | |
| Performing | 正常 | 129,298 | — | — | 129,298 |
| Special attention | 特別關注 | — | — | — | — |
| Non-performing | 不良 | — | — | 64,978 | 64,978 |
| | | 129,298 | — | 64,978 | 194,276 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables (Continued)

As at 31 December 2018, the Group recognised loss allowance of HK\$44,667,000 (2017: HK\$20,290,000) on the balances. The movement in the loss allowance for the balances during the year is summarised below. The comparative amounts represent the loss allowance for impairment losses recognised under HKAS 39.

| | | Stage 1 第一階段 HK\$'000 千港元 | Stage 2 第二階段 HK\$'000 千港元 | Stage 3 第三階段 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---------------------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------------|
| As at 31 December 2017 (Reported) | 於二零一七年十二月三十一日(已呈報) | | | | 20,290 |
| Impact of adopting HKFRS 9 | 採納香港財務報告準則第9號之影響 | | | | — |
| Restated opening balance under HKFRS 9 as at 1 January 2018 | 於二零一八年一月一日根據香港財務報告準則第9號之經重列期初結餘 | — | — | 20,290 | 20,290 |
| Increase in allowance | 備抵增加 | — | — | 24,377 | 24,377 |
| As at 31 December 2018 | 於二零一八年十二月三十一日 | — | — | 44,667 | 44,667 |

Deposits and other debtors

The credit quality of the financial assets included in deposits and other debtors are considered to be low risk of default as they are not past due and there is no information indicating that these financial assets had a significant increase in credit risk since initial recognition.

Pledged bank deposits and bank balances

The Group has limited credit risk with its money deposited in financial institutions and brokers, who are with high credit ratings and assessed as having low credit risk. The Group has not had any significant loss arising from non-performance by these parties in the past and management does not expect so in the future.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in these consolidated financial statements.

37. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

應收貸款(續)

於二零一八年十二月三十一日，本集團已於餘額中確認虧損抵備44,667,000港元(二零一七年：20,290,000港元)。年內餘額之虧損抵備變動於下文概述。比較數字指根據香港會計準則第39號所確認減值虧損之虧損抵備。

按金及其他應收帳款

計入按金及其他應收帳款之財務資產之信貸質素被視為具較低違約風險，原因為該等財務資產尚未到期，且並無資料顯示該等財務資產自初步確認後信貸風險大幅增加。

已質押銀行存款及銀行結存

本集團於財務機構及經紀之存款面對之信貸風險有限，原因是該等財務機構及經紀均具高信用評級，獲評定為低信貸風險。本集團過往並無因有關人士不履行責任而產生重大虧損，而管理層預期日後亦不會出現該等情況。

信貸風險之最高額度為本綜合財務報表內各項財務資產之帳面金額。

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綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Liquidity risk

Liquidity risk refers to the risk in which the Group is unable to meet its short-term obligations. Liquidity risk is minimal and is managed by matching the payments and receipts cycles. The Group's operations are financed mainly through its business activities.

The maturity profile of the Group's non-derivative financial liabilities at end of the reporting period, based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates at end of the reporting period) are summarised below:

| | | On demand or within 1 year 按要求或 一年內 HK\$'000 千港元 | 2 to 5 years 二至五年 HK\$'000 千港元 | Over 5 years 五年以上 HK\$'000 千港元 | Total contractual undiscounted cash flows 合約未貼現 現金流量總額 HK\$'000 千港元 | Total carrying amount 帳面總額 HK\$'000 千港元 |
|--------------------------------|-------------------|--|---|---|--|---|
| At 31 December 2018 | 於二零一八年 十二月三十一日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 410,881 | — | — | 410,881 | 410,881 |
| Interest-bearing borrowings | 計息借貸 | 1,342,130 | 55 | — | 1,342,185 | 1,324,984 |
| Convertible bonds | 可換股債券 | 725,441 | — | — | 725,441 | 672,117 |
| Promissory notes | 承兌票據 | 704,109 | 96,475 | 5,251 | 805,835 | 736,637 |
| | | 3,182,561 | 96,530 | 5,251 | 3,284,342 | 3,144,619 |
| At 31 December 2017 | 於二零一七年 十二月三十一日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 379,974 | — | — | 379,974 | 379,974 |
| Interest-bearing borrowings | 計息借貸 | 494,297 | 258,964 | — | 753,261 | 724,938 |
| Convertible bonds | 可換股債券 | 39,018 | 733,353 | — | 772,371 | 649,162 |
| Promissory notes | 承兌票據 | 218,880 | 578,045 | 5,551 | 802,476 | 739,824 |
| | | 1,132,169 | 1,570,362 | 5,551 | 2,708,082 | 2,493,898 |

37. 財務風險管理目標及政策(續)

(c) 流動資金風險

流動資金風險指本集團無力履行其短期責任之風險。流動資金風險微不足道，乃透過配合還款及收款週期加以管理。本集團之營運主要透過業務活動提供資金。

於報告期結束日，按合約未貼現現金流量(包括利用合約利率或(如屬浮動)按照於報告期結束日之利率計算之利息款項)計算，本集團之非衍生財務負債之到期情況概列如下：

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綜合財務報表附註

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Interest rate risk

The management believes that the Group's fair value interest rate risk is minimal and no sensitivity analysis is performed.

