



首 華 財 經 網 絡 集 團 有 限 公 司

FIRST CHINA FINANCIAL NETWORK HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability 於開曼群島成立之有限公司)

Stock Code 股份代號: 08123

ANNUAL  
REPORT  
年 報  
2016

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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**創業板的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險的公司提供一個上市的市場。有意投資者應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他資深投資者。**

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# CORPORATE INFORMATION

## 公司資料

### EXECUTIVE DIRECTORS

Wang Jiawei (*Chairman and Chief Executive Officer*)

Lai Yuk Mui

### NON-EXECUTIVE DIRECTORS

Liu Runtong

James Beeland Rogers Jr.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Zhang Benzhen

Li Jianxing

Chen Shu Wen

### COMPLIANCE OFFICER

Lai Yuk Mui

### COMPANY SECRETARY

Man See Yee

### COMPOSITION OF BOARD COMMITTEES

#### Audit Committee

Li Jianxing (*Chairman*)

Zhang Benzhen

Chen Shu Wen

#### Remuneration Committee

Zhang Benzhen (*Chairman*)

Wang Jiawei

Lai Yuk Mui

Li Jianxing

Chen Shu Wen

#### Nomination Committee

Zhang Benzhen (*Chairman*)

Wang Jiawei

Li Jianxing

Chen Shu Wen

### REGISTERED OFFICE

Cricket Square

Hutchins Drive, P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

### 執行董事

王嘉偉 (*主席兼行政總裁*)

黎玉梅

### 非執行董事

劉潤桐

James Beeland Rogers Jr.

### 獨立非執行董事

張本正

李建行

陳樹文

### 監察主任

黎玉梅

### 公司秘書

文思怡

### 董事會委員會成員

#### 審核委員會

李建行 (*主席*)

張本正

陳樹文

#### 薪酬委員會

張本正 (*主席*)

王嘉偉

黎玉梅

李建行

陳樹文

#### 提名委員會

張本正 (*主席*)

王嘉偉

李建行

陳樹文

### 註冊辦事處

Cricket Square

Hutchins Drive, P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

# CORPORATE INFORMATION

## 公司資料

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

16th Floor, CMA Building  
No. 64-66 Connaught Road Central  
Hong Kong

### COMPANY WEBSITE

[www.firstchina.hk](http://www.firstchina.hk)

### STOCK CODE

08123

### PRINCIPAL BANKER

OCBC Wing Hang Bank Limited  
161 Queen's Road Central  
Hong Kong

### AUDITORS

Cheng & Cheng Limited  
*Certified Public Accountants*  
10/F., Allied Kajima Building  
138 Gloucester Road  
Wanchai, Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110, Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited  
46th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### 總辦事處及主要營業地點

香港  
干諾道中64-66號  
廠商會大廈16樓

### 公司網址

[www.firstchina.hk](http://www.firstchina.hk)

### 股份代號

08123

### 主要往來銀行

華僑永亨銀行有限公司  
香港  
皇后大道中161號

### 核數師

鄭鄭會計師事務所有限公司  
*香港執業會計師*  
香港灣仔  
告士打道138號  
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### 股份過戶登記總處

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110, Cayman Islands

### 香港股份過戶登記分處

香港證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心46樓

# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

### BUSINESS REVIEW

The Group for the year ended 31 December 2016 recorded total turnover of approximately HK\$46.9 million, which was a decrease of approximately HK\$111.9 million compared with the last corresponding year. It was due to a record of proceeds from trading of securities of approximately HK\$38.0 million for the year ended 31 December 2016, compared with approximately HK\$113.1 million for the previous year, representing a decrease of approximately HK\$75.1 million. Moreover, there were a decrease of consultancy fee income of approximately HK\$20 million, a decrease of spot trading profits on precious metals contracts of approximately HK\$10.7 million and also a decrease of commission income from precious metals brokerage of approximately HK\$7.3 million when compared with that of the year ended 31 December 2015.

For proprietary stock trading, the Group recorded an unrealized loss of approximately HK\$30.1 million and realized loss of approximately HK\$71.7 million for the year ended 31 December 2016. It was mainly due to the market price of one of the stocks in the portfolio of the Group dropped materially on 30 September 2016.

For electronic student card business, due to encouragement from the People's Republic of China ("PRC") Government, the customers tend to prefer and use BeiDou Navigation Satellite System (北斗衛星導航系統) ("BeiDou System"). The intended change of navigating chips of electronic cards and devices of the school safety network results in delay and postponement of orders by the customers pursuant to previously executed contracts. Although the Group has been securing sales from other contracts, the Group has been unable to receive large orders from previously executed contracts and the sizes of other contracts are insufficient to cover the operating costs of 深圳市天星通科技有限公司 (transliterated as Shenzhen Star Technology Co., Ltd) ("Shenzhen Star"). Despite the effort by the Group to change the navigating chips of electronic cards and devices of the school safety network to coordinate with the BeiDou System, there has been technical issues that the Group needs to resolve. The segment of the trading of electronic student cards and school safety products recorded a revenue of approximately HK\$5.2 million and incurred an operating loss of approximately HK\$113.4 million for the year ended 31 December 2016. The said segment recorded revenue and operating loss of approximately HK\$2.1 million and approximately HK\$57.9 million respectively for the year ended 31 December 2015. The operating loss included the impairment and amortization of intangible assets which are non-cash items and will have no impact on the Group's daily operations and cashflows.

### 業務回顧

本集團於截至二零一六年十二月三十一日止年度錄得總營業額約46,900,000港元，較去年同期減少約111,900,000港元。其乃由於截至二零一六年十二月三十一日止年度出售證券之所得款項錄得約38,000,000港元，而去年則錄得約113,100,000港元，減少約75,100,000港元。此外，與截至二零一五年十二月三十一日止年度相比，諮詢費用收入減少約20,000,000港元、貴金屬現貨合約交易利潤減少約10,700,000港元及貴金屬經紀佣金收入亦減少約7,300,000港元。

就自營證券交易而言，本集團於截至二零一六年十二月三十一日止年度錄得未變現虧損約30,100,000港元及已變現虧損約71,700,000港元，主要乃由於本集團組合內之其中一隻股票之市價於二零一六年九月三十日大幅下跌所致。

就電子學生證業務而言，由於受中華人民共和國（「中國」）政府鼓勵，客戶更傾向於選擇及使用北斗衛星導航系統（「北斗系統」），擬定更換電子卡及校園安全網絡設備的導航芯片導致客戶延遲訂單及推遲根據過往已執行合約發出訂單。雖然本集團一直從其他合約中獲得銷售，但本集團仍無法從過往已簽訂的合約中取得大量訂單，且其他合約的規模不足以彌補深圳市天星通科技有限公司（「深圳天星通」）的經營成本。儘管本集團作出努力更換電子卡及校園安全網絡設備的導航芯片以配合北斗系統，但仍有諸多技術問題有待本集團解決。電子學生證及校園安全產品銷售分部於截至二零一六年十二月三十一日止年度錄得收入約5,200,000港元，並產生經營虧損約113,400,000港元。上述分部於截至二零一五年十二月三十一日止年度分別錄得收入及經營虧損約2,100,000港元及約57,900,000港元。經營虧損包括無形資產減值及攤銷，其乃非現金項目，將不會對本集團的日常營運及現金流構成影響。

# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

As per the announcement dated 10 June 2016 of the Company, the final judgement handed down by South China International Economic and Trade Arbitration Commission (Shenzhen Court of International Arbitration) against Yang Shunhong that he shall repay the refundable earnest money of RMB20.0 million to 首華證券諮詢(深圳)有限公司 (transliterated as First China Securities Consultancy (Shenzhen) Co., Ltd) ("Shenzhen First China"), a wholly-owned subsidiary of the Company, together with penalty and legal costs, in relation to the proposed acquisition of 100% of the registered capital of 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co. Ltd.). The proposed acquisition was terminated as announced by the Company on 29 May 2015.

As neither the refundable earnest money, penalty nor legal costs have been received by Shenzhen First China, our legal adviser has applied to the Intermediate People's Court in Suining City, Sichuan Province, China on behalf of Shenzhen First China to include Yang Shunhong in the list of restricted high consumption, the list of dishonest persons and the list of restricted departures. The management will negotiate with the vendors on the settlement of the said refundable earnest money paid and our legal adviser will continue to follow upon the settlement of the refundable earnest money with the court in the PRC.

Due to the tightened policy of the PRC Government on regulating the precious metals trading and brokerage business in the PRC, the Group recorded a decrease in trading gain on precious metals and commission income from brokerage services in precious metals for the year ended 31 December 2016. Trading gain on precious metal contracts is approximately HK\$0.5 million, which is less than that of approximately HK\$10.7 million as compared with the year ended 31 December 2015 and the commission income from precious metals brokerage was approximately HK\$1.0 million when compared with that of approximately HK\$8.3 million for the year ended 31 December 2015.

### FINANCIAL REVIEW

#### Results of the Group

The Group recorded total turnover of approximately HK\$46.9 million for the year ended 31 December 2016 as compared to total turnover of approximately HK\$158.8 million for the previous year, representing a decrease of approximately HK\$111.9 million or approximately 70.5%. The sharp decrease of turnover was primarily due to the decrease of proceeds from trading of securities, the lack of consultancy fee income and the decrease in trading gain on precious metals in the PRC.

根據本公司日期為二零一六年六月十日之公告，華南國際經濟貿易仲裁委員會（深圳國際仲裁院）對陽順洪作出最終裁定，彼須就建議收購民勤量子新能源有限公司的100%實收資本向本公司之全資附屬公司首華證券諮詢(深圳)有限公司（「深圳首華」）償還可退還誠意金人民幣20,000,000元連同違約金及律師費。本公司於二零一五年五月二十九日宣佈建議收購事項已獲終止。

由於深圳首華並未收到可退還誠意金、違約金或律師費，本集團法律顧問已經代表深圳首華向中國四川省遂寧市中級人民法院提出將陽順洪納入限制高消費名單、失信人員名單及限制離境名單。管理層將與賣方就上述可退還誠意金之結付進行磋商及本集團法律顧問將繼續配合中國法院的工作以繼續跟進收回可退還誠意金。

由於中國政府對本集團於中國經營之貴金屬交易及經紀業務收緊監管政策，本集團於截至二零一六年十二月三十一日止年度就貴金屬之交易收益及貴金屬經紀服務之佣金收入錄得減少。貴金屬合約之交易收益約為500,000港元，其與截至二零一五年十二月三十一日止年度相比減少約10,700,000港元，及貴金屬經紀之佣金收入約為1,000,000港元，而截至二零一五年十二月三十一日止年度約為8,300,000港元。

### 財務回顧

#### 本集團業績

本集團於截至二零一六年十二月三十一日止年度錄得總營業額約46,900,000港元，而去年則錄得總營業額約158,800,000港元，減少約111,900,000港元或約70.5%。營業額急劇下降主要由於出售證券之所得款項下降，流失諮詢費收入及於中國的貴金屬交易收入下降所致。

# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

The Group recorded a loss for the year amounted to approximately HK\$244.9 million, compared with a loss of approximately HK\$61.0 million for the corresponding year. The loss of the year encompassed the realized losses and unrealized fair value losses on securities trading of approximately HK\$71.7 million and approximately HK\$30.1 million respectively, compared with realized gains and unrealized fair value losses on securities trading of approximately HK\$4.3 million and HK\$32.6 million respectively for the previous year. It was mainly due to realized loss on the material drop on the price of one of the stocks in the portfolio of the Group during the year.

The loss also included the impairment of intangible assets of approximately HK\$122.7 million, representing the residual value of acquisition of a subsidiary in 2014, compared with approximately HK\$93.2 million for the previous year. The net impact of such impairment led to an operating loss for approximately HK\$108.9 million which included the impairment and amortization of intangible assets, fair value of contingent consideration receivable and reversal of deferred tax liabilities (2015: approximately HK\$57.9 million).

Due to the tightened policy of the PRC Government on regulating the precious metals trading and brokerage business in the PRC, the business operation of an associate has not resumed. The Group recorded approximately HK\$8.93 million from share of loss (2015: share of profit of approximately HK\$37.6 million) of associate for the year under review.

### Liquidity and financial resources

The Group's current assets as at 31 December 2016 amounted to approximately HK\$398.2 million compared with approximately HK\$537.1 million as at 31 December 2015 and the liquidity of the Group, as demonstrated by the current ratio (current assets/current liabilities) was 15.59 times, compared with 16.73 times for previous year. Among them, the financial assets at fair value through profit or loss were approximately HK\$64.0 million (2015: approximately HK\$202.0 million). All the financial assets were invested in the equity securities listed in Hong Kong. As at 31 December 2016, the Group's cash and bank balances were approximately HK\$255.0 million (2015: approximately HK\$267.7 million) of which approximately HK\$14.1 million (2015: approximately HK\$24.4 million) were held on behalf of clients in trust and segregated accounts.

本集團錄得年度虧損約244,900,000港元，而於去年則為虧損約61,000,000港元。年度虧損包括證券買賣之已變現虧損及未變現公平值虧損分別約71,700,000港元及約30,100,000港元，而於去年則為證券買賣之已變現收益及未變現公平值虧損分別約4,300,000港元及32,600,000港元，主要乃由於本集團組合內之其中一隻股票之已變現虧損於年內因其市價大幅下跌所致。

該虧損亦包括無形資產減值約122,700,000港元（即於二零一四年收購一間附屬公司之剩餘價值），而去年則為約93,200,000港元。該等減值之淨影響而引致產生經營虧損約108,900,000港元（包括無形資產之攤銷及減值、應收或然代價之公平值及遞延稅項負債之撥回）（二零一五年：約57,900,000港元）。

由於中國政府對於中國經營之貴金屬交易及經紀業務收緊監管政策，一間聯營公司之業務經營尚未恢復。本集團於回顧年度錄得分佔聯營公司虧損約8,930,000港元（二零一五年：分佔溢利約37,600,000港元）

### 流動資金及財務資源

本集團於二零一六年十二月三十一日之流動資產約398,200,000港元，而於二零一五年十二月三十一日約537,100,000港元，而本集團之流動性，以流動比率顯示（即流動資產／流動負債）為15.59倍，而去年為16.73倍。其中以按公平值計入損益列賬之金融資產約64,000,000港元（二零一五年：約202,000,000港元）。所有金融資產均投資於在香港上市的股本證券。於二零一六年十二月三十一日，本集團的現金及銀行結餘約為255,000,000港元（二零一五年：約267,700,000港元），當中約14,100,000港元（二零一五年：約24,400,000港元）乃代客戶以信託方式於獨立賬戶持有。



# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

As at 31 December 2016, the Group's total borrowing amounted to approximately HK\$8.6 million (2015: approximately HK\$10.5 million), of which, approximately HK\$2.0 million (2015: approximately HK\$1.9 million) was repayable within one year. The borrowings were secured by charges over the Group's land and buildings as well as corporate guarantee issued by the Company. Taking into account of the amount of liquid assets in hand, the Broad is of the view that the Group has sufficient financial resources for future development of the existing business of the Group and other business when investment opportunities arise.

The equity attributable to the owners of the Company amounted to approximately HK\$462.8 million as at 31 December 2016, representing a decrease of approximately HK\$260.9 million, or 36.0% from that of 31 December 2015. The decrease was mainly due to loss for the year attributable to the owners of the Company.

The Group manages the foreign exchange exposure arising from its normal course of business activities and investments in foreign operations by funding its local operations and investments through cash flow generated from business transaction locally. As at the end of the year, the Group did not have any material un-hedged foreign exchange exposure of interest rate mismatch.

### Capital structure

As at 31 December 2016, the Company's issued share capital was 6,498,958,120 shares of HK\$0.01 each.

### Precious metals spot trading and brokerage

The revenue of this segment recorded approximately HK\$1.5 million for the year ended 31 December 2016, as compared to approximately HK\$19.6 million for the previous year, plunged approximately 92.3% or approximately HK\$18.1 million. It was mainly attributable to the tightened policy of the PRC Government on regulating the precious metals trading and brokerage business in the PRC in which the Group operated. It reported an operating loss of approximately HK\$2.0 million for the year ended 31 December 2016, as compared to an operating profit of approximately HK\$4.5 million for the previous year.

於二零一六年十二月三十一日，本集團之借款總額約為8,600,000港元（二零一五年：約10,500,000港元），當中約2,000,000港元（二零一五年：約1,900,000港元）須於一年內償還。借款以抵押本集團之土地及樓宇以及本公司簽訂的公司擔保作擔保。經考慮手頭持有之流動資產金額後，董事會認為本集團具備充裕的財務資源，以應付本集團現有業務及其於投資機會出現時其他業務之未來發展。

於二零一六年十二月三十一日，本公司擁有人應佔權益約為462,800,000港元，較二零一五年十二月三十一日下降約260,900,000港元或36.0%。該下降主要由於本年度本公司擁有人應佔虧損所致。

本集團以本地業務交易產生之現金流量應付本地業務及投資所需，並藉此管理其海外業務在一般業務活動及投資中產生之外匯風險。於年終，本集團並無任何利率錯配之重大未對沖外匯風險。

### 股本結構

於二零一六年十二月三十一日，本公司之已發行股本為6,498,958,120股每股面值0.01港元之股份。

### 貴金屬現貨交易及經紀

於截至二零一六年十二月三十一日止年度，該分類錄得收入約1,500,000港元，相對於去年約19,600,000港元下跌約92.3%或約18,100,000港元。該下跌乃主要由於中國政府對本集團於中國經營之貴金屬交易及經紀業務收緊監管政策所致。該分類於截至二零一六年十二月三十一日止年度錄得經營虧損約2,000,000港元，而去年則為經營利潤約4,500,000港元。

# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

### Stock information and research services

No consultancy fee income was received from 深圳前海首華國際商品交易中心有限公司 (transliterated as Shenzhen Qianhai First China International Commodities Exchange Centre Limited), an associated company of the Company, during the year under review, as compared to approximately HK\$19.9 million for previous year. The Group held 38% interest in this associated company, which reported an operating loss of approximately HK\$6.9 million for the year, compared with profit of approximately HK\$13.0 million during last corresponding year.

### Trading of electronic student cards and school safety products

This segment began to contribute to the Group. It recorded approximately HK\$5.2 million of revenue for the year under review compared with approximately HK\$2.1 million for the same period last year. It is principally engaged in development and exploration of various telecommunication technologies in the PRC, in particular, electronic student card for school safety network. For the year under review, the navigating chips of electronic student cards and devices needed to change to operate in coordination with the BeiDou System, a system preferred by the PRC Government. The Group is studying to modify the devices in order to deal with the power consumption issues. It led to a slow down in the production of electronic student cards and devices and incurred an operating loss of approximately HK\$113.4 million, included an impairment of intangible assets for approximately HK\$122.7 million (2015: approximately HK\$93.2 million). The net loss of this segment included increase of fair value of contingent consideration receivable and reversal of deferred tax liabilities, for the year ended 31 December 2016 and it recorded a loss of approximately HK\$57.9 million for the last corresponding period.

### Brokerage and securities margin financing service

Total revenue of this segment recorded approximately HK\$1.4 million for the year ended 31 December 2016, compared with approximately HK\$3.3 million for the same period last year. There was a decrease of approximately 57.6% from that of previous year in line with an decrease of 37.1% of the average turnover of the Hong Kong equity market. This segment loss reached approximately HK\$4.1 million while loss of approximately HK\$1.5 million for the last corresponding period.

### 股票資訊及研究服務

於回顧年度並無自本公司之聯營公司深圳前海首華國際商品交易中心有限公司取得諮詢費收入，而去年則錄得約19,900,000港元。本集團於該聯營公司持有38%權益。其於年內錄得經營虧損約6,900,000港元，而去年同期利潤約為13,000,000港元。

### 銷售電子學生證及校園安全產品

該分部開始為本集團作出貢獻，於回顧年度錄得收入約5,200,000港元，而去年同期則為約2,100,000港元。該分部主要於中國從事發展及探索各類通信技術，尤其是校園安全網絡之電子學生證。於回顧年度，電子學生證及設備之導航芯片須於運營上作出調整以與北斗系統（中國政府大力推介之系統）協調。本集團正在研究修正有關設備以處理電耗問題。這導致電子學生證及設備產量出現下滑，從而引致約113,400,000港元之經營虧損，包括無形資產減值約122,700,000港元（二零一五年：約93,200,000港元）。於截至二零一六年十二月三十一日止年度，該分部之淨虧損亦包括應收或然代價公平值增加及遞延稅項負債之回撥，且該分部於去年同期錄得虧損約57,900,000港元。

### 經紀及證券保證金融資服務

截至二零一六年十二月三十一日止年度，該分部錄得總收入約1,400,000港元，而去年同期則為約3,300,000港元，較去年減少約57.6%，其與香港股票市場之平均營業額下降37.1%相一致。該分類之虧損達約4,100,000港元，而去年同期之虧損則為約1,500,000港元。

# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

### Trading and principal investments

The securities trading recorded a realized loss of approximately HK\$71.7 million while it recorded a trading gain of approximately HK\$4.3 million in the previous year. It recorded a fair value losses of approximately HK\$30.1 million for the year under review compared with fair value losses of approximately HK\$32.6 million of the previous year, due to realized loss on one of the stocks sold in the portfolio of the Group due to its market price dropped materially in the year. This assignment showed an operating loss of approximately HK\$102.6 million for the year 31 December 2016 and it recorded a loss of approximately HK\$29.4 million last year.

### CHARGES ON ASSETS

Property, plant and equipment of the Group with a carrying amount of approximately HK\$30.8 million (2015: approximately HK\$32.4 million) were pledged for banking facilities granted to the Group.

### CONTINGENT LIABILITIES

As at 31 December 2016, the Group did not have any contingent liabilities (2015: Nil).

### MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES/FUTURE PLAN FOR MATERIAL INVESTMENTS

There was no other material acquisition/disposal which would have been required to be disclosed under the GEM Listing Rules for the year under review. At present, the Group has no concrete plans for any material investments.

### 買賣及自營投資

證券買賣錄得已變現虧損約71,700,000港元，而其於去年錄得交易收入約4,300,000港元。由於本集團出售組合內之其中一隻股票因其市價於年內大幅下跌導致產生已變現虧損，該分部於回顧年度錄得公平值虧損約30,100,000港元，而去年錄得公平值虧損約32,600,000港元。截至二零一六年十二月三十一日止年度，該分部錄得經營虧損約102,600,000港元，而去年錄得虧損約29,400,000港元。

### 資產抵押

本集團賬面值約30,800,000港元（二零一五年：約32,400,000港元）之物業、機器及設備已就授予本集團之銀行融資作抵押。

### 或然負債

於二零一六年十二月三十一日，本集團並無任何或然負債（二零一五年：無）。

### 附屬公司重大收購及出售／重大投資之日後計劃

於回顧年度內，本集團概無其他重大收購／出售事項須根據創業板上市規則予以披露。目前，本集團並無任何重大投資之具體計劃。

# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

### EMPLOYEE INFORMATION

As at 31 December 2016, the Group had a workforce of 80 employees (2015: 173). Due to suspended precious metals spot trading and brokerage business, the Group decreased 57 sales representatives in the year. The total staff costs, including directors' emoluments, amounted to approximately HK\$17.9 million for the year ended 31 December 2016 (2015: approximately HK\$37.2 million). The Group's remuneration policies are reviewed on an annual basis and commensurate with the industry pay level. The remuneration package includes basic salary, provident fund, medical benefits and discretionary bonus. The Group has also adopted a new share option scheme as an added incentive for its employees.

### OUTLOOK

Looking forward, the Group will continue to develop our current businesses, such as (i) provision of the precious metals spot trading and brokerage services in the PRC, (ii) provision of securities and futures contracts trading services and wealth management services in Hong Kong, (iii) trading and principal investments in the PRC and Hong Kong, (iv) research, exploration and development of the student safety network project and the electronic student cards in the PRC, and (v) provision of stock information and research services through the internet network in the PRC.

Regarding the electronic student card business, the Group will endeavor to resolve the technical issues mentioned in the business review. It is expected that the change of navigating chips of electronic cards and devices of the school safety network which coordinate with the BeiDou Navigation Satellite System (北斗衛星導航系統) can improve and enhance the revenue of the electronic student card business.

Despite Hong Kong stock market downturn, the Group is confident and optimistic about the prospects of the stock market. We will closely monitor the changes in the stock market in order to increase profit or prevent the loss for the Group.

For the refundable earnest money of RMB20.0 million, our legal adviser of the Group will follow up to recover such refundable earnest money, penalty and legal costs on behalf of Shenzhen First China, in relation to the proposed acquisition of 100% of the registered capital of 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co. Ltd.) which was terminated by the Group.

### 僱員資料

於二零一六年十二月三十一日，本集團聘用80名僱員（二零一五年：173名）。由於暫停貴金屬現貨交易及經紀業務，本集團於年內減少57名銷售代表。截至二零一六年十二月三十一日止年度，總員工成本（包括董事薪酬）合共約17,900,000港元（二零一五年：約37,200,000港元）。本集團每年均就薪酬政策作出檢討，務求薪酬水平跟業界一致。薪酬福利包括基本薪金、公積金、醫療福利及酌情花紅。本集團亦採納新購股權計劃作為對其僱員之額外獎勵。

### 前景

展望未來，本集團將繼續發展現有業務，如(i)在中國提供貴金屬現貨交易及經紀服務；(ii)在香港提供證券及期貨合約買賣服務及財富管理服務；(iii)在中國及香港買賣及自營投資；(iv)在中國研究、開拓及發展學生安全網絡項目及電子學生證；以及(v)透過互聯網在中國提供股票資訊及研究服務。

就電子學生證業務而言，本集團將努力解決業務回顧所述之技術問題。預期更換電子卡及校園安全網絡設備的導航芯片來配合北斗衛星導航系統可提升及改善電子學生證業務的收入。

儘管香港股票市場不景氣，本集團仍對股票市場保持信心及持樂觀態度。我們將密切注視股票市場的變動，時刻準備為本集團增加溢利或預防虧損。

就可退還誠意金人民幣20,000,000元而言，本集團法律顧問將代表深圳首華繼續跟進，以收回與建議收購民勤量子新能源有限公司（該收購事項已由本集團終止）的100%實收資本有關的該等可退還誠意金、違約金及律師費。

# CHIEF EXECUTIVE'S STATEMENT

## 行政總裁報告

The Group will continue to develop the innovative businesses and look for opportunities to expand the income sources in order to enhance the revenue of the Group.

本集團將繼續發展創新業務及尋求機會拓展收入來源，從而為本集團增加收入。

I would like to take this opportunity to thank our shareholders, Board of Directors, our staff and business partners for their continuous support and commitment.

本人謹藉此機會向股東、董事會、員工及業務夥伴對本集團不斷支持及貫徹承諾致以感謝。

By order of the Board

**Wang Jiawei**

*Chairman*

Hong Kong, 20 March 2017

承董事會命

**王嘉偉**

*主席*

香港，二零一七年三月二十日

# DIRECTORS AND SENIOR MANAGEMENT PROFILE

## 董事及高級管理人員履歷

### EXECUTIVE DIRECTORS

**Mr. Wang Jiawei**, aged 30, has been an executive Director, a member of nomination committee of the Company since May 2013. Mr. Wang was also appointed as the chairman and chief executive officer of the Company and a member of remuneration committee of the Company with effect from 22 September 2015. He is a director of various subsidiaries of the Company. Mr. Wang obtained a Bachelor of Science in Mathematics at Imperial College London in the United Kingdom in 2009 and a Master of Science in Finance at City University London in the United Kingdom in 2010. From October 2010 to July 2011, he was a market analyst of the investment department in Shenzhen Shouguan Investment Co., Limited in the PRC. Since August 2011, Mr. Wang has been a manager of First China Securities Limited, a subsidiary of the Company. Mr. Wang is also the director of Victor Creation Global Limited from August 2014 and Elpis Capital from September 2014, and non-executive director of Elpis Capital Limited from September 2014.

**Ms. Lai Yuk Mui**, aged 47, has been an executive Director of the Company since 1 August 2015 and she was appointed as a member of remuneration committee of the Company with effect from 22 September 2015. She is a director of various subsidiaries of the Company. Ms. Lai received her Bachelor of Arts degree in Financial Services from Edinburgh Napier University in Scotland. Ms. Lai joined the Company in 14 July 2008 as the executive secretary and has been promoted to the Head of Personnel and Administration Department of the Company since 13 February 2009.

### 執行董事

**王嘉偉先生**，三十歲，自二零一三年五月出任本公司執行董事及提名委員會成員。王先生於二零一五年九月二十二日獲委任為本公司主席、行政總裁及薪酬委員會成員。彼為本公司多間附屬公司之董事。王先生於二零零九年畢業於英國倫敦帝國學院，取得數學理學學士學位，並在二零一零年於英國倫敦城市大學取得財務學理學碩士學位。由二零一零年十月至二零一一年七月，王先生曾於中國的深圳市首冠投資有限公司投資部擔任市場分析師。自二零一一年八月，王先生一直為本公司之附屬公司，首華證券有限公司，擔任經理職位。由二零一四年八月和二零一四年九月，王先生也分別是Victor Creation Global Limited及Elpis Capital的董事，及由二零一四年九月為天澤資本有限公司的非執行董事。

**黎玉梅女士**，四十七歲，自二零一五年八月一日出任本公司執行董事及於二零一五年九月二十二日獲委任為本公司薪酬委員會成員。彼為本公司多間附屬公司之董事。黎女士持有蘇格蘭愛丁堡納皮爾大學金融服務文學士學位。黎女士於二零零八年七月十四日加入本公司擔任行政秘書職位，並於二零零九年二月十三日被晉升為本公司之人事及行政部門主管。

# DIRECTORS AND SENIOR MANAGEMENT PROFILE

## 董事及高級管理人員履歷

### NON-EXECUTIVE DIRECTORS

**Mr. Liu Runtong**, aged 43, was appointed as a non-executive Director of the Company on 2 Feb 2010. He is a chairman and general manager of 首華證券諮詢(深圳)有限公司 (transliterated as First China Securities Consultancy (Shenzhen) Co., Ltd) and a general manager of 深圳畫天影視文化傳播有限公司 (transliterated as Shenzhen Sky Picture Culture Communications Company Limited), both are the wholly-own subsidiaries of the Group. Mr. Liu obtained Bachelor Degree from Department of Chinese of Nankai University in 1996. He also holds qualifications of economist, registered securities investment consulting analyst and registered insurance broker issued by various professional organizations in China. For the past 18 years, Mr. Liu has held different positions in various financial media institutions and financial services institutions in Mainland China. During his tenure from 1998 to 2002 as a responsible person for marketing the newspaper “Securities Times”, he participated in establishing the “Panorama Network” (www.p5w.net), a well-known securities website in China and acted as its major responsible person. In 2000, he acted as consultant in establishing and operating the program “Securities Times” produced by “China Central Television”. From 2002 to 2007, he served as “Program Supervisor” in “Shenzhen Stock Exchange Shenzhen Securities Information Co., Ltd”, where he participated in setting up and managing “Trading Day”, the 24-hour PRC program regarding securities. Because of his outstanding performance, he was elected as one of the “Ten Best Staff” of the “Shenzhen Stock Exchange” in 2004. From 2013 to July 2015, Mr. Liu served Convoy China Financial Services Holding Ltd as a Vice President. He was the executive director of Shenzhen Qianhai CONVOY Asset Management Co., Ltd. from 2013 to July 2015. Mr. Liu has found Shenzhen Qianhai Yinyan Asset Management Co., Ltd. since 2014 and serves as the executive director.

### 非執行董事

**劉潤桐先生**，四十三歲，於二零一零年二月二日獲委任為本公司非執行董事。劉先生為本集團全資附屬公司首華證券諮詢(深圳)有限公司主席及總經理；及深圳畫天影視文化傳播有限公司總經理。彼於一九九六年畢業於南開大學中文系，取得學士學位。彼持有由中國各專業團體發出的經濟師、註冊證券投資諮詢分析師、註冊保險經紀人等資格。於過去18年，劉先生曾在中國大陸多家財經證券媒體、金融服務機構任職，於一九九八至二零零二年任職《證券時報》市場部負責人期間，他曾參與創辦國內知名證券網站「全景網」(www.p5w.net)，並出任主要負責人。二零零零年彼為「中國中央電視台」所製作之《證券時間》節目出任顧問。自二零零二至二零零七年彼於「深圳交易所深圳證券資訊有限公司」出任「視訊部總監」，參與創辦並運營國內二十四小時全天候證券視訊節目《交易日》，由於取得傑出業績，彼於二零零四年被選為「深圳證券交易所」「十佳員工」之一。由二零一三至二零一五年七月，劉先生於康宏中國理財服務控股有限公司擔任副總裁。彼由二零一三至二零一五年七月於深圳前海康宏匯資產管理有限公司擔任執行董事。劉先生自二零一四年起於深圳前海銀堰資產管理有限公司擔任執行董事。

## DIRECTORS AND SENIOR MANAGEMENT PROFILE

### 董事及高級管理人員履歷

**Mr. James Beeland Rogers Jr.** (“Mr. Jim Rogers”), aged 74, was appointed as a non-executive Director of the Company and a senior consultant of 深圳前海首華國際商品交易中心有限公司 (transliterated as Shenzhen Qianhai First China International Commodities Exchange Centre Limited) on 22 September 2014. Mr. Jim Rogers is an author, financial commentator, adventurer, and successful international investor. He has been frequently featured in Time, The Washington Post, The New York Times, Barron’s, Forbes, Fortune, The Wall Street Journal, The Financial Times, The Business Times, The Straits Times and many media outlets worldwide. He has also appeared as a regular commentator and columnist in various media and has been a professor at Columbia University. After attending Yale and Oxford University, Mr. Jim Rogers cofounded the Quantum Fund, a global-investment partnership. Mr. Jim Rogers also served as a full professor of finance at the Columbia University Graduate School of Business, and, in 1989 and 1990, as the moderator of WCBS’s ‘The Dreyfus Roundtable’ and FNN’s ‘The Profit Motive with Jim Rogers’.