The Group is exposed to cash flow interest rate risk in relation to bank balances and variable-rate interest-bearing borrowings (see notes 24(a), 24(b), 24(c), 24(d) and 24(f)). The exposure to cash flow interest rate risk is mainly concentrated on the fluctuation of the prevailing interest rate of the loan prime rate, HIBOR, prime rate and BOCHK's HK\$ prime rate (2017: prevailing interest rate of the loan prime rate and BOCHK's HK\$ prime rate) arising from the Group's bank borrowings, certain margin loans and loans from financial institutions (2017: bank borrowings and loan from a financial institution). The Group currently does not have a formal interest rate hedging policy. However, the management monitors the interest rate exposure on an ongoing basis and will consider hedging the interest rate risk should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the variable-rate interest-bearing borrowings at end of the reporting period. The analysis is prepared assuming the liability outstanding at end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease in interest rates is used when reporting interest rate risk internally to management's assessment of the reasonably possible change in interest rates over the period until the end of the next annual reporting period.

37. 財務風險管理目標及政策(續)

(d) 利率風險

管理層相信，本集團之公平值利率風險微不足道，故並無進行敏感度分析。

本集團就銀行結存及浮息計息借貸(見附註24(a)、24(b)、24(c)及24(f))面對現金流量利率風險。所面對之現金流量利率風險主要集中於本集團銀行借貸、若干孖展貸款及來自財務機構之貸款(二零一七年：銀行借貸及來自一間財務機構之貸款)所產生最優惠貸款之現行利率、香港銀行同業拆出息率、最優惠年利率及中銀香港港元最優惠年利率(二零一七年：最優惠借貸利率之現行利率及中銀香港港元最優惠利率)波動。本集團現時並無正式利率對沖政策。然而，管理層持續監察所面對之利率風險，並將於有需要時考慮對沖利率風險。

敏感度分析

下文之敏感度分析乃按照浮息計息借貸於報告期結束日面對之利率風險釐定。編製敏感度分析時已假設於報告期結束日尚未償還之負債於整個年度尚未償還。內部向管理層報告利率風險以評估利率於下年度報告期結束日前期間之合理可能變動時，使用50個基點之利率升幅或跌幅。

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

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Interest rate risk (Continued)

Sensitivity analysis (Continued)

If interest rates had been 50 basis points (2017: 50 basis points) higher/lower and all other variables were held constant, the Group's net loss for the year would increase/decrease by approximately HK\$2,390,000 (2017: profit for the year would decrease/increase by approximately HK\$1,379,000).

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

(e) Currency risk

Substantially all of the Group's sales and operating costs are denominated in the functional currency of the group entity making the sales or incurring the costs. Accordingly, the management considers that the currency risk is not significant. The Group currently does not have a formal currency hedging policy in relation to currency risk. However, the management monitors the currency risk exposure on an ongoing basis and will consider hedging the currency risk should the need arise.

(f) Capital management

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividend to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2018 and 2017.

37. 財務風險管理目標及政策(續)

(d) 利率風險(續)

敏感度分析(續)

倘若利率上升／下跌50個基點(二零一七年：50個基點)，在所有其他變數不變之情況下，本集團年內虧損淨額將增加／減少約2,390,000港元(二零一七年：年內溢利將減少／增加約1,379,000港元)。

本公司董事認為，由於各報告期結束日所面對之風險並不反映年內所面對之風險，故敏感度分析不能代表潛在利率風險。

(e) 貨幣風險

本集團絕大部分銷售及經營成本乃以進行銷售或招致成本之集團實體之功能貨幣計值。因此，管理層認為貨幣風險並不重大。本集團現時並無關於貨幣風險之正式貨幣對沖政策。然而，管理層持續監察所面對之貨幣風險，並將於有需要時考慮對沖貨幣風險。

(f) 資本管理

本集團管理資本之目的為保障本集團能持續經營，並為股東帶來回報。本集團管理其資本架構並作出調整，包括向股東派付股息、向股東退還資本或發行新股或出售資產以減少債項。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更改有關目標、政策或過程。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(f) Capital management (Continued)

The Group monitors capital on the basis of debt-to-equity capital ratio, which is net debt divided by total equity. The debt-to-equity capital ratios at end of the reporting period were as follows:

37. 財務風險管理目標及政策(續)

(f) 資本管理(續)

本集團根據債項與股權資本比率(以債項淨額除以股權總值計算)監察資本。於報告期結束日之債項與股權資本比率如下:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|------------------------------|------------|----------------------------------|----------------------------------|
| Convertible bonds | 可換股債券 | 672,117 | 649,162 |
| Interest-bearing borrowings | 計息借貸 | 1,324,984 | 724,938 |
| Promissory notes | 承兌票據 | 736,637 | 739,824 |
| Total debt | 債項總額 | 2,733,738 | 2,113,924 |
| Less: Pledged bank deposits | 減: 已質押銀行存款 | (11,259) | (6,030) |
| Less: Bank balances and cash | 減: 銀行結存及現金 | (335,913) | (738,495) |
| Net debt | 債項淨額 | 2,386,566 | 1,369,399 |
| Total equity | 股權總值 | 1,095,742 | 4,307,578 |
| Debt-to-equity capital ratio | 債項與股權資本比率 | 217.80% | 31.79% |

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38. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in these consolidated financial statements on a recurring basis at 31 December 2018 and 2017 across the three levels of the fair value hierarchy defined in HKFRS 13, Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the Group can access at the measurement date;
- Level 2: input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

38. 公平值計量

下文呈列於二零一八年及二零一七年十二月三十一日按公平值計量或須於本綜合財務報表中按經常性基準根據香港財務報告準則第13號「公平值計量」所界定公平值架構三個級別披露公平值之資產及負債，當中會按對有關公平值計量有重大影響之最低輸入項目級別將整項公平值計量分類。輸入項目級別界定如下：

- 級別一(最高級別)：使用於計量日期本集團能夠於活躍市場上取得之相同財務資產或負債報價(未經調整)；
- 級別二：級別一所涵蓋報價以外，可直接或間接觀察之資產或負債輸入項目；
- 級別三(最低級別)：不可觀察資產或負債輸入項目。

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38. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value

38. 公平值計量(續)

a) 按公平值計量之資產(負債)

| | | 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 | Level 1 級別一 HK\$'000 千港元 | Level 2 級別二 HK\$'000 千港元 | Level 3 級別三 HK\$'000 千港元 |
|--|----------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Assets measured at fair value | 按公平值計量之資產 | | | | |
| Financial assets designated at FVOCI | 指定於其他全面收入按公平值處理之財務資產 | | | | |
| — Unlisted equity securities in a private limited company incorporated outside Hong Kong | — 於香港境外註冊成立之私人有限公司之非上市股本證券 | 233,261 | — | — | 233,261 |
| Financial assets at FVPL | 於損益帳按公平值處理之財務資產 | | | | |
| — Listed equity securities | — 上市股本證券 | 1,696,636 | 1,696,636 | — | — |
| — Listed bonds | — 上市債券 | 348,765 | 348,765 | — | — |
| — Wealth management products, unlisted | — 財富管理產品，非上市 | 55,565 | — | — | 55,565 |
| — Unlisted equity securities in a private limited company incorporated outside Hong Kong | — 於香港境外註冊成立之私人有限公司之非上市股本證券 | 136,212 | — | — | 136,212 |
| — Unlisted equity securities in a private limited company incorporated in Hong Kong | — 於香港註冊成立之私人有限公司之非上市股本證券 | 25,693 | — | — | 25,693 |
| — Unlisted partnership investments | — 非上市合夥投資 | 20,285 | — | — | 20,285 |
| | | 2,516,417 | 2,045,401 | — | 471,016 |

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38. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value (Continued)

| | | 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 | Level 1 級別一 HK\$'000 千港元 | Level 2 級別二 HK\$'000 千港元 | Level 3 級別三 HK\$'000 千港元 |
|--|---------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Assets (liabilities) measured at fair value | 按公平值計量之資 產(負債) | | | | |
| Available-for-sale financial assets | 可供出售財務資產 | | | | |
| — Listed equity securities | — 上市股本證券 | 48,997 | 48,997 | — | — |
| Financial assets at FVPL | 於損益帳按公平值 處理之財務資產 | | | | |
| — Listed equity securities | — 上市股本證券 | 2,564,728 | 2,564,728 | — | — |
| — ELN | — 股票掛鈎票據 | 282,785 | — | 282,785 | — |
| — Wealth management products, unlisted | — 財富管理產品， 非上市 | 449,998 | — | — | 449,998 |
| Contingent consideration payables | 應付或然代價 | (16,713) | — | — | (16,713) |
| | | <u>3,329,795</u> | <u>2,613,725</u> | <u>282,785</u> | <u>433,285</u> |

During the years ended 31 December 2018 and 2017, there was no transfer between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements.

於截至二零一八年及二零一七年十二月三十一日止年度，並無於公平值計量級別一與級別二之間進行轉撥，公平值計量級別三亦無轉入及轉出。

38. 公平值計量(續)

a) 按公平值計量之資產(負債)(續)

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38. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value (Continued)

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy are as follows:

Movements in Level 3 fair value measurements

2018

| Description | 描述 | Financial assets designated at FVOCI – Unlisted equity securities in a private limited company incorporated outside Hong Kong | Financial assets at FVPL – Unlisted equity securities in a private limited company incorporated outside Hong Kong | Financial assets at FVPL – Unlisted equity securities in a private limited company incorporated in Hong Kong | Financial assets at FVPL – Unlisted partnership investments | Financial assets at FVPL – Wealth management products, unlisted | Contingent consideration payables | Total |
|--|--------------------------------|---|---|--|---|---|-----------------------------------|-----------|
| | | 指定於其他全面收入按公平值處理之財務資產 – 一間於香港境外註冊成立之私人有限公司之非上市股本證券 | 於損益帳按公平值處理之財務資產 – 於香港境外註冊成立之私人有限公司之非上市股本證券 | 於損益帳按公平值處理之財務資產 – 於香港註冊成立之私人有限公司之非上市股本證券 | 於損益帳按公平值處理之財務資產 – 非上市合夥投資 | 於損益帳按公平值處理之財務資產 – 非上市 | 應付或然代價 | 總計 |
| | | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At beginning of the reporting period (previously stated) | 於報告期初(過往呈列) | — | — | — | — | 449,998 | (16,713) | 433,285 |
| Reclassified from available-for-sale financial assets | 從可供出售財務資產重新分類 | 247,500 | — | — | 17,289 | — | — | 264,789 |
| Effect on financial assets remeasured at fair value upon adoption of HKFRS 9 | 採納香港財務報告準則第9號時按公平值重新計量對財務資產之影響 | 20,000 | — | — | (5,085) | — | — | 14,915 |
| At beginning of the reporting period (Restated) | 於報告期初(經重列) | 267,500 | — | — | 12,204 | 449,998 | (16,713) | 712,989 |
| Initial recognition | 初始確認 | — | 171,240 | 48,669 | 13,492 | 151,808 | — | 385,209 |
| Disposal during the year | 年內出售 | — | — | — | — | (253,000) | — | (253,000) |
| Net return of capital contribution | 歸還注資本淨額 | — | — | — | (2,311) | — | — | (2,311) |
| Fair value changes | 公平值變動 | (34,239) | (35,028) | (22,976) | (3,135) | (291,779) | 16,524 | (370,633) |
| Settlement to profit guarantee | 清償溢利保證 | — | — | — | — | — | 5,718 | 5,718 |
| Compensation from profit guarantee – other payables | 溢利保證賠償 – 其他應付款項 | — | — | — | — | — | (5,590) | (5,590) |
| Exchange realignments | 匯兌調整 | — | — | — | 35 | (1,462) | 61 | (1,366) |
| At end of the reporting period | 於報告期結束日 | 233,261 | 136,212 | 25,693 | 20,285 | 55,565 | — | 471,016 |

38. 公平值計量(續)

a) 按公平值計量之資產(負債)(續)

分類為公平值架構級別三之經常性公平值計量之變動詳情如下：

公平值計量級別三之變動

二零一八年

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38. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value (Continued)

Movements in Level 3 fair value measurements
(Continued)

2017

| Description | 描述 | Financial assets at FVPL – Wealth management product, unlisted 於損益帳 按公平值處理之 財務資產 – 財富管理產品， | Contingent consideration receivables | Contingent consideration payables | Total |
|--|-------------|---|--|---|-----------------------|
| | | 非上市 HK\$'000 千港元 | 應收或然代價 HK\$'000 千港元 | 應付或然代價 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| At beginning of the reporting period | 於報告期初 | 412,428 | 452 | (15,540) | 397,340 |
| Initial recognition | 初始確認 | 837,096 | — | — | 837,096 |
| Addition – acquisition of subsidiaries | 添置 – 收購附屬公司 | 33,825 | — | — | 33,825 |
| Disposal during the year | 年內出售 | (853,895) | — | — | (853,895) |
| Fair value changes | 公平值變動 | 8,107 | 197,362 | — | 205,469 |
| Compensation from profit guarantee | 溢利保證賠償 | — | — | — | — |
| — set-off with promissory notes | — 抵銷承兌票據 | — | (173,851) | — | (173,851) |
| — other receivables | — 其他應收款項 | (23,963) | (23,963) | — | (47,926) |
| Exchange realignments | 匯兌調整 | 12,437 | — | (1,173) | 11,264 |
| At end of the reporting period | 於報告期結束日 | 449,998 | — | (16,713) | 433,285 |

The above fair value changes are reported as “changes in fair value of financial assets at FVPL/fair value of financial assets designated at FVOCI” in the consolidated statement of profit or loss and other comprehensive income.

上述公平值變動於綜合損益及其他全面收入報表內呈報為「於損益帳按公平值處理之財務資產之公平值／指定於其他全面收入按公平值處理之財務資產之公平值變動」。

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38. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value (Continued)

Description of the valuation techniques and inputs used in Level 3 fair value measurement

The Group recognises the fair values of unlisted equity securities in private limited companies incorporated outside Hong Kong, unlisted equity securities in a private limited company incorporated in Hong Kong and unlisted partnership investments at the end of each reporting period and fair values were determined by adopting P/B, P/E and asset-based approach respectively and adjusted by minority discounts.

The unlisted wealth management products' investment portfolio mainly comprises investment in debentures, bank debentures, bank saving, corporate bonds, listed securities and other investments in the PRC and global market with high credit rating (the "Investment") and the fair value of the Investment is reported by the financial institutions and external fund manager.