**James Beeland Rogers Jr.先生**（「羅傑斯先生」），七十四歲，於二零一四年九月二十二日獲委任為本公司非執行董事及深圳前海首華國際商品交易中心有限公司高級顧問。羅傑斯先生為作家、金融評論員、冒險家及成功國際投資者。彼經常於《時代》(Time)、《華盛頓郵報》(The Washington Post)、《紐約時報》(The New York Times)、《巴倫周刊》(Barron’s)、《福布斯》(Forbes)、《財富》(Fortune)、《華爾街日報》(The Wall Street Journal)、《金融時報》(The Financial Times)、《商業時報》(The Business Times)、《海峽時報》(The Straits Times)及全球眾多媒體長期撰稿人。彼亦為若干媒體之定期評論員及專欄作家並曾為哥倫比亞大學教授。就讀耶魯及牛津大學後，羅傑斯先生共同創辦了全球投資合夥量子基金。羅傑斯先生亦任哥倫比亞大學商學院金融學全職教授，並於一九八九年及一九九零年擔任WCBS電視台《The Dreyfus Roundtable》及FNN《The Profit Motive with Jim Rogers》的主持。



# DIRECTORS AND SENIOR MANAGEMENT PROFILE

## 董事及高級管理人員履歷

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Professor Zhang Benzhen, aged 77, has been an independent non-executive Director of the Company since 30 September 2008 and he was appointed as a chairman of nomination committee and a member of audit committee of the Company in 2008. He was also appointed as a member and chairman of remuneration committee of the Company in 2008 and 2011 respectively. Professor Zhang graduated with a Bachelor Degree from the Faculty of Engineering Physics of the Tsinghua University in 1965. He was a visiting scholar in the Brookhaven National Laboratory of USA and the Stuttgart University of Germany. He was the vice director of the Tsinghua University R&D department and the general manager of Tsinghua University Science and Technology Corporation. During the period from 1999 to 2002, he held various senior positions in two companies listed on the Shenzhen Stock Exchange, namely Tsinghua Unisplendour Limited and Tsinghua Unisplendour Guhan Group Corporation. He was the chairman and legal representative of Tsinghua Unisplendour Guhan Group Corporation and president of Tsinghua Unisplendour Limited before he left these companies in 2002. He then joined Tsinghua Unisplendour (Group) Corporation in 2002 and was its president until 2004. Professor Zhang is currently the general vice president and secretary of the Beijing Non-Governmental Science & Technology Entrepreneurs Association. With his remarkable business leadership as well as exploratory initiatives, Professor Zhang had made tremendous contribution to the companies he worked for. He has not only gained compliments from the society at large, but has also won a series of honors. In 1997, Professor Zhang received the national prize of “The Third Term Science and Technology Light Award for Outstanding Scientific and Technological Entrepreneur”. In 2000, he won the “Hong Kong Bauhinia Cup Outstanding Entrepreneur Award” and the “Entrepreneurial Talent” award issued by the Beijing Non-Governmental Science and Technology Entrepreneurs Association. In 2002, he was selected as the first lot of “Zhongguan Village Outstanding Entrepreneurs”. Prof Zhang is currently an independent director of Beijing Lanxum Technology Co., Ltd (a company listed on Shenzhen Stock Exchange, Stock Code: 300010).

### 獨立非執行董事

張本正教授，七十七歲，自二零零八年九月三十日出任本公司獨立非執行董事及於二零零八年獲委任為本公司提名委員會主席及審核委員會成員。彼亦分別於二零零八年及二零一一年獲委任為本公司薪酬委員會成員及主席。張教授於一九六五年畢業於清華大學工程物理系，取得學士學位。張教授曾為美國 Brookhaven National Laboratory 及德國斯圖加特大學訪問學者，亦曾擔任清華大學科研處副處長及清華大學科技開發總公司總經理。一九九九年至二零零二年間，他分別在深圳交易所上市之清華紫光股份有限公司和清華紫光古漢集團股份有限公司擔任多項要職。在二零零二年離開此兩家公司前，他的職位分別為清華紫光古漢集團股份有限公司之董事長及法人代表以及清華紫光股份有限公司之總裁。在二零零二年，他出任清華紫光（集團）總公司總裁，直至二零零四年。張教授現為北京民協常務副會長兼秘書長。張教授憑其卓越的商業領導才能和開拓進取精神，為其任職的企業作出了巨大的貢獻，不但贏得了社會的廣泛讚許，更獲取一系列的榮譽。一九九七年張教授榮獲「全國第三屆科技之光優秀科技企業家獎」；二零零零年獲「香港紫荊花杯傑出企業家成就獎」和北京民協頒發的「創業英才」獎；二零零二年又被評為中關村首批「優秀企業家」。張教授現任北京立思辰科技股份有限公司（一間於深圳證券交易所上市的公司，股份代號：300010）之獨立董事。

# DIRECTORS AND SENIOR MANAGEMENT PROFILE

## 董事及高級管理人員履歷

**Mr. Li Jianxing**, aged 59, has been an independent non-executive Director, a member of audit committee, nomination committee and remuneration committee of the Company since 28 March 2011. He was also appointed as chairman of audit committee of the Company with effect from 22 September 2015. Mr. Li graduated from Shanghai Maritime University with a Bachelor Degree in accounting. He also received a Master Degree in Business Administration from Canisius College of Buffalo. Mr. Li has over 30-year experience working in the field of accounting and corporate finance and has substantial experience in management in various listed companies, investment business, investor relations and project management. He was the senior manager of both the investment department and finance department of China Everbright Holdings Co., Ltd from April 1998 to June 2000. He served as the Chief Finance Officer for Intermost Corporation from June 2000 to 2003. From April 2003 to May 2004, he was a General Manager of Investor Relations in China Resources Power Holdings Co., Ltd. He has been a director of Concord Investment Holdings Limited since 2004.

**Professor Chen Shu Wen**, aged 62, has been an independent non-executive Director, a member of audit committee, nomination committee and remuneration committee of the Company since 23 September 2011. Professor Chen graduated from 東北財經大學 (Dongbei University of Finance and Economics) with a Bachelor Degree in Economics and obtained a Master Degree and a PhD in Economics from 吉林大學 (Jilin University). He is a qualified PRC lawyer currently practising at 遼寧天合律師事務所 (Liaoning Tianhe Law Firm). Mr. Chen has substantial management and leadership experience serving in the PRC government. He commenced his career as the deputy county chief of the Benxi Manchu Autonomous County, Liaoning Province, PRC, in 1992 and became the director (主任) of 本溪市經濟體制改革委員會 (Benxi City Commission for Restructuring the Economic Systems) from 1995. He was the vice director general (副主任) of 本溪市對外經濟貿易合作委員會 (Benxi Foreign Trade & Economic Cooperation Committee) from 1998 until 2001. From 2003 to 2014, Mr. Chen was the professor and the tutor for doctorate students at 大連理工大學公共管理與法學學院 (School of Public Administration and Law of Dalian University of Technology). He is currently a director of 中國大連國際合作(集團)股份有限公司 (China Dalian International Cooperation (Group) Holdings Ltd) (Shenzhen Stock Exchange Stock Code: 000881).

**李建行先生**，五十九歲，自二零一一年三月二十八日出任本公司獨立非執行董事、審核委員會成員、提名委員會成員及薪酬委員會成員。李先生亦於二零一五年九月二十二日獲委任為本公司審核委員會主席。彼畢業於上海海運學院取得會計學士學位。並於美國紐約卡尼修斯學院(Canisius College)取得工商管理碩士學位。李先生於會計及企業融資行業擁有超過30年的經驗，在各家上市公司擁有豐富的管理、投資業務、投資者關係及項目管理方面之經驗。由一九九八年四月份至二零零零年六月份，彼曾為中國光大集團有限公司投資部門及財務部門的高級經理。由二零零零年六月份至二零零三年，彼曾擔任Intermost Corporation之首席財務總監。由二零零三年四月份至二零零四年五月份，彼為華潤電力控股有限公司投資者關係總經理。自二零零四年起，彼為協力投資控股有限公司的董事。

**陳樹文教授**，六十二歲，自二零一一年九月二十三日出任本公司獨立非執行董事、審核委員會成員、提名委員會成員及薪酬委員會成員。彼畢業於東北財經大學並擁有經濟學學士學位，並於吉林大學取得經濟學碩士及博士學位。彼為合資格中國律師並於遼寧天合律師事務所執業。陳先生於中國政府工作擁有多年管理及領導經驗。彼於一九九二年開展了其職業生涯並成為遼寧省本溪滿族自治縣人民政府副縣長，其後於一九九五年成為本溪市經濟體制改革委員會主任。由一九九八至二零零一年，彼為本溪市對外經濟貿易合作委員會副主任。由二零零三年至二零一四年，陳先生曾任大連理工大學公共管理與法學學院教授及為博士生導師。陳教授現為中國大連國際合作(集團)股份有限公司(深圳證券交易所證券代碼: 000881)董事。

# DIRECTORS' REPORT

## 董事會報告

The Directors are pleased to present their annual report together with the audited consolidated financial statements of the Company and the Group for the year ended 31 December 2016.

### CORPORATE INFORMATION

The Company was incorporated on 24 May 2001 as an exempted company with limited liability in the Cayman Islands under the Company Law of Cayman Islands.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities and other particulars of the Company's subsidiaries are set out in Note 18 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2016 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 70 to 71.

The Directors do not recommend the payment of a dividend nor transfer of any amount to reserves for the year ended 31 December 2016 (2015: Nil).

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and the Company during the year are set out in Note 15 to the consolidated financial statements.

### SHARE CAPITAL

Details of the movements in share capital of the Company are set out in Note 32 to the consolidated financial statements.

### DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, the share premium of the Company is available for distribution as dividends to its shareholders subject to the provisions of its Memorandum and Articles of Association and a statutory solvency test. In accordance with Article 137 of the Articles of Association of the Company, dividends may be declared and paid out of the profits of the Company or from any reserves set aside from profits which the Directors determine to be no longer needed. With the sanction of an ordinary resolution, dividends may also be declared or paid out of share premium account. Accordingly, the Company's reserves available for distribution was HK\$nil as at 31 December 2016.

董事欣然提呈其年度報告以及本公司及本集團截至二零一六年十二月三十一日止年度之經審核綜合財務報表。

### 企業資料

本公司於二零零一年五月二十四日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。

### 主要業務

本公司為投資控股公司，其附屬公司之主要業務及其他詳情載於綜合財務報表附註18。

### 業績及股息

本集團截至二零一六年十二月三十一日止年度之業績載於第70頁至71頁之綜合損益及其他全面收入報表內。

董事不建議就截至二零一六年十二月三十一日止年度派付股息或轉撥任何款項至儲備（二零一五年：無）。

### 物業、機器及設備

本集團及本公司於年內之物業、機器及設備變動詳情載於綜合財務報表附註15。

### 股本

本公司股本變動詳情載於綜合財務報表附註32。

### 可供分派儲備

根據開曼群島公司法，倘符合本公司之公司組織章程大綱及細則的規定和法定償債能力測試，本公司股份溢價可供派息予股東。根據本公司之公司組織章程細則第137條，股息可自本公司溢利或從溢利劃撥而董事認為再無需要的任何儲備中宣派及派付。倘透過普通決議案批准，本公司亦可自股份溢價賬宣派或派付股息。因此，於二零一六年十二月三十一日，本公司可供分派儲備為零港元。

# DIRECTORS' REPORT

## 董事會報告

### DIRECTORS

The Directors of the Company during the year and up to the date of this report were as follows:

#### Executive Directors

Wang Jiawei (*Chairman and Chief Executive Officer*)

Lai Yuk Mui

Chen Li (*resigned on 1 July 2016*)

#### Non-executive Directors

Liu Runtong

James Beeland Rogers Jr.

#### Independent Non-executive Directors

Zhang Benzhen

Li Jianxing

Chen Shu Wen

In accordance with Article 87(1) of the Company's Articles of Association, the Directors retiring by rotation at the forthcoming annual general meeting are Mr. Liu Runtong and Professor Chen Shu Wen. Both directors are being eligible for re-election and will offer themselves for re-election at the forthcoming annual general meeting. The remaining Directors shall continue to hold office.

### DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation other than statutory compensation.

### 董事

年內及截至本報告日期之本公司在任董事如下：

#### 執行董事

王嘉偉 (主席兼行政總裁)

黎玉梅

陳力 (於二零一六年七月一日辭任)

#### 非執行董事

劉潤桐

James Beeland Rogers Jr.

#### 獨立非執行董事

張本正

李建行

陳樹文

根據本公司之組織章程細則第87(1)條，劉潤桐先生及陳樹文教授將於應屆股東週年大會上輪值告退。該兩名董事均符合資格並願意於應屆股東週年大會重選連任。其餘董事則繼續留任。

### 董事服務合約

擬於應屆股東週年大會上重選連任之董事概無與本公司或其任何附屬公司訂有聘用公司不可於一年內在毋須作出賠償(法定賠償除外)情況下終止之服務合約。

# DIRECTORS' REPORT

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2016, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

### 董事及行政總裁於本公司股份、相關股份及債券之權益及淡倉

於二零一六年十二月三十一日，董事及本公司行政總裁在本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益或淡倉），或根據證券及期貨條例第352條須記錄於該條所述登記冊內之權益或淡倉，或根據創業板上市規則第5.46至5.67條須知會本公司及聯交所之權益或淡倉如下：

#### (a) Long positions in shares of the Company

#### (a) 於本公司股份之好倉

Name of Directors	董事姓名	Number of shares 股份數目			Total	Approximate percentage of shareholding 概約持股 百分比
		Personal Interests 個人權益	Family Interests 家族權益	Corporate Interests 公司權益		
Wang Jiawei	王嘉偉	202,043,628	–	–	202,043,628	3.11%
Lai Yuk Mui	黎玉梅	2,780,127	–	–	2,780,127	0.04%
Liu Runtong	劉潤桐	2,646,000	–	–	2,646,000	0.04%

# DIRECTORS' REPORT

## 董事會報告

### (b) Long positions in underlying shares of the Company Share option scheme of the Company

The share option scheme adopted by the Company on 17 December 2001 (the "Old Share Option Scheme") has expired on 16 December 2011. The Company adopted a new share option scheme on its annual general meeting held on 21 June 2012 (the "New Share Option Scheme") which complies with Chapter 23 of GEM Listing Rules.

The following table discloses the details of the share options held by the Directors and chief executive to subscribe for shares of the Company during the year ended 31 December 2016:

Name of Directors	Date of grant	Number of share options 購股權數目					Outstanding as at 31 December 2016 於二零一六年十二月三十一日 尚未行使	Option period 購股權期限	Exercise price (HK\$) 行使價 (港元)
		Outstanding as at 1 January 2016 於二零一六年一月一日 尚未行使	Reclassification during the year 於年內 重新分類	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/ 失效			
Lai Yuk Mui 黎玉梅	13/04/2010 二零一零年四月十三日	-	3,186,158	-	-	3,186,158	13/04/2010 - 12/04/2020 二零一零年四月十三日 - 二零二零年四月十二日	0.419	
Liu Runtong 劉潤桐	13/04/2010 二零一零年四月十三日	31,861,575	-	-	-	31,861,575	13/04/2010 - 12/04/2020 二零一零年四月十三日 - 二零二零年四月十二日	0.419	
Zhang Benzhen 張本正	13/04/2010 二零一零年四月十三日	2,124,105	-	-	-	2,124,105	13/04/2010 - 12/04/2020 二零一零年四月十三日 - 二零二零年四月十二日	0.419	
James Beeland Rogers Jr.	9/11/2016 二零一六年十一月九日	-	-	20,000,000	-	20,000,000	9/11/2016 - 8/11/2026 二零一六年十一月九日 - 二零二六年十一月八日	0.150	
James Beeland Rogers Jr.	16/10/2015 二零一五年十月十六日	20,000,000	-	-	-	20,000,000	16/10/2015 - 15/10/2025 二零一五年十月十六日 - 二零二五年十月十五日	0.238	
James Beeland Rogers Jr.	22/09/2014 二零一四年九月二十二日	20,000,000	-	-	-	20,000,000	22/09/2014 - 21/09/2024 二零一四年九月二十二日 - 二零二四年九月二十一日	0.518	
Chen Li 陳力	13/11/2014 二零一四年十一月十三日	15,000,000	-	-	-	15,000,000 (Note 1) (附註1)	13/11/2014 - 12/11/2024 二零一四年十一月十三日 - 二零二四年十一月十二日	0.590	

Note:

(1) With effect from 1 July 2016, Mr. Chen Li resigned as an executive director of the Company. Accordingly his entitlement to share option lapsed on the same date. Reference is made to the announcement of the Company dated 30 June 2016.

### (b) 於本公司相關股份之好倉 本公司購股權計劃

本公司於二零零一年十二月十七日採納之購股權計劃(「舊購股權計劃」)已於二零一一年十二月十六日屆滿。本公司已於二零一二年六月二十一日舉行之股東週年大會上採納符合創業板上市規則第23章之新購股權計劃(「新購股權計劃」)。

下表披露董事及行政總裁於截至二零一六年十二月三十一日止年度所持有可認購本公司股份之購股權詳情：

附註：

(1) 自二零一六年七月一日起，陳力先生辭任本公司執行董事。因此，彼享有之購股權於同日失效。茲提述本公司日期為二零一六年六月三十日之公佈。

# DIRECTORS' REPORT

## 董事會報告

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or chief executive to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate and neither the Directors, nor the chief executive, nor any of their respective spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

**(c) Short positions in underlying shares of the Company**

No short positions of directors and chief executives in the underlying shares of the equity derivatives of the Company and its associated corporations were recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules.

除上文披露者外，本公司或其任何附屬公司於本年度任何時間概無訂立任何安排，致使董事或行政總裁可透過購入本公司或任何其他法人團體之股份或債務證券（包括債券）而獲益，亦無董事、行政總裁或任何彼等各自之配偶或十八歲以下子女擁有任何可認購本公司證券之權利或於本年度行使任何該等權利。

**(c) 於本公司相關股份之淡倉**

董事及行政總裁概無於本公司及其相聯法團之任何股本衍生產品之相關股份中擁有記錄於登記冊或根據創業板上市規則第5.46至5.67條須知會本公司及聯交所之淡倉。

# DIRECTORS' REPORT

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to any Directors of the Company, as at 31 December 2016, the following persons (not being a Director or a chief executive of the Company) had interests or short positions in the shares or underlying shares which were notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under section 336 of the SFO:

#### (a) Long positions in shares of the Company

Name of shareholders 股東姓名	Capacity 身份	Number of shares 股份數目	Approximate percentage of shareholding 概約持股百分比
Wang Wenming and Chen Dongjin (Note 1) 王文明及陳冬瑾(附註1)	Beneficial owners 實益擁有人	595,328,957	9.16%
Zhu Wei 朱維	Beneficial owners 實益擁有人	350,004,000	5.39%

Note:

- (1) Ms. Chen Dongjin held 145,116,650 shares of the Company. Ms. Chen Dongjin is the spouse of Mr. Wang Wenming who held 450,212,307 shares of the Company. As such, they were deemed to be collectively interested in 595,328,957 shares of the Company.

### 主要股東及其他人士於本公司股份及相關股份之權益及淡倉

據本公司任何董事所知，於二零一六年十二月三十一日，根據證券及期貨條例第336條存置之登記冊所記錄，下列人士（並非本公司董事或行政總裁）於股份或相關股份中，擁有已遵照證券及期貨條例第XV部第2及3分部條文知會本公司及聯交所之權益或淡倉：

#### (a) 於本公司股份之好倉

附註：

- (1) 陳冬瑾女士持有145,116,650股本公司股份。陳冬瑾女士為王文明先生之配偶，而王文明先生持有450,212,307股本公司股份。因此，彼等被視為共同持有595,328,957股本公司股份。

#### (b) Long positions in underlying shares of the Company

Name of shareholders 股東姓名	Capacity 身份	Number of shares 股份數目	Approximate percentage of shareholding 概約持股百分比
Wang Wenming and Chen Dongjin (Note 2) 王文明及陳冬瑾(附註2)	Beneficial owners 實益擁有人	11,682,577	0.18%

Note:

- (2) Pursuant to the Old Share Option Scheme, Mr. Wang Wenming was granted share options on 13 April 2010, the number of shares underlying which was adjusted on 15 June 2010, to subscribe for 11,682,577 shares of the Company. Ms. Chen Dongjin is the spouse of Mr. Wang Wenming so they were deemed to be collectively interested in the share options to subscribe for 11,682,577 shares of the Company.

#### (b) 於本公司相關股份之好倉

附註：

- (2) 根據舊購股權計劃，於二零一零年四月十三日，王文明先生獲授可認購11,682,577股本公司股份之購股權（相關股份數目於二零一零年六月十五日作出調整）。陳冬瑾女士乃王文明先生之配偶，故彼等被視為共同擁有可認購11,682,577股本公司股份之購股權。



Save as disclosed above, as at 31 December 2016, the Company had not been notified of any other person (other than the Directors whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above) who had an interest or short position in the shares or underlying shares of the Company and was required to be recorded in the register required to be kept under Section 336 of the SFO and/or was directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

### DETAILS OF THE OPTIONS GRANTED BY THE COMPANY

#### Share Option Schemes of the Company

The Company has adopted a share option scheme under which the Directors or employees of the Company or its subsidiaries or certain other persons may be granted share options to subscribe for shares of the Company subject to the terms and conditions stipulated in the Scheme.

The share option scheme adopted by the Company on 17 December 2001 has expired on 16 December 2011. The Company adopted a new share option scheme approved by shareholders on its annual general meeting held on 21 June 2012 which complies with Chapter 23 of GEM Listing Rules.

#### (1) Summary of the Scheme

##### (i) Purpose of the scheme

The purpose of the scheme is to provide the people and the parties working for the interest of the Group with an opportunity to obtain equity interest in the Company, thus linking their interest with the interest of the Group and thereby providing them with an incentive to work better for the interest of the Group.

除上文披露者外，於二零一六年十二月三十一日，除權益已載於上文「董事及行政總裁於股份、相關股份及債券之權益及淡倉」一節之董事外，本公司並不知悉有任何其他人士於本公司股份或相關股份中，擁有任何須記入根據證券及期貨條例第336條存置之登記冊之權益或淡倉，及／或直接或間接於附有權利可於任何情況下在本集團任何其他成員公司股東大會投票之已發行股本中擁有5%或以上權益。

### 本公司授出購股權詳情

#### 本公司購股權計劃

本公司已採納一項購股權計劃，據此，本公司或其附屬公司之董事或僱員或若干其他人士可按該計劃訂定之條款及條件獲授購股權以認購本公司之股份。

本公司於二零零一年十二月十七日採納之購股權計劃已於二零一一年十二月十六日屆滿。本公司已於二零一二年六月二十一日舉行之股東週年大會上獲股東批准採納符合創業板上市規則第23章之新購股權計劃。

#### (1) 該計劃之概要

##### (i) 該計劃之目的

該計劃旨在向為本集團利益行事之人士及各方提供獲得本公司股權之機會，讓彼等之利益與本集團利益掛鉤，從而鼓勵彼等為本集團謀求更佳利益。

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### (ii) *Participants of the scheme*

Pursuant to the scheme, the Company may grant share options to (i) employees of the Company (whether fulltime or part-time) or any of its subsidiaries or associated companies; (ii) Directors (whether executive Directors, non-executive Directors or independent non-executive Directors) of the Company or any of its subsidiaries or associated companies; (iii) suppliers of goods and/or services to the Company or any of its subsidiaries or associated companies; and (iv) professionals engaged by the Company or any of its subsidiaries or associated companies.

### (iii) *Total number of shares available for issue under the schemes*

As at 31 December 2016, the total number of shares available for issue under the New Share Option Scheme was 629,895,812 shares, representing 9.69% of the total issued share capital.

The maximum aggregate number of shares which may 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 schemes of the Group must not in aggregate exceed 30% of the shares of the Company in issue from time to time. No options may be granted under any schemes of the Company (or its subsidiary) if this will result in such limit being exceeded.

### (iv) *Maximum entitlement of each participant*

The maximum number of shares of the Company issued and to be issued upon exercise of the options granted and to be granted pursuant to the scheme and any other share option schemes of the Company (including the Pre-IPO Share Option Plan) to each participant in any 12-month period up to the date of grant of the options shall not exceed 1% of the total number of shares of the Company in issue, save for those share options already granted under the Pre-IPO Share Option Plan.

### (ii) *該計劃之參與者*

根據該計劃，本公司可向以下人士授出購股權：(i)本公司之僱員（不論為全職或兼職）或本公司任何附屬公司或聯營公司之僱員；(ii)本公司或其任何附屬公司或聯營公司之董事（不論為執行董事、非執行董事或獨立非執行董事）；(iii)本公司或其任何附屬公司或聯營公司之商品及／或服務供應商；及(iv)本公司或其任何附屬公司或聯營公司所委聘之專業人士。

### (iii) *該計劃項下可發行之股份總數*

於二零一六年十二月三十一日，根據新購股權計劃可供發行之股份總數為629,895,812股，佔全部已發行股本之9.69%。

於行使根據新購股權計劃及本集團之任何其他購股權計劃所授出及尚待行使之所有尚未行使購股權時可發行之股份最大總數不得超過本公司不時已發行股份之30%。倘有關授出會導致超過限額，則概無任何購股權可根據本公司（或其附屬公司）之任何計劃授出。

### (iv) *各參與者可獲授權益上限*

於截至購股權授出日期止任何十二個月期間，每名參與者因行使根據該計劃及本公司任何其他購股權計劃（包括首次公開發售前購股權計劃）所獲授及將獲授之購股權而獲發行及將獲發行之本公司股份數目，最多不得超過本公司已發行股份總數1%，惟已根據首次公開發售前購股權計劃授出之購股權除外。

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(v) *Option period*

An option may be exercised in accordance with the terms of the scheme at any time during a period of not more than ten years to be notified by the Board of Directors of the Company (the "Board") to each participant which period of time shall commence on the date on which an offer of the grant of an option is accepted or deemed to have been accepted in accordance with the scheme and expire on the last day of such period as determined by the Board. There is no minimum period for which an option must be held before it can be exercised.

(vi) *Payment on acceptance by option offer*

HK\$1.00 is payable by the participant to the Company on acceptance of the option offer as consideration for the grant and received by the Company within 14 days from the offer date or within such offer period of time as may be determined by the Board pursuant to the GEM Listing Rules.

(vii) *Basis of determining the exercise price*

The exercise price per share of the Company under the scheme is determined by the Board and notified to each participant and shall be no less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotations sheet issued by the Stock Exchange on the date of offer, which must be a day on which the Stock Exchange is open for the business of dealing in securities ("Trading Day"), (ii) the average closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange for the five Trading Days immediately preceding the date of offer, and (iii) the nominal value of a share of the Company.

(viii) *Remaining life of the scheme*

The Old Share Option Scheme has expired on 16 December 2011. The New Share Option Scheme will remain valid for a period of 10 years commencing on 21 June 2012 (save that the Company, by ordinary resolution in general meeting or Board may at any time terminate the operation of the New Share Option Scheme) and in such event, no further options will be offered but the provisions of the Old Share Option Scheme and the New Share Option Scheme shall in all other respects remain in full force and effect.

(v) *購股權期限*

購股權可於本公司董事會（「董事會」）通知各參與者為期不超過十年之期間（該期間由根據該計劃授出購股權之要約獲接納或被視為獲接納當日起開始，至董事會釐定之有關期間最後一日屆滿）內按該計劃之條款隨時行使。於購股權可予行使前，毋須就持有購股權之最短期限符合任何規定。

(vi) *接納購股權要約時支付之款項*

參與者在接納購股權要約時須向本公司支付1.00港元，作為授出之代價，並須於要約日期起計十四天內或董事會根據創業板上市規則另行釐定之期間內付予本公司。

(vii) *行使價之釐定基準*

該計劃項下本公司每股股份之行使價由董事會釐定及知會各參與者，有關價格將不低於下列三者中之最高者：(i)本公司股份於作出要約日期（必須為聯交所開放進行證券買賣之日（「交易日」））在聯交所發出之每日報價表所報收市價；(ii)本公司股份於緊接作出要約日期前五個交易日在聯交所發出之每日報價表所報平均收市價；及(iii)本公司股份之面值。

(viii) *該計劃之尚餘有效期*

舊購股權計劃已於二零一一年十二月十六日屆滿。新購股權計劃可於二零一二年六月二十一日起計十年期間一直有效，惟隨時由本公司（於股東大會上以普通決議案方式）或董事會終止則另作別論，在該情況下，不得進一步授出購股權，惟舊購股權計劃及新購股權計劃之條文於所有其他方面仍具十足效力及效用。

# DIRECTORS' REPORT

## 董事會報告

### (2) Details of share options granted by the Company

On 5 September 2007, 13 April 2010, 22 September 2014, 13 November 2014, 16 October 2015 and 9 November 2016, options to subscribe for 32,400,000 shares, 84,000,000 shares, 30,000,000 shares, 15,000,000 shares, 20,000,000 shares and 20,000,000 shares of the Company respectively were granted to the Directors and certain employees of the Company. As at 31 December 2016, details of the outstanding options were as follows:

Date of grant	Number of share options				Outstanding as at 31 December 2016	Option period	Exercise price (HK\$)
	Outstanding as at 1 January 2016	Granted during the year	Exercised during the year	Cancelled/lapsed during the year			
授出日期	於二零一六年一月一日尚未行使	年內授出	年內行使	年內註銷/失效	於二零一六年十二月三十一日尚未行使	購股權期限	行使價(港元)
05/09/2007 二零零七年九月五日	4,779,236 (Note 1)	-	-	(531,026) (Note 3)	4,248,210 (Note 1)	05/09/2007 - 04/09/2017 二零零七年九月五日 - 二零一七年九月四日	0.215
13/04/2010 二零一零年四月十三日	86,026,253 (Note 1)	-	-	(3,186,158) (Note 3)	82,840,095 (Note 1)	13/04/2010 - 12/04/2020 二零一零年四月十三日 - 二零二零年四月十二日	0.419
22/09/2014 二零一四年九月二十二日	20,000,000	-	-	-	20,000,000	22/09/2014 - 21/09/2024 二零一四年九月二十二日 - 二零二四年九月二十一日	0.518
13/11/2014 二零一四年十一月十三日	15,000,000	-	-	(15,000,000) (Note 2)	-	13/11/2014 - 12/11/2024 二零一四年十一月十三日 - 二零二四年十一月十二日	0.590
16/10/2015 二零一五年十月十六日	20,000,000	-	-	-	20,000,000	16/10/2015 - 15/10/2025 二零一五年十月十六日 - 二零二五年十月十五日	0.238
09/11/2016 二零一六年十一月九日	-	20,000,000	-	-	20,000,000	09/11/2016 - 08/11/2026 二零一六年十一月九日 - 二零二六年十一月八日	0.150

Notes:

- Pursuant to the Old Share Option Scheme, 32,400,000 and 84,000,000 shares of share options were granted by the Company on 5 September 2007 and 13 April 2010 respectively and were adjusted on 15 June 2010.
- With effect from 1 July 2016, Mr. Chen Li resigned as an executive Director of the Company. Accordingly his entitlement to share option lapsed on the same date. Reference is made to the announcement of the Company dated 30 June 2016.
- With effect from 30 May 2016, one of the employees resigned from his position and his entitlement to share option lapsed on the same date.

### (2) 本公司所授出購股權之詳情

於二零零七年九月五日、二零一零年四月十三日、二零一四年九月二十二日、二零一四年十一月十三日、二零一五年十月十六日及二零一六年十一月九日分別向董事及本公司若干僱員授出可認購32,400,000股、84,000,000股、30,000,000股、15,000,000股、20,000,000股及20,000,000股本公司股份之購股權。於二零一六年十二月三十一日，尚未行使購股權之詳情如下：

附註：

- 根據舊購股權計劃，本公司已分別於二零零七年九月五日及二零一零年四月十三日授出32,400,000股及84,000,000股之購股權，並於二零一零年六月十五日對上述購股權作出調整。
- 自二零一六年七月一日起，陳力先生辭任本公司執行董事。因此，彼享有之購股權於同日失效。茲提述本公司日期為二零一六年六月三十日之公佈。
- 自二零一六年五月三十日起，其中一名僱員已辭職，而彼所享有之購股權權利則於同日失效。

# DIRECTORS' REPORT

## 董事會報告

### DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option scheme as described above and in Note 34 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 and neither the Directors, nor the chief executive, nor any of their respective spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

### MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year ended 31 December 2016.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

There was no transactions, arrangements or contract of significance, save as disclosed in the consolidated financial statements, in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### LITIGATION

#### (a) Litigation against Shenzhen First China Concerning the Pledge Agreement of Equipment and the Repayment of Refundable Earnest Money

According to the announcements of the Company dated 30 January 2015, 3 February 2015, 29 May 2015, 17 September 2015, 14 October 2015, 4 January 2016, 25 May 2016 and 2015 annual report, a writ of summons was issued by the People's Court of Minqin County in the PRC concerning an action initiated by 新疆特變電工自控設備有限公司 (transliterated as Xinjiang Tebian Electric Apparatus Zikong Equipment Co., Limited) ("Xinjiang Tebian") against 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co. Ltd.) ("Minqin Quantum") and Shenzhen First China. The writ was received by Shenzhen First China on 13 October 2015.

### 董事購買股份或債券之權利

除上文及綜合財務報表附註34所述購股權計劃外，本公司或其任何附屬公司於年內概無訂立任何安排，致使董事可透過購入本公司或任何其他法人團體之股份或債務證券（包括債券）而獲益，亦無董事、行政總裁或任何彼等各自之配偶或十八歲以下子女擁有任何可認購本公司證券之權利或於年內行使任何該等權利。

### 管理合約

於截至二零一六年十二月三十一日止年度概無簽署或存在任何涉及本集團全部或任何重大部分業務之管理及行政之合約。

### 董事於重大交易、安排或合約之權益

除於綜合財務報表披露者外，本公司董事概無於本公司或其任何附屬公司所訂立與本集團業務相關而於本年度完結時或年內任何時間仍然生效之重大交易、安排或合約中，直接或間接擁有重大權益。

### 訴訟

#### (a) 有關設備抵押協議及償還可退還誠意金對深圳首華提出訴訟

根據本公司日期為二零一五年一月三十日、二零一五年二月三日、二零一五年五月二十九日、二零一五年九月十七日、二零一五年十月十四日、二零一六年一月四日、二零一六年五月二十五日之公告以及二零一五年年報，中國民勤縣人民政府就新疆特變電工自控設備有限公司（「新疆特變」）對民勤量子新能源有限公司（「民勤量子」）及深圳首華提出的訴訟發出一份傳票。深圳首華已於二零一五年十月十三日收到傳票。

# DIRECTORS' REPORT

## 董事會報告

### LITIGATION (continued)

#### (a) Litigation against Shenzhen First China Concerning the Pledge Agreement of Equipment and the Repayment of Refundable Earnest Money (continued)

Xinjiang Tebian alleged that (i) the guarantee agreement entered into between Minqin Quantum and Shenzhen First China dated 29 January 2015 is invalid, and (ii) the Xinjiang Tebian remains as the holder of the equipment, which Minqin Quantum has pledged to Shenzhen First China as security for the refund of the refundable earnest money pursuant to the guarantee agreement entered into between Minqin Quantum and Shenzhen First China dated 29 January 2015.

The court decision of the said action was delivered by People's Court of Minqin County in the PRC on 23 December 2015 (the "Decision"), ruling in favour of Xinjiang Tebian and ordered that the pledge agreement of equipment between Minqin Quantum and Shenzhen First China dated 29 January 2015 is void nor have legal effect. An appeal has been filed by Shenzhen First China to Intermediate People's Court of Wuwei District, Gansu Province against the Decision was dismissed by the judgement dated 12 May 2016.

The Company was informed by the Administration Bureau for Industry and Commerce of Minqin County that they decided to vacate the registration of the pledged equipment under the guarantee agreement entered into between Minqin Quantum and Shenzhen First China dated 29 January 2015. The Company is in the course of seeking legal advice for the legal consequence of the appeal decision and the vacation of registration.

#### (b) Arbitration Application Filed by Shenzhen First China Concerning the Repayment of Refundable Earnest Money

According to the announcements of the Company dated 30 January 2015, 3 February 2015, 29 May 2015, 17 September 2015, 1 December 2015, 16 February 2016, 10 June 2016 and 2015 annual report, Shenzhen First China filed an arbitration application to SCIA against Mr. Yang Shunhong concerning the repayment of the refundable earnest money of RMB20,000,000 together with the interest of RMB997,260 and a penalty of RMB18,800,000 payable to Shenzhen First China.

### 訴訟 (續)

#### (a) 有關設備抵押協議及償還可退還誠意金對深圳首華提出訴訟 (續)

新疆特變宣稱(i)民勤量子及深圳首華訂立日期為二零一五年一月二十九日之擔保協議為無效；及(ii)新疆特變仍為設備之持有人，而根據民勤量子與深圳首華於二零一五年一月二十九日訂立之擔保協議，該等設備已抵押予深圳首華作為退還可退還誠意金之擔保。

中國民勤縣人民法院已於二零一五年十二月二十三日就上述訴訟發出法院判決（「判決」），裁定支持新疆特變並判定民勤量子及深圳首華日期為二零一五年一月二十九日之設備抵押協議為無效及不具法律效力。深圳首華已就判決向甘肅省武威市人民法院提出上訴，惟遭日期為二零一六年五月十二日之裁決駁回。

本公司獲民勤縣工商行政管理局知會，其已決定取消民勤量子與深圳首華於二零一五年一月二十九日訂立之擔保協議項下之抵押設備。本公司正在就上訴決定之法律後果及取消登記尋求法律意見。

#### (b) 深圳首華就償還可退還誠意金提交仲裁申請

根據本公司日期為二零一五年一月三十日、二零一五年二月三日、二零一五年五月二十九日、二零一五年九月十七日、二零一五年十二月一日、二零一六年二月十六日、二零一六年六月十日之公告以及二零一五年年報，深圳首華已向深圳國際仲裁院對陽順洪先生提交仲裁申請書，內容有關償還深圳首華可退還誠意金人民幣20,000,000元連同應計利息人民幣997,260元及罰金人民幣18,800,000元。

**LITIGATION** (continued)

**(b) Arbitration Application Filed by Shenzhen First China Concerning the Repayment of Refundable Earnest Money**  
(continued)

The final judgement of the arbitration application has been handed down by SCIA on 3 June 2016 that (a) Yang Shunhong shall repay the refundable earnest money of RMB20,000,000 to Shenzhen First China with penalty at the rate of 24% per annum accrued since 31 August 2015 until the date of repayment of the refundable earnest money as damages to Shenzhen First China within 15 days upon the date of final judgment, (b) Yang Shunhong shall bear the responsibility over the legal costs of RMB500,000 incurred by Shenzhen First China in the Arbitration and the costs of Arbitration of RMB343,482 within 15 days upon the date of final judgment, (c) the final judgment is final and be legally binding.

As at 31 December 2016, Shenzhen First China neither received the repayment of the refundable earnest money of RMB20,000,000, penalty nor legal costs from Yang Shunhong. Our legal adviser has applied to the Intermediate People's Court in Suining City, Sichuan Province, China on behalf of Shenzhen First China to include Yang Shunhong in the list of restricted high consumption, the list of dishonest persons and the list of restricted departures. The management will negotiate with the vendors on the settlement of the said refundable earnest money paid and our legal adviser will continue to follow up on the settlement of the refundable earnest money with the court in the PRC.

**MAJOR CUSTOMERS AND SUPPLIERS**

For the year under review, the Group's turnover attributable to its five largest customers combined accounted for less than 70% of the Group's total turnover. The Group had no major supplier due to the nature of principal activities of the Group.

**PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES**

During the year, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

**COMPLIANCE WITH RULES 5.48 TO 5.67 OF THE GEM LISTING RULES**

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company's Directors have complied with such code of conduct and the required standard of dealings.

**訴訟 (續)**

**(b) 深圳首華就償還可退還誠意金提交仲裁申請 (續)**

根據由深圳國際仲裁院於二零一六年六月三日下達的終局裁決，(a)陽順洪應於終局裁決日期起十五天內向深圳首華退還可退還誠意金人民幣20,000,000元及按照年利率24%向買方賠償由二零一五年八月三十一日至退還可退還誠意金的日期之違約金；(b)陽順洪應於終局裁決日期起十五天內承擔由深圳首華於仲裁產生的律師費人民幣500,000元及仲裁支出人民幣343,482元；(c)終局裁決乃屬最終裁決及具有法律效力。

於二零一六年十二月三十一日，深圳首華並無收到陽順洪的可退還誠意金人民幣20,000,000元的還款、違約金或律師費。本集團法律顧問已經代表深圳首華向中國四川省遂寧市中級人民法院提出將陽順洪納入限制高消費名單、失信人員名單及限制離境名單。管理層將與賣方就上述已付可退還誠意金之結付進行磋商及本集團法律顧問將繼續配合中國法院的工作以繼續跟進收回可退還誠意金。

**主要客戶及供應商**

回顧年內，本集團五大客戶應佔本集團營業額合共少於本集團總營業額的70%。基於本集團主要業務性質，本集團並無主要供應商。

**購買、贖回或出售上市證券**

年內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

**遵守創業板上市規則第5.48至5.67條**

本公司已採納有關董事進行證券交易之操守準則，而有關準則之嚴謹程度不遜於創業板上市規則第5.48至5.67條所載規定交易標準。本公司董事已遵守有關操守準則以及規定交易標準。

# DIRECTORS' REPORT

## 董事會報告

### PRE-EMPTIVE RIGHTS

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

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best of the Directors' knowledge, as at the date of this annual report, there was a sufficient prescribed public float of the issued shares of the Company under the GEM Listing Rules.

### PERMITTED INDEMNITY PROVISION

At no time during the year and up to date of this report, there was or is, any permitted indemnity provision being in force for the benefit of the Directors of the Company (whether made by the Company or otherwise) or any of its subsidiaries (if made by the Company).

### AUDITORS

The consolidated financial statements of the Group for the year ended 31 December 2016 have been audited by Cheng & Cheng Limited. Cheng & Cheng Limited was appointed on 17 December 2014 as the independent auditor of the Company to fill the casual vacancy following the resignation of HLB Hodgson Impey Cheng Limited on 11 November 2014. Save for the above, there were no other changes in the Company's auditor in the past three years. Cheng & Cheng Limited will retire at the conclusion of the forthcoming annual general meeting and, being eligible, offer itself for re-appointment at the forthcoming annual general meeting. A resolution for reappointment of Cheng & Cheng Limited as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

### Wang Jiawei

*Chairman*

Hong Kong, 20 March 2017

### 優先購買權

本公司之組織章程細則或開曼群島法例並無任何有關優先購買權之條文，致使本公司須按比例向現有股東提呈發售新股份。

### 公眾持股量

根據本公司獲得之公開資料及就董事所深知，於本年報刊發日期，本公司已發行股份之公眾持股量符合創業板上市規則指定水平。

### 獲准許彌償條文

於年內及截至本報告日期止任何時間，概無曾經存在或現存任何以本公司或其任何附屬公司（倘由本公司訂立）之董事為受益人之獲准許彌償條文生效（不論是否由本公司或其他公司訂立）。

### 核數師

本集團於截至二零一六年十二月三十一日止年度之綜合財務報表由鄭鄭會計師事務所有限公司審核。鄭鄭會計師事務所有限公司於二零一四年十二月十七日獲委任為本公司獨立核數師，以填補國衛會計師事務所有限公司於二零一四年十一月十一日辭任後出現之臨時空缺。除上述者外，本公司之核數師於過去三年並無任何其他變動。鄭鄭會計師事務所有限公司將於應屆股東週年大會結束時退任，並符合資格接受重新委任。有關重新委任鄭鄭會計師事務所有限公司為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

### 王嘉偉

*主席*

香港，二零一七年三月二十日



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Board assumes overall responsibility for the leadership and control of the Group, including providing and setting the Group's directions and strategies in the interests of the Group. It believes in good corporate governance and corporate governance practices that promote investor confidence, development of the Group, and transparency while having the long term interest of the Group and enhancement of shareholders' value as the ultimate objectives. It has adopted the code provisions set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules (the "Corporate Governance Code"). The Company has complied with the applicable code provisions of the Corporate Governance Code, except for the following deviation:

#### CODE PROVISION A.2.1

Code Provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Mr. Wang Jiawei is the chairman and chief executive officer of the Company. In view of Mr. Wang has extensive experience in project management and securities investments and is responsible for the overall corporate strategies, planning and business development of the Company. Under the supervision by the Board which is comprised of three independent non-executive Directors and two non-executive Directors, which represent more than half of the Board, the interests of the shareholders of the Company will be adequately and fairly represented.

### DIRECTORS' SECURITIES TRANSACTIONS

In respect of the standard of dealings required of directors, the Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in rules 5.48 to 5.67 of the GEM Listing Rules. The directors have complied with the Company's code of conduct regarding directors' securities transactions.

### 企業管治常規

董事會肩負領導及監控本集團之全部責任，包括提供及制定符合本集團利益之發展方向及策略。董事會深信良好企業管治水平及企業管治常規可以提高投資者信心、推動本集團業務發展及增加透明度，同時達致為本集團帶來長遠利益及提升股東價值之最終目標。董事會已採納創業板上市規則附錄十五企業管治守則（「企業管治守則」）所載之守則條文。本公司已遵守企業管治守則之適用守則條文，惟下列偏離者除外：

#### 守則條文第A.2.1條

守則條文第A.2.1條規定主席與行政總裁之角色應有區分，並不應由一人同時兼任。主席與行政總裁之間的職責分工應清楚界定並以書面列載。

王嘉偉先生為本公司主席兼行政總裁。鑑於王先生於項目管理及證券投資方面有豐富經驗，負責本公司之整體企業策略、規劃及業務發展。董事會成員包括佔超過董事會一半議席的三位獨立非執行董事及兩名非執行董事，在其監督下，本公司股東利益應已獲得充份保障並受到公平重視。

### 董事進行證券交易

本公司已就董事之買賣準則規定，採納有關董事進行證券交易之操守準則，有關條款嚴謹程度不遜於創業板上市規則第5.48至5.67條所載規定標準。董事已遵守本公司有關董事進行證券交易之操守準則。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### THE BOARD OF DIRECTORS

Comprising of two executive and five non-executive directors (including three independent non-executive directors), the present board has an appropriate composition of directors. The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and is in the opinion that all independent non-executive directors are independent. The present board is composed of more than one-third of independent non-executive directors.

The present board of directors consists of:

Wang Jiawei (*Chairman and Chief Executive Officer*)  
Lai Yuk Mui (*Executive Director*)  
Chen Li (*resigned on 1 July 2016*) (*Executive Director*)  
Liu Runtong (*Non-executive Director*)  
James Beeland Rogers Jr. (*Non-executive Director*)  
Zhang Benzhen (*Independent Non-executive Director*)  
Li Jianxing (*Independent Non-executive Director*)  
Chen Shu Wen (*Independent Non-executive Director*)

The biographical details of the Directors are set out on pages 12 to 16 of this annual report.

Save as disclosed in the section headed “Directors and Senior Management Profile” to this annual report, the Directors have no other financial, business, family or other material/relevant relationships with one another.

The Board is mandated to determine and review strategic objectives, appoint and supervise senior management, approve quarterly, interim and annual reports, and review the principal risks of the Group's business to ensure that these risks are within manageable limits. It is also mandated to approve any substantial investment, acquisition or disposal by the Company. Major corporate matters that are delegated to the management include the execution of business strategies and initiatives approved by the Board and the preparation of quarterly, interim and annual reports for the Board's approval.

### 董事會

現行董事會由兩名執行董事及五名非執行董事（包括三名獨立非執行董事）組成，其組成屬恰當。本公司收到每位獨立非執行董事依據創業板上市規則第5.09條發出之年度獨立確認書，並認為全體獨立非執行董事皆為獨立人士。現行董事會由超過三分之一的獨立非執行董事組成。

現行董事會由以下董事組成：

王嘉偉 (*主席兼行政總裁*)  
黎玉梅 (*執行董事*)  
陳力 (*於二零一六年七月一日辭任*) (*執行董事*)  
劉潤桐 (*非執行董事*)  
James Beeland Rogers Jr. (*非執行董事*)  
張本正 (*獨立非執行董事*)  
李建行 (*獨立非執行董事*)  
陳樹文 (*獨立非執行董事*)

董事之履歷詳情載於本年報第12頁至第16頁。

除本年報「董事及高級管理人員履歷」一節所披露者外，董事彼此之間並無任何其他財務、業務、親屬或其他重大／相關關係。

董事會獲授權決定及檢討策略目標、委任及監督高級管理人員、批准季度、中期及年度報告以及檢討本集團業務之主要風險，以確保此等風險屬於可控範圍內。董事會亦獲授權批准本公司任何重大投資、收購或出售事宜。委派管理層負責之主要公司事務包括執行由董事會批准之業務策略及計劃以及編製季度、中期及年度報告，以供董事會批准。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Responsibilities, accountabilities and contributions of the board and management

The Board should assume responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should take decisions objectively in the interests of the Company.

The Board reserves for its decision on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management of the Company are delegated to the management.

There were four board meetings during the year. The attendance of Directors at the board meetings was as follows:

### 董事會及管理層之責任、問責性以及貢獻

董事會應負責領導及控制本公司，並共同負責透過指引及監督本公司業務而促進本公司的成功。全體董事應客觀以本公司利益作出決定。

董事會負責決定所有重要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易（特別是或會涉及利益衝突者）、財務資料、委任董事及本公司其他重大營運事宜。有關實行董事會決策、指導及協調本公司日常營運及管理的職責委派予管理層。

年內共舉行四次董事會會議。董事之董事會會議出席率如下：

Members	成員	Attendance number of meetings attended/ Number of meetings during term of service 出席會議次數／任內舉行會議次數
Wang Jiawei	王嘉偉	4/4
Lai Yuk Mui	黎玉梅	4/4
Chen Li (resigned on 1 July 2016)	陳力（於二零一六年七月一日辭任）	2/2
Liu Runtong	劉潤桐	4/4
James Beeland Rogers Jr.	James Beeland Rogers Jr.	3/4
Zhang Benzhen	張本正	4/4
Li Jianxing	李建行	4/4
Chen Shu Wen	陳樹文	4/4

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

There was one general meeting during the year. The attendance of Directors at the general meeting was as follows:

年內共舉行一次股東大會。董事於股東大會之出席率如下：

Members	成員	Attendance number of meeting attended/ Number of meeting during term of service 出席會議次數／任內舉行會議次數
Wang Jiawei	王嘉偉	1/1
Lai Yuk Mui	黎玉梅	1/1
Chen Li (resigned on 1 July 2016)	陳力 (於二零一六年七月一日辭任)	0/1
Liu Runtong	劉潤桐	0/1
James Beeland Rogers Jr.	James Beeland Rogers Jr.	0/1
Zhang Benzhen	張本正	0/1
Li Jianxing	李建行	1/1
Chen Shu Wen	陳樹文	0/1

### DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

Pursuant to the Corporate Governance Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the board remains informed and relevant.

During the year, Ms. Lai Yuk Mui and Mr. Li Jianxing have attended training courses conducted by professional parties. The attended directors have provided the Company with their respective training records pursuant to the Corporate Governance Code. All directors were provided with reading materials on relevant rules and regulatory updates.

### REMUNERATION OF DIRECTORS

The Company has established a Remuneration Committee with specific written terms of reference. The present Remuneration Committee consists of a majority of independent non-executive directors.

### 董事培訓及專業發展

根據企業管治守則，全體董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需之情況下向董事會作出貢獻。

年內，黎玉梅女士及李建行先生參加了專業團體開辦的培訓課程。所參與的董事已根據企業管治守則向本公司提供彼等各自之培訓記錄。全體董事已獲得有關相關規則及監管最新方面的閱讀資料。

### 董事酬金

本公司已成立薪酬委員會，並以書面訂明職權範圍。現行薪酬委員會之大部分成員為獨立非執行董事。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

As at year end date, the present Remuneration Committee consisted of five directors, Professor Zhang Benzheng, Mr. Wang Jiawei, Ms. Lai Yuk Mui, Mr. Li Jianxing and Professor Chen Shu Wen. Three out of the five directors are independent non-executive directors. Professor Zhang Benzheng, being an independent non-executive director, is the chairman of the committee. The Remuneration Committee's role and function includes making recommendations to the Board on the Company's policy and structure for remuneration of directors and senior management and on the establishment of formal and transparent procedures for developing policy on such remuneration. It also has the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management.

The Company's remuneration policies are determined on the basis of the contributions of staff and directors. Long-term incentive schemes for staff and directors include share options and cash bonuses.

The amounts paid to each Director for the year ended 31 December 2016 are set out in Note 11 to the consolidated financial statements.

Pursuant to code provision B.1.5 of the Corporate Governance Code, the annual remuneration of the members of the senior management (other than the Directors) for the year ended 31 December 2016 by band is set out as follows:

於年結日，現行薪酬委員會由張本正教授、王嘉偉先生、黎玉梅女士、李建行先生及陳樹文教授五名董事組成。五名董事中，其中三名為獨立非執行董事。獨立非執行董事張本正教授為委員會主席。薪酬委員會之職責及職能包括就本公司有關董事及高級管理人員的薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議。薪酬委員會亦獲授權決定全體執行董事及高級管理人員之特定薪酬待遇。

本公司之薪酬政策乃按員工及董事所作貢獻為基準釐定。員工及董事之長期獎勵計劃包括購股權及現金花紅。

截至二零一六年十二月三十一日止年度向各董事支付之款項，載於綜合財務報表附註11。

根據企業管治守則第B.1.5條，本年度截至二零一六年十二月三十一日止年度高級管理人員（董事除外）的年度薪酬按範圍載列於下文：

Remuneration band (in HK\$)	薪金範圍 (港元)	Number of individuals 人數
Nil to 1,000,000	零至1,000,000	8

The Remuneration Committee held one meeting during the year and the attendance of its members was as follows:

薪酬委員會於年內曾舉行一次會議，其成員之出席率如下：

Members	成員	Attendance number of meetings attended/ Number of meetings during term of service 出席會議次數/ 任內舉行會議次數
Zhang Benzheng	張本正	1/1
Wang Jiawei	王嘉偉	1/1
Lai Yuk Mui	黎玉梅	1/1
Li Jianxing	李建行	1/1
Chen Shu Wen	陳樹文	0/1

During the year, the Remuneration Committee's work includes conducting a review over the Company's policy and structure for remuneration.

年內，薪酬委員會之工作包括檢討本公司之薪酬政策及架構。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### NOMINATION OF DIRECTORS

The Company has established a Nomination Committee with specific written terms of reference. As at year end date, Nomination Committee consisted of four directors, Professor Zhang Benzhen, Mr. Wang Jiawei, Mr. Li Jianxing and Professor Chen Shu Wen. Three out of the four directors are independent non-executive directors. Professor Zhang Benzhen, being an independent non-executive director, is the chairman of the committee. Thus the present Committee consists a majority of independent non-executive directors. The Nomination Committee's role and function includes, but is not limited to, reviewing the structure, size, composition and diversity (including but not limited to skills, knowledge and experience, gender, age, cultural and educational background, or professional experience) of the board of directors on a regular basis and making recommendations regarding any proposed changes; identifying and recommending individuals suitably qualified to become board members; and assessing the independence of independent non-executive directors.

The Nomination Committee held one meeting during the year and the attendance of its members was as follows:

### 董事提名

本公司已成立提名委員會，並書面訂明職權範圍。於年結日，提名委員會由張本正教授、王嘉偉先生、李建行先生及陳樹文教授四名董事組成。四名董事中，其中三名為獨立非執行董事。獨立非執行董事張本正教授為委員會主席。因此，現行提名委員會之大部分成員為獨立非執行董事。提名委員會之職責及職能包括（但不限於）定期檢討董事會之架構、人數、組成及多元化（包括但不限於技能、知識及經驗、性別、年齡、文化及教育背景或專業經驗方面），並就任何建議變動提出建議；物色及推薦具備合適資格可擔任董事的人士；以及評核獨立非執行董事之獨立性。

提名委員會於年內曾舉行一次會議，其成員之出席率如下：

Members	成員	Attendance number of meetings attended/ Number of meetings during term of service 出席會議次數／ 任內舉行會議次數
Zhang Benzhen	張本正	1/1
Wang Jiawei	王嘉偉	1/1
Li Jianxing	李建行	1/1
Chen Shu Wen	陳樹文	0/1

On the nomination process, the Nomination Committee reviews suggested the candidates for directorship having regard to the candidates' reputation and the specific skills or expertise that these candidates can contribute to the Company in the light of the structure, size, composition and diversity (including but not limited to skills, knowledge and experience, gender, age, cultural and educational background, or professional experience) of the board of directors. Only candidates who have integrity and can provide specific contributions to the Company thereby enhancing the value of the Company are considered for nomination to the board of directors by the Nomination Committee.

於提名過程中，提名委員會基於董事會架構、人數、組成及多元化（包括但不限於技能、知識及經驗、性別、年齡、文化及教育背景或專業經驗方面），考慮候選人之聲譽以及可提供予本公司之特別技能或專業知識，審閱該候選人擔任董事職務之能力。正直廉潔且能為本公司作出特別貢獻從而提升本公司價值之候選人，方能獲提名委員會考慮提名加入董事會。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year, the Nomination Committee's work includes reviewing the structure, size, independence, composition and diversity (including but not limited to skills, knowledge and experience, gender, age, cultural and educational background, or professional experience) of the Board of Directors and made recommendations thereon.

### AUDIT COMMITTEE

The Company has established an Audit Committee with specific written terms of reference. As at 31 December 2016, the Audit Committee consisted of three independent non-executive directors, Mr. Li Jianxing, Professor Zhang Benzhen and Mr. Chen Shu Wen. Mr. Li Jianxing, being an independent non-executive director, is the chairman of the Committee. The Audit Committee's role and function includes making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor; review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; develop and implement policy on the engagement of an external auditor to supply non-audit services; monitor the integrity of financial statements, annual reports and accounts, half-yearly and quarterly reports of the Company, and review significant financial reporting judgments contained in them; review the Company's financial controls, internal control and risk management systems; and review the Group's financial and accounting policies, procedures and practices.

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 December 2016 pursuant to the relevant provisions contained in the Corporate Governance Code And Corporate Governance Report as set out in Appendix 15 of the GEM Listing Rules and was of the opinion that such statements had complied with applicable accounting standards and that adequate disclosures had been made in respect thereof.

年內，提名委員會之工作包括檢討董事會之架構、人數、獨立性、組成及多元化（包括但不限於技能、知識及經驗、性別、年齡、文化及教育背景或專業經驗）並就此提出建議。

### 審核委員會

本公司已成立審核委員會，並書面訂明職權範圍。於二零一六年十二月三十一日，審核委員會由李建行先生、張本正教授及陳樹文先生三名獨立非執行董事組成。其中獨立非執行董事李建行先生為委員會主席。審核委員會之職責及職能包括就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款；按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；就委聘外聘核數師提供非核數服務制定政策，並予以執行；監察本公司的財務報表、年度報告及賬目、半年度及季度報告的完整性，並審閱報表及報告所載有關財務申報的重大判斷；檢討本公司的財務監控、內部監控及風險管理制度；以及檢討本集團的財務及會計政策、程序及實務。

審核委員會已根據創業板上市規則附錄十五所載企業管治守則及企業管治報告之有關條文，審閱本集團截至二零一六年十二月三十一日止年度之綜合財務報表，並認為該等報表符合適用會計準則，並已就此作出足夠披露。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Audit Committee held five meetings during the year and the attendance of its members was as follows:

審核委員會於年內共舉行五次會議，其成員之出席率如下：

Members	成員	Attendance number of meetings attended/ Number of meetings during term of service 出席會議次數/ 任內舉行會議次數
Li Jianxing	李建行	5/5
Zhang Benzhen	張本正	5/5
Chen Shu Wen	陳樹文	5/5

The directors' responsibilities for preparing the accounts and the reporting responsibilities of the auditors are set out on pages 56 to 69.

董事編製賬目之責任及核數師之申報責任載於第56頁至69頁。

The accounts for the year ended 31 December 2016 were audited by Cheng & Cheng Limited whose term of office will expire at the conclusion of the forthcoming annual general meeting of the Company. The Audit Committee has recommended to the Board that Cheng & Cheng Limited be reappointed as the auditors of the Company at the forthcoming annual general meeting of the Company.

截至二零一六年十二月三十一日止年度之賬目已經由鄭鄭會計師事務所有限公司審核，彼之任期將於本公司之應屆股東週年大會結束時屆滿。審核委員會已向董事會建議，於本公司應屆股東週年大會上續聘鄭鄭會計師事務所有限公司為本公司之核數師。

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the Code Provision D.3.1. The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the GEM Listing Rules, and the Company's compliance with the Corporate Governance Code and disclosure in this Corporate Governance Report.

### 企業管治職能

董事會負責履行守則條文第D.3.1條所載職能。董事會已檢討本公司企業管治政策及常規、董事及高級管理人員的培訓及持續專業發展、本公司遵守法律及監管規定的政策及常規、遵守創業板上市規則的情況，以及本公司遵守企業管治守則及於本企業管治報告作出披露的情況。

### AUDITORS' REMUNERATION

For the year ended 31 December 2016, the remuneration paid to the auditors, Cheng & Cheng Limited in respect of audit services and non-audit services amounted to approximately HK\$450,000 and HK\$70,000 respectively.

### 核數師酬金

截至二零一六年十二月三十一日止年度，已支付予核數師鄭鄭會計師事務所有限公司之核數服務及非核數服務酬金分別為約450,000港元及70,000港元。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the risk management and internal control systems of the Group and for reviewing its effectiveness. The Board requires management to establish and maintain sound and effective system of internal controls to safeguard the shareholders' investment and the Group's assets. The Board should conduct a review of risk management and internal control system of the Group at least annually, covering the material financial, operational and compliance controls.

#### Risk Management

The Group has adopted a three-tier risk management approach to identify, assess and manage different types of risks. At the first line of defense, business units are responsible for identifying, assessing and monitoring risk associated with each business or deal. The management, as the second line of defense, defines rule sets and models, provides technical support, develops new system and oversees portfolio management. It ensures risks are within acceptable range and that the first line of defense is effective. As the final line of defense, the internal control consultants assist the Audit Committee to review the first and second lines of defenses.

With the assistance of the internal control consultants, a risk register with risk rating and risk owners were compiled by taking into account for continuous risk assessment purpose. Risk owners are required to take mitigating actions to address the identified risks and such actions are integrated in the day-to-day activities and their effectiveness is closely monitored. During the year, the risk register has been tabled for discussion and assessed the ratings by key personnel and management, by considering the likelihood and impact of each identified risk. A written risk assessment report with the identified key risks, evaluation of related risk and relevant mitigating actions have been reported to the Audit Committee and reviewed by the Board. The written report facilitates the Board in considering the changes in the nature and extent of significant risks, the Group's ability in responding to changes in its business and the external environment, as well as management's ongoing monitoring of risks and of the internal control systems.

### 風險管理及內部監控

董事會負責本集團之風險管理及內部監控系統以及檢討其有效性。董事會要求管理層設立及維持穩健高效的內部監控系統，以保護股東投資及本集團資產。董事會須至少每年對本集團的風險管理及內部監控系統（涵蓋重大財務、經營及合規控制）進行檢討。

#### 風險管理

本集團採納三級風險管理方法以識別、評估及管理各類風險。在第一道防線，業務單位負責識別、評估及監察與每項業務或交易有關的風險。作為第二道防線，管理層界定規則組合及模型、提供技術支持、制定新制度及監督組合管理，並確保風險在可接受範圍內及第一道防線行之有效。作為最後一道防線，內部控制顧問協助審核委員會檢討第一道及第二道防線。

在內部控制顧問的協助下，考慮到持續風險評估，已編撰包括風險評級及風險責任人的風險登記簿。風險責任人必須採取緩和行動應對已識別風險，且有關行動須融入日常活動中，而其有效性將被密切監控。於年內，風險登記簿已送交主要人員及管理層討論及評估評級（經考慮各項已識別風險的可能性及影響）。包括已識別主要風險、相關風險評估及相關緩和行動的書面風險評估報告已上報審核委員會並經董事會審閱。書面報告有助董事會考慮重大風險性質及程度的變動，本集團應對其業務及外部環境變化的能力，以及管理層持續監督風險及內部監控系統。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Risk Management and Internal Controls

The Group emphasises the importance of a sound internal control system which is also indispensable for mitigating the Group's key risk exposures. The Group's system of internal control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of the business objectives. The internal control system is reviewed on an ongoing basis by the Board in order to make it practical and effective in providing reasonable assurance in relation to protection of material assets and shareholders' interests. The Group is committed to the identification; monitoring and management of risks associated with its business activities. The Group is committed to the identification, evaluating and management of risks associated with its business activities through ongoing assessment of a risk register, by considering the likelihood and impact of each identified risk. The Group has implemented an effective control system which includes a defined management structure with limits of authority, a sound management system and periodic review of the Group's performance by the Audit Committee and the Board. The Board has conducted review of the effectiveness of the risk management and internal control systems, by considering written reports prepared by internal control consultants to the Audit Committee.

### Review the Effectiveness of the Risk Management and Internal Control Systems

Through the Audit Committee, the Board has conducted annual review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2016, covering the material financial, operational and compliance controls, which are considered effective and adequate.

Audit Committee has annually reviewed the adequacy of resources, qualifications and experience, training and budget of the accounting, internal audit and financial reporting functions.

### 風險管理及內部監控

本集團着重設立穩健內部監控系統的重要性，該系統對降低本集團所承受主要風險而言亦為不可或缺的部分。本集團的內部監控系統旨在合理（但並非絕對）確保避免賬目出現重大虛報或虧損，管理及消除營運系統失效的風險以及達成業務目標。董事會持續檢討內部監控系統，確保該系統能切實可行及有效地為保障重要資產及股東權益提供合理保證。本集團致力於識別、監控及管理與其業務有關之風險。本集團透過持續評估風險登記簿，評價每項已識別風險的可能性及影響，致力於識別、監控及管理與其業務有關之風險。本集團已實施一套行之有效的監控系統，包括清晰界定權限的管理結構、穩健的管理系統，以及由審核委員會及董事會定期對本集團業績進行檢討。經考慮內部控制顧問為審核委員會編製的書面報告，董事會已對內部監控系統的有效性進行審閱。

### 審閱風險管理及內部監控系統的有效性

董事會透過審核委員會對截至二零一六年十二月三十一日止年度本集團的風險管理及內部監控系統進行年度有效性評估（涵蓋重大財務、經營及合規控制），並認為該體系行之有效及適當。

審核委員會每年審閱資源的適當性、資格及經驗、培訓及會計預算、內部審核及財務報告職能。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INSIDE INFORMATION

The Company assesses the likely impact of any unexpected and significant event that may impact the price of the shares of the Company or their trading volume and decides whether the relevant information is considered inside information and needs to be disclosed as soon as reasonably practicable pursuant to Rules 17.10 and 17.11 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO. Executive Directors have responsibility for approving certain announcements and/or circulars to be issued by the Company under powers delegated by the Board from time to time.

The Company has put in place on handling and dissemination of inside information in a timely manner in such a way so as not to place any person in a privileged dealing position and to allow time for the market to price the listed securities of the Company with the latest available information. The Company has appropriate internal control and reporting systems to identify and assess potential inside information. Dissemination of inside information of the Company shall be conducted by publishing the relevant information on the websites of the Stock Exchange and the Company, according to the requirements of the GEM Listing Rules.

### COMPANY SECRETARY

The Company Secretary of the Company is Ms. Man See Yee. The Company Secretary assists the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. She has taken no less than 15 hours of relevant professional trainings to update her skills and knowledge in 2016.

### 內幕資料

本公司評估任何不可預期及重大事件的可能影響，該等事件或會影響本公司的股價或其交易數量，並決定相關資料根據創業板上市規則第17.10及17.11條以及證券及期貨條例第XIVA部的內部資料條文是否可被視為內幕資料及需要在合理可行情況下盡快披露。執行董事有責任批准本公司根據董事會不時委派的權力將予發佈的若干公告及／或通函。

本公司可及時處理及發佈內幕資料，並不會導致任何人士在本公司上市證券交易上處於佔優地位，亦讓市場在得悉最新可得資料的情況下，有充足時間定出本公司上市證券之價格。本公司設有適當的內部監控及匯報制度，識別及評估潛在的內幕資料。根據創業板上市規則規定，本公司發佈內幕資料，會透過聯交所及本公司網站刊登相關消息。

### 公司秘書

本公司的公司秘書為文思怡女士。公司秘書確保董事會成員之間資訊交流良好及遵循董事會政策及程序，從而支援董事會。彼於二零一六年已接受不少於15個小時相關專業培訓以更新其技能及知識。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### SHAREHOLDERS' RIGHTS

#### Convening an extraordinary general meeting

Pursuant to Article 58 of the Articles and Associations of the Company, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders may put forward proposals at general meeting of the Company by sending the same to the Company at the principal office of the Company in Hong Kong ten days before general meeting.

#### Procedures for sending enquiries to the Board

For putting forward any enquiries to the Board, shareholders may send written enquiries to the Board of Directors/Company Secretary at the Company's head office. For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the Company's head office and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

### 股東權利

#### 召開股東特別大會

根據本公司組織章程細則第58條，任何一名或以上於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票權）十分之一股東於任何時候有權透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中任何業務之交易；且該大會應於遞呈該要求後兩個月內舉行。倘遞呈後二十一日內，董事會未有召開該大會，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會未有召開大會而產生的所有合理開支應由本公司向要求人作出償付。

股東可於本公司股東大會上提呈動議，有關動議須於股東大會十日前送交本公司之香港主要辦事處。

#### 向董事會提問的程序

就向董事會提問而言，股東可向董事會／公司秘書發出書面提問，並送交本公司總辦事處。為免生疑問，股東必須提交及寄發正式簽署的書面呈請、通知或聲明或提問（視情況而定）的正本至本公司總辦事處，並提供彼等的全名、聯絡資料及身份證明，致使有關呈請、通知或聲明或提問生效。股東資料或須根據法例規定予以披露。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### THE SCOPE, MATERIALITY AND REPORTING PERIOD OF THIS REPORT

This is First China Financial Network Holdings Limited's (referred to in this report as "First China" or the "Company", collectively with its subsidiaries, the "Group") first annual Environmental, Social and Governance report (the "ESG Report") in accordance with the ESG reporting guidelines issued by The Stock Exchange of Hong Kong Limited ("HKEx") ("ESG Reporting Guidelines").