Valuation processes of the Group

The Group reviews estimation of fair values of the unlisted wealth management products, unlisted equity securities in private limited companies incorporated outside Hong Kong, unlisted equity securities in a private limited company incorporated in Hong Kong and unlisted partnership investments which are categorised into Level 3 of the fair value hierarchy. Reports with estimation of fair value are prepared by the financial institutions and external fund managers on a monthly basis and independent valuers on a semi-annually basis. Discussion of the valuation process and results with those charged with governance is held twice a year, to coincide with the reporting dates.

38. 公平值計量(續)

a) 按公平值計量之資產(負債)(續)

公平值計量級別三採用之估值技術及輸入項目描述

本集團會確認於香港境外註冊成立之私人有限公司之非上市股本證券、於香港註冊成立之私人有限公司之非上市股本證券及非上市合夥投資於各報告期結束日之公平值，而該等公平值乃分別採用市帳率、市盈率及以資產為基礎法釐定，並就少數權益折讓作出調整。

非上市財富管理產品投資組合主要包括於債權證、銀行債權證、銀行儲蓄、公司債券、上市證券之投資以及於中國及全球市場具高信貸評級之其他投資(「投資」)，而投資之公平值由財務機構及外部基金經理報告。

本集團之估值過程

本集團會審閱分類為公平值架構級別三之非上市財富管理產品、於香港境外註冊成立之私人有限公司之非上市股本證券、於香港註冊成立之私人有限公司之非上市股本證券及非上市合夥投資及應付或然代價之公平值估計。財務機構及外部基金經理會每月編製附帶公平值估計之報告，而獨立估值師則每半年編製一次。管治人員會配合報告日期每年兩次討論估值過程及結果。

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38. FAIR VALUE MEASUREMENTS (Continued)

b) Assets and liabilities with fair value disclosure, but not measured at fair value

All other financial assets and liabilities including loan receivables, trade and other receivables, trade and other payables and interest-bearing borrowings are carried at amounts not materially different from their fair values as at 31 December 2018.

Except for certain available-for-sale financial assets for which fair values cannot be measured reliably, all other financial assets and liabilities including loan receivables, trade and other receivables, trade and other payables and interest-bearing borrowings are carried at amounts not materially different from their fair values as at 31 December 2017.

38. 公平值計量(續)

b) 須披露公平值但並非按公平值計量之資產及負債

於二零一八年十二月三十一日，所有其他財務資產及負債(包括應收貸款、貿易及其他應收款項、貿易及其他應付款項以及計息借貸)之列帳金額與公平值並無重大差別。

於二零一七年十二月三十一日，除公平值無法可靠計量之若干可供出售財務資產外，所有其他財務資產及負債(包括應收貸款、貿易及其他應收款項、貿易及其他應付款項以及計息借貸)之列帳金額與公平值並無重大差別。

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39. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD

Other than disclosed elsewhere in these consolidated financial statements, a summary of other events and events transacted after end of the reporting period is set out below:

(a) Proposed acquisition of 50% equity interests in Taiping Securities (HK) Co Limited (“Taiping”) in relation to the deemed disposal of ED Group

On 14 November 2017, Enterprise Development, Reliable Intelligence Asia Limited (“**Reliable Intelligence**”), an indirect non wholly-owned subsidiary of Company, and Taiping Financial Holdings Company Limited (“**Taiping Financial**”), a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of China Taiping Insurance Holdings Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are traded on the Main Board of the Stock Exchange with stock code of 00966.HK, entered into a sale and purchase agreement (the “**Sales and Purchase Agreement**”), pursuant to which Reliable Intelligence conditionally agreed to purchase and Taiping Financial conditionally agreed to sell 50% equity interests in Taiping, at a total consideration of HK\$229,884,785 (subject to the adjustment) which shall be satisfied in the following manner:

- i. as to HK\$143,886,163 shall be payable by Reliable Intelligence procuring Enterprise Development, which shall allot and issue Enterprise Development’s consideration shares to Taiping (or its nominee(s)) at the issue price of HK\$1.10 per Enterprise Development’s consideration share upon completion; and

39. 其他事項及報告期後事項

除該等綜合財務報表其他部分所披露者外，其他事項及於報告期結束日後進行之事項概述如下：

(a) 有關視作出售企展集團之建議收購太平証券(香港)有限公司(「太平」) 50% 股本權益

於二零一七年十一月十四日，企展、信智亞洲有限公司(「**信智亞洲**」，本公司之間接非全資附屬公司)及太平金融控股有限公司(「**太平金融**」，一間於香港註冊成立之有限公司及為中國太平保險控股有限公司，一間於香港註冊成立之有限公司，其股份於聯交所主板買賣(股份代號：00966.HK))之全資附屬公司)訂立一份買賣協議(「**買賣協議**」)，據此，信智亞洲有條件同意購買及太平金融有條件同意出售太平50%股本權益，總代價為229,884,785港元(可予調整)，將以下列方式支付：

- i. 143,886,163港元由信智亞洲於完成時，以促使企展按發行價每股企展代價股份1.10港元向太平(或其代名人)配發及發行企展代價股份之方式支付；及

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39. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

(a) Proposed acquisition of 50% equity interests in Taiping Securities (HK) Co Limited ("Taiping") in relation to the deemed disposal of ED Group (Continued)

- ii. the remaining balance of the consideration shall be payable by Reliable Intelligence procuring Enterprise Development, which shall issue the convertible bonds to Taiping (or its nominee(s)) upon completion, with the initial conversion price of such convertible bonds at HK\$1.10 per conversion share.