Unless otherwise stated, the ESG Report covers the overall performance in two subject areas, namely, Environment and Social for the Group's business operations in Hong Kong and the PRC for the year ended 31 December 2016 (the "Reporting Period").

During the Reporting Period, we were principally engaged in: (i) provision of the precious metals spot trading and brokerage services in the PRC, (ii) provision of securities and futures contracts trading services in Hong Kong, (iii) trading and principal investments in the PRC and Hong Kong, (iv) research, exploration and development of the student safety network project and the electronic student card in the PRC, and (v) provision of stock information and research services through the internet network in the PRC.

The Group has its principal places of business in Hong Kong and the PRC, where Hong Kong office is responsible for, except certain aforementioned operations, the compliance with relevant rules and regulations of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM") and Securities and Futures Commission ("SFC").

Upon materiality assessment, the ESG Report shall include operations of Hong Kong office and the Group's subsidiaries in the PRC. All information and data disclosed herein are from internal documents and statistics.

### 本報告的適用範圍、重要性及報告期

本年度乃首華財經網絡集團有限公司及其附屬公司（統稱「本集團」）首次就本集團在環境、社會及管治範疇上的表現編撰之報告（「ESG報告」）。本ESG報告乃應香港聯合交易所有限公司（「聯交所」）就相關事宜的表現申報推薦意見（「ESG指引」）而發表。

除另有說明者外，本ESG報告涵蓋本集團在香港及中國的業務運作於截至二零一六年十二月三十一日止年度（「報告期間」），在環境及社會兩個主要範疇的整體表現。

報告期間，我們主要從事：(i)在中國提供貴金屬現貨交易及經紀服務；(ii)在香港提供證券及期貨合約買賣服務；(iii)在中國及香港買賣及自營投資；(iv)在中國研究、開拓及發展學生安全網絡項目及電子學生證；以及(v)透過互聯網在中國提供股票資訊及研究服務。

本集團的業務主要運營地區為香港及中國內地。其中，香港主要辦事處除經營部份上述業務外，亦負責本公司在聯交所創業板（「創業板」）上市及證券及期貨事務監察委員會（「證監會」）的相關合規事宜。

因此，在進行重要性測試後，本集團決定在本ESG報告涵蓋本集團香港辦事處以及在中國內地各級子公司。所有資料來自本公司的正式文件或統計報告。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### STAKEHOLDER OPINION

We welcome opinions on the Group's approaches on the environmental, social, and governance aspects upon reading the ESG Report. Please share with us via:

Address: 16/F, CMA Building, 64-66 Connaught Road Central,  
Hong Kong

Phone: (852) 2297 9900

Fax: (852) 2865 3888

Email: info@firstchina.hk

### MISSION AND VISION

First China is an integrated financial service and student safety network provider in Hong Kong and the PRC, offering a comprehensive platform of financing, brokerage, financial information and wealth planning services; whilst devoting to the research, and development of the student safety network project.

With the lack of investment information products and far-from-sophisticated market in the PRC, medium and small investors have voracious demand for such products. We are dedicated to minimising information asymmetry and promoting investor education through provision of useful information service; improving market environment with introduction of market competition in terms of products and services, with a view to safeguarding medium and small investors' interests and becoming a quality integrated financial service provider.

We value communication with investors and shareholders, clients, employees, business partners and suppliers, community and other stakeholders while balancing their respective interests and fostering a sustainable development.

### 持份者的意見回饋

如參閱本ESG報告後，對本集團的環境、社會及管治方針與表現有任何意見，歡迎透過下列方式與本集團分享：

郵寄地址：香港中環干諾道中64-66號  
廠商會大廈16樓

電話：(852) 2297 9900

傳真：(852) 2865 3888

電郵：info@firstchina.hk

### 本集團的使命及願景

作為以香港和中國大陸為主要市場的綜合金融服務及學生安全網絡供應商，我們將在香港及中國大陸市場打造一個集融資服務、交易服務、金融資訊服務、理財規劃服務於一體的綜合金融服務平台。另外，我們致力研發及開拓學生安全網絡項目。

針對中國大陸市場投資資訊產品短缺及市場尚未完善，中小投資者對資訊產品需求迫切，我們在為中小投資者提供切實有效的資訊服務的同時，力求減低當前市場上資訊不對稱性，普及投資者教育；以市場行為通過產品競爭及服務競爭，改善市場環境，以保護中小投資者利益為基礎，力求成為一間優質的綜合性金融服務供應商。

本集團重視與投資者及股東、客戶及租戶、員工、合作夥伴及供應商、以及社會等不同持份者的溝通，積極平衡各方利益，促進企業可持續發展。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

We are committed to:

Investors and shareholders

- Complying with relevant regulations (e.g. GEM Listing Rules and Securities and Futures Ordinance etc.)
- Disclosing latest information in due course
- Reinforcing corporate governance and risk control
- Focusing on improvement operating efficiency and financial growth, creating stable returns

Employees

- Providing safe workplace
- Respecting all employees with fair treatment
- Supporting career growth and providing internal training

Clients

- Assuming product and service responsibility
- Identifying client needs and improving product and service quality
- Respecting clients' privacy and protecting their interests

Business partners and suppliers

- Maintaining good internal control and eradicating corruption
- Forging partnership to grow together
- Setting up stringent procurement system to contain risk

Community

- Giving back to the society and promoting self-reliance
- Raising awareness of environmental protection and helping the needy, nurturing virtue and values
- Devoting to developing new products for convenience of the society

我們致力：

投資者及股東：

- 遵守相關法規（創業板上市規則及證監會守則等）
- 及時公佈企業最新資訊
- 加強企業管治及風險控制
- 專注提升經營效率及業績增長，創造穩健回報

員工：

- 提供安全工作環境
- 尊重所有員工，確保公平待遇
- 支持員工職業發展，提供內部培訓

客戶：

- 履行產品及服務責任
- 了解客戶需要，持續改善產品及服務質素
- 尊重客戶私隱，保障客戶利益

合作夥伴及供應商：

- 維持良好內部監控，杜絕貪污行為
- 建立合作關係，共同成長
- 制定嚴謹的採購制度，控制風險

社會：

- 回饋社會，助人自助
- 增強員工環保及助人意識，建立正確價值觀
- 致力研發產品為社會帶來便利

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ENVIRONMENTAL ASPECT

#### 1. EMISSIONS

The Group was primarily engaged in financial services where no industrial production process is involved during the Reporting Period; therefore, no direct emission of exhaust and greenhouse gas, or wastewater was recorded.

The Group's office indirectly generated greenhouse gas. According to the calculation of carbon dioxide (CO<sub>2</sub>) emission per unit of electricity consumed by the electricity supplier, during the Reporting Period of the Group, Hong Kong office produced 45.3102 tons of CO<sub>2</sub> and Shenzhen office produced 28.0737 tons of CO<sub>2</sub>.

#### 2. USE OF RESOURCES

The Company and its various subsidiaries strictly comply with relevant local laws and regulations on environmental protection, set internal guidelines and measures for this purpose, or work in line with the rules for the office building, in order to achieve energy saving and consumption reduction, minimising negative environmental impact from our business operation.

We regularly review our operation process and carry out improvement measures, when necessary, for more efficient use of water, electricity, paper and other resources, so as to reduce or stop waste of resources or materials that pollute the environment. The Group has stepped up efforts in institutionalising paperless operation by utilising electronic documents (including service contracts, service applications and approval, client information and product information) and reducing paper consumption.

### 環境

#### 1. 排放物

本集團主要從事金融服務，業務過程中不涉及任何直接生產工序，故於報告期間未有錄得直接的廢氣及溫室氣體排放或污水等廢棄物的產生。

另外，本集團的辦公室用電間接產生溫室氣體。根據本集團於香港的辦公室的電力供應商發佈的平均每度電（即每一千瓦時）因燃燒燃料所產生的二氧化碳比率，本集團於報告期間香港的辦公室的用電產生約45.3102噸及深圳辦公室的用電產生約28.0737噸。

#### 2. 資源使用

本公司及轄下所有業務的各級子公司均嚴格遵守當地的相關環保法律及條例，內部制訂各項環保相關指引及措施，或配合辦公室所在大廈的規則，務求做到節能減耗，降低我們業務運作過程中對環境的負面影響。

我們定期檢討業務運營過程，如有需要採取改善措施以更有效地利用水、電、紙張等辦公室資源，減少甚至停止使用浪費資源或污染環境之用品。本集團於業務過程中，亦積極實行無紙化，儘量利用電子文件（包括服務合約、服務申請及審批文件、客戶資訊、產品資料等），降低紙張消耗量。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

During the Reporting Period, the Group adopted various measures on energy saving and consumption reduction, such as using telephone conferencing system to limit business trips, recycling paper and using electronic documents, reducing electricity consumption by making use of natural light and LED lighting system with better energy saving efficiency, working in line with rules of the commercial building for air-conditioning control and lower electricity consumption, donating computer and other electronic devices to charity organisation to minimise electronic solid waste.

All employees are advised about the importance of conservation, environmental protection during induction. The Group sporadically reviews its relevant measures and proposes improvement methods to enhance efficiency and achieve its goal of energy saving and consumption reduction. 2016 environmental statistics of Hong Kong and Shenzhen offices are set out below:

Electricity consumption Hong Kong: 58,090 kWh<sup>1</sup>  
(CO2 equivalent:  
45.3102 tons)<sup>2</sup>

Shenzhen: 47,486 kWh<sup>3</sup>  
(CO2 equivalent:  
28.0737 tons)<sup>4</sup>

Paper consumption<sup>5</sup> Hong Kong: 0.45 tons

Fuel consumption<sup>6</sup> Hong Kong: 5,919.6 kg

報告期間，本集團在節能環保上實施多項措施，包括利用電話會議系統，減少出差次數；循環使用紙張、利用電子文件，減少用紙；儘量利用白天自然採光以及LED等能耗較低的照明系統，減少用電量；根據所在商業大廈的中央冷氣規定，實施空調限制開放，減少耗電量；將電腦等舊電子用品捐贈予慈善團體，減少電子固廢等。

員工入職時，本集團會提醒員工節約環保及減少資源消耗。本集團不定期檢視相關措施的實行情況，並提出改善措施，致力提高效率，達到節能減排的效果。以下為香港及深圳辦公室的二零一六年環保數據統計：

耗電量 香港：58,090千瓦時<sup>1</sup>  
(二氧化碳當量：  
45.3102噸)<sup>2</sup>

深圳：47,486千瓦時<sup>3</sup>  
(二氧化碳當量：  
28.0737噸)<sup>4</sup>

耗紙量<sup>5</sup> 香港：0.45噸

燃料<sup>6</sup> 香港：5,919.6公升

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

- |   |   |   |   |
|---|---|---|---|
| 1 | According to electricity bills  | 1 | 根據電費單紀錄   |
| 2 | According to HK Electric, CO2 (produced by fuel combustion for electricity generation) per unit of electricity was 0.78 kg  | 2 | 根據港燈電力，平均每度電（即每一千瓦時）因燃燒燃料所產生的二氧化碳為0.78千克  |
| 3 | According to payment notice of property management of Hong Kong office building   | 3 | 根據大廈管理處收費通知單紀錄  |
| 4 | According to Calculation of Carbon Dioxide Emission and Data Checklist issued by Climate Change Bureau of the National Development and Reform Commission on 15 May 2016, CO2 emission factor of Guangdong Provincial-level power grid was 0.5912 kg per kWh | 4 | 根據國家發改委應對氣候變化司2016年5月15日發佈之《二氧化碳排放核算方法及數據核查表》，廣東省級電網平均二氧化碳排放因子為每千瓦時0.5912千克二氧化碳發佈，平均每度電（即每一千瓦時）因燃燒燃料所產生的為 |
| 5 | According to paper ordering quantity  | 5 | 按訂紙數量計算   |
| 6 | According to purchase volume of gasoline and diesel   | 6 | 按公司汽車於香港之汽油及柴油入油量計算   |

### 3. ENVIRONMENT AND NATURAL RESOURCES

Despite the lack of significant impact on the environment and natural resources made by the Group's major operations, we, as a responsible corporate, are committed to minimising such negative impact, and assess environmental risks induced by our operations, in order to formulate relevant measures.

During the Reporting Period, there was no violation of environmental laws and regulations by the Group.

### 3. 環境及天然資源

縱使本集團的主要業務對環境及天然資源並沒明顯的影響，作為良好企業的責任，本集團致力將業務對環境的負面影響降到最低，就業務的環境風險進行評估，以制定相符的環境措施。

報告期間，本集團未有發現違反環保法律及規例的情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### SOCIAL ASPECT

#### Overview of Employee (including the Company and major subsidiaries)

	2016:	2015:
Total employees	124	140
By gender	Male: 62 Female: 62	Male: 77 Female: 63

The Group's Staff Handbook is compiled with reference to the Employment Ordinance, the Labor Law of the People's Republic of China, Labour Contract Law of the People's Republic of China and other applicable laws and regulations. Induction guidelines and other information are provided to employees to explain the labour policies, codes of ethics, work safety and health guidance of the Group, ensuring the employees acknowledge their rights and responsibilities and protecting respective interests.

The Group determines employees' salary and benefits based upon their job nature, experience, work performance, financial results and market condition, as well as performance appraisal.

As an integrated financial service provider, the Group makes no specific requirement on gender or age. During the Reporting Period, there is no material change in employee composition.

### 社會

#### 僱員概況 (包括本公司及主要子公司)

	2016年:	2015年:
員工總數	124	140
男女比例	男性: 62 女性: 62	男性: 77 女性: 63

本集團擁有員工手冊，是根據香港《僱傭條例》、《中華人民共和國勞動法》及《中華人民共和國勞動合同法》等現有法律、法規編製員工手冊。本集團給予僱員入職指引等文件及資料，向各階級的僱員傳達有關本集團僱傭政策、工作職業道德，以及職安健指引等訊息，確保僱員清晰了解其權利及責任，保障雙方權益。

本集團按照員工的工作範疇、資歷、工作表現、業績及市場情況，經過員工評核後釐訂薪酬及福利。

本集團作為綜合金融服務供應商，對員工性別或年齡沒有特定要求。報告期間，本集團在僱員組成情況沒有重大改變。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### 1. EMPLOYMENT

Save for the afore-mentioned remuneration and employment system, the Group guarantees fair treatment of employees and prevents discrimination based on gender, race, religion, age, marital and family status, disability or in any other forms.

To attract and retain talent, the Group has formulated a competitive remuneration and benefit system covering basic salaries and overtime compensation, staff benefits and rights, such as mandatory provident fund, insurance, legal and extra leave, sick leave, other subsidies and severance payment, as well as performance bonuses and other benefits.

According to local laws and industry practices, the Group pays social insurance and housing provident fund for employees in Mainland China and directors and officers liability insurance and medical benefits for Hong Kong employees.

During the Reporting Period, there was no violation of labour laws.

### 2. HEALTH AND SAFETY

The Group is devoted to protecting our employees from safety risks by providing an appropriate workplace. References to industry practices and regulations were made to formulate work safety guidelines which have been strictly enforced.

Employees are constantly reminded of the importance of work health and safety, with the Group giving relevant information and coordinating with other organisations or property management company of the office building to join regular fire drills.

We also organise Christmas parties, annual dinner or corporate meeting on Christmas and other special occasions to share happiness with employees and rewarding staffs with excellent performance.

During the Reporting Period, there was no violation of health and safety laws and regulations.

### 1. 僱傭

除上述薪酬及僱傭制度，本集團亦確保僱員獲得平等待遇，不會因性別、種族背景、宗教、年齡、婚姻及家庭狀況、殘疾或任何其他原因而遭受歧視或遭剝奪任何待遇。

本集團已制訂一套具競爭力的薪酬及福利待遇制度，包括基本薪酬及加班工資、員工福利及權益，如強制性公積金、保險、法定及額外年假、病假、各種津貼及遣散費、以及考核獎金等額外薪酬及福利，以吸引及挽留人才。

因應所在地區法例及行業慣例，本集團為國內員工繳納社會保險及住房公積金，以及為香港員工提供董事及要員責任保險及醫療福利等。

報告期間，本集團未有發現違反僱傭法律及規例的情況。

### 2. 僱員健康及安全

本集團致力保障員工安全，提供合適的工作環境。我們按照行業慣例及監管規定，制訂詳細的工作安全指引，並嚴格執行有關措施。

本集團經常提醒員工職業健康及安全的重要性，本集團為僱員提供相關的資訊，亦與機構及辦事處大廈的物業管理公司合作，定期參與舉辦的消防演習。

我們亦會於聖誕等節日或特別日子組織聖誕派對、年度晚宴及企業年會等，與僱員分享節日喜悅及表彰優秀員工。

報告期間，本集團未有發現違反健康及安全法律及規例的情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### 3. DEVELOPMENT AND TRAINING

Human resources are key assets to corporate success. The Group provides professional trainings to improve quality, qualification and skills of the employees for their growth. We encourage our staff to discuss with management and supervisors on their promotion and career objectives, as well as join business-related training programs.

During the Reporting Period, training and development programs arranged by the Group included but not limited to:

- knowledge of financial service
- knowledge of information technology
- trainings on customer service/product knowledge
- regulatory seminars or guidance
- training on anti-corruption

According to statistics from Hong Kong office, 15 employees participate in the above training and development programs, accounting for 71% of total numbers of employees and accumulating 66.5 training hours. In addition, all Directors of the Company joined regulatory training.

### 3. 僱員發展及培訓

人才資源是企業發展賴以成功的重要資產。本集團利用各類培訓，為員工提供專業訓練，提高員工質素、資格及技能，協助員工成長。我們鼓勵員工就其工作晉升及事業發展目標與管理人員討論，以及參加與業務相關的培訓等。

報告期間，本集團安排的專業培訓及發展計劃包括但不限於：

- 金融服務專業知識
- 資訊科技專業知識
- 客戶服務／產品知識培訓
- 相關法規講座／指引
- 反貪污專業培訓

根據香港辦公室的統計數據，累計15名員工參加以上培訓及發展計劃，佔員工總數約71%，累計培訓時數66.5小時。此外，本公司所有董事均參與了有關監管條例之培訓。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### 4. LABOUR STANDARDS

The Group's internal rules and labour system are made in strict adherence to the Employment Ordinance (Chapter 57 of Hong Kong Legislation) and the Regulation on Labor Security Supervision issued by the State Council of the People's Republic of China, and reference to international standards. All recruitment process and promotion activities are closely monitored under the Group's human resources management scheme. The Group also provides its employees with statutory or extra benefits including mandatory provident fund, medical insurance, accident insurance and life insurance.

Codes of conducts are clearly set out in all employment contracts and staff codes of the Group. Conducts of all employees (including Directors and other staffs) are under the watchful eye to prevent child labour and forced labour, as well as any forms of discrimination, such as race, religion, age or disability. The Group will promptly conduct investigation, punish and dismiss the employee(s) in case of violation, and will make improvement measures when necessary.

During the Reporting Period, there was no violation of labour laws and regulations.

### 4. 勞工準則

本集團嚴格遵守香港法例第57章《僱傭條例》以及中華人民共和國國務院的《勞動保障監察條例》，並參考國際勞工標準，從而制訂內部守則指引及勞工制度。所有招聘程序及晉升活動均根據本集團人力資源管理制度嚴格監督。本集團亦按照相關法例規定或自願性地額外為員工提供強制性公積金、醫療保險、意外保險及人壽保險等福利。

本集團在所有僱傭合約及員工守則上清晰列明對僱員行為操守的規範，對所有僱員（包括董事及各級員工）的行為操守作嚴格監督，杜絕所有童工或強迫勞役、以及種族、宗教、年齡或殘疾等各種形式的歧視行為。當發現任何違規行為，本集團會即時作出調查、處分或解僱有關員工。如有需要，本集團會針對違規行為進一步完善勞工機制。

報告期間，本集團未有發現違反勞工準則法律及規例的情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### 5. SUPPLY CHAIN MANAGEMENT

The Group is principally engaged in finance-related business. By business nature and needs, the Company did not hire major suppliers for provision of products, raw materials and services during the Reporting Period, nor did the Company took part in any negotiation between its corporate or institutional clients and their suppliers. In addition, the Group did not enter into any long-term or bulk purchase agreements for stationery, paper, computers and other office stationery and equipment.

The Company will keep a close eye on any future procurement made by our staff against unethical practices. The Company will closely communicate with its subsidiaries and urge them to handle relationship with suppliers and business partners in avoidance of transfer interests or abuse of suppliers.

### 6. PRODUCT RESPONSIBILITY

The Group holds high regards for product quality and its reputation, and strive to improve product and service quality through internal control.

Our products and services include:

1. Securities brokerage and margin lending;
2. Stock information and research analysis;
3. Corporate finance solutions;
4. Asset management;
5. Student safety network project and electronic student cards.

### 5. 供應鏈管理

本集團主要從事金融相關業務，基於業務性質及需要，因此本公司於報告期間沒有聘用主要供應商為我們提供產品、原材料或服務，亦沒有直接參與企業及機構客戶與其供應商的協商。另外，本集團未有就文具、紙張、電腦等辦公室文儀用品與任何供應商簽訂長期或大量採購合約。

本公司會監察員工負責之採購活動，並嚴禁員工做出任何違反商業道德的行為。本公司密切與子公司溝通，要求各子公司小心處理與供應商及合作夥伴的關係，避免利益輸送或剝削供應商的行為。

### 6. 產品責任

本集團十分重視產品的質量和信譽，積極透過內部監控確保產品及服務質素。

我們的產品及服務包括：

1. 證券經紀與孖展貸款；
2. 股票資料及分析研究；
3. 企業融資方案；
4. 資產管理；
5. 學生安全網絡項目及電子學生證。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Given its business nature, the Group handles a huge amount of personal data or corporate information. The Group attaches high importance to safeguarding clients' interests and privacy, with relevant guidelines and handbook prepared to regulate employees' handling of personal data of clients. We sporadically arrange training to raise the awareness of privacy protection. The Group will maintain and review all client communication channels to obtain client feedback while handling complaints and conducting inspection, so as to improve client service system.

During the Reporting Period, there was no laws and regulations violation of personal privacy.

### 7. ANTI-CORRUPTION

The Group strictly complies with applicable anti-corruption laws and moral standards.

The Group is determined to eliminate any corruption activities. The Board of Directors adopts a zero-tolerance policy regarding corruption and fraud. Such standard has been outlined in our operation and employment policies. The Group proactively maintains a good corporate governance and risk control to protect interests of stakeholders.

Employees are advised to comply with our anti-corruption and anti-fraud guides; whilst relevant information is regularly provided to raise their awareness. We urge high standard of professional conduct of employees and strict compliance with laws in Hong Kong and the PRC.

The Group helps all employees to develop anti-corruption awareness. Relevant binding terms are detailed in product and service contracts. In case of any corruption or fraud, we will promptly conduct inspection and report to management. During the Reporting Period, the Group had discovered one employee in Hong Kong engaged in fraudulent activities and based on the zero-tolerance policy adopted by the Group, the fraudulent activities were being reported to the relevant law enforcement bodies and that employee had left the Group. Save and except for the said ex-employee, there is no other corruption, bribery, extortion, fraud and money laundering involving the Group or our employees.

由於業務性質，本集團會接觸大量的客戶個人或企業資料。本集團非常重視保障客戶權益及私隱，並已制訂相關指引及手冊，規定員工謹慎處理客戶的個人資料。我們亦不定期安排相關培訓，以提高員工對保障客戶私隱的意識。本集團會維持及審視與客戶的各種溝通渠道，以獲得客戶意見，及時處理客戶投訴，從而對客戶投訴及服務作調查，並完善客戶服務制度。

報告期間，本集團未有發現違反個人資料私隱法律及規例的情況。

### 7. 反貪污

本集團嚴格遵守相關反貪污法律規範和道德準則。

本集團堅決杜絕任何貪腐行為。董事會對反貪污及詐騙行為採取的「零容忍」態度已於我們的相關業務及員工政策中反映。本集團積極維持良好的企業管治及風險管理，維護持份者的利益。

本集團會提醒員工遵守廉政公署的反貪污及反詐騙指引，定期向員工提供有關反貪污的培訓及資訊，增加員工的反貪意識，要求員工擁有良好的專業操守，遵守香港及中國大陸的法規。

本集團向所有員工灌輸重要的反貪污意識。所有產品及服務合約均附帶相關的制約條款。如發現任何貪污或詐騙事件，我們會即時進行調查，並向管理人員匯報。報告期間，本集團發現一名香港員工從事欺詐活動，根據本集團採取的「零容忍」政策，本集團已向相關執法機構報告該等欺詐活動及該員工已離開本集團。除上述前員工外，沒有牽涉本集團或員工的貪污、賄賂、勒索、欺詐及洗黑錢案件。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### COMMUNITY

#### 8. COMMUNITY INVESTMENT

The Group values corporate social responsibility, adheres to the principle of “Giving Back to the Society” and promotes the idea of community care and mutual help.

During the Reporting Period, the Group endeavours to give back to society by means of organising and participating in community events. Through these activities, we aspire to let employees to help the society, develop a stronger community awareness, care for and help the needy. We encourage them to share their experience after the events to influence their colleague and set positive values.

Besides these activities, the Group also donates to organisations. During the Reporting Period, we lent our support to the following organisation:

Organisations	Type of organisations	Donation items
Caritas	Community service	Computers and other electronic devices

The Group will continue to cooperate with more organisations and institutions to support and contribute to the society.

### 社區

#### 8. 社區投資

本集團重視企業社會責任，秉持「取之社會，用之社會」的原則，倡導員工對社區關懷及人人互助的意識。

報告期間，本集團積極回饋社會，組織參與各類社區活動。我們希望透過組織或參與此類社區活動，讓員工親身為回饋社區，從而提升員工的社區意識，推動員工關懷，幫助有需要人士。我們亦鼓勵員工於活動後多作交流分享，感染其他員工參與，樹立正確的價值觀。

除上述活動外，本集團亦以捐贈形式幫助各類型機構。報告期間，我們向以下機構或組織給予支援：

機構、組織	組織範疇	捐贈項目
明愛慈善團體	社區	電腦及其它電子器材等

本集團會繼續與更多組織及機構合作，向它們提供更多支援，為社會作出更大貢獻。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



**CHENG & CHENG LIMITED**

CERTIFIED PUBLIC ACCOUNTANTS

鄭鄭會計師事務所有限公司

10/F., Allied Kajima Building,  
138 Gloucester Road, Wanchai, Hong Kong

### TO THE SHAREHOLDERS OF FIRST CHINA FINANCIAL NETWORK HOLDINGS LIMITED

*(Incorporated in Cayman Islands with limited liability)*

#### Opinion

We have audited the consolidated financial statements of First China Financial Network Holdings Limited and its subsidiaries ("the Group") set out on pages 70 to 183, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### BASIS FOR OPINION

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

### 致首華財經網絡集團有限公司全體股東

*(於開曼群島註冊成立之有限公司)*

#### 意見

本核數師已審核列載於第70頁至第183頁首華財經網絡集團有限公司及其附屬公司(「貴集團」)之綜合財務報表，此等綜合財務報表包括於二零一六年十二月三十一日之綜合財務狀況報表與截至該日止年度之綜合損益及其他全面收入報表、綜合股權變動報表及綜合現金流量表，以及綜合財務報表的附註，包括主要會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒布之香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一六年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露要求妥為編製。

#### 意見的基礎

吾等根據香港會計師公會頒布之香港審核準則(「香港審核準則」)進行審核。在該等準則下，吾等的責任在吾等的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的「國際職業會計師道德守則」(「守則」)，吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的審核意見提供基礎。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

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

#### Impairment loss on intangible assets

(See Note 16 to the consolidated financial statements)

#### The Key Audit Matter

##### 關鍵審核事項

The Group's intangible assets included material amounts of contractual customer relationship and software acquired through the acquisition of one wholly owned subsidiary in a prior year. These intangible assets belong to a cash generating unit which had recurring losses since its acquisition date. Further, the three-years profit guarantee term set out when acquisition of the aforesaid subsidiary had not been reached throughout the first two years.

貴集團的無形資產包括於過往年度透過收購一間全資附屬公司所購入之合約客戶關係及軟件的重大款項。該等無形資產屬於現金產生單位，自註冊成立日期以來產生經常性虧損。此外，收購上述附屬公司時所載列的三年溢利擔保條款並未於首兩個年度達成。

### 關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等審核於本期間的綜合財務報表中最重要的事項。該等事項已在我們審核整體綜合財務報表及出具意見時進行處理，而不會就此等事項單獨發表意見。

#### 無形資產減值虧損

(見綜合財務報表附註16)

#### How the matter was addressed in our audit

##### 在審核中的處理方法

To focus our audit procedures on the higher risk areas, we made an assessment using our professional judgement of the Cash Generation Units ("CGU") we considered to be subject to a higher risk of impairment. This assessment was based on the level of judgement and assumptions involved in the valuation model, the excess of assessed value over the carrying value reflected in the consolidated financial statements, market conditions and materiality. The CGU we considered to be higher risk was trading of electronic student cards.

為將吾等的審核程序集中於更高風險範疇，吾等採用專業判斷於吾等認為涉及較高減值風險的現金產生單位（「現金產生單位」）以進行評估。該評估乃基於判斷層次及涉及估值模型之假設、綜合財務報表中評估值較賬面值的超出部分、市況及重要性。吾等認為有較高風險之現金產生單位為銷售電子學生證。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Impairment loss on intangible assets (continued)

#### The Key Audit Matter 關鍵審核事項

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Impairment of contractual customer relationship and softwares is considered to be a key audit matter due to the significance of the assets to the Group's consolidated statement of financial position, and due to the judgement involved in the assessment of the 'value in use' of the Group's CGUs performed by the directors. The judgement relates to the future results of the CGU and the discount rates applied to future cash flow forecast.

由於有關資產對 貴集團綜合財務狀況報表的重要性，以及由於董事進行對 貴集團現金產生單位的「使用價值」評估所涉及的判斷，合約客戶關係及軟件減值被視為關鍵審核事項。判斷與現金產生單位的未來結果及適用於未來現金流預測的貼現率相關。

### 無形資產減值虧損 (續)

#### How the matter was addressed in our audit 在審核中的處理方法

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For the higher risk assessed CGU, We challenged the appropriateness of key assumptions used by management in the value-in-use calculation.

就經評估的較高風險現金產生單位而言，吾等質疑管理層於使用價值計算中採納的關鍵假設的適當性。

Our procedures included:

吾等的程序包括：

- Evaluating the logic of the discounted cash flow valuation models;
- 評估貼現流估值模型的邏輯；
- Revenue forecasts – for the explicit period forecast in the valuation models we compared the forecasts with the contracted revenue amounts, historical actual revenue amounts/growth rates;
- 收益預測 – 就估值模型的明確期限預測而言，吾等將預測與訂約收益金額、歷史實際收益金額／增長率相比較；
- Cost forecasts – for the explicit period forecast in the valuation models we compared the forecast with the historical actual costs incurred and assessed the reasonableness of cost growth by comparing it to historic long run inflation rates;
- 成本預測 – 就估值模型的明確期間預測而言，吾等將預測與所產生的歷史實際成本進行比較，並透過與歷史長期通脹率進行比較來評估成本增長的合理性；

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

Impairment loss on intangible assets (continued)

無形資產減值虧損 (續)

### The Key Audit Matter 關鍵審核事項

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### How the matter was addressed in our audit 在審核中的處理方法

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- Assessing the reasonableness of the terminal growth rate by comparing it to the long run inflation rate; and
- 透過將終端增長率與長期通脹率進行比較，評估其合理性；及
- Assessing the reasonableness of the discount rates applied by comparing them to the current market conditions for the CGU.
- 透過將所應用的貼現率與現金產生單位的當前市況相比較，評估其合理性。

Our evaluation results are consistent with management's intangible assets impairment testing results.

吾等的評估結果與管理層的無形資產減值測試結果一致。

Management has performed a full review on the recoverability of the contractual customer relationship and softwares. As a consequence, an impairment loss of HK\$122,686,950 was recognized during the year.

管理層已對合約客戶關係及軟件的可收回性進行全面檢討。因此於年內確認減值虧損122,686,950港元。

We also assessed the appropriateness of the financial statement disclosures concerning those key assumptions and parameters to which the outcome of the impairment test is most sensitive.

吾等亦評估與減值測試最為敏感的關鍵假設及參數有關的財務報表披露的適當性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Contingent consideration receivable

#### The Key Audit Matter 關鍵審核事項

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As disclosed in Note 20 to the consolidated financial statements, the Group has contingent consideration receivable of HK\$29,441,448 (2015: HK\$31,511,100) related to the acquisition of one wholly owned subsidiary in previous year. The contingent consideration receivable was related to the situation that the vendors may pay cash to compensate the profit guarantee shortfall for the escrow consideration shares of the Company or the situation that the Company repurchases its escrow consideration shares because of the profit guarantee shortfall.

如綜合財務報表附註20所披露，貴集團於過往年度有與收購一間全資附屬公司相關的應收或然代價29,441,448港元（二零一五年：31,511,100港元）。應收或然代價與賣方可能就貴公司的託管代價股份支付現金以賠償溢利保證差額的情況或貴公司因利潤擔保差額而購回其託管代價股份的情況有關。

The determination of the fair values of the contingent consideration receivables involved high level of estimation uncertainty.

應收或然代價公平值的釐定涉及高度的估計不確定性。

### 應收或然代價

#### How the matter was addressed in our audit 在審核中的處理方法

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We assessed management's process for the determination of the scope of work of the independent valuer and the review and acceptance of the external valuation reports. We evaluated the qualifications and competence of the external valuer.

吾等評估管理層釐定獨立估值師工作範圍及審閱及接納外部估值師報告的過程。吾等評估外部估值師的資格及能力。

We challenged the management's financial projections used in the value in use calculation of the wholly owned subsidiary referred to in key audit matter on "Impairment loss on intangible assets" and therefore the reasonableness of the expected profit guarantee shortfall. We checked the share price of the shares of the Company as at the year end date.

吾等質疑管理層於關鍵審核事項「無形資產減值虧損」中提及用於全資附屬公司之使用價值計算之財務預測及預計之利潤擔保差額的合理性。吾等於年結日檢查貴公司股份的股價。

We also assessed the appropriateness of the financial statement disclosures concerning those key assumptions and parameters to which the outcome of the fair value of the contingent consideration receivables.

吾等亦已評估與應收或然代價的公平值結果之該等關鍵假設及參數有關之財務報表披露的適當性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Loan and receivable less provisions

(See Note 23 to the consolidated financial statements)

### The Key Audit Matter

#### 關鍵審核事項

Two wholly owned subsidiaries of the Group, entered into loan agreements with some independent third parties and agreed to grant loans with principal amount in total of HK\$33,530,283 (equivalent to RMB30,211,000). The Group does not hold any collateral over these balances except for the loan amounts of HK\$15,538,180.

貴集團的兩家全資附屬公司與若干獨立第三方訂立貸款協議，並同意授出本金額為合共33,530,283港元（相當於人民幣30,211,000元）的貸款。貴集團就該等結餘並無持有任何抵押品，惟貸款金額15,538,180港元除外。

The above-mentioned loan receivable amounts of HK\$15,538,180 is secured by the pledged securities which are listed on Shanghai Stock Exchange and Shenzhen Stock Exchange and such securities were transferred to the nominee of the Group and in his custody.

上述應收貸款金額15,538,180港元由在上海證券交易所及深圳證券交易所上市的有抵押證券予以擔保，該等證券獲轉讓予貴集團之代名人並由其保管。

### 貸款及應收款項減撥備

(見綜合財務報表附註23)

### How the matter was addressed in our audit

#### 在審核中的處理方法

Our audit procedures included, among others, obtaining an understanding of the Group's credit monitoring procedures including the internal controls to safeguard the timely recognition and measurement of impairments on loans and receivables. We examined the loan portfolio and evaluated loan exposures with arrears, or with low internal credit ratings against available financial information and payment history to review management's assessment of the recoverable amount.

吾等的審核程序包括（其中包括）取得及了解貴集團的信貸監控程序，包括保護即時確認及計量貸款及應收款項減值的內部監控。吾等審查貸款組合及針對可獲得之財務資料評估貸款欠款風險，或具較低內部信貸評級的貸款風險以及付款歷史的貸款風險，以審閱管理層對可收回金額的評估。

Our review included an assessment of the collateral values used by management to consider whether it is necessary to make any impairment provisions. In addition, we also checked the control procedures on the collaterals custody. We compared with the loan receivable value and the market value of the share pledged.

吾等的審閱包括評估管理層採用的抵押品價值，以考慮是否必須作出任何減值撥備。此外，吾等亦檢查抵押品保管的監控程序。吾等將應收貸款價值與有抵押股份的市值進行比較。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

Loan and receivable less provisions (continued)

貸款及應收款項減撥備 (續)

### The Key Audit Matter

#### 關鍵審核事項

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### How the matter was addressed in our audit

#### 在審核中的處理方法

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Certain aspects of the accounting for impairment on loans and receivables require significant judgment, such as the identification of loans that are deteriorating, the assessment of objective evidence for impairment, the value of collateral and the assessment of the recoverable amount. This matter was significant to our audit as the use of different estimates and assumptions could result in significantly different recoverable amounts of the loans.

貸款減值虧損及應收款項會計處理的若干方面要求重大判斷，例如識別正在惡化之貸款，評估減值的客觀證據，抵押品價值及評估可收回金額。該事項對吾等的審核而言乃屬重大，因為採納不同的估計及假設會對貸款之可回收價值造成重大差異。

We reviewed the bank transactions of the PRC subsidiaries to ensure the completeness of the loan receivables.

吾等審閱中國附屬公司的銀行交易，以確保應收貸款的完整性。

We also checked the subsequent repayments of these loans receivables are on schedule.

吾等亦檢查該等應收貸款的後續還款乃符合借款協議的要求。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Impairment of refundable earnest money paid for proposed business acquisition in previous year

(See Note 25 to the consolidated financial statements)

#### The Key Audit Matter

##### 關鍵審核事項

The Group has recorded refundable earnest money of RMB20,000,000 (equivalent to HK\$22,197,400) paid for the proposed acquisition for the entire registered capital of 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co. Ltd.) (“Minqin Quantum”) in January 2015 as other receivables in the consolidated statement of financial position. The Group has received the entire shares of Minqin Quantum from the vendor as collateral. The proposed acquisition was terminated in May 2015 and the Group filed an arbitration application (the “Arbitration”) to South China International Economic and Trade Arbitration Commission (“SCIA”) for the repayment of the overdue receivables.

貴集團錄得於二零一五年一月就建議收購民勤量子新能源有限公司(「民勤量子」)的全部實收資本所支付的可退還誠意金人民幣20,000,000元(相等於22,197,400港元)作為綜合財務狀況報表的其他應收款項。貴集團已自賣方收到民勤量子的全部股份作為抵押品。該建議收購事項於二零一五年五月終止及貴集團向華南國際經濟貿易仲裁委員會(「深圳國際仲裁院」)遞交仲裁申請(「仲裁」)，要求償還逾期應收款項。

### 就過往年度建議業務收購事項所支付的可退還誠意金的減值

(見綜合財務報表附註25)

#### How the matter was addressed in our audit

##### 在審核中的處理方法

We checked to the final judgement imposed by SCIA to identify that the indicator of impairment of the earnest money exists, which is the vendor did not repay the earnest money within the time limit imposed by SCIA.

吾等查核深圳國際仲裁院施加的終局裁決，及辨認誠意金存在減值指標，即賣方並未於深圳國際仲裁院裁定的時間限制內償還誠意金。

We discussed with management about its assessment of the indicators of impairment and challenged the significant assumptions used in the impairment testing.

吾等與管理層討論其對減值指標的評估及質疑減值測試中所採用的重大假設。

We obtained the legal opinion on what actions the Group can further take to receive back the said earnest money paid and/or legal procedures and concern to get possession of the pledged shares.

吾等已就貴集團採取何種進一步行動及收回上述已付誠意金及／或透過法律程序以佔有已抵押股份的事項取得法律意見。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

**Impairment of refundable earnest money paid for proposed business acquisition in previous year**  
*(continued)*

### **The Key Audit Matter** **關鍵審核事項**

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The final judgment of the aforesaid arbitration, which is legally binding, was handed down by SCIA on 3 June 2016. Although the final judgment ordered the vendors to repay the refundable earnest money to the Group with penalty within 15 days upon the date of final judgment, the Group has not received said earnest money up to the year end date.

上述仲裁的終局裁決具有法定約束力，裁決已由深圳國際仲裁院於二零一六年六月三日宣佈。雖然終局裁決命令賣方自終局裁決之日起15天內向貴集團償還可退還誠意金及違約金，但貴集團截至年結日仍未收回上述誠意金。

Certain aspects of the accounting for the refundable earnest money require significant judgment, such as the assessment of objective evidence for impairment, the value of collateral and the assessment of the recoverable amount. This matter was significant to our audit as the use of different estimates and assumptions could result in a significantly different recoverable amount of the earnest money.

可退還誠意金記賬的若干方面要求重大判斷，例如評估減值的客觀證據，抵押品價值及評估可收回金額。該事項對吾等的審核而言乃屬重大，因為採納不同的估計及假設可對誠意金之可收回金額造成重大差異。

**就過往年度建議業務收購事項所支付的可退還誠意金的減值 (續)**

### **How the matter was addressed in our audit** **在審核中的處理方法**

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We obtained management accounts of Minqin Quantum for year 2016 and performed the sample checking works for assessing the financial position of Minqin Quantum at 31 December 2016. We also performed the site visit to Minqin Quantum to understand if it is operating and generating income.

吾等取得民勤量子於二零一六年的管理賬目並進行樣本核查工作，以評估民勤量子於二零一六年十二月三十一日的財務狀況。吾等亦已對民勤量子作實地視察，以了解其是否正在營運及產生收入。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Impairment of associates

(See Note 19 to the consolidated financial statements)

### The Key Audit Matter

#### 關鍵審核事項

The Group owns 38% in 深圳前海首華國際商品交易中心有限公司 (transliterated as Shenzhen Qianhai First China International Commodities Exchange Centre Limited) ("Qianhai First China"), an entity registered in the People's Republic of China. The investment in the associated company is accounted for under the equity method and considered for impairment losses. The accounting for the results of and investment in Qianhai First China is significant to our audit due to the share in Qianhai First China's net loss, the book value of the investment and judgment applied in determining if a decline in value is significant and temporary or prolonged.

貴集團擁有深圳前海首華國際商品交易中心有限公司(「前海首華」)(一間於中華人民共和國註冊之實體)之38%權益。於聯營公司的投資按權益法入賬及於價值出現減值。由於前海首華的淨虧損份額、投資賬面值及釐定價值下跌是否為重大及臨時或延長時採用的判斷，前海首華的業績及投資之會計處理對吾等的審核乃屬重大。

There was a suspension on the business operation of the associated company due to the commodities trading policies review conducted by the government of Qianhai starting from 2015. The new/revised industry policies have not yet been introduced by the Qianhai government during 2016.

由於前海政府自二零一五年開始對商品交易政策進行審閱，一家聯營公司的業務經營終止。新訂／經修訂的行業政策於二零一六年內尚未由前海政府推出。

Due to the uncertainty in the timing of the new industry policies introduced, the management considers it is appropriate to make the impairment on the interests in associates, which should reflect the present value of the associate's assets and liabilities realized at the year end date as the new industry policies have not yet been announced by the government of Qianhai.

由於所推出的新行業政策在時間方面不甚明朗，管理層認為對關聯公司的權益作出減值乃屬恰當，其應反映於年結日所變現的聯營公司資產及負債的現值，惟新行業政策尚未獲前海政府公佈。

### 聯營公司減值

(見綜合財務報表附註19)

### How the matter was addressed in our audit

#### 在審核中的處理方法

Our audit procedures included a review on the relevant financial information of Qianhai First China for the purpose of the consolidated financial statements of the Group.

吾等的審核程序包括就 貴集團的綜合財務報表審閱前海首華的相關財務資料。

We held discussions with management to understand their assessment of the future development of the Qianhai First China CGU.

吾等與管理層進行討論，以了解彼等評估前海首華現金產生單位的未來發展情況。

We reviewed and assessed management's estimation on the realization of assets and liabilities of the associate at 31 December 2016.

吾等審閱及評估管理層對聯營公司於二零一六年十二月三十一日之資產及負債變現作出的估計。

We reviewed the valuation report of the aforesaid assets and liabilities of Qianhai First China issued by the independent valuer appointed by the Group. We evaluated the qualifications and competence of the external valuer.

吾等審閱由 貴集團委任之獨立估值師出具的前海首華上述資產及負債的估值報告。吾等評估外部估值師的資格及能力。

# 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 all the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

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

### RESPONSIBILITIES OF 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

### 其他資料

貴公司董事負責其他資料。其他資料包括年報所載的所有資料，惟綜合財務報表及吾等的核數師報告除外。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對其他資料發表任何形式的鑒證結論。

在吾等審核綜合財務報表時，吾等的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或吾等在審核過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於吾等已執行的工作，如果吾等認為其他資料有重大錯誤陳述，吾等需要報告該事實。在這方面，吾等沒有任何報告。

### 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而公平的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

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

貴公司董事獲審核委員會協助，履行彼等監督貴集團財務報告程序的職責。

# 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. We report our opinion 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 judgment and maintain professional skepticism throughout the audit. We also:

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

### 核數師就審核綜合財務報表承擔的責任

吾等的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告。吾等僅向閣下（作為整體）報告吾等的意見，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按《香港審核準則》進行的審核在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或滙總起來可能影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審核準則》進行審核的過程中，吾等運用了職業判斷，保持了職業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，以及取得充足和適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險比較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露資料的合理性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

- 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.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者對綜合財務報表中的相關披露資料的關注。假若有關的披露資料不足，則吾等須出具非無保留意見的核數師報告。吾等的結論是基於截至核數師報告日止所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允反映交易和事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的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.

We also provide those 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.

吾等與審核委員會溝通了計劃的審核範圍、時間安排、重大審核發現等事項，包括吾等在審核期間識別出內部控制的任何重大缺陷。

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

### **CHENG & CHENG LIMITED**

*Certified Public Accountants*

Hong Kong, 20 March 2017

**Cheng Hong Cheung**

**Practising Certificate number P01802**

**鄭鄭會計師事務所有限公司**

*執業會計師*

香港，二零一七年三月二十日

**鄭康祥**

**執業證書編號P01802**

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入報表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Revenue	收益	5	8,896,415	45,714,003
Other income and loss, net	其他收入及虧損淨值	7	(91,656,382)	(18,474,679)
Employee benefits expenses	僱員福利開支	10	(17,854,403)	(37,241,505)
Depreciation of property, plant and equipments	物業、機器及設備折舊	15	(6,709,566)	(5,451,113)
Amortization of intangible assets	無形資產攤銷	16	(17,362,183)	(2,084,557)
Impairment of intangible assets	無形資產減值	16	(122,686,950)	(93,191,960)
Impairment loss of interests in associates	於聯營公司權益之減值虧損	19	(1,028,594)	(5,059,075)
Finance costs	融資成本	8	(289,184)	(344,576)
Other operating expenses	其他營運費用		(19,758,659)	(27,570,406)
Change in fair value of contingent consideration receivable	應收或然代價之公平值變動	20	140,880	27,278,678
Share of (loss)/profit of associates	應佔聯營公司(虧損)/利潤	19	(9,474,111)	36,748,757
Loss before income tax	除所得稅前虧損	9	(277,782,737)	(79,676,433)
Income tax income	所得稅收入	13	32,879,188	18,628,673
Loss for the year	年內虧損		(244,903,549)	(61,047,760)
<b>Other comprehensive loss:</b> <i>Items that may be reclassified to profit or loss</i>	<b>其他全面虧損:</b> <i>其後可能會重新分類至 損益之項目</i>			
Currency translation differences:	貨幣匯兌差額:			
– Group	– 集團		(11,090,916)	(12,344,742)
– Share of other comprehensive income of an associate	– 應佔聯營公司其他全面收入		(2,842,509)	(2,254,284)
Other comprehensive loss for the year, net of tax	年內其他全面虧損·已扣稅		(13,933,425)	(14,599,026)
Total comprehensive loss for the year	年內全面虧損		(258,836,974)	(75,646,786)



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入報表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Loss attributable to:</b>	<b>應佔虧損：</b>			
Owners of the Company	本公司擁有人	14	<b>(244,075,407)</b>	(62,850,046)
Non-controlling interests	非控股權益		<b>(828,142)</b>	1,802,286
			<b>(244,903,549)</b>	(61,047,760)
<b>Total comprehensive loss for the year attribute to:</b>	<b>年內應佔全面虧損總值：</b>			
Owners of the Company	本公司擁有人		<b>(258,045,542)</b>	(77,385,459)
Non-controlling interests	非控股權益		<b>(791,432)</b>	1,738,673
			<b>(258,836,974)</b>	(75,646,786)
<b>Loss per share attributable to owners of the Company for the year</b>	<b>年內本公司擁有人應佔每股虧損</b>			
Basic loss per share (HK cents)	每股基本虧損 (港仙)	14		
From loss for the year	年內虧損		<b>(3.76)</b>	(0.97)
Diluted loss per share (HK cents)	每股攤薄虧損 (港仙)	14		
From loss for the year	年內虧損		<b>(3.76)</b>	(0.97)

# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

## 綜合財務狀況報表

As at 31 December 2016 於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Non-current asset</b>	<b>非流動資產</b>			
Property, plant and equipments	物業、機器及設備	15	35,787,878	40,711,061
Intangible assets	無形資產	16	2	142,651,502
Statutory deposits and other assets	法定按金及其他資產	17	1,059,936	2,304,395
Interests in associates	於聯營公司之權益	19	34,944,709	47,942,898
Contingent consideration receivable	應收或然代價	20	29,441,448	31,511,100
Deposit paid	已付按金		940,607	–
			<b>102,174,580</b>	265,120,956
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	21	2,590,324	3,729,957
Trade receivables	應收貿易款項	22	14,550,089	9,800,843
Loans and receivables	貸款及應收款項	23	33,530,283	19,518,345
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	24	63,967,620	201,969,810
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	25	28,242,860	33,578,031
Amounts due from former Directors	應收前任董事款項	26	331,419	831,419
Bank balances and cash – trust accounts	銀行結餘及現金 – 信託賬戶	27	14,075,403	24,411,437
Restricted cash	受限制現金	27	–	1,815,795
Bank balances and cash – general accounts	銀行結餘及現金 – 一般賬戶	27	240,921,035	241,490,110
			<b>398,209,033</b>	537,145,747
<b>Total assets</b>	<b>總資產</b>		<b>500,383,613</b>	802,266,703
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付貿易款項	28	14,817,698	16,681,530
Other payables and accruals	其他應付款項及應計款項	29	2,168,841	4,388,082
Current income tax payable	即期應繳所得稅		–	541,663
Borrowings	借款	30	8,554,953	10,494,013
			<b>25,541,492</b>	32,105,288
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>372,667,541</b>	505,040,459
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>474,842,121</b>	770,161,415

# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

## 綜合財務狀況報表

As at 31 December 2016 於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred income tax liabilities	遞延所得稅負債	31	5,804,700	39,445,051
			<b>5,804,700</b>	39,445,051
<b>Net assets</b>	<b>資產淨值</b>		<b>469,037,421</b>	730,716,364
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	32	64,989,582	64,989,582
Share premium	股份溢價	32	1,614,798,866	1,614,798,866
Special reserve	特別儲備	33	4,778,740	4,778,740
Statutory reserve	法定儲備	33	3,911,530	3,911,530
Translation reserve	匯兌儲備	33	(18,466,661)	(4,496,526)
Share-based compensation reserve	股份補償儲備	34	30,383,874	34,149,275
Accumulated losses	累計虧損		(1,237,573,985)	(994,422,010)
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>		<b>462,821,946</b>	723,709,457
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>6,215,475</b>	7,006,907
<b>Total equity</b>	<b>權益總值</b>		<b>469,037,421</b>	730,716,364

**Wang Jiawei**  
王嘉偉  
Director  
董事

**Lai Yuk Mui**  
黎玉梅  
Director  
董事

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

## 綜合股權變動報表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔						Non-controlling interest		Total equity	
		Share capital	Share premium	Special reserve	Statutory Reserve	Translation reserve	Share-based Compensation Reserve	Accumulated losses	Total	Non-controlling interest	Total equity
		股本	股份溢價	特別儲備	法定儲備	匯兌儲備	股份補償儲備	累計虧損	總額	非控股權益	權益總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
		(Note 32)	(Note 32)	(Note 33)	(Note 33)	(Note 33)	(Note 34)				
		(附註32)	(附註32)	(附註33)	(附註33)	(附註33)	(附註34)				
Balance as at 1 January 2015	於二零一五年一月一日之結餘	64,989,582	1,614,798,866	4,778,740	-	10,038,887	29,832,788	(928,447,064)	795,991,799	5,267,851	801,259,650
Loss for the year	年內虧損	-	-	-	-	-	-	(62,850,046)	(62,850,046)	1,802,286	(61,047,760)
Other comprehensive loss	其他全面虧損	-	-	-	-	(14,535,413)	-	-	(14,535,413)	(63,613)	(14,599,026)
Equity-settled share option arrangements	以股權結算之購股權安排	-	-	-	-	-	5,103,117	-	5,103,117	-	5,103,117
Transfer of share-based compensation reserve upon the forfeiture or expiry of share options	購股權被沒收或屆滿時轉撥股份補償儲備	-	-	-	-	-	(786,630)	786,630	-	-	-
Share of revenue reserve of an associate	應佔一間聯營公司之收益儲備	-	-	-	3,911,530	-	-	(3,911,530)	-	-	-
Capital contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	383	383
Balance as at 31 December 2015	於二零一五年十二月三十一日之結餘	64,989,582	1,614,798,866	4,778,740	3,911,530	(4,496,526)	34,149,275	(994,422,010)	723,709,457	7,006,907	730,716,364
Balance as at 1 January 2016	於二零一六年一月一日之結餘	64,989,582	1,614,798,866	4,778,740	3,911,530	(4,496,526)	34,149,275	(994,422,010)	723,709,457	7,006,907	730,716,364
Loss for the year	年內虧損	-	-	-	-	-	-	(244,075,407)	(244,075,407)	(828,142)	(244,903,549)
Other comprehensive loss	其他全面虧損	-	-	-	-	(13,970,135)	-	-	(13,970,135)	36,710	(13,933,425)
Equity-settled share option arrangements	以股權結算之購股權安排	-	-	-	-	-	1,688,031	-	1,688,031	-	1,688,031
Reversal of share-based compensation reserve upon the forfeiture of share option	購股權被沒收時撥回股份補償儲備	-	-	-	-	-	(4,530,000)	-	(4,530,000)	-	(4,530,000)
Transfer of share-based compensation reserve upon the lapse of share options	購股權失效時轉撥股份補償儲備	-	-	-	-	-	(923,432)	923,432	-	-	-
Balance as at 31 December 2016	於二零一六年十二月三十一日之結餘	64,989,582	1,614,798,866	4,778,740	3,911,530	(18,466,661)	30,383,874	(1,237,573,985)	462,821,946	6,215,475	469,037,421

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

	Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Cash flows from operating activities</b>	<b>經營活動所得現金流量</b>		
Loss before income tax	除所得稅前虧損	<b>(277,782,737)</b>	(79,676,433)
Adjustments for:	就下列各項調整：		
- Depreciation of property, plant and equipment	- 物業、機器及設備折舊	<b>6,709,566</b>	5,451,113
- Loss/(gain) on disposal of property, plant and equipment	- 出售物業、機器及設備所得虧損／(收益)	<b>240,536</b>	(135,000)
- Amortization of intangible assets	- 無形資產攤銷	<b>17,362,183</b>	2,084,557
- Impairment of intangible assets	- 無形資產減值	<b>122,686,950</b>	93,191,960
- Impairment of interests in associates	- 於聯營公司權益之減值	<b>1,028,594</b>	5,059,075
- Written off of property, plant and equipment	- 物業、機器及設備撇銷	<b>497,136</b>	70,331
- Change in fair value of contingent consideration receivable	- 應收或然代價之公平值變動	<b>(140,880)</b>	(27,278,678)
- Fair value losses on securities trading	- 證券買賣之公平值虧損	<b>30,108,514</b>	32,641,510
- Share of profit or loss of associates	- 應佔聯營公司損益	<b>9,474,111</b>	(36,748,757)
- Reversal of Share Option expenses due to the lapse of share options	- 因購股權失效而撥回購股權開支	<b>(4,530,000)</b>	-
- Equity-settled share based arrangements	以股權結算之購股權安排	<b>1,688,031</b>	5,103,117
- Interest income	- 利息收入	<b>(4,404,374)</b>	(5,158,875)
- Dividend income	- 股息收入	<b>(6,146,271)</b>	(3,252,448)
- Finance costs	- 融資成本	<b>(289,184)</b>	(344,576)
<b>Operating cash flows before changes in working capital</b>	<b>營運資金變動前之經營現金流量</b>	<b>(103,497,825)</b>	(8,993,104)
- Statutory deposits and other assets	- 法定按金及其他資產	<b>1,244,459</b>	3,802,340
- Inventories	- 存貨	<b>1,139,633</b>	(527,049)
- Restricted cash	- 受限制現金	<b>1,815,795</b>	95,016
- Trade receivables	- 應收貿易款項	<b>(4,749,246)</b>	(2,293,073)
- Prepayments, deposits and other receivables	- 預付款項、按金及其他應收款項	<b>5,335,171</b>	(25,099,015)
- Amounts due from former Directors	- 應收前任董事款項	<b>500,000</b>	31,709,996
- Financial assets at fair value through profit or loss	- 按公平值計入損益之金融資產	<b>107,893,676</b>	(36,928,800)
- Segregated trust bank balances	- 獨立信託賬戶結餘	<b>10,336,034</b>	(10,164,747)
- Trade payables	- 應付貿易款項	<b>(1,863,832)</b>	1,124,738
- Other payables and accruals	- 其他應付款項及應計款項	<b>(2,219,241)</b>	(2,355,828)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

	Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Cash generated from/(used in) operations</b>	<b>經營產生／(動用)之現金</b>	<b>15,934,624</b>	(49,629,526)
Income tax paid	已付所得稅	(541,663)	(1,687,440)
Interest received	已收利息	4,404,374	5,158,875
<b>Net cash generated from/(used in) operating activities</b>	<b>經營活動產生／(動用)之現金淨值</b>	<b>19,797,335</b>	(46,158,091)
<b>Cash flows from investing activities</b>	<b>投資活動所得現金流量</b>		
Payments for investments in associates	於聯營公司投資之付款	–	(2,365,860)
Payment of deposit for purchase of plant and equipment	支付購買廠房及設備之按金	(940,607)	–
Purchases of property, plant and equipment	購買物業、機器及設備	(2,990,220)	(3,956,532)
Proceeds from disposal of a property, plant & equipment	出售物業、機器及設備所得款項	96,073	135,000
Gross increase in loans and receivables	貸款及應收款項增加值	(14,011,938)	(2,090,725)
Dividend received	已收股息	6,146,271	12,541,168
<b>Net cash (used in)/generated from investing activities</b>	<b>投資活動(動用)／產生之現金淨值</b>	<b>(11,700,421)</b>	4,263,051
<b>Cash flows used in financing activities</b>	<b>融資活動動用現金流量</b>		
Repayments of bank borrowings and interests	銀行借款之還款及利息	(1,649,876)	(1,539,092)
<b>Net cash used in financing activities</b>	<b>融資活動動用之現金淨值</b>	<b>(1,649,876)</b>	(1,539,092)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等值項目增加／(減少)淨值</b>	<b>6,447,038</b>	(43,434,132)
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目	241,490,110	292,073,216
Effect of foreign exchange rate changes	匯率變動之影響	(7,016,113)	(7,148,974)
<b>Cash and cash equivalents at end of year</b>	<b>年終之現金及現金等值項目</b>	<b>240,921,035</b>	241,490,110

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 1. GENERAL INFORMATION

First China Financial Network Holdings Limited (the “Company”) and its subsidiaries (together the “Group”).

#### INFORMATION OF THE GROUP

The Group is principally engaged in (i) provision of the precious metals spot trading and brokerage services in the PRC, (ii) provision of securities and futures contracts trading services in Hong Kong, (iii) trading and principal investments in the PRC and Hong Kong, (iv) research, exploration and development of the student safety network project and the electronic student card in the PRC, and (v) provision of stock information and research services through the internet network in the PRC.

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands. The Company’s registered office is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company’s principal place of business is situated at 16th Floor, CMA Building, No.64-66 Connaught Road Central, Hong Kong.

The Company’s shares are listed on the GEM of the Stock Exchange.

The consolidated financial statements are presented in Hong Kong dollars, while the functional currencies of certain subsidiaries are Renminbi (“RMB”). The Company has selected Hong Kong dollar as its presentation currency as the functional currency of the Company is Hong Kong dollars and management considered it is more beneficial to the users of the consolidated financial statements. These consolidated financial statements have been approved and authorized for issue by the Board of Directors on 20 March 2017.

### 1. 一般資料

首華財經網絡集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)。

#### 本集團之資料

本集團主要從事(i)在中國提供貴金屬現貨交易及經紀服務；(ii)在香港提供證券及期貨合約買賣服務；(iii)在中國及香港買賣及自營投資；(iv)在中國研究、開拓及發展學生安全網絡項目及電子學生證；以及(v)透過互聯網在中國提供股票資訊及研究服務。

本公司在開曼群島根據開曼群島公司法註冊成立為獲豁免有限公司。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司之主要營業地點位於香港中環干諾道中64-66號廠商會大廈16樓。

本公司股份於聯交所創業板上市。

該等綜合財務報表均以港元呈列，而若干附屬公司的功能貨幣為人民幣(「人民幣」)。本公司選擇港元作為其呈列貨幣，乃由於本公司的功能貨幣為港元及管理層認為此對綜合財務報表的使用者而言較為有利。此等綜合財務報表已於二零一七年三月二十日獲董事會批准及授權刊發。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of Stock Exchange (“GEM Listing Rules”) and by the applicable disclosure requirements of the Hong Kong Companies Ordinance (“CO”).

The consolidated financial statements have been prepared under the historical cost convention, except for the recognition of certain financial assets and financial liabilities at fair value through profit or loss.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

### 2. 主要會計政策概要

編製此等綜合財務報表所採納之主要會計政策載列如下。除另有註明者外，此等政策已於所有呈報年度貫徹應用。

#### 2.1 編製基準

綜合財務報表乃根據香港會計師公會（香港會計師公會）頒佈之香港財務報告準則（「香港財務報告準則」）所編製。此外，綜合財務報表包括聯交所創業板證券上市規則（「創業板上市規則」）及香港公司條例（「公司條例」）所規定之適用披露規定。

綜合財務報表乃按歷史成本常規編製，惟就確認若干按公平值計入損益之金融資產及金融負債除外。

遵照香港財務報告準則編製綜合財務報表須作出若干重要會計評估，亦要求管理層於應用本集團會計政策時作出判斷。有關涉及較高水平判斷之範疇或較為複雜之範圍或對綜合財務報表攸關重要之假設及評估之範圍載於附註4。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### Changes in accounting policy and disclosures

##### (a) New and amended standards adopted by the Group

The HKICPA has issued a number of amendments to HKFRSs and Interpretations that are first effective for the current accounting period of the Group, including the following:

- Accounting for acquisition of interests in joint operations – Amendments to HKFRS11
- Clarification of acceptable methods of depreciation and amortization – Amendments to HKAS16 and HKAS38
- Annual improvements to HKFRSs 2012-2014 cycle, and
- Disclosure initiative – amendments to HKAS1

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 2. 主要會計政策概要 (續)

### 2.1 編製基準 (續)

#### 會計政策及披露規定之變動

##### (a) 本集團採納之新訂及經修訂準則

香港會計師公會已頒佈多項於本集團當前會計期間首次生效之香港財務報告準則修訂本及詮釋，包括以下：

- 收購合營業務權益的會計處理 – 香港財務報告準則第11號 (修訂本)
- 澄清折舊及攤銷之可接納方式 – 香港會計準則第16號及香港會計準則第38號 (修訂本)
- 香港財務報告準則二零一二年至二零一四年週期之年度改進；及
- 披露計劃 – 香港會計準則第1號 (修訂本)

該等變動對本集團於當前或過往期間之業績及財務狀況之編製或呈列方式概無重大影響。

本集團並無應用任何於當前會計期間尚未生效之新準則或詮釋。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### Changes in accounting policy and disclosures (continued)

##### (b) New and amended Standards issued but not yet adopted

The Group has not early applied the following new amendments to HKFRSs and interpretation that have been issued but are not yet effective:

Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions <sup>2</sup>
HKFRS 9	Financial instruments <sup>2</sup>
HKFRS 10 and HKAS 28 Amendment	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>2</sup>
HKFRS 16	Leases <sup>4</sup>
Amendments to HKFRS 15	Clarifications to HKFRS 15 Revenue from contracts with customers <sup>2</sup>
Amendments to HKAS 7	Disclosure initiative <sup>1</sup>
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealized Losses <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined.

### 2. 主要會計政策概要 (續)

#### 2.1 編製基準 (續)

##### 會計政策及披露規定之變動 (續)

##### (b) 已發行但尚未採納之新訂及經修訂準則

本集團並無提早應用以下新訂且已頒佈但尚未生效之香港財務報告準則修訂本及詮釋：

香港財務報告準則第2號(修訂本)	以股份為基準之付款交易之分類及計量 <sup>2</sup>
香港財務報告準則第9號	金融工具 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>4</sup>
香港財務報告準則第15號	客戶合約收益 <sup>2</sup>
香港財務報告準則第16號	租賃 <sup>4</sup>
香港財務報告準則第15號(修訂本)	香港財務報告準則第15號客戶合約收益之澄清 <sup>2</sup>
香港會計準則第7號(修訂本)	披露計劃 <sup>1</sup>
香港會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 <sup>1</sup>

<sup>1</sup> 於二零一七年一月一日或之後開始之年度期間生效，並可提早應用。

<sup>2</sup> 於二零一八年一月一日或之後開始之年度期間生效，並可提早應用。

<sup>3</sup> 於二零一九年一月一日或之後開始之年度期間生效，並可提早應用。

<sup>4</sup> 於待釐定日期或之後開始之年度期間生效。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### Changes in accounting policy and disclosures (continued)

##### (b) New and amended Standards issued but not yet adopted (continued)

##### HKFRS 9 Financial Instruments

Key requirements of HKFRS are described as follows:

- HKFRS 9, “Financial Instruments” addresses the classification, measurement and recognition of financial assets and liabilities. The complete version of HKFRS 9 replaces most of the guidance in HKAS 39. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for fair value through profit or loss. The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities, there were no changes to classification and measurement, except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the “hedged ratio” to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39.

## 2. 主要會計政策概要 (續)

### 2.1 編製基準 (續)

#### 會計政策及披露規定之變動 (續)

##### (b) 已發行但尚未採納的新訂及經修訂準則 (續)

##### 香港財務報告準則第9號「金融工具」

香港財務報告準則的主要規定如下：

- 香港財務報告準則第9號「金融工具」闡述金融資產及負債之分類、計量及確認。香港財務報告準則第9號之完整版將取代香港會計準則第39號的大部分指引。香港財務報告準則第9號保留但簡化混合計量模式，並確立以公平值計入損益之三個主要計量分類。分類基準乃根據實體之業務模式及金融資產之合約現金流量特徵而定。股本工具投資須按設立時的不可撤銷權以公平值計入損益呈列其他全面收益之公平值變動。新預期信貸虧損模式將取代香港會計準則第39號所用已發生虧損減值模式。並無對金融負債之分類及計量作出更改，惟指定以公平值計入損益之負債當中，須對其他全面收益的信貸風險變動作出確認。香港財務報告準則第9號通過取代明確對沖有效性測試放鬆對沖有效性要求。香港財務報告準則第9號對對沖項目及對沖工具之間的經濟關係有一定要求，「對沖比率」亦須與管理層在管理過程中實際使用者一致。香港財務報告準則第9號仍規定須編製同期資料，惟與現時根據香港會計準則第39號所編製者不同。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### Changes in accounting policy and disclosures (continued)

(b) *New and amended Standards issued but not yet adopted (continued)*

##### HKFRS 9 Financial Instruments (continued)

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

The directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on the amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

##### HKFRS 15 Revenue from contracts with customers

In July 2014, HKFRS 15 was issued which establish a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 "Revenue", HKAS11 "Construction contracts" and the related interpretations when it becomes effective.