Upon completion, Enterprise Development will indirectly hold 50% of the issued share capital of Taiping, which will become an associate of Enterprise Development and the investment of the ED Group in Taiping will be classified as interests in an associate.

The directors of the Company take the view that the financial results of ED Group may or may not continue to be consolidated into the financial statements of the Group on the commencement of the conversion period of the convertible bonds. Details please refer to the circular of the Company dated 15 February 2018.

Taiping is a company incorporated in Hong Kong with limited liability, which is licensed by the Securities and Futures Commission of Hong Kong to carry out Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance, and is principally engaged in the businesses of securities dealing and broking, and securities margin financing.

39. 其他事項及報告期後事項(續)

(a) 有關視作出售企展集團之建議收購太平証券(香港)有限公司(「太平」)50%股本權益(續)

- ii. 代價餘額將由信智亞洲於完成時，以促使企展向太平(或其代名人)發行可換股債券之方式支付，該等可換股債券之初始換股價為每股換股股份1.10港元。

於完成後，企展將間接持有太平50%已發行股本，而太平將成為企展之聯營公司，而企展集團於太平之投資將分類為於一間聯營公司之權益。

本公司董事認為，於可換股債券轉換期開始時，企展集團之財務業績可能會或可能不會繼續於本集團之財務報表綜合入帳。有關詳情請參閱本公司日期為二零一八年二月十五日之通函。

太平為一間於香港註冊成立之有限公司，獲香港證券及期貨事務監察委員會發牌從事證券及期貨條例下第1類(證券交易)受規管活動，並主要從事證券買賣及經紀業務以及證券保證金融資服務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

(a) Proposed acquisition of 50% equity interests in Taiping Securities (HK) Co Limited (“Taiping”) in relation to the deemed disposal of ED Group (Continued)

On 12 December 2018, the Group has received written confirmation from the Securities and Futures Commission in respect of the approval for the change in the substantial shareholder of Taiping as contemplated under the Sale and Purchase Agreement.

On 31 December 2018, a supplemental agreement to the Sale and Purchase Agreement was entered into by Taiping Financial, Reliable Intelligence and Enterprise Development, pursuant to which the parties to the Sale and Purchase Agreement have mutually agreed in writing to extend the long stop date of the Sale and Purchase Agreement to 31 March 2019, as additional time is required for Taiping Financial to fulfill the remaining conditions precedent under the Sale and Purchase Agreement.

On 29 March 2019, a second supplemental agreement to the Sale and Purchase Agreement was entered into by Taiping Financial, Reliable Intelligence and Enterprise Development, pursuant to which the parties to the Sale and Purchase Agreement have mutually agreed in writing to extend the long stop date of the Sale and Purchase Agreement to 28 June 2019, as additional time is required for Taiping Financial to fulfill the remaining conditions precedent under the Sale and Purchase Agreement.

As at the date of the these consolidated financial statement, the acquisition of Taiping has not yet been completed. Details of the acquisition are set out in the Company’s announcements dated 15 November 2017, 20 December 2017 and 12 December 2018.

39. 其他事項及報告期後事項(續)

(a) 有關視作出售企展集團之建議收購太平証券(香港)有限公司(「太平」) 50% 股本權益(續)

於二零一八年十二月十二日，本集團收到證券及期貨事務監察委員會之確認書，當中批准根據買賣協議項下擬進行太平主要股東之變更。

於二零一八年十二月三十一日，太平金融、信智亞洲及企展訂立買賣協議之補充協議，據此，買賣協議之訂約方已共同書面協定延長買賣協議之最後完成日期至二零一九年三月三十一日，原因為太平金融需要更多時間達成買賣協議項下之餘下先決條件。

於二零一九年三月二十九日，太平金融、信智亞洲及企展訂立買賣協議之第二份補充協議，據此，買賣協議之訂約方已共同書面協定延長買賣協議時最後完成日期至二零一九年六月二十八日，原因為太平金融需要更多時間達成買賣協議項下之餘下先決條件。

於該等綜合財務報表日期，太平收購事項尚未完成。有關收購事項詳情載於本公司日期為二零一七年十一月十五日、二零一七年十二月二十日及二零一八年十二月十二日之公告。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