### 2. 主要會計政策概要 (續)

#### 2.1 編製基準 (續)

##### 會計政策及披露規定之變動 (續)

(b) *已發行但尚未採納之新訂及經修訂準則 (續)*

##### 香港財務報告準則第9號「金融工具」(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生效，並可提早應用。

董事預期，日後採納香港財務報告準則第9號可能對本集團之金融資產及金融負債所呈報金額造成重大影響。對於本集團金融資產，於完成詳盡審閱前就有關影響提供合理估計並不可行。

##### 香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號於二零一四年七月頒佈，其制定一項單一廣泛模式供實體用作將與顧客之間的合同產生的收入入賬。於香港財務報告準則第15號生效後，其將取代現時之收入確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### Changes in accounting policy and disclosures (continued)

(b) *New and amended Standards issued but not yet adopted (continued)*

#### HKFRS 15 Revenue from contracts with customers (continued)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the HKFRS 15 may have significant impact on amounts reported in the consolidated financial statements. However, it is not practical to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

## 2. 主要會計政策概要 (續)

### 2.1 編製基準 (續)

#### 會計政策及披露規定之變動 (續)

(b) *已發行但尚未採納之新訂及經修訂準則 (續)*

#### 香港財務報告準則第9號「金融工具」(續)

香港財務報告準則第15號之核心原則為，實體應確認收入以說明向顧客轉讓承諾貨品或服務，而有關收入金額能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入確認收入之五個步驟：

- 第一步：識別與顧客訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於（或隨著）實體完成履約責任時確認收入

根據香港財務報告準則第15號，於（或隨著）實體完成履約責任，即與特定履約責任相關之貨品或服務之控制權轉移予顧客時確認收入。香港財務報告準則第15號已加入更多特定指引以處理特別情況。此外，香港財務報告準則第15號要求更詳盡之披露。

本公司董事預期，香港財務報告準則第15號可能會對綜合財務報表所報告的金額構成重大影響。然而，在本集團進行詳盡審閱前，對香港財務報告準則第15號的影響作出合理估計並不可行。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### *Changes in accounting policy and disclosures (continued)*

##### (b) *New and amended Standards issued but not yet adopted (continued)*

##### HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. It distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Subject to limited exceptions for short-term leases and low value assets, distinctions of operating and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognized for all leases by lessee. However, the standard does not significantly change the accounting of lessors.

Application of HKFRS 16 will result in Group's recognition of right-of-use assets and corresponding liabilities in respect of many of the Group's lease arrangements. These assets and liabilities are currently not required to be recognised but certain relevant information is disclosed as commitments in Note 35. The directors of the Company anticipate that the application of HKFRS 16 in the future will have an impact on the Group's consolidated financial statements; however, it is not practicable to provide a reasonable estimate of the effect until the Group performs a detailed review.

Other than disclosed above, the directors anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements.

### 2. 主要會計政策概要 (續)

#### 2.1 編製基準 (續)

##### *會計政策及披露規定之變動 (續)*

##### (b) *已發行但尚未採納之新訂及經修訂準則 (續)*

##### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。其根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃的有限例外之外，經營及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。然而，該準則並無大幅對承租人的會計處理作出變動。

應用香港財務報告準則第16號將導致本集團確認有關本集團眾多租賃安排的使用權資產及相應負債。該等資產及負債當前毋需確認，但若干資料必須於附註35披露為承擔。本公司董事預期，日後應用香港財務報告準則第16號將對本集團的綜合財務報表構成影響；然而，在本集團進行詳盡審閱前，對該影響提供合理估計並不可行。

除上文所披露者外，董事預期，應用其他新訂及經修訂香港財務報告準則將不會對綜合財務報表構成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries

#### 2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, 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. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

#### 2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

## 2. 主要會計政策概要 (續)

### 2.1 附屬公司

#### 2.2.1 綜合入賬

附屬公司指本集團可對其行使控制權的實體(包括結構實體)。當本集團承受或享有參與投資實體所得之可變回報,且有能力透過其對實體之權力影響該等回報時,則本集團控制該實體。附屬公司自控制權轉移予本集團當日起全面綜合入賬,並由控制權終止當日起停止綜合入賬。

集團內公司間之交易、集團公司間交易的結餘及未變現收益得予以對銷。未變現虧損亦予以對銷。附屬公司之申報金額已作必要調整,以符合本集團的會計政策。

#### 2.2.2 獨立財務報表

於附屬公司之投資乃以成本減去減值之方法計算。成本亦包括投資直接應佔成本。附屬公司之業績乃由本公司按股息及應收款項入賬。

倘投資附屬公司所產生之股息超過附屬公司於派息期間之全面總收入,或獨立財務報表內之投資賬面值超過綜合財務報表內被投資者之淨資產(包括商譽)賬面值,則在收取有關投資所得股息時即須對此等投資進行減值測試。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profits or losses is recognized in the consolidated statement of profit or loss and other comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statements of changes in equity. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

### 2. 主要會計政策概要 (續)

#### 2.3 聯營公司

聯營公司指所有本集團對其有重大影響力但無控制權之實體，通常擁有其附帶20%至50%投票權之股權。於聯營公司之投資以權益會計法入賬。根據權益會計法，投資初步按成本確認，於收購日期後，賬面值將予增加或減少以確認投資者應佔被投資方之利潤或虧損。本集團於聯營公司之投資包括收購時已識別之商譽。於收購聯營公司之所有權權益時，聯營公司成本與集團應佔聯營公司可識別資產及負債之公平值淨值之間的任何差額乃入賬列作商譽。

倘於聯營公司之所有權權益減少但重大影響力獲保留，則僅有應佔先前於其他全面收入內確認之金額之若干比例會重新劃分為利潤或虧損（如適用）。

本集團應佔收購後利潤或虧損於綜合損益及其他全面收入報表確認，而應佔之其他全面收入之收購後變動則確認於其他全面收入並相應對投資賬面值作出調整。此外，當於聯營公司之股權直接確認變動時，本集團於綜合股權變動表確認其應佔之任何變動（倘適用）。倘本集團應佔一間聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款項，本集團不會確認進一步虧損，除非本集團已代表聯營公司承擔法定或推斷責任或作出付款。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.3 Associates (continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to “share of profit of associates” accounted for equity method in the consolidated statement of profit or loss and other comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group’s financial statements only to the extent of unrelated investor’s interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognized in the consolidated statement of profit or loss and other comprehensive income.

### 2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the senior executive management that makes strategic decisions.

## 2. 主要會計政策概要 (續)

### 2.3 聯營公司 (續)

本集團於各報告日期釐定是否有任何客觀證據顯示於聯營公司之投資出現減值。倘出現減值，本集團會將減值金額作為聯營公司之可收回金額與其賬面值之差額計算，並於綜合損益及其他全面收入報表內以權益法入賬「應佔聯營公司利潤」之金額。

本集團與其聯營公司之間之上游及下游交易所產生之利潤及虧損，只會限於無關投資者佔聯營公司權益範圍在本集團之財務報表內確認。除非該項交易有證據顯示所轉讓資產已減值，否則未變現虧損予以對銷。聯營公司之會計政策在有需要時已作改動，以確保與本集團所採用者一致。

攤薄聯營公司股權的盈利或虧損於綜合損益及其他全面收入表確認。

### 2.4 分部報告

經營分部報告方式與向主要經營決策者之內部報告方式一致。主要經營決策者負責分配資源及評估經營分部表現，已確認為作出戰略決策之高級執行管理層。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.4 Segment reporting (continued)

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.

#### 2.5 Foreign currency translation

##### (a) Functional and presentation currency

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 and the Group's presentation currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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 recognized in the consolidated statement of profit or loss and other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

### 2. 主要會計政策概要 (續)

#### 2.4 分部報告 (續)

個別重要的經營分部不會合計以供財務報告之用，但如該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別不重要的經營分部如果符合以上大部分條件，則可以合計為一個報告分部。

#### 2.5 外幣換算

##### (a) 功能及呈報貨幣

本集團每個實體於財務報表所列項目，均以有關實體經營業務所在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及本集團之呈報貨幣港元（港元）列值。

##### (b) 交易及結餘

外幣交易按交易日期或於項目經重新計量時之估值日期之現行匯率換算為功能貨幣。結算該等交易及按年結時匯率換算以外幣計值貨幣資產及負債所產生之匯兌盈虧，均於綜合損益及其他全面收入報表確認。

非貨幣金融資產及負債（例如按公平值計入損益之權益）之換算差額，乃列作公平值盈虧之一部分於損益確認。非貨幣金融資產（例如分類為可供出售之權益）之換算差額，則計入其他全面收入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.5 Foreign currency translation (continued)

#### (c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the dates of the transactions);
- all resulting currency translation differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

## 2. 主要會計政策概要 (續)

### 2.5 外幣換算 (續)

#### (c) 集團旗下公司

本集團旗下所有功能貨幣與呈報貨幣不同之實體(該等實體概無擁有嚴重通脹經濟體系之貨幣)之業績及財務狀況,按以下方式換算為呈報貨幣:

- 各財務狀況報表所呈列資產及負債,按財務狀況報表結算日之收市匯率換算;
- 各損益之收入及支出按平均匯率換算(除非該平均數並非交易當日適用匯率累計影響之合理約數,在此情況下,收入及開支按交易當日匯率換算);及
- 所有產生之貨幣換算差額於其他全面收入確認。

收購外國實體所產生商譽及公平值調整當作外國實體之資產及負債處理,並按收市匯率換算。所產生之外幣換算差額於其他全面收入確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the consolidated statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land and Buildings	25 years
Leasehold improvements	3 to 5 years, or Over the term of leases if shorter
Office equipment and furniture	3 to 5 years
Computer equipment	3 years
Motor vehicles	3 to 10 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of profit or loss.

### 2. 主要會計政策概要 (續)

#### 2.6 物業、機器及設備

物業、機器及設備按歷史成本減折舊列賬。歷史成本包括直接源自收購有關項目之開支。其後成本僅於與有關項目之日後經濟利益可能流入本集團且該項目之成本能可靠計量時，方計入資產賬面值或確認為獨立資產（視適用情況而定）。被更換部分之賬面值將終止確認。所有其他維修及保養於產生之財政期間在綜合損益及其他全面收入報表扣除。

物業、機器及設備之折舊乃以直線法計算，按其估計可使用年期，將其成本分配至其剩餘價值，可使用年期如下：

土地及樓宇	25年
租賃物業裝修	3至5年，或按 租約年期，以 較低者為準
辦公室設備及傢俬	3至5年
電腦設備	3年
汽車	3至10年

資產之剩餘價值及可使用年期於各報告期間結束時檢討，並在適當時作出調整。

倘資產之賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額。

出售盈虧按所得款項與賬面值之比較釐定，並於損益表內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.7 Intangible assets

#### (a) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (“CGUs”), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

#### (b) Trading rights

The Group’s intangible assets represent eligibility rights to trade on or through the Stock Exchange and on the Hong Kong Future Exchange Limited. The trading rights are carried at cost less accumulated amortization and accumulated impairment losses.

## 2. 主要會計政策概要 (續)

### 2.7 無形資產

#### (a) 商譽

商譽於收購附屬公司時產生，即所轉讓代價、被收購方的任何非控股權益金額及任何先前於被收購方的權益於收購日期的公平值高於已收購可識別資產淨值的公平值時的差額。

就減值測試而言，業務合併所得的商譽將分配至每個可受惠於合併協同效益的現金產生單位（「現金產生單位」）或現金產生單位群組。每個獲分配商譽的單位或群組為該實體內可就內部管理而監察商譽的最低層面。商譽於營運分類層面監控。

商譽會每年審閱是否需要減值，若有事件或情況轉變顯示可能出現減值，則會增加審閱次數。包含商譽的現金產生單位之賬面值與可收回金額（即使用價值或公平值減出售成本，取較高者）作比較。若出現減值即時確認為開支，其後不會撥回。

#### (b) 買賣權

本集團之無形資產指於或透過聯交所及香港期貨交易所有限公司買賣之合資格權利。買賣權利乃按成本減累計攤銷及累計減值虧損列賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Intangible assets (continued)

##### (c) Software

The software has a finite useful life and is carried at cost less accumulated amortization and impairment. Amortization is calculated using the straight-line method to allocate the cost of software over its estimated useful life from 5 to 10 years.

##### (d) Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognized at fair value at the acquisition date. The contractual customer relationship have been identified previously to have an indefinite useful life and such intangible assets were not amortized but tested for impairment annually individually (at the cash-generating unit level). The management had reviewed the useful life of the intangible asset to determine whether indefinite life continue to be supportable at end of the prior year.

The management of the Group considered to change the expected useful life of the contractual customer relationships from indefinite to 8 years. The contractual customer relationships have a finite useful life are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the said expected useful life of the customer relationships.

### 2. 主要會計政策概要 (續)

#### 2.7 無形資產 (續)

##### (c) 軟件

軟件有限定可使用年期，並按成本減累計攤銷及減值列賬。攤銷採用直線法計算，在軟件估計可使用年期為5年至10年內分配軟件成本。

##### (d) 合約客戶關係

於業務合併時取得之合約客戶關係按照於收購日期之公平值確認。合約客戶關係於以往年度已獲識別為具無限可使用年期，及該等無形資產並無攤銷但每年單獨進行減值測試（按現金產生單位水平）。管理層檢討無形資產之可使用年期以釐定不確定年期於上年末是否可繼續獲支持。

本集團管理層考慮將合約客戶關係的預期可使用確定年期由無限期變更為8年。具有可使用確定年期的合約客戶關係按成本減累計攤銷列賬。上述客戶關係的預期可使用年期採用直線法計算攤銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.8 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.9 Financial assets Classification

The Group's financial assets fall into the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

#### (a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss comprise financial assets held-for-trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or it is a derivative which is not designated as a hedging instrument. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

## 2. 主要會計政策概要 (續)

### 2.8 非金融資產減值

具有無限使用年期之無形資產或未可使用之無形資產毋須攤銷，但須每年作出減值檢測。倘發生任何可能導致未能收回資產賬面值之事項或情況變化，本集團將審閱須攤銷資產之減值情況。減值虧損按資產賬面值超越其可收回款額之數額確認。可收回金額為資產公平價值減出售成本後之價值與其使用價值兩者之間之較高者。評估資產減值時，本集團按可個別可識別現金流量之最低水平劃分資產類別（現金產生單位）。出現減值之非金融資產（商譽除外）於各報告日期審閱，確定是否可能撥回減值。

### 2.9 金融資產 分類

本集團之金融資產為按公平值計入損益之金融資產、及貸款以及應收款項。分類視乎購入金融資產之目的而定。管理層於初步確認時決定金融資產之分類。

#### (a) *按公平值計入損益之金融資產*

按公平值計入損益之金融資產包括待售金融資產。倘購入時主要目的為在短期內出售或其為未獲指定為對沖工具的衍生工具，則金融資產歸入此類別。倘預計於十二個月內買賣，則此類別的資產分類為流動資產，否則則分類為非流動資產。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.9 Financial assets (continued)

##### *Classification (continued)*

##### (b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade receivables" and "deposits and other receivables" and "loans and receivables" in the consolidated statement of financial position.

##### *Recognition and measurement*

Regular way purchases and sales of financial assets are recognized on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the consolidated statement of profit or loss and other comprehensive income. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the statement of profit or loss within "Other income and net losses" in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the statement of profit or loss as part of other income when the Group's right to receive payments is established.

### 2. 主要會計政策概要 (續)

#### 2.9 金融資產 (續)

##### *分類 (續)*

##### (b) *貸款及應收款項*

貸款及應收款項為有固定或待付且並無在活躍市場報價之非衍生金融資產。貸款及應收款項計入流動資產，惟於或預期於報告期間結束後超過十二個月清償者，則分類為非流動資產。本集團之貸款及應收款項包括綜合財務狀況報表中之「應收貿易款項」、「按金及其他應收款項」及「貸款及應收款項」。

##### *確認及計量*

金融資產之常規買賣在交易日確認，交易日指本集團承諾購入或出售該資產之日。就並非按公平值計入損益之所有金融資產而言，投資初步按公平值加交易成本確認。按公平值計入損益之金融資產初步按公平值確認，而交易成本則於綜合損益及其他全面收入報表支銷。自投資獲取現金流量之權利已到期或轉讓，且本集團已將擁有權之絕大部分風險和回報轉讓時，則金融資產會終止確認。貸款及應收款項其後以實際利率法按攤銷成本列賬。

來自「按公平值計入損益之金融資產」類別的公平值變動所產生的盈虧，列入產生期間損益表內的「其他收入及收益」中。來自按公平值計入損益之金融資產的股息收入，當本集團確定收取有關款項的權利時，於損益表內確認為其他收入之一部分。



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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

### 2.11 Impairment of financial assets

#### *Assets carried at amortized cost*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## 2. 主要會計政策概要 (續)

### 2.10 抵銷金融工具

金融資產及負債於有法定強制權以抵銷已確認金額及於擬按淨值基準結算或同時將資產變現及償付負債時予以抵銷，而有關淨額於財務狀況表內呈報。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時亦須具有約束力。

### 2.11 金融資產減值

#### *按攤銷成本列值之資產*

本集團在每個報告期末評估是否有客觀證據證明某項金融資產或某組金融資產經已減值。倘因於初步確認資產後發生之一項或多項事件（「虧損事件」）而出現客觀減值證據，而該項虧損事件（或多項事件）對一項金融資產或一組金融資產之估計未來現金流量之影響能可靠地估計，則該項金融資產或該組金融資產方為出現減值，並產生減值虧損。

減值跡象可包括一名或一組借款人正面臨重大經濟困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.11 Impairment of financial assets (continued)

##### *Assets carried at amortized cost (continued)*

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment losses is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

#### 2.12 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method for the commodities finished goods and the weighted average method for the student cards and school safety products. The cost of finished goods is arrived at based on purchase cost. It excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### 2. 主要會計政策概要 (續)

#### 2.11 金融資產減值 (續)

##### *按攤銷成本列值之資產 (續)*

就貸款及應收款項類別而言，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量（不包括仍未產生之未來信貸虧損）之現值兩者之差額計量。資產賬面值予以削減，而虧損金額則在損益表確認。如貸款有浮動利率，計量任何減值虧損之貼現率為按合同釐定之當前實際利率。作為可行權宜之計，本集團可按某工具之公平值按可觀察市價計算之基礎計量其減值。

如在後期，減值虧損之款項減少，而此減少可客觀地聯繫至減值確認後才發生之事件（例如債務人之信用評級有所改善），則之前已確認之減值虧損可在損益表中撥回。減值虧損之撥回將不會導致資產賬面值超過倘過往年度並無確認減值虧損而釐定之賬面值。

#### 2.12 存貨

存貨以成本與可變現淨值兩者中之較低者列賬。成本以商品成品之先進先出法（「先進先出法」）以及學生證及校園安全產品之加權平均法釐定。成品成本按採購成本計算。其不包括借貸成本。可變現淨值則以日常業務過程中估計出售價個減適用的變動銷售開支計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.13 Trade and other receivables

Trade receivables are amount due from customers for merchandise sold or services performed in ordinary the course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

### 2.14 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

### 2.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

## 2. 主要會計政策概要 (續)

### 2.13 應收貿易款項及其他應收款項

應收貿易款項乃於日常業務過程中向客戶銷售貨品或提供服務而應收之款項。倘應收貿易款項及其他應收款項預期將在一年或以內收回(若更長則在業務正常經營週期內),則歸類為流動資產,否則,呈列為非流動資產。

應收貿易款項及其他應收款項初步按公平值確認,其後以實際利率法按攤銷成本計量,並扣減減值撥備。

### 2.14 現金及現金等值項目

現金及現金等值項目包括手頭現金及原於三個月內到期之銀行活期存款、其他短期高流動性投資。

### 2.15 股本

普通股分類為權益。

發行新股份或購股權直接應佔成本之增加,扣除稅項後於權益列作所得款項扣減。

### 2.16 應付貿易款項

應付貿易款項為在日常經營活動中從供應商購買商品或服務而應支付之責任。如應付貿易款項之支付日期在一年或以內(如仍在正常經營週期中,則可較長時間),其被分類為流動負債,否則,呈列為非流動負債。

應付貿易款項初步以公平值確認,其後利用實際利率法按攤銷成本計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.17 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

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

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

#### 2.18 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit and loss, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and
- the amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with HKAS 18 *Revenue*.

### 2. 主要會計政策概要 (續)

#### 2.17 借款

借款初步按公平值扣除已產生交易成本確認，其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值間之任何差額利用實際利率法於借款期間之綜合損益及其他全面收入報表確認。

除非本集團有權無條件將債務結算日期遞延至報告期結束後至少十二個月，否則借款將被劃分為流動負債。

與收購、建造或生產合資格資產（即須一段頗長時間方能達至其預定或出售用途之資產）直接相關之一般及特定借貸成本予以資本化，作為該等資產之成本，直至該等資產大致達至其預定或出售用途時為止。

所有其他借貸成本於其產生期間在損益中確認。

#### 2.18 財務擔保合約

財務擔保合約乃在債務工具根據其條款到期時特定債務人無法還款之情況下要求發行人向持有人支付特定金額以補償其所受損失之合約。

由本集團發行之財務擔保合約，初步按其公平值確認及，倘其未透過損益於公平值確認，則其後以下列較高者計量：

- 根據香港會計準則第37號「撥備、或然負債及或然資產」釐定之合約項下責任款額；及
- 初步確認之款額減（如適用）根據香港會計準則第18號「收益」確認之累計攤銷。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.19 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated statement of profit or loss and other comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

#### *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### *Deferred income tax*

##### *Inside basis differences*

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

## 2. 主要會計政策概要 (續)

### 2.19 即期及遞延所得稅

期內稅項開支包括即期及遞延所得稅。稅項於綜合損益及其他全面收入報表確認，惟倘稅項與在其他全面收入確認或直接計入權益之項目有關則除外，在此情況下，稅項亦分別於其他全面收入或直接於權益確認。

#### *即期所得稅*

即期所得稅開支乃按報告期間結束時本公司附屬公司及聯營公司經營及產生應課稅收入之國家已頒佈或已實際頒佈之稅法計算。管理層定期評估適用稅項法規有待詮釋情況下稅務申報情況，並在適當情況下按預期將支付稅務機關之款項計提撥備。

#### *遞延所得稅*

##### *內在基本差異*

遞延所得稅乃採用負債法，就資產及負債稅基與其於綜合財務報表之賬面值間產生之暫時差額作出確認。然而，倘遞延所得稅負債由初步確認商譽而產生，則不會確認遞延所得稅負債，倘於初步確認於進行交易時不會影響會計或應課稅利潤或虧損之交易（業務合併除外）之資產或負債時產生遞延所得稅，則不予列賬。遞延所得稅按於報告期間已頒佈或已實際頒佈之稅率（及法例）釐定，預期於變現相關遞延所得稅資產或清償遞延所得稅負債時適用。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.19 Current and deferred income tax (continued)

##### *Deferred income tax (continued)*

##### *Inside basis differences (continued)*

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

##### *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognized.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries and associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

##### *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2. 主要會計政策概要 (續)

#### 2.19 即期及遞延所得稅 (續)

##### *遞延所得稅 (續)*

##### *內在基本差異 (續)*

遞延所得稅資產僅於日後很可能獲得足夠應課稅利潤用以抵銷暫時差額時確認。

##### *外在基本差異*

遞延所得稅負債就於附屬公司及聯營公司之投資所產生暫時差額計提撥備，惟遞延所得稅負債除外，在此情況下，本集團可控制撥回暫時差額之時間及暫時差額將不大可能於可預見將來撥回則除外。一般而言，本集團無法控制聯營公司之暫時差額撥回。僅當簽訂協議賦予本集團能力控制於可預見將來撥回暫時差額時，方不會就該聯營公司之未分派利潤所產生應課稅暫時差額確認遞延稅項負債。

僅當暫時差額有可能於未來撥回且能夠利用暫時差額抵扣足夠的應課稅利潤時，方會就遞延所得稅資產確認有關於附屬公司及聯營公司之投資所產生之可扣減暫時差額。

##### *抵銷*

當享有可依法執行的權利將即期所得稅資產與即期所得稅負債抵銷，以及當遞延所得稅資產及負債涉及同一稅務機關對應課稅實體或有意按淨額基準結清結餘的不同應課稅實體徵收所得稅，則可將遞延所得稅資產與負債互相抵銷。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.20 Employee benefits

#### (a) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully within the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme. During the reporting period, the total amount of forfeited contributions, which arose upon employees leaving the MPF Scheme and available to reduce the contribution payable in future years was nil (2015: Nil).

Retirement benefits to employees in the PRC are provided through a defined contribution plan. The Group is required to participate in a central pension scheme operated by the local municipal government. The Group is required to contribute certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the central pension scheme. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

## 2. 主要會計政策概要 (續)

### 2.20 僱員福利

#### (a) 退休金供款

本集團根據強制性公積金計劃條例為合資格參與定額供款強制性公積金退休福利計劃(「強積金計劃」)之僱員，設立強積金計劃。供款乃按僱員基本薪金若干百分比作出，並於根據強積金計劃規則須作出供款時在綜合損益及其他全面收入報表扣除。強積金計劃資產與本集團資產分開處理，由獨立管理基金持有。本集團僱主供款於向強積金計劃供款時全數撥歸僱員所有，惟根據強積金計劃規則，僱員於供款全數撥歸僱員所有前離職，則本集團僱主之自願供款將撥還本集團。於報告期間，因僱員終止參與強積金計劃而被沒收之供款總額為零港元(二零一五年：無)，該款額可用作減低未來年度應付之供款。

於中國之僱員之退休福利透過定額供款計劃提供。本集團須參與由地方市政府營運之中央退休金計劃。本集團須按僱員薪金之若干百分比向中央退休金計劃供款。供款將於根據中央退休金計劃之規則應付時自綜合損益及其他全面收入報表扣除。本集團並無法律或推定責任於支付定額供款後進一步供款。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.20 Employee benefits (continued)

##### (b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognizes the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss, with a corresponding adjustment to equity.

### 2. 主要會計政策概要 (續)

#### 2.20 僱員福利 (續)

##### (b) 股份補償

本集團設有多個以股本結算並以股份支付之補償計劃。根據該等計劃，有關實體獲得僱員所提供之服務以作為本集團權益工具（購股權）之代價。以授出購股權作為代價而獲得之僱員服務之公平值確認為開支。支銷總額乃參考所授出購股權之公平值釐定：

- 包括任何市場表現條件（例如一個實體之股價）；
- 不包括任何服務及非市場表現之歸屬條件（例如盈利能力、銷售增長指標及於一段特定時間內是否仍然為該實體之僱員）之影響；及
- 包括任何非歸屬條件之影響（例如僱員儲蓄之規定）。

於作出有關預期歸屬購股權數目之假設時，會計入非市場性質表現及服務條件。開支總額於歸屬期間確認，而歸屬期間為滿足所有特定歸屬條件之期間。

於各報告期間結束時，本集團會基於非市場表現及服務條件修訂其估計預期可歸屬之購股權數目。本公司於綜合損益表確認修訂原有估計之影響（如有），並就權益作出相應調整。



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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.20 Employee benefits (continued)

#### (b) Share-based compensation (continued)

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognizing the expense during the period between service commencement period and grant date.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognized over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

#### (c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

## 2. 主要會計政策概要 (續)

### 2.20 僱員福利 (續)

#### (b) 股份補償 (續)

此外，在某些情況下，僱員可能在授出日期之前提供服務，因此授出日期的公平值就確認服務開始期間與授出日期之期間內的開支作出估計。

於購股權獲行使時，本公司會發行新股份。已收所得款項扣除任何直接應佔交易成本後，撥入股本。

本公司向集團附屬公司僱員授出涉及權益工具之購股權，乃視為資本投入。獲得之僱員服務之公平值乃參考授出日之公平值計量，並於歸屬期內確認為對附屬公司投資之增加，並於母公司實體賬目之權益中計入相應數額。

#### (c) 離職福利

倘本集團於僱員正常退休日期前終止僱傭關係或僱員接受自願遣散以換取該等福利，本集團可給予離職福利。本集團會按以下日期較早者確認離職福利：(a)當本集團無可能撤回提供該等福利；及(b)當實體確認重組成本（香港會計準則第37號範圍內）並涉及支付離職福利。倘提出一項要約以鼓勵自願遣散，則離職福利將按預期接受要約之僱員數目計量。在報告期末後超過12個月支付的福利則貼現至其現值。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.21 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

#### 2.22 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts returns and value added taxes. The Group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below:

- (a) Commission income from securities and futures brokerage is recognized on a trade date basis.
- (b) Commission income from precious metal brokerage is recognized on a trade date basis.

### 2. 主要會計政策概要 (續)

#### 2.21 撥備

倘本集團因過往發生之事件須承擔現有法定或推定責任而極有可能須動用資源解除責任，則在能夠可靠估算責任金額之情況下確認撥備。未來經營虧損不會被確認為撥備。

倘本集團承擔若干類似責任，於釐定解除責任是否需要流出資源時，將考慮整類責任。即使同類責任當中任何一個項目導致資源流出之可能性甚低，亦會確認撥備。

撥備乃按預期解除責任所需開支，以反映當時市場對貨幣時間值及責任特定風險之評估之除稅前折現之現值計算。

#### 2.22 收益確認

收益按已收取或應收取代價之公平值計量確認，即所提供商品之應收款項，經扣除退貨折扣及增值稅後列賬。當收益數額能可靠計量、未來經濟利益有可能流入實體時，而本集團每項活動均符指定標準時，本集團會如下文所述確認收益：

- (a) 證券及期貨經紀佣金收入按交易日基準確認。
- (b) 貴金屬經紀佣金收入按交易日基準確認。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.22 Revenue recognition (continued)

- (c) Service income are recognized when the relevant services have been rendered.
- (d) Realized gains or losses on spot trading on precious metal contracts are recorded on a trade date basis whilst unrealized fair value gains or losses are recognized by translating the contract amounts at the prices ruling at the end of each reporting period.
- (e) Realized fair value gains or losses on securities trading are recorded on a trade date basis whilst unrealized fair value gains or losses are recorded on change in fair value on the reporting period.
- (f) Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognized using the original effective interest rate.
- (g) Dividend income is recognized when the right to receive payment is established.
- (h) Revenue from sales of goods is recognised upon transfer of significant risk and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

### 2. 主要會計政策概要 (續)

#### 2.22 收益確認 (續)

- (c) 服務收入於相關服務獲提供時確認。
- (d) 貴金屬現貨合約交易之變現損益按交易日期基準入賬，而未變現之公平值損益透過按各報告期末之價格換算合約金額予以確認。
- (e) 證券買賣之已變現公平值收益或虧損按交易日期基準記錄，而未變現公平值收益或虧損則按報告期間之公平值變動記錄。
- (f) 利息收入乃使用實際利率法確認。於貸款及應收款項減值時，本集團會將賬面值減至其可收回款額，即按有關工具原有實際利率折現之估計日後現金流量，並繼續將折現額撥作利息收入。減值貸款之利息收入及應收款項按原本實際利率確認。
- (g) 股息收入在收取有關股息之權利被確立時予以確認。
- (h) 銷售商品之收益乃於商品擁有權之大部分風險及回報轉移時（通常與商品付運予客戶及所有權轉讓之時間一致）確認。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.23 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease.

#### 2.24 Related parties

A party is considered to be related to the Group if:

- (a) A person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- (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;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

### 2. 主要會計政策概要 (續)

#### 2.23 租約

凡擁有權之絕大部分風險及回報由出租人保留之租約，均列為經營租約。根據經營租約支付之租金（在扣除自出租人收取之任何優惠後），按直線法於租賃期內在綜合損益及其他全面收入報表支銷。

#### 2.24 有關連人士

以下人士被認為與本集團有關連，倘：

- (a) 該人士為符合以下條件的人士或該人士的近親
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本集團母公司的主要管理人員；
- (b) 倘下列任何條件均適用，實體與集團相關為：
  - (i) 該實體與本集團屬同一集團的成員公司；
  - (ii) 該實體為另一實體的聯營公司或合資企業（或該實體為另一實體的母公司、附屬公司或同系附屬公司）；
  - (iii) 該實體與本集團均為同一第三方的合資企業；
  - (iv) 該實體為第三方實體的合資企業，而另一實體為該第三方實體的聯營公司；

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.24 Related parties (continued)

(b) (continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a); and
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to the group's parent.

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.

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, price risk, fair value interest rate risk, and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

### 2. 主要會計政策概要 (續)

#### 2.24 有關連人士 (續)

(b) (續)

- (v) 該實體為本集團或與本集團有關聯的實體就僱員利益設立的離職福利計劃；
- (vi) 該實體受(a)所識別人士控制或共同控制；及
- (vii) 於(a)(i)所識別人士對該實體有重大影響力或屬該實體（或該實體的母公司）主要管理人員。
- (viii) 該實體或本集團任何成員公司向本集團或本集團之母公司提供主要管理層人員服務。

某人士的近親家庭成員為在與該實體交易時預期會影響該名人士或受到該名人士影響的家庭成員。

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團之經營活動面對各種財務風險，計有：市場風險（包括外匯風險、價格風險、公平值利率風險及現金流量利率風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於金融市場不可預測之特性，務求將對本集團財務表現帶來之潛在負面影響降至最低。

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### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (a) Market risk

###### (i) Foreign exchange risk

Transactional currency exposures arise from the sales or purchase by operating units in currency other than the unit's functional currency. The Group's exposure to foreign currency risk is minimal as almost all of the Group's revenue and costs of the operating units are denominated in the HK\$ and RMB, the respective functional currency of the Group entities, with most of the group's monetary assets, liabilities are principally denominated in the respective functional currencies of HK\$ and RMB. The Group manages the foreign exchange exposure arising from its normal course of business activities and investments in foreign operations by funding its local operations and investments through cash flows generated from business transactions locally. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

###### (ii) Price risk

The Group is exposed to equity price risk arising from trading of listed equity securities which are listed on the Stock Exchange of Hong Kong. To manage its price risk arising from the investments in equity securities, the Group diversifies its portfolio. The sensitivity analysis has been determined based on the exposure to equity price risk.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險

###### (i) 外匯風險

交易貨幣風險來自營運單位使用單位功能貨幣以外貨幣進行之銷售或採購。由於本集團大部分收益及營運單位成本以本集團實體之各自功能貨幣港元及人民幣計值，且本集團之大部份貨幣資產及負債主要以各自功能貨幣港元及人民幣計值，因此本集團面對之外匯風險不大。本集團透過當地業務交易產生之現金流為其當地營運及投資提供資金，以管理於日常業務過程及於海外業務之投資中產生之匯兌風險。本集團目前並無外幣對沖政策。然而，管理層密切監察外幣風險及將於有需要時考慮對沖重大外匯風險。

###### (ii) 價格風險

本集團之股本價格風險乃來自於香港聯交所上市之上市證券買賣。為管理投資權益證券產生之價格風險，本集團持有不同風險範圍之投資組合。敏感度分析乃基於所承擔之股本價格風險釐定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (a) Market risk (continued)

###### (ii) Price risk (continued)

At the end of the reporting period, if the quoted market prices of the trading securities had been 5% higher or lower while all other variables were held constant, the Group's net loss for the year would decrease or increase by approximately HK\$3,198,000 (2015: HK\$10,098,000) as a result of changes in fair value of securities held for trading.