40. 本公司財務狀況表

| | | Notes 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|-------------------|-------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | | |
| Interests in subsidiaries | 於附屬公司之權益 | 14 | 2,226,050 | 4,467,754 |
| Current assets | 流動資產 | | | |
| Due from subsidiaries | 應收附屬公司款項 | | 345,849 | 416,794 |
| Other receivables | 其他應收款項 | | 2,383 | 17,622 |
| Bank balances and cash | 銀行結存及現金 | | 647 | 62 |
| | | | 348,879 | 434,478 |
| Current liabilities | 流動負債 | | | |
| Other payables | 其他應付款項 | | 70,666 | 61,646 |
| Interest-bearing borrowings | 計息借貸 | | 200,000 | — |
| Promissory notes | 承兌票據 | 26 | 645,975 | 199,881 |
| Convertible bonds | 可換股債券 | 29 | 672,117 | 13,621 |
| | | | 1,588,758 | 275,148 |
| Net current (liabilities) assets | 流動(負債)資產淨值 | | (1,239,879) | 159,330 |
| Total assets less current liabilities | 資產總值減流動負債 | | 986,171 | 4,627,084 |
| Non-current liabilities | 非流動負債 | | | |
| Promissory notes | 承兌票據 | 26 | 90,662 | 539,943 |
| Convertible bonds | 可換股債券 | 29 | — | 635,541 |
| | | | 90,662 | 1,175,484 |
| NET ASSETS | 資產淨值 | | 895,509 | 3,451,600 |
| Equity and reserves | 股權及儲備 | | | |
| Share capital | 股本 | 30 | 11,022 | 11,148 |
| Reserves | 儲備 | 40(a) | 884,487 | 3,440,452 |
| TOTAL EQUITY | 股權總值 | | 895,509 | 3,451,600 |

This statement of financial position was approved and authorised for issue by the Board of Directors on 29 March 2019 and signed on its behalf by

Kwok Kenneth Wai Lung
Director and Chief Executive Officer

Tsang To
Director

本財務狀況表經由以下人士代表董事會於二零一九年三月二十九日簽署批准及授權刊發

郭瑋瓏
董事兼行政總裁

曾濤
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(a) Reserves

40. 本公司財務狀況表(續)

(a) 儲備

| | | Treasury shares | Share premium | Capital redemption reserve | Capital Reserve | Contributed reserve | Convertible bonds equity reserve | Share option reserve | Retained profits (Accumulated losses) | Total |
|---|-------------------------|-----------------|----------------|----------------------------|-----------------|---------------------|----------------------------------|----------------------|---------------------------------------|----------------|
| | | 庫存股份 | 股份溢價 | 資本贖回儲備 | 資本儲備 | 繳入盈餘 | 可換股債券權益儲備 | 購股權儲備 | 保留溢利(累計虧損) | 總計 |
| | | 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 |
| At 1 January 2017 | 於二零一七年一月一日 | — | 2,792,757 | 1,173 | 4,492 | 16,692 | 22,079 | 94,565 | 99,206 | 3,030,964 |
| Profit for the year and total comprehensive income for the year | 年內溢利及年內全面收入總額 | — | — | — | — | — | — | — | 29,058 | 29,058 |
| Transaction with owners: Contributions and distributions | 與擁有人進行之交易：出資及分派 | | | | | | | | | |
| — Issue of new shares, net of expenses | — 發行新股(已扣除開支) | — | 350,009 | — | — | — | — | — | — | 350,009 |
| — Recognition of equity component of convertible bonds | — 確認可換股債券之權益部分 | — | — | — | — | — | 933 | — | — | 933 |
| — Equity-settled share-based payments | — 以權益結算以股份支付之款項 | — | — | — | — | — | — | 29,488 | — | 29,488 |
| — Share options forfeited during the year | — 年內沒收之購股權 | — | — | — | — | — | — | (14,156) | 14,156 | — |
| Total transaction with owners | 與擁有人進行之交易總額 | — | 350,009 | — | — | — | 933 | 15,332 | 14,156 | 380,430 |
| 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 | — | 3,142,766 | 1,173 | 4,492 | 16,692 | 23,012 | 109,897 | 142,420 | 3,440,452 |
| Loss for the year and total comprehensive loss for the year | 年內虧損及年內全面虧損總額 | — | — | — | — | — | — | — | (2,525,107) | (2,525,107) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(a) Reserves (Continued)

40. 本公司財務狀況表(續)

(a) 儲備(續)

| | Treasury shares | Share premium | Capital redemption reserve | Capital Reserve | Contributed reserve | Convertible bonds equity reserve | Share option reserve | Retained profits (Accumulated losses) | Total |
|---|-----------------|---------------|----------------------------|-----------------|---------------------|----------------------------------|----------------------|---------------------------------------|----------|
| | 庫存股份 | 股份溢價 | 資本贖回儲備 | 資本儲備 | 繳入盈餘 | 可換股債券權益儲備 | 購股權儲備 | 保留溢利(累計虧損) | 總計 |
| | 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 |
| Transaction with owners: 與擁有人進行之交易: | | | | | | | | | |
| Contributions and distributions 出資及分派 | | | | | | | | | |
| — Shares repurchased and cancelled 已購回及已註銷股份 | — | (20,876) | 126 | — | — | — | — | (126) | (20,876) |
| — Shares repurchased but not cancelled 已購回但未已註銷股份 | (4) | (297) | — | — | — | — | — | — | (301) |
| — Reversal of equity-settled share-based payments 撥回以權益結算以股份支付之款項 | — | — | — | — | — | — | (9,681) | — | (9,681) |
| — Share options forfeited during the year 一年內沒收之購股權 | — | — | — | — | — | — | (31,444) | 31,444 | — |
| Total transaction with owners 與擁有人進行之交易總額 | (4) | (21,173) | 126 | — | — | — | (41,125) | 31,318 | (30,858) |
| Transfer 轉撥 | — | — | — | — | — | (933) | — | 933 | — |
| At 31 December 2018 於二零一八年十二月三十一日 | (4) | 3,121,593 | 1,299 | 4,492 | 16,692 | 22,079 | 68,772 | (2,350,436) | 884,487 |