###### (iii) Cash flow and fair value interest rate risk

During the years ended 31 December 2016 and 2015, the Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits and borrowings which carry prevailing market interest rates. The directors considered that the Group's income and operating cash flows are substantially independent of changes in market interest rates.

As at 31 December 2016 and 2015, the Group's cashflow interest rate risk relates primarily to its variable bank deposits and borrowings. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, management will consider hedging significant interest rate exposure should the need arise.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險 (續)

###### (ii) 價格風險 (續)

於報告期末，倘買賣證券之市場報價上升或下降5%而其他所有變量維持不變，本集團之年內淨虧損將因買賣證券之公平值變動而減少或增加約3,198,000港元（二零一五年：10,098,000港元）。

###### (iii) 現金流量及公平值利率風險

截至二零一六年及二零一五年十二月三十一日止年度，由於按現行市場利率計息的銀行存款及借貸之現行市場利率波動，本集團面對現金流量利率風險。董事認為本集團之收入及經營現金流量大致獨立於市場利率變動。

於二零一六年及二零一五年十二月三十一日，本集團之現金流量利率風險主要與其銀行存款及借貸之浮動利率有關。本集團目前並無使用任何衍生合約對沖其面對之利率風險。然而，如有需要，管理層將考慮對沖重大利率風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (a) Market risk (continued)

##### (iii) Cash flow and fair value interest rate risk (continued)

As at 31 December 2016 and 2015, if interest rates on the bank borrowings had been decreased/increased by 50 basis points with all other variables held constant, the Group's post-tax loss for the years ended 31 December 2016 and 2015 would decrease/increase by approximately HK\$36,000 and HK\$42,000 respectively.

As at 31 December 2016 and 2015, if interest rates on the bank deposits had been decreased/increased by 50 basis points with all other variables held constant, the Group's post-tax loss for the years ended 31 December 2016 and 2015 would increase and decrease by approximately HK\$1,231,976 and HK\$1,256,218 respectively

As at 31 December 2016 and 2015, the Group is exposed to the fair value interest rate risk relating to the loans and receivables. However, the Directors consider the repayable term of the loans and receivables is within one year, therefore, the fair value interest rate risk is immaterial.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險 (續)

##### (iii) 現金流量及公平值利率風險 (續)

於二零一六年及二零一五年十二月三十一日，在所有其他變數維持不變之情況下，倘銀行借貸利率下降／上升50個基點，本集團截至二零一六年及二零一五年十二月三十一日止年度之除稅後虧損會分別下降／上升約36,000港元及42,000港元。

於二零一六年及二零一五年十二月三十一日，在所有其他變數維持不變之情況下，倘銀行存款利率下降／上升50個基點，本集團截至二零一六年及二零一五年十二月三十一日止年度之除稅後虧損會分別上升和下降約1,231,976港元及1,256,218港元。

於二零一六年及二零一五年十二月三十一日，本集團承受貸款及應收款項相關的公平值利率風險。然而，董事認為貸款及應收款項之償付期於一年內到期，因此，公平值利率風險無關緊要。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk

The Group reviews the recoverability of its financial assets periodically to ensure that potential credit risk of the counterparty is managed at an early stage and sufficient provision is made for possible defaults. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's financial assets relate mainly to cash and cash equivalents, trade and other receivables, loans and receivables and amounts due from former Directors. It arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These 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.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險

本集團定期檢討其金融資產之可收回金額，以確保可及早對交易對方之潛在信貸風險作出管理，並對潛在欠款作充足撥備。此外，本集團持續監察應收結餘之情況，而本集團之壞賬風險並不重大。

本集團金融資產之信貸風險主要關於現金及現金等值項目、應收貿易款項及其他應收款、貸款及應收款項及應收前任董事款項之信貸風險。其乃因交易對方違約而產生，風險上限相等於該等工具之賬面值。管理層已制定信貸政策及該等信貸風險按持續經營基準監控。

就應收貿易款項及其他應收款而言，本集團會就所有要求超過某一金額的信用額度的客戶進行個別信用評估。該等評估集中於客戶過去到期付款的記錄及目前付款的能力，並考慮到有關特定客戶及客戶經營業務所在之經濟環境的資料。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

At the end of the reporting period, the Group has certain concentrations of credit risk as approximately 32% (2015: 31%) and 88% (2015: 89%) of the Group's trade receivables were due from the Group's largest trade debtor and the five largest trade debtors respectively within the Brokerage and securities margin financing services segment. However, the directors of the Company consider the credit risk is limited since the Group has held certain listed equity securities of clients as collateral over these receivables. Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in Note 22 to the consolidated financial statements.

##### (c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors. The Group manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

At 31 December 2016, the Group had borrowings with carrying amounts of approximately HK\$8,555,000 (2015: HK\$10,494,000) (Note 30).

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

於報告期末，本集團有若干集中信貸風險，因本集團最大貿易債務人及五大貿易債務人分別佔本集團約32% (二零一五年：31%)及88% (二零一五年：89%)之應收貿易款項，該等應收款項主要源自因經紀及證券保證金融資服務分部。然而，本公司董事認為信貸風險有限，因為本集團持有客戶的若干上市股本證券作為該等應收款的抵押品。有關本集團應收貿易款項產生信貸風險之進一步量化數據，於綜合財務報表附註22披露。

##### (c) 流動資金風險

董事會須為流動資金風險管理負上最終責任。本集團維持充足儲備及儲備借款融資，不斷監察預測及實際現金流量，以及配對金融資產及負債之到期日，藉以管理流動資金風險。

於二零一六年十二月三十一日，本集團借款之賬面值約為8,555,000港元 (二零一五年：10,494,000港元) (附註30)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (c) Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the reporting period, based on the contractual undiscounted payments, was as follows:

		On demand or within 1 year 按要求 或少於1年 HK\$ 港元	Between 1 and 2 years 1至2年 HK\$ 港元	Between 2 and 5 years 2至5年 HK\$ 港元	Total Over 5 years 5年以上 HK\$ 港元	Total undiscounted cash flow 未折現 現金流量總額 HK\$ 港元	Total carrying amount 總賬面值 HK\$ 港元
<b>2016</b>	<b>二零一六年</b>						
Trade payables	應付貿易款項	14,817,698	-	-	-	14,817,698	14,817,698
Other payables and accruals	其他應付款項及 應計款項	2,168,841	-	-	-	2,168,841	2,168,841
Borrowings (Note)	借款(附註)	8,554,953	-	-	-	8,554,953	8,554,953
<b>2015</b>	<b>二零一五年</b>						
Trade payables	應付貿易款項	16,681,530	-	-	-	16,681,530	16,681,530
Other payables and accruals	其他應付款項及 應計款項	4,388,082	-	-	-	4,388,082	4,388,082
Borrowings (Note)	借款(附註)	10,494,013	-	-	-	10,494,013	10,494,013

Note:

Bank loans with a repayment on demand clause are included in the "on demand or within 1 year" time band in the above maturity analysis. At 31 December 2016, the aggregate undiscounted amounts of principal of the bank loans and interest thereon amounted to HK\$9,100,423 (2015: HK\$11,327,654). Taking into account the Group's financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank loans will be repaid over a period of 4 (2015: 5) years in accordance with the scheduled repayment dates set out in the loan agreements.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動資金風險(續)

本集團金融負債於報告期間時根據合約未折現付款之到期日如下：

附註：

包含按要求償還條款之銀行借貸在上述到期日分析計入「按要求或少於1年」之時間範圍內。於二零一六年十二月三十一日，銀行貸款本金未折現金額及其利息合共為9,100,423港元(二零一五年：11,327,654港元)。計及本集團之財務狀況後，董事相信銀行不大可能行使其要求即時還款之酌情權。董事相信，該等銀行借貸將根據貸款協議所載議定還款日期，於4年(二零一五年：5年)期間內償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Capital management

Certain of the Group's subsidiaries are regulated by the SFC and are required to comply with certain minimum capital requirements according to the rules of the SFC. In addition, the Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group monitors its capital structure on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt (including current and non-current liabilities but excluding current or deferred income tax liabilities as shown in the consolidated statement of financial position) less cash and cash equivalents. Adjusted capital comprises all components of equity (including share capital and premium, reserves, accumulated losses and non-controlling interests as shown in the consolidated statement of financial position).

### 3. 財務風險管理 (續)

#### 3.2 資本管理

本集團若干附屬公司受證監會規管，並須根據證監會規則遵守若干最低資本需求規定。此外，本集團管理資金之目標為保障本集團持續經營之能力，以為股東提供回報及為其他權益持有人帶來利益，並維持最佳資金結構以減少資金成本。

為維持或調整資本結構，本集團或會調整向股東派付股息之金額、向股東退還資金或發行新股份。

本集團按債務對經調整股本比率監察其股本。此比率按債務淨額除經調整股本計算。債務淨額按總債務（包括流動及非流動負債但不包括綜合財務狀況報表所示之即期或遞延所得稅負債）減現金及現金等值項目計算。經調整股本包括所有權益部分（包括綜合財務狀況報表所列之股本及溢價、儲備、累計虧損及非控股權益）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Capital management (continued)

During 2016, the Group's strategy was to maintain the debt-to-adjusted capital ratio within 50%, which was unchanged from 2015. The debt-to-adjusted capital ratios as at 31 December 2016 and 2015 were as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Total debt	總債務	25,541,492	31,563,625
Less: Bank balances and cash, including bank trust accounts (Note 27)	減：銀行結餘及現金， 包括銀行信託賬戶 (附註27)	(254,996,438)	(265,901,547)
Net debt	債務淨值	(229,454,946)	(234,337,922)
Total equity	權益總值	469,037,421	730,716,364
Adjusted capital	經調整股本	469,037,421	730,716,364
Debt-to-adjusted capital ratio	債務對經調整股本比率	N/A 不適用	N/A 不適用

#### 3.3 Fair value estimation

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

### 3. 財務風險管理 (續)

#### 3.2 資本管理 (續)

本集團在二零一六年繼續奉行二零一五年的策略，目標為將債務對經調整股本比率維持在50%內。於二零一六年及二零一五年十二月三十一日之債務對經調整股本比率如下：

#### 3.3 公平值之估計

下表按估值方法分析以公平值計量之金融工具。各等級之定義如下：

- 相同資產或負債於活躍市場之報價（未經調整）（第一級）。
- 資產或負債可直接（價格）或間接（來自價格）觀察之輸入數值（不包括第一級之報價）（第二級）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 3. 財務風險管理 (續)

#### 3.3 公平值之估計 (續)

- 資產或負債並非根據可觀察之市場數據之輸入數值(無法觀察之輸入數值)(第三級)。

		Total 總計	Level 1 第一級	Level 2 第二級	Level 3 第三級
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>				
Financial assets at fair value through profit or loss (Note 24)	按公平值計入損益之金融資產(附註24)				
- securities held for trading	- 持作買賣證券	<b>63,967,620</b>	<b>63,967,620</b>	-	-
Contingent consideration receivable (Note 20)	應收或然代價(附註20)	<b>29,441,448</b>	-	-	<b>29,441,448</b>
<b>At 31 December 2015</b>	<b>於二零一五年 十二月三十一日</b>				
Financial assets at fair value through profit or loss (Note 24)	按公平值計入損益之金融資產(附註24)				
- securities held for trading	- 持作買賣證券	201,969,810	201,969,810	-	-
Contingent consideration receivable (Note 20)	應收或然代價(附註20)	31,511,100	-	-	31,511,100

As at 31 December 2016 and 2015, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

Please refer to Note 20 for the changes in level 3 instruments for the year ended 31 December 2016 and 2015.

於二零一六年及二零一五年十二月三十一日，第一級及第二級之間並無任何公平值計量轉移，且第三級亦無任何轉入或轉出。

有關截至二零一六年及二零一五年十二月三十一日止年度第三級工具之變動請參見附註20。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.4 Financial instruments by category

### 3. 財務風險管理 (續)

#### 3.4 金融工具分類

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Financial assets classified as loans and receivables as per consolidated statement of financial position	根據綜合財務狀況報表分類為貸款及應收款項之金融資產		
Statutory deposits and other assets	法定按金及其他資產	1,059,936	2,304,395
Trade receivables	應收貿易款項	14,550,089	9,800,843
Deposits and other receivables	按金及其他應收款項	26,926,353	32,565,452
Loans and receivables	貸款及應收款項	33,530,283	19,518,345
Amounts due from former Directors	應收前任董事款項	331,419	831,419
Bank balances and cash including restricted cash	銀行結餘及現金 (包括受限制現金)	254,996,438	267,717,342
		<b>331,394,518</b>	332,737,796
Contingent consideration receivable	應收或然代價	29,441,448	31,511,000
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	63,967,620	201,969,810
		<b>424,803,586</b>	566,218,606
Financial liabilities at amortized cost as per consolidated statements of financial position	綜合財務狀況報表按攤銷成本列賬之金融負債		
Trade payables	應付貿易款項	14,817,698	16,681,530
Other payables and accruals	其他應付款項及應計款項	2,168,841	4,388,082
Borrowings	借款	8,554,953	10,494,013
		<b>25,541,492</b>	31,563,625

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### (a) *Estimated useful lives of intangible assets other than goodwill*

The Group has significant intangible assets. The Group is required to estimate the useful lives of intangible assets, in order to ascertain the amount of amortization charges for each reporting period.

##### (b) *Impairment of intangible assets other than goodwill*

The Group periodically reviews internal or external resources to identify indications that the intangible assets other than goodwill have suffered any impairment in accordance with accounting policy stated in Note 2.8. If the recoverable amount of an intangible asset is estimated to be less than its carrying amount, the carrying amount of the intangible asset is reduced to its recoverable amount. The assessment of the recoverable amount requires the use of estimates and assumptions.

##### (c) *Impairment of trade and other receivables*

The Group's management determines the impairment of trade and other receivables on a regular basis. This estimate is based on the credit history of its customers and current market conditions. Management reassesses the impairment of trade and other receivables at the end of the reporting period.

### 4. 重大會計估計及判斷

本集團持續按過往經驗及其他因素作出估計及判斷，包括於若干情況下相信屬合理之日後事項估計。

#### 4.1 重大會計估計及假設

本集團就未來作出估計及假設。有關會計估計實際上將甚少與相關實際業績相符。對下一個財政年度之資產及負債賬面值造成重大調整之重大風險估計及假設之討論如下。

##### (a) *除商譽外無形資產之估計可使用年期*

本集團擁有重大無形資產。本集團須估計無形資產之可使用年期，以確定各報告期間之攤銷費用金額。

##### (b) *除商譽外無形資產減值*

本集團根據附註2.8所述之會計政策定期審閱內部或外部資源，以確定除商譽外無形資產是否有任何減值跡象。倘無形資產之可收回價值估計低於其賬面值，無形資產之賬面值會減至其可收回價值。評估可收回價值須作出估計及假設。

##### (c) *應收貿易款項及其他應收款項減值*

本集團管理層定期釐定應收貿易款項及其他應收款項之減值，並根據客戶信貸記錄及現時市況作出估計。管理層會於報告期間結束時重新評估應收貿易款項及其他應收款項之減值。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

#### 4.1 Critical accounting estimates and assumptions

(continued)

##### (d) Impairment of interests in associates

Determining whether interests in associates are impaired requires an estimation of the recoverable amounts of the interests in associates, which represent the value of the assets and liabilities as at 31 December 2016 estimated on a realization basis.

##### (e) Estimated useful lives and impairment of property, plant and equipment

The Group has significant property, plant and equipment. The Group is required to estimate the useful lives of property, plant and equipment in order to ascertain the amount of depreciation charges for each reporting period.

The useful lives are estimated at the time of purchase of these assets after considering business developments and the Group's strategies. The Group performs annual reviews to assess the appropriateness of the estimated useful lives. Such review takes into account any unexpected adverse changes in circumstances or events, including declines in projected operating results, negative industry and economic trends. The Group extends or shortens the useful lives and/or makes impairment provisions according to the results of the review.

##### (f) Income taxes

The Group is subject to income taxes in certain overseas jurisdictions and Hong Kong. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination are made.

### 4. 重大會計估計及判斷 (續)

#### 4.1 重大會計估計及假設 (續)

##### (d) 聯營公司權益減值

在決定於聯營公司之權益是否有所減值時，須對於聯營公司之權益之可收回金額作出估計，即其於二零一六年十二月三十一日之資產及負債價值（按變現基準計）。

##### (e) 物業、機器及設備之估計可使用年期及減值

本集團擁有重大之物業、機器及設備。本集團須估計物業、機器及設備之可使用年期，以確定各報告期間之折舊費用金額。

該等資產之可使用年期乃於購入時經考慮業務發展及本集團策略後作出估計。本集團會每年進行檢討以評估有關估計可使用年期是否適當。有關檢討應考慮在有關情況下或事件中的任何不可預見逆轉，包括預測經營業績下降、行業及經濟趨勢逆轉。本集團根據檢討結果延長或縮短可使用年期及／或計提減值撥備。

##### (f) 所得稅

本集團須繳納若干海外司法權區及香港之所得稅。釐定所得稅撥備時需要作出重大判斷。日常業務過程中有若干難以確定最終稅項之交易及計算方法。本集團按照會否出現額外應繳稅項之估計為基準而確認預期稅務事宜所產生之負債。倘該等事宜之最終稅務結果與起初記賬之金額不同，有關差額將會影響作出有關決定期內之所得稅及遞延所得稅撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

#### 4.1 Critical accounting estimates and assumptions (continued)

##### (g) Fair value of contingent consideration receivable

The Directors of the Company use their judgment in selecting appropriate valuation techniques for contingent consideration receivable. A probability model was used by market practitioners, has been applied for estimating the fair value of contingent consideration receivable. The estimation of fair values of the contingent consideration receivables are derived after taking into account the input and parameters, such as the range of profits shortfall and its probabilities and the Company's shares price at the end of reporting period.

##### (h) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. The Group use a binomial model for new share options scheme to measure the fair value of equity-settled transactions with employees at the grant date. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

### 4. 重大會計估計及判斷 (續)

#### 4.1 重大會計估計及假設 (續)

##### (g) 應收或然代價之公平值

本公司董事就應收或然代價選擇合適估值技術時採用彼等之判斷。估計應收或然代價之公平值時已應用概率模型以作估值。應收或然代價之公平值估計乃經考慮利潤不足的幅度及其發生的概率以及公司於年結日的股價。

##### (h) 以股份為基礎的付款

估計以股份為基礎付款交易之公平值須釐定最為合適的估值模型，估值模型視乎授出條款及條件而定。該估計亦要求釐定加入估值模型的最合適輸入值，包括購股權預計年期或升值權、波幅及股息率，並就以上各項作出假設。本集團就新購股權計劃採用二項式模式，計量於授出日期與僱員進行的權益階段交易之公平值。估計以股份為基礎付款交易公平值所用假設及模型於附註34披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

##### 4.2 Critical judgments in applying the company's accounting policies

###### *Determining the basis on impairment made on the interests in associates*

The Group has made substantial investments in associates. The Group conducts impairment reviews of these assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

During 2016, after reviewing the business environment and past performance of the investments, management considers there were impairment for two PRC associates of HK\$1,028,594 (Note 19) due to the continuing suspension of business of those associates during the year.

As the commodities trading policies review conducted by the government of Qianhai, there was a temporary suspension on the business operation of Qianhai First China, an associate of the Group, in prior year. The review was still not completed as at the end of the current reporting period and therefore the business operation of Qianhai First China has not yet resumed. The management of the Group considered the recoverable amount of the interests in such associate would be the present value of the associate's assets and liabilities at the end of the reporting period on a realization basis, assuming the suspension will be continued. As the carrying amount of the interests in such associate after sharing its current year's profits or loss is lower than its recoverable amount, the management considered it was not necessary to make further impairment on it.

#### 4. 重大會計估計及判斷 (續)

##### 4.2 應用本公司會計政策時作出之重大判斷 *釐定聯營公司權益減值基礎*

本集團已於聯營公司作出重大投資。不論何種情況或變動顯示其賬面值可能無法收回，本集團均對該等資產進行減值審閱。

於二零一六年，經審閱有關投資的業務環境及過往表現，管理層認為兩間中國聯營公司有減值1,028,594港元（附註19），原因是該等聯營公司的業務於年內持續停止。

由於前海政府實行的商品交易審查政策，前海首華（本集團的一間聯營公司）的業務營運於過往年度暫時終止。該審查於當前報告期末仍未完成，因此前海首華的業務營運尚未恢復。本集團管理層認為，於該聯營公司之權益的可收回金額將為於報告期末聯營公司資產及負債之可變現現值（假設業務將持續停止）。由於該聯營公司權益的賬面值於分佔其當前年度損益後低於其可收回金額，故管理層認為不必對其作出進一步減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 5. REVENUE

An analysis of the Group's revenue for the year is as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Commission income from securities and futures brokerage	證券及期貨經紀佣金收入	659,425	2,287,814
Commission income from precious metals brokerage	貴金屬經紀佣金收入	1,028,710	8,315,753
Spot trading profits on precious metals contracts, net	貴金屬現貨合約交易利潤淨值	511,054	11,249,982
Trading of electronic student cards and school safety products	銷售電子學生證及校園安全產品	5,175,956	2,102,875
Interest income from clients	來自客戶之利息收入	745,406	971,533
Consultancy fee income	諮詢費用收入	775,864	20,786,046
Revenue	收益	<b>8,896,415</b>	45,714,003
Proceeds from trading of securities	出售證券之所得款項	<b>37,995,615</b>	113,135,894
Turnover	營業額	<b>46,892,030</b>	158,849,897

### 6. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors (the "Executive Directors") of the Company. The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Operating segments were determined based on these reports.

The Group was organized into five operating divisions and each of the operating divisions represented an operating and reportable segment: (1) provision of brokerage and securities margin financing services; (2) precious metals spot trading and brokerage; (3) trading of electronic student cards and school safety products; (4) trading and principal investments; (5) provision of stock information and research services.

### 5. 收益

本集團本年度的收益分析如下：

### 6. 分部資料

主要營運決策者已確認為本公司之執行董事（「執行董事」）。執行董事審閱本集團之內部報告，以評核表現及分配資源。根據該等報告釐定營運分部。

本集團分為五個營運部門，各營運部門代表一個營運及可呈報分部：(1)提供經紀及證券保證金融資服務；(2)貴金屬現貨交易及經紀；(3)銷售電子學生證及校園安全產品；(4)買賣及自營投資；(5)提供股票資訊及研究服務。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

The segment information of the reportable segments for the year ended 31 December 2016 is as follows:

### 6. 分部資料 (續)

截至二零一六年十二月三十一日止年度之可報告分部之分部資料如下：

		Brokerage and securities margin financing services 經紀及證券保證金融資服務 HK\$ 港元	Precious metals spot trading and brokerage 貴金屬現貨交易及經紀 HK\$ 港元	Trading of electronic student cards and school safety products 銷售電子學生證及校園安全產品 HK\$ 港元	Trading and principal investments 買賣及自營投資 HK\$ 港元	Provision of stock information and research services 提供股票資訊及研究服務 HK\$ 港元	Total 總計 HK\$ 港元
Segment revenue from external customers 外界客戶分部收入		1,404,831	1,539,764	5,175,956	-	775,864	8,896,415
Other income and loss, net by segment 按分部計的其他收入及虧損淨值		100,957	92,974	354,944	(95,311,974)	2,448,383	(92,314,716) <sup>1</sup>
Segment results 分部業績		(4,093,016)	(2,009,354)	(113,390,780)	(102,586,026)	(6,888,117)	(228,967,293)
Net unallocated expenses 未分配開支淨值							(8,180,739)
Other income and loss, net 其他收入及虧損淨值							226,390 <sup>1</sup>
Finance costs 融資成本							(289,184)
Interest income 利息收入							431,944 <sup>1</sup>
Share of loss of associates 應佔聯營公司虧損							(8,928,647)
Impairment loss of interests in associates 於聯營公司權益之減值虧損							(1,028,594)
Loss before income tax 除所得稅前虧損							(246,736,123)
Income tax income 所得稅收入							1,832,574
Loss for the year 年內虧損							(244,903,549)

<sup>1</sup> Equivalent to the total balances stated in Note 7

<sup>1</sup> 與附註7之總額相符

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

The segment information of the reportable segments for the year ended 31 December 2015 is as follows:

		Brokerage and securities margin financing services 經紀及證券保證金融資服務	Precious metals spot trading and brokerage 貴金屬現貨交易及經紀	Trading of electronic student cards and school safety products 銷售電子學生證及校園安全產品	Trading and principal investments 買賣及自營投資	Provision of stock information and research services 提供股票資訊及研究服務	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Segment revenue from external customers 外界客戶分部收入		3,259,347	19,565,735	2,102,875	-	20,786,046	45,714,003
Other income and loss, net by segment 按分部計的其他收入及虧損淨值		1,006,107	45,929	718,448	(24,639,316)	3,319,672	(19,537,925) <sup>1</sup>
Segment results 分部業績		(1,529,070)	4,525,441	(57,921,198)	(29,409,044)	12,976,407	(71,357,464)
Net unallocated expenses 未分配開支淨值							(18,235,087)
Other income and loss, net 其他收入及虧損淨值							554,814 <sup>1</sup>
Finance costs 融資成本							(344,576)
Interest income 利息收入							508,432 <sup>1</sup>
Share of profit of associates 應佔聯營公司利潤							37,554,513
Impairment loss on interests in associates 於聯營公司權益減值虧損							(5,059,075)
Loss before income tax 除所得稅前虧損							(56,378,443)
Income tax expense 所得稅開支							(4,669,317)
Loss for the year 年內虧損							(61,047,760)

The measure used for reporting segment profits or losses is adjusted losses before interest and taxes. To arrive at adjusted losses, the Group's losses are further adjusted for items not specifically attributed to individual segments, such as share of profits or losses of associates, impairment loss on interests in associates and head office or corporate administration costs.

In addition to receiving segment information concerning adjusted losses before interest and taxes, management is provided with segment information concerning revenue, interest income and finance costs from borrowings, share of profits or loss of the associates and impairment loss on interests in associates.

<sup>1</sup> Equivalent of the total balances stated in Note 7

### 6. 分部資料 (續)

截至二零一五年十二月三十一日止年度之可報告分部之分部資料如下：

用於報告分部盈利或虧損之方法為扣除利息及稅項前經調整虧損。為達到經調整虧損，本集團之虧損乃對並未指定屬於個別分類之項目作出進一步調整，如分佔聯營公司利潤或虧損、聯營公司權益減值虧損以及總辦事處或公司行政開支。

除收到有關扣除利息及稅項前經調整虧損之分類資料除外，管理層獲提供有關收益、利息收入及借貸的融資成本、應佔聯營公司利潤或虧損及聯營公司權益減值虧損的分部資料。

<sup>1</sup> 與附註7的總額相符

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

Other segment information for the year ended 31 December 2016 is as follows:

		Brokerage and securities margin financing services 經紀及證券保證金融資服務 HK\$ 港元	Precious metals spot trading and brokerage 貴金屬現貨交易及經紀 HK\$ 港元	Trading of electronic student cards and school safety products 銷售電子學生證及校園安全產品 HK\$ 港元	Trading and principal investments 買賣及自營投資 HK\$ 港元	Provision of stock information and research services 提供股票資訊及研究服務 HK\$ 港元	Unallocated 未分配 HK\$ 港元	Total 總計 HK\$ 港元
Addition to property, plant and equipment	物業、機器及設備添置	-	235,824	2,640,371	-	54,003	60,022	2,990,220
Depreciation and amortization	折舊及攤銷	-	718,418	21,299,187	279,800	271,693	1,502,651	24,071,749
Impairment of intangible assets	無形資產減值	-	-	122,686,950	-	-	-	122,686,950
Change in fair value of contingent consideration receivable	應收或然代價之公平值變動	-	-	140,880	-	-	-	140,880
Fair value losses on securities trading	證券買賣之公平值虧損	-	-	-	30,108,514	-	-	30,108,514

### 6. 分部資料 (續)

截至二零一六年十二月三十一日止年度之其他分部資料如下：

Other segment information for the year ended 31 December 2015 is as follows:

截至二零一五年十二月三十一日止年度之其他分部資料如下：

		Brokerage and securities margin financing services 經紀及證券保證金融資服務 HK\$ 港元	Precious metals spot trading and brokerage 貴金屬現貨交易及經紀 HK\$ 港元	Trading of electronic student cards and school safety products 銷售電子學生證及校園安全產品 HK\$ 港元	Trading and principal investments 買賣及自營投資 HK\$ 港元	Provision of stock information and research services 提供股票資訊及研究服務 HK\$ 港元	Unallocated 未分配 HK\$ 港元	Total 總計 HK\$ 港元
Addition to property, plant and equipment	物業、機器及設備添置	-	-	3,775,072	150,000	3,371	28,089	3,956,532
Depreciation and amortization	折舊及攤銷	20,971	853,381	4,324,117	313,860	358,968	1,664,373	7,535,670
Impairment of intangible assets	無形資產減值	-	-	93,191,960	-	-	-	93,191,960
Change in fair value of contingent consideration receivable	應收或然代價之公平值變動	-	-	27,278,678	-	-	-	27,278,678
Fair value losses on securities trading	證券買賣之公平值虧損	-	-	-	32,641,510	-	-	32,641,510

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

The segment assets and liabilities as at 31 December 2016 and 2015 are as follows:

### 6. 分部資料 (續)

於二零一六年及二零一五年十二月三十一日的分部資產及負債如下：

Segment assets 分部資產		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Brokerage and securities margin financing services	經紀及證券保證金融資服務	44,961,059	56,152,709
Precious metals spot trading and brokerage	貴金屬現貨交易及經紀	18,646,616	22,830,383
Trading of electronic student cards and school safety products	銷售電子學生證及校園安全產品	41,886,646	188,573,243
Trading and principal investments	買賣及自營投資	125,881,078	216,716,425
Provision of stock information and research services	提供股票資訊及研究服務	72,197,138	85,343,014
		<b>303,572,537</b>	569,615,774
Interests in associates	於聯營公司之權益	34,944,709	47,942,898
Unallocated	未分配	161,866,367	184,708,031
Consolidated assets	綜合資產	<b>500,383,613</b>	802,266,703
Segment liabilities 分部負債		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Brokerage and securities margin financing services	經紀及證券保證金融資服務	15,010,828	17,272,918
Precious metals spot trading and brokerage	貴金屬現貨交易及經紀	301,625	1,403,275
Trading of electronic student cards and school safety products	銷售電子學生證及校園安全產品	368,761	33,137,316
Trading and principal investments	買賣及自營投資	69,154	194,076
Provision of stock information and research services	提供股票資訊及研究服務	323,271	337,867
		<b>16,073,639</b>	52,345,452
Unallocated	未分配	15,272,553	19,204,887
Consolidated liabilities	綜合負債	<b>31,346,192</b>	71,550,339



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

Segment assets consist primarily of property, plant and equipment, intangible assets, statutory deposits and other assets, contingent consideration receivable, inventories, trade, and other receivables, deposits, loan receivables, financial assets at fair value through profit or loss and bank balances and cash.

Segment liabilities consists primarily of trade payables, other payables and accruals, current income tax payables and deferred income tax liabilities.

The Group mainly operates in Hong Kong and the PRC.

### 6. 分部資料 (續)

分部資產主要包括物業、機器及設備、無形資產、法定按金及其他資產、應收或然代價、存貨、應收貿易款項及其他應收款項、按金、應收貸款、按公平值計入損益之金融資產以及銀行結餘及現金。

分部負債主要包括應付貿易款項、其他應付款項及應計費用、應付即期所得稅及遞延所得稅負債。

本集團主要於香港及中國經營。

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Revenue</b>	<b>收益</b>		
Hong Kong	香港	1,404,831	3,259,347
The PRC	中國	7,491,584	42,454,656
		<b>8,896,415</b>	45,714,003
<b>Other income and net loss</b>	<b>其他收入及淨虧損</b>		
Hong Kong	香港	<b>(94,933,943)</b>	(22,888,128)
The PRC	中國	<b>3,277,561</b>	4,413,449
		<b>(91,656,382)</b>	(18,474,679)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 6. SEGMENT INFORMATION (continued)

Revenue from external customers are allocated based on the geographic areas in which the customer is located.

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Specified non-current assets</b>	<b>特定非流動資產</b>		
Hong Kong	香港	<b>31,430,967</b>	33,315,851
The PRC	中國	<b>41,302,165</b>	200,294,005
		<b>72,733,132</b>	233,609,856

Interest in associates are allocated based on the location of operations, property, plant and equipments, intangible assets, statutory deposits, deposit paid and other assets are allocated based on where the assets are located.

#### Information about major customers

During the year, one of the customers located in the PRC accounted for 50.3% of the Group's revenue in amount of HK\$4,475,784, which was from segment of trading of electronic student cards and school safety products.

During 2015, one of the customers, located in the PRC accounted for 43.5% of total revenue of the Group in the amount of HK\$19,905,079, which was from the segment of provision of stock information and research services).

### 6. 分部資料 (續)

來自外界客戶之收入按客戶所在地區劃分。

於聯營公司之權益乃按營運地劃分；物業、機器及設備、無形資產、法定按金、已付按金，其他資產乃按資產所在地劃分。

#### 主要客戶之資料

年內，一名來自中國的客戶佔本集團收益50.3%，金額為4,475,784港元，乃來自銷售電子學生證及校園安全產品之分部。

於二零一五年，一名來自中國的客戶佔本集團總收益43.5%，金額為19,905,079港元，乃來自提供證券資訊及研究服務之分部。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 7. OTHER INCOME AND LOSS, NET

### 7. 其他收入及虧損淨值

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Other income</b>	<b>其他收入</b>		
CCASS fee income	中央結算系統費用收入	16,703	42,160
Handling fee income	手續費收入	42,679	66,152
Interest income on bank deposits	銀行存款利息收入	558,706	323,632
Other interest income <sup>1</sup>	其他利息收入 <sup>1</sup>	3,100,262	3,863,710
Dividend income	股息收入	6,146,271	3,252,448
Sundry income	雜項收入	828,632	1,701,082
		<b>10,693,253</b>	9,249,184
<b>Other loss, net</b>	<b>其他虧損淨值</b>		
Financial assets at fair value through profit or loss (Note 24)	按公平值計入損益之金融資產 (附註24)		
– Fair value losses on securities trading <sup>2</sup>	– 證券買賣之公平值虧損 <sup>2</sup>	<b>(30,108,514)</b>	(32,641,510)
– Realized (losses)/gains on trading of securities <sup>2</sup>	– 出售證券之已變現 (虧損)/收益 <sup>2</sup>	<b>(71,729,841)</b>	4,293,289
– Exchange gain	– 匯兌收益	<b>226,392</b>	559,689
– (Loss)/gain on disposal of property, plant and equipment	– 出售物業、機器及設備所得 (虧損)/收益	<b>(240,536)</b>	135,000
– Written off of property plant and equipment	– 物業、機器及設備撥減	<b>(497,136)</b>	(70,331)
		<b>(102,349,635)</b>	(27,723,863)
		<b>(91,656,382)</b>	(18,474,679)

<sup>1</sup> The other interest income of the Group are arising from the loan receivables. Included in the other interest income of the Group for the year ended 31 December 2015 was the HK\$496,120 results from the court judgments on interest compensations from the Company's former Directors. Please refer to Note 26 for details of the court judgments.