Financial Summary

財務概要

The following is a summary of the published results and assets and liabilities of Rentian Technology Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) for the past five years.

以下為仁天科技控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)過去五年之已刊發業績以及資產及負債概要。

業績

RESULTS

| | | 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 | 1,134,936 | 1,531,414 | 1,203,580 | 904,096 | 525,517 |
| Cost of sales | 銷售成本 | (924,459) | (786,378) | (739,321) | (550,404) | (158,827) |
| Gross profit | 毛利 | 210,477 | 745,036 | 464,259 | 353,692 | 366,690 |
| Other income | 其他收入 | 38,540 | 52,766 | 40,154 | 23,650 | 7,426 |
| Selling and distribution expenses | 銷售及分銷開支 | (128,191) | (100,710) | (68,414) | (79,319) | (29,917) |
| General and administrative expenses | 一般及行政開支 | (422,199) | (376,055) | (314,305) | (171,415) | (38,531) |
| Other operating expenses | 其他經營開支 | — | — | — | (49) | (444) |
| Changes in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | (1,479,954) | 284,739 | 264,436 | (77,666) | 611,528 |
| Changes in fair value of contingent consideration receivables | 應收或然代價之公平值變動 | — | 186,757 | — | — | — |
| Changes in fair value of contingent consideration payables | 應付或然代價之公平值變動 | 16,524 | — | — | — | — |
| Other gains/(losses), net | 其他收益/(虧損)淨額 | — | 1,265 | (1,157) | — | — |
| Forfeiture of a deposit paid for acquisition of a subsidiary | 沒有就收購一間附屬公司已支付之按金 | (3,000) | — | — | — | — |
| Impairment loss of available-for-sale financial assets | 可供出售財務資產之減值虧損 | — | (61,109) | (41,114) | — | (12,536) |
| Impairment of intangible assets | 無形資產減值 | (59,419) | — | — | — | — |
| Impairment of goodwill | 商譽減值 | (897,375) | (200,000) | — | — | — |
| Finance costs | 財務成本 | (205,698) | (190,103) | (109,685) | (37,732) | (9,177) |
| Share of results of an associate/associates | 應佔一間聯營公司/聯營公司之業績 | — | 1,473 | 18,960 | 48,059 | (10,051) |
| Gain on bargain purchase on acquisition of an associate | 收購一間聯營公司之議價購買收益 | — | — | — | 8,740 | — |
| (Loss) Profit before taxation | 除稅前(虧損)溢利 | (2,930,295) | 344,059 | 253,134 | 67,960 | 884,993 |
| Taxation | 稅項 | (16,381) | (37,394) | (22,120) | (6,956) | (196) |
| (Loss) Profit for the year | 年內(虧損)溢利 | (2,946,676) | 306,665 | 231,014 | 61,004 | 884,797 |
| (Loss) Profit attributable to: Owners of the Company | (虧損)溢利歸屬於: 本公司擁有人 | (2,835,001) | 202,628 | 154,446 | 38,258 | 881,837 |
| Non-controlling interests | 非控股權益 | (111,675) | 104,037 | 76,568 | 22,746 | 2,960 |
| | | (2,946,676) | 306,665 | 231,014 | 61,004 | 884,797 |

Financial Summary

財務概要

ASSETS AND LIABILITIES

資產及負債

| | | 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 |
|---------------------------------------|-----------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | 653,176 | 1,702,149 | 1,848,292 | 920,767 | 427,949 |
| Current assets | 流動資產 | 3,671,941 | 5,208,539 | 3,588,320 | 2,547,185 | 1,892,184 |
| Current liabilities | 流動負債 | (3,133,983) | (1,384,106) | (923,276) | (723,856) | (340,660) |
| Net current assets | 流動資產淨值 | 537,958 | 3,824,433 | 2,665,044 | 1,823,329 | 1,551,524 |
| Total assets less current liabilities | 資產總值減流動負債 | 1,191,134 | 5,526,582 | 4,513,336 | 2,744,096 | 1,979,473 |
| Non-current liabilities | 非流動負債 | (95,392) | (1,219,004) | (1,079,844) | (479,786) | (80,752) |
| Net assets | 資產淨值 | 1,095,742 | 4,307,578 | 3,433,492 | 2,264,310 | 1,898,721 |



RENTIAN TECHNOLOGY HOLDINGS LIMITED
仁天科技控股有限公司*