<sup>2</sup> "Other loss, net" includes realized and unrealized gains or losses on securities classified as held for trading. In previous years' consolidated financial statements, realized gains on securities classified as held for trading were included as revenue of the Group. Comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to conform with current year's classification.

<sup>1</sup> 本集團的其他利息收入來自應收貸款。本集團截至二零一五年十二月三十一日止年度之其他利息收入包括法院就本公司前任董事之利息補償作出之判決金額496,120港元。有關法院判決之詳情，請參閱附註26。

<sup>2</sup> 「其他虧損淨值」包括分類為持作買賣之證券的已變現及未變現收益或虧損。於去年的綜合財務報表中，分類為持作買賣之證券的已變現收益被計為本集團收益。綜合損益及其他全面收入報表內的可比較數字已經重列，以與本年度之分類一致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 8. FINANCE COSTS

### 8. 融資成本

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Interest expenses on bank borrowings 銀行借款之利息開支	<b>289,184</b>	344,576

### 9. LOSS BEFORE INCOME TAX

### 9. 除所得稅前虧損

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Loss before income tax has been arrived at after charging: 除所得稅前虧損，已扣除下列各項：		
Auditors' remuneration 核數師酬金		
– audit services 一 審核服務	<b>450,000</b>	450,000
– other services 一 其他服務	<b>70,000</b>	190,000
Foreign exchange difference, net 匯兌差額淨值	<b>(229,655)</b>	331,121
Operating lease rentals in respect of rented premises 租賃物業之經營租約租金	<b>4,790,470</b>	6,934,846
Legal and professional fee 法律及專業費用	<b>4,038,529</b>	1,498,084

### 10. EMPLOYEE BENEFITS EXPENSES

### 10. 僱員福利開支

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Wages and salaries 工資及薪金	<b>20,466,921</b>	31,935,969
Share options granted to Directors and employees 授予董事及僱員之購股權	<b>1,688,031</b>	5,613,208
Pension costs 退休金成本		
– defined contribution schemes 一定額供款計劃	<b>229,451</b>	202,419
	<b>22,384,403</b>	37,751,596
Less: Reversal of share option expenses upon the forfeiture of share options 減：於購股權被沒收時撥回購股權開支	<b>(4,530,000)</b>	(510,091)
Employee benefits expenses including Director's remuneration 僱員福利開支，包括董事酬金	<b>17,854,403</b>	37,241,505

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

### 11. 董事及主要行政人員酬金

Year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Name of Director	Notes	Fees	Salaries, allowances, and benefits in kind (Note (v)) 薪金、津貼及實物利益 (附註(v))	Employer's contributions to pension scheme 退休金計劃之僱主供款	Total
董事姓名	附註	袍金	薪金、津貼及實物利益 (附註(v))	退休金計劃之僱主供款	總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
<b>Executive Directors</b>		<b>執行董事</b>			
Mr. Wang Jiawei (Chairman and Chief Executive)		-	1,800,000	18,000	1,818,000
Ms. Lai Yuk Mui		-	600,000	18,000	618,000
Mr. Chen Li	(i)	600,000	-	-	600,000
Mr. Chen Li (Note)	(i)	-	(4,530,000)	-	(4,530,000)
<b>Non-executive Director</b>		<b>非執行董事</b>			
Mr. Liu Runtong		-	-	-	-
Mr. James Beeland Rogers Jr.	(v)	-	1,688,031	-	1,688,031
<b>Independent non-executive Directors</b>		<b>獨立非執行董事</b>			
Professor Zhang Benzhen		130,000	-	-	130,000
Mr. Li Jianxing		125,000	-	-	125,000
Professor Chen Shu Wen		120,000	-	-	120,000
		975,000	(441,969)	36,000	(569,031)

Note: As Mr. Chen Li resigned position of director and the vesting condition on share option has not been satisfied, his entitlement of the share option has been forfeited and reversed through profit and loss during the year.

附註：由於陳力先生辭任董事職務及購股權之歸屬條件未獲滿足，彼於上述購股權的權利於年內已被沒收及透過損益撥回。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

Year ended 31 December 2015

### 11. 董事及主要行政人員酬金 (續)

截至二零一五年十二月三十一日止年度

Name of Director	Notes	Fees	Salaries, allowances, and benefits in kind (Note (v))	Employer's contributions to pension scheme	Total
董事姓名	附註	袍金	薪金、津貼及實物利益 (附註(v))	退休金計劃之僱主供款	總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
<b>Executive Directors 執行董事</b>					
Mr. Wang Wenming	王文明先生 (ii)	-	2,411,905	15,000	2,426,905
Mr. Lee Yiu Sun	李耀新先生 (ii)	-	1,707,936	15,000	1,722,936
Mr. Wang Jiawei (Chairman and Chief Executive)	王嘉偉先生 (主席及行政總裁)	-	1,000,000	18,000	1,018,000
Mr. Haroon Hasan	Haroon Hasan先生 (iii)	414,286	24,780	-	439,066
Mr. Chen Li	陳力先生 (v)	1,200,000	2,336,382	-	3,536,382
Ms. Lai Yuk Mui	黎玉梅女士 (iv)	-	250,000	7,500	257,500
<b>Non-executive Directors 非執行董事</b>					
Mr. Liu Runtong	劉潤桐先生	-	-	-	-
Mr. James Beeland Rogers Jr.	James Beeland Rogers Jr.先生	-	3,276,826	-	3,276,826
<b>Independent non-executive Directors 獨立非執行董事</b>					
Professor Zhang Benzhen	張本正教授	130,000	-	-	130,000
Mr. Tony I Tong	唐儀先生 (ii)	90,755	-	-	90,755
Mr. Li Jianxing	李建行先生	121,371	-	-	121,371
Professor Chen Shu Wen	陳樹文教授	120,000	-	-	120,000
		2,076,412	11,007,829	55,500	13,139,741

Notes:

- (i) Resigned on 1 July 2016.
- (ii) Resigned on 22 September 2015.
- (iii) Resigned on 4 February 2015.
- (iv) Appointed on 1 August 2015.
- (v) Benefits in kind include share options. During the year ended 31 December 2016 and 2015, 20,000,000 and 20,000,000 share options with an aggregate fair value of HK\$1,688,031 and HK\$5,613,208 were granted respectively by the Group to the Director of the Company under the Company's share option scheme.

附註:

- (i) 於二零一六年七月一日辭任。
- (ii) 於二零一五年九月二十二日辭任。
- (iii) 於二零一五年二月四日辭任。
- (iv) 於二零一五年八月一日獲委任。
- (v) 實物利益包括購股權。截至二零一六年及二零一五年十二月三十一日止年度，公平值合共1,688,031港元及5,613,208港元之20,000,000份及20,000,000份購股權由本集團根據本公司之購股權計劃而授予本公司董事。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

"Salaries, allowance and benefits in kind" paid to or for the executive directors are generally emoluments paid in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2015: Nil). None of the directors waived or agreed to waive any remuneration during the year (2015: Nil).

### 12. FIVE HIGHEST PAID INDIVIDUALS

The five individuals whose emoluments were the highest in the Group for the year include three (2015: five) directors of whose remuneration are set out in Note 11.

During the year, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2015: Nil).

The aggregate of the emoluments in respect of the other two (2015: Nil) individuals are as follows:

### 11. 董事及主要行政人員酬金 (續)

已付執行董事或執行人員之「薪金、津貼及實物利益」一般為就與該等人士管理本公司及其附屬公司相關的其他服務所支付的酬金。

年內，本集團並無向董事支付任何酬金作為吸引加盟或於加盟本集團時之獎勵或作為離職補償（二零一五年：無）。年內，並無董事放棄或同意放棄任何酬金（二零一五年：無）。

### 12. 五名最高薪人士

年內本集團五名最高薪人士包括三名（二零一五年：五名）董事，彼等之酬金載於附註11。

年內，本集團並無向五名最高薪人士支付任何酬金作為吸引加盟或於加盟本集團時之獎勵或作為離職補償（二零一五年：無）。

其他兩位（二零一五年：無）人士的酬金總額如下：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Salaries and other emoluments	薪金及其他酬金	5,160,000	-
Retirement scheme contributions	退休計劃供款	36,000	-
		<b>5,196,000</b>	-

The emoluments of the two (2015: Nil) individuals with the highest emoluments are within the following bands:

兩位（二零一五年：無）最高薪人士之酬金位於下列範圍：

		2016 二零一六年 Number of individual 人數	2015 二零一五年 Number of individual 人數
HK\$	港元		
Nil to 1,000,000	零至1,000,000港元	-	-
1,000,001 to 2,000,000	1,000,001港元至2,000,000港元	-	-
2,000,001 to 3,000,000	2,000,001港元至3,000,000港元	<b>2</b>	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 13. INCOME TAX INCOME

Hong Kong Profits Tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit arising in or derived from Hong Kong for the year. No provision for Hong Kong Profits Tax has been made in the financial statements as the Group incurred a tax loss for the year (2015: Nil). Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

### 13. 所得稅收入

香港利得稅就本年度於香港產生或源自香港之估計應課稅利潤按稅率16.5% (二零一五年: 16.5%) 計算。因本集團年內錄得稅務虧損，故並無於財務報表就香港利得稅作出撥備 (二零一五年: 無)。海外利潤之稅項按本集團業務所在國家當時適用之稅率，就年度估計應課稅利潤計算。

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Current income tax:	即期所得稅:		
Current tax on profits for the year	年度利潤之即期稅項		
– PRC Enterprise Income Tax	– 中國企業所得稅	–	563,302
Deferred tax income (Note 31):	遞延所得稅 (附註31):		
Current year	本年度	<b>(32,879,188)</b>	(19,191,975)
Income tax income	所得稅收入	<b>(32,879,188)</b>	(18,628,673)

Under the current general provision of the PRC enterprise income tax law and published tax circulars, deferred taxation has been provided for in the consolidated financial statements in respect of the withholding tax that would be payable on unremitted earnings of a PRC associate of the Group at the rate of 10%. As at 31 December 2016 and 2015, the deferred taxation provided for amounted to approximately HK\$2,333,085 (2015: HK\$4,168,371). No deferred tax liabilities have been recognized in respect of the unremitted earnings of PRC subsidiaries because the Group is in a position to control the dividend policies of these subsidiaries and it is probable that such differences will not be reversed in the foreseeable future.

根據中國企業所得稅法之現行一般條文及已刊發之稅務通函，已於綜合財務報表中就本集團之中國聯營公司之未匯出盈利須按10%之利率繳納之預扣稅作出遞延稅項撥備。於二零一六年及二零一五年十二月三十一日，所撥備的遞延稅項約2,333,085港元 (二零一五年: 4,168,371港元)。由於本集團有權控制該等附屬公司之股息政策，且有關差額或將不會於可見將來撥回，故並無就中國附屬公司之未匯出盈利確認遞延稅項負債。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 13. INCOME TAX INCOME (continued)

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the tax rate applicable to losses of the consolidated entities as follows:

### 13. 所得稅收入 (續)

倘採用適用於綜合實體之虧損之稅率計算，本集團之除所得稅前虧損稅項將與理論金額不同：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Loss before income tax	除所得稅前虧損	<b>(277,782,737)</b>	(79,676,433)
Tax calculated at company's domestic tax rate of 16.5% (2015: 16.5%)	按本公司國內稅率16.5% (二零一五年：16.5%) 計算之稅項	<b>(45,834,151)</b>	(13,146,611)
Tax effects of:	以下項目之稅務影響：		
- Different tax rates of subsidiaries operating in other jurisdictions	- 於其他司法權區經營之附屬公司之不同稅率	<b>(12,935,058)</b>	(7,486,848)
- Income not subject to tax	- 毋須課稅收入	<b>(1,107,133)</b>	(6,573,513)
- Expenses not deductible for tax purposes	- 就稅項目的不可扣減之開支	<b>7,503,549</b>	1,120,476
- Others	- 其他	<b>22,417</b>	807,994
- Unused tax losses not recognized	- 未確認之未動用稅務虧損	<b>19,778,241</b>	4,075,673
- Tax loss not allowable	- 不獲許可之稅項虧損	<b>1,343,972</b>	2,342,726
- Prior year's tax losses utilized in this year	- 年內動用之過往年度稅務虧損	-	(4,089,450)
- (Reversal of)/provision of withholding tax	- (回轉)/預提預扣稅	<b>(1,651,025)</b>	4,320,880
Income tax income	所得稅收入	<b>(32,879,188)</b>	(18,628,673)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 14. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company are based on the following data:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Loss</b>	<b>虧損</b>		
Loss for the purposes of basic and diluted loss per share	用於計算每股基本及攤薄虧損之虧損	<b>(244,075,407)</b>	(62,850,046)
		2016 二零一六年	2015 二零一五年
<b>Number of shares</b>	<b>股份數目</b>		
Issued ordinary shares at 1 January and 31 December	於一月一日及十二月三十一日之已發行普通股	<b>6,498,958,120</b>	6,498,958,120
Weighted average number of ordinary shares in issue for calculating basic and diluted loss per share (Note)	就計算每股基本及攤薄虧損之已發行普通股加權平均數(附註)	<b>6,498,958,120</b>	6,498,958,120
		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Loss per share	每股虧損	<b>(0.0376)</b>	(0.0097)
Diluted loss per share	每股攤薄虧損	<b>(0.0376)</b>	(0.0097)

Note:

The computation of diluted loss per share for the years ended 31 December 2016 did not assume the exercise of the Company's share options outstanding during the year ended 31 December 2016 since their exercise would result in a decrease in loss per share.

### 14. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Loss</b>	<b>虧損</b>		
Loss for the purposes of basic and diluted loss per share	用於計算每股基本及攤薄虧損之虧損	<b>(244,075,407)</b>	(62,850,046)
		2016 二零一六年	2015 二零一五年
<b>Number of shares</b>	<b>股份數目</b>		
Issued ordinary shares at 1 January and 31 December	於一月一日及十二月三十一日之已發行普通股	<b>6,498,958,120</b>	6,498,958,120
Weighted average number of ordinary shares in issue for calculating basic and diluted loss per share (Note)	就計算每股基本及攤薄虧損之已發行普通股加權平均數(附註)	<b>6,498,958,120</b>	6,498,958,120
		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Loss per share	每股虧損	<b>(0.0376)</b>	(0.0097)
Diluted loss per share	每股攤薄虧損	<b>(0.0376)</b>	(0.0097)

附註：

截至二零一六年十二月三十一日止年度的每股攤薄虧損之計算並無假設本公司截至二零一六年十二月三十一日止年度之未行使購股權獲行使，因行使會減少每股虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENTS

### 15. 物業、機器及設備

		Plant and machinery 機器及設備	Land and buildings 土地及樓宇	Leasehold improvements 租賃物業裝修	Office equipment and furniture 辦公室設備及傢俬	Computer equipment 電腦設備	Motor vehicles 汽車	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
<b>As at 1 January 2015</b>	<b>於二零一五年一月一日</b>							
Cost	成本	638,274	40,327,455	4,438,435	17,392,893	942,201	7,143,663	70,882,921
Accumulated depreciation	累計折舊	(138,859)	(6,317,967)	(2,826,547)	(13,329,203)	(889,946)	(4,833,303)	(28,335,825)
Net book amount	賬面淨值	499,415	34,009,488	1,611,888	4,063,690	52,255	2,310,360	42,547,096
<b>Year ended 31 December 2015</b>	<b>截至二零一五年十二月三十一日止年度</b>							
Opening net book amount	期初賬面淨值	499,415	34,009,488	1,611,888	4,063,690	52,255	2,310,360	42,547,096
Additions	添置	311,311	-	108,593	3,386,628	-	150,000	3,956,532
Currency translation difference	貨幣匯兌差額	(19,386)	-	(44,629)	(132,646)	-	(74,462)	(271,123)
Disposals and written off	出售及撇銷	-	-	-	(57,354)	-	(12,977)	(70,331)
Depreciation charge	折舊開支	(154,299)	(1,613,098)	(1,006,431)	(1,912,752)	(33,034)	(731,499)	(5,451,113)
Closing net book amount	期終賬面淨值	637,041	32,396,390	669,421	5,347,566	19,221	1,641,422	40,711,061
<b>As at 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>							
Cost	成本	917,846	40,327,455	3,548,134	18,781,976	479,300	6,396,429	70,451,140
Accumulated depreciation	累計折舊	(280,805)	(7,931,065)	(2,878,713)	(13,434,410)	(460,079)	(4,755,007)	(29,740,079)
Net book amount	賬面淨值	637,041	32,396,390	669,421	5,347,566	19,221	1,641,422	40,711,061
<b>Year ended 31 December 2016</b>	<b>截至二零一六年十二月三十一日止年度</b>							
Opening net book amount	期初賬面淨值	637,041	32,396,390	669,421	5,347,566	19,221	1,641,422	40,711,061
Additions	添置	-	-	235,824	2,694,374	60,022	-	2,990,220
Currency translation difference	貨幣匯兌差額	(31,513)	-	(15,795)	(266,383)	-	(56,401)	(370,092)
Disposals and written off	出售及撇銷	-	-	(117,912)	(587,186)	-	(128,647)	(833,745)
Depreciation charge	折舊開支	(176,726)	(1,613,099)	(694,291)	(3,524,959)	(16,984)	(683,507)	(6,709,566)
Closing net book amount	期終賬面淨值	428,802	30,783,291	77,247	3,663,412	62,259	772,867	35,787,878
<b>As at 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>							
Cost	成本	861,157	40,327,455	952,626	14,926,695	539,322	5,642,314	63,249,569
Accumulated depreciation	累計折舊	(432,355)	(9,544,164)	(875,379)	(11,263,283)	(477,063)	(4,869,447)	(27,461,691)
Net book amount	賬面淨值	428,802	30,783,291	77,247	3,663,412	62,259	772,867	35,787,878

Note:

As at 31 December 2016 and 2015, land and buildings in Hong Kong under long lease with a carrying value of HK\$30,783,291 (2015: HK\$32,396,390) was pledged to secure the bank borrowings of the Group (Note 30).

附註：

於二零一六年及二零一五年十二月三十一日，根據長期租約於香港持有賬面值為30,783,291港元（二零一五年：32,396,390港元）之土地及樓宇已用作為取得本集團之銀行借款作抵押（附註30）。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 16. INTANGIBLE ASSETS

### 16. 無形資產

		Software 軟件 HK\$ 港元	Trading rights 交易權 HK\$ 港元	Contractual customer relationship 合約客戶關係 HK\$ 港元	Total 總計 HK\$ 港元
<b>As at 1 January 2015</b>	<b>於二零一五年一月一日</b>				
Cost	成本	29,754,637	3,224,000	226,559,060	259,537,697
Accumulated amortization and impairment	累計攤銷及減值	(9,474,282)	(3,223,998)	-	(12,698,280)
Net book amount	賬面淨值	20,280,355	2	226,559,060	246,839,417
<b>Year ended 31 December 2015</b>	<b>截至二零一五年十二月三十一日止年度</b>				
Opening net book amount	期初賬面淨值	20,280,355	2	226,559,060	246,839,417
Currency translation difference	貨幣兌換差額	(934,878)	-	(7,976,520)	(8,911,398)
Amortization charge (Notes (i, ii))	攤銷開支 (附註(i·ii))	(2,084,557)	-	-	(2,084,557)
Impairment (Note (iii))	減值 (附註(iii))	-	-	(93,191,960)	(93,191,960)
Closing net book amount	期終賬面淨值	17,260,920	2	125,390,580	142,651,502
<b>As at 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>				
Cost	成本	28,819,759	3,224,000	218,582,540	250,626,299
Accumulated amortization and impairment	累計攤銷及減值	(11,558,839)	(3,223,998)	(93,191,960)	(107,974,797)
Net book amount	賬面淨值	17,260,920	2	125,390,580	142,651,502
<b>Year ended 31 December 2016</b>	<b>截至二零一六年十二月三十一日止年度</b>				
Opening net book amount	期初賬面淨值	17,260,920	2	125,390,580	142,651,502
Currency translation difference	貨幣兌換差額	(314,888)	-	(2,287,479)	(2,602,367)
Amortization charge (Notes (i, ii))	攤銷開支 (附註(i·ii))	(1,974,295)	-	(15,387,888)	(17,362,183)
Impairment (Note (iii))	減值 (附註(iii))	(14,971,737)	-	(107,715,213)	(122,686,950)
Closing net book amount	期終賬面淨值	-	2	-	2
<b>As at 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>				
Cost	成本	26,528,746	3,224,000	201,996,340	231,749,086
Accumulated impairment losses	累計減值虧損	(21,402,586)	-	(187,290,563)	(208,693,149)
Accumulated amortization	累計攤銷	(5,126,160)	(3,223,998)	(14,705,777)	(23,055,935)
Net book amount	賬面淨值	-	2	-	2

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 16. INTANGIBLE ASSETS (continued)

The amortization charge for the year is presented in the consolidated statement of profit or loss and other comprehensive income separately.

Notes:

(i) As at 31 December 2016 and 2015, the software mainly represents 天星通定位服務平臺軟件V2.0 (Registration No.: 2013SR144807), 天星通家校互動服務平臺軟件V2.0 (Registration No.:2013SR144929), 天星通定位服務網站軟件V2.0 (Registration No:2013SR145090) and 2.4G有源RFID激勵標籤嵌入式軟件 (Registration No:2014SR037656) with the estimated useful life of 10 years.

(ii) The contractual relationships with customers were acquired through the acquisition of 深圳市天星通科技有限公司 (transliterated as Shenzhen Star Technology Co., Ltd) in previous year had been assessed to have indefinite useful lives because of the unspecified contractual period and the final school safety products are expected to be used continuously. There was no foreseeable limit to the period over which the asset was expected to generate net cash inflows for the Group. The recoverable amount of the contractual relationships with customers were estimated annually whether or not there is any indication of impairment at end of the prior year.

At the beginning of the year, the management of the Group reviewed the expected useful life of the contractual customer relationships and determined that the useful life assessment be changed from indefinite to finite of 8 years. The contractual customer relationships are carried at cost less accumulated amortization accordingly. Amortization is calculated using the straight-line method over the said expected useful life of the customer relationships.

(iii) For the purpose of impairment testing of the contractual relationships with customers and the software at 31 December 2016 and 2015, those intangible assets have been allocated to a CGU representing the operating activities of 深圳市天星通科技有限公司 (transliterated as Shenzhen Star Technology Co., Ltd). An impairment test of these intangible assets was carried out by management based on value-in-use calculation and with reference to business valuation conducted by an independent professional valuer.

Based on the impairment test performed, an impairment of RMB92,750,000 (2015: RMB76,000,000), which is equivalent to HK\$107,715,213 (2015: HK\$93,191,960) on contractual relationships with customers was made during the year. In year 2015, orders for electronic student cards were held up because the navigation chips of electronics cards and devices had to be changed to coordinate with the BeiDou Navigation Satellite system (北斗衛星導航系統). 深圳市天星通科技有限公司 (transliterated as Shenzhen Star technology Co., Ltd.) started in second half of year 2015 to solicit domestic made chipset manufacturers and was now performing testing on the samples provided.

### 16. 無形資產 (續)

本年度攤銷開支於綜合損益及其他全面收入報表內獨立呈列。

附註：

(i) 於二零一六年及二零一五年十二月三十一日，軟件指天星通定位服務平臺軟件V2.0 (註冊編號：2013SR144807)、天星通家校互動服務平臺軟件V2.0 (註冊編號：2013SR144929)、天星通定位服務網站軟件V2.0 (註冊編號：2013SR145090)及2.4G有源RFID激勵標籤嵌入式軟件 (註冊編號：2014SR037656)，估計可使用年期為十年。

(ii) 與客戶之間的合約關係透過於過往年度收購深圳市天星通科技有限公司獲得，基於無指定合約年期，而最終校園安全產品預期將可持續使用，故被評估為有無限使用年期。該資產預期會為本集團產生現金流入淨額期間並無可見限制。與客戶合約關係的可回收金額於去年期末評估是否出現任何減值跡象。

於年初，本集團管理層審閱合約客戶關係的預期使用年期，並決定把使用年期評估由無限期更改為有限期八年。合約客戶關係相應按成本減累計攤銷列賬。攤銷乃使用直線法按客戶關係的上述預期使用年期計算。

(iii) 就於二零一六年及二零一五年十二月三十一日進行合約客戶關係及軟件之減值測試而言，該等無形資產已分配至代表深圳市天星通科技有限公司經營活動之現金產生單位。管理層已根據使用價值計算並參考由獨立專業估值師進行之業務估值對此無形資產進行減值測試。

通過進行減值測試，年內本公司就客戶合約關係作出減值之金額為人民幣92,750,000元 (二零一五年：人民幣76,000,000元) (相當於107,715,213港元) (二零一五年：相當於93,191,960港元)。於二零一五年，因電子卡及設備之導航芯片必須更換以配合北斗衛星導航系統，故電子學生證訂單暫被終止。深圳市天星通科技有限公司於二零一五年下半年開始尋求國產芯片製造商，且現正對其提供的樣品進行測試。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 16. INTANGIBLE ASSETS (continued)

Notes: (continued)

(iii) (continued)

Despite the efforts by the management of 深圳市天星通科技有限公司 to change the navigator chips of electronic cards and devices of the school safety network to coordinate with BeiDou System, there had been technical issues regarding the high power consumption on tracking and positioning function of BeiDou chips, which needed to be resolved.

Profit guarantee from vendor of 深圳市天星通科技有限公司 (transliterated as Shenzhen Star technology Co., Ltd.) is not expected to be achieved due to the above-mentioned technical issues, which may be needed certain time to resolve. In this connection, full impairment to the value of contractual relationship with customers has to be made accordingly.

The management of the Group also considered the software were connected with the tracking and positioning of the navigator chips, which supporting the operation of student card business and the above-mentioned current status on the development of BeiDou system, a full impairment of RMB12,891,667 (2015: Nil), which is equivalent to HK\$14,971,737 (2015: Nil) was made on the software during the year.

The recoverable amount of the contractual relationships with customers and software are determined based on value-in-use calculations by preparing cash flow projections of the relevant CGU derived from the most recent financial forecast approved by the management covering a three year period. The projected cashflows reflected the expected effects of the change of the navigating chips used in the products mentioned in above paragraph. The discount rate is the key assumptions used by the Group to determine the recoverable amount of the assets and CGU.

The pre-tax discount rate applied to cashflow projections is 29.14% (2015: 29.92%), which is arrived after the adjustment of the Weighted Average Cost of equity to pre-tax rate and cash flows beyond three years period are extrapolated without considering any growth rate. The discount rate used is based on market risk free interest rates adjusted for inflation differentials and also include the debt premium, market risk premium, specific risk on intangible assets, gearing corporate tax rate and asset beta.

(iv) The trading rights as at 31 December 2016 represent two (2015: two) trading rights on the Stock Exchange and one (2015: one) trading right on the Hong Kong Futures Exchange Limited ("HKFE").

### 16. 無形資產 (續)

附註：(續)

(iii) (續)

儘管深圳市天星通科技有限公司管理層努力更換電子卡及校園安全網絡設備之導航芯片以配合北斗系統，但出現有關北斗芯片追蹤及定位高功耗方面之技術問題需要解決。

由於上述技術問題可能需要一定時間解決，深圳市天星通科技有限公司的賣方所提供的利潤擔保預計難以實現。因此須相應對客戶之合約關係價值作出悉數減值。

本集團管理層亦認為，軟件與導航芯片的追蹤及定位相關連，而導航芯片支持學生證業務的運營及北斗系統的開發的上述現時狀態，年內對軟件作出悉數減值人民幣12,891,667元（二零一五年：無）（相當於14,971,737港元）（二零一五年：無）。

與客戶之間合約關係及軟件的可收回金額乃根據管理層所批准涵蓋最近三年期財務預測編製相關現金產生單位的現金流量預測進行使用價值計算。估計現金流量反映更換上段提到的產品所用導航芯片之影響。本集團使用的主要假設包括貼現率，以釐定資產及現金產生單位之可收回金額。

由於現金流量預測之稅前折現率為29.14%（二零一五年：29.92%），乃是基於調整加權平均權益成本至稅前利率及考慮到三年之後按零增長率而推測到的現金流量。所用之貼現率乃根據市場無風險利率計算，按通脹差異及包括債務溢價、市場風險溢價、無形資產特別風險、槓桿企業稅率及資產貝塔而調整。

(iv) 於二零一六年十二月三十一日之交易權指兩項（二零一五年：兩項）聯交所交易權及一項（二零一五年：一項）在香港期貨交易所有限公司（「期交所」）之交易權。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 17. STATUTORY DEPOSITS AND OTHER ASSETS

### 17. 法定按金及其他資產

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Hong Kong Securities Clearing Company Limited ("HKSCC")	香港中央結算有限公司 (「香港結算」)		
– Contribution fund deposit	– 保證基金按金	100,000	100,000
– Admission fee deposit	– 收納費按金	100,000	100,000
The Stock Exchange of Hong Kong Limited	香港聯合交易所有限公司		
– Compensation fund deposit	– 賠償基金按金	100,000	100,000
– Fidelity fund deposit	– 互保基金按金	100,000	100,000
– Stamp duty deposit	– 印花稅按金	5,000	30,000
The Securities and Futures Commission of Hong Kong	香港證券及期貨事務 監察委員會		
– Deposits for responsible officers	– 負責人員按金	100,000	100,000
Shenzhen Qianhai First China International Commodities Exchange Centre Limited	深圳前海首華國際商品 交易中心有限公司		
– Reserve fund deposit	– 儲備基金按金	554,935	591,465
Sichuan Commodities Exchange	四川川商商品交易中心		
– Reserve fund deposit	– 儲備基金按金	–	591,465
Guangdong Previous Metals Exchange Limited ("PMEC")	廣東省貴金屬交易中心有限 公司(「貴金屬交易中心」)		
– Reserve fund deposit	– 儲備基金按金	1	591,465
		<b>1,059,936</b>	<b>2,304,395</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 18. INVESTMENTS IN SUBSIDIARIES

The following is a list of the Company's principal subsidiaries as at 31 December 2016:

### 18. 於附屬公司之投資

以下為於二零一六年十二月三十一日之本公司主要附屬公司名單：

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及 法定實體類別	Principal activities and place of operations 主要業務及營運地點	Particulars of issued share capital/ registered capital 已發行股本／ 註冊股本詳情	Interest held 持有權益
First China Financial Holdings (BVI) Limited First China Financial Holdings (BVI) Limited	British Virgin Islands, Limited liability company 英屬處女群島，有限公司	Investment holding 投資控股	611,700 ordinary shares of US\$1 each 611,700股每股 面值1美元之普通股	100%
Stockmartnet Limited 金融社有限公司	Hong Kong, Limited liability company 香港，有限公司	Securities trading in Hong Kong 於香港從事證券買賣	HK\$3 3港元	100%
First China Securities Limited 首華證券有限公司	Hong Kong, Limited liability company 香港，有限公司	Securities and futures brokerage and securities margin financing services in Hong Kong 於香港從事證券及 期貨經紀以及證券 保證金融資服務	HK\$67,000,000 67,000,000港元	100%
First China Processing Services Limited First China Processing Services Limited	Hong Kong, Limited liability company 香港，有限公司	Provision of a trading platform in Hong Kong 於香港提供交易平台	HK\$2 2港元	100%
IFN-GT Financial Holdings Limited IFN-GT Financial Holdings Limited	British Virgin Islands, Limited liability company 英屬處女群島，有限公司	Investment holding 投資控股	1 ordinary share of US\$1 each 1股每股面值 1美元之普通股	100%
First China Global Wealth Management Limited 首華環球理財有限公司	Hong Kong, Limited liability company 香港，有限公司	Provision of wealth management services in Hong Kong 於香港提供財富 管理服務	HK\$6,000,000 6,000,000港元	100%
First China Estates Company Limited 首華置業有限公司	Hong Kong, Limited liability company 香港，有限公司	Property holding 持有物業	HK\$1 1港元	100%



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 18. INVESTMENTS IN SUBSIDIARIES (continued)

### 18. 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及 法定實體類別	Principal activities and place of operations 主要業務及營運地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊股本詳情	Interest held 持有權益
Aceview International Limited 銳景國際有限公司	British Virgin Islands, Limited liability company 英屬處女群島·有限公司	Investment holding 投資控股	1 ordinary share of US\$1 each 1股每股面值 1美元之普通股	100%
GoHi Holdings Limited GoHi Holdings Limited	British Virgin Islands, Limited liability company 英屬處女群島·有限公司	Investment holding 投資控股	35,000 ordinary shares of US\$1 each 35,000股每股面值 1美元之普通股	100%
首華證券諮詢(深圳) 有限公司 (transliterated as First China Securities Consultancy (Shenzhen) Co., Ltd) 首華證券諮詢(深圳)有限公司	PRC, Foreign wholly-owned enterprise 中國·全外資企業	Provision of stock information and research services in the PRC 於中國提供股票資訊及 研究服務	Registered capital of RMB40,000,000 註冊資本為 人民幣40,000,000元	100%
深圳畫天影視文化傳播 有限公司 (transliterated as Shenzhen Sky Picture Culture Communications Company Limited) (Note) 深圳畫天影視文化傳播 有限公司(附註)	PRC, Limited liability company 中國·有限公司	Investment holding and provision of development and design of TV programs and artwork in the PRC 於中國投資控股、 開發及設計電視 節目及美術	Registered capital of RMB3,000,000 註冊資本為 人民幣3,000,000元	100%
深圳首華校安網絡科技 有限公司 (transliterated as Shenzhen First China School Safety Network Technology Company Limited) 深圳首華校安網絡科技有限公司	PRC, Limited liability company 中國·有限公司	Development and sales of school safety products 開發及銷售校園 安全產品	Registered capital of RMB7,000,000 註冊資本為 人民幣7,000,000元	100%
深圳富盟網絡技術有限公司 (transliterated as Shenzhen Wealth Alliance Networking Company Limited) ("Wealth Alliance") (Note) 深圳富盟網絡技術有限公司 (「富盟」)(附註)	PRC, Limited liability company 中國·有限公司	Development and sales of software for information network equipment, terminal products and calculators in the PRC 於中國開發及銷售 資訊網絡設備軟件、 終端產品及計算器	Registered capital of RMB10,000,000 註冊資本為人民幣 10,000,000元	100%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 18. INVESTMENTS IN SUBSIDIARIES (continued)

### 18. 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及 法定實體類別	Principal activities and place of operations 主要業務及營運地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊股本詳情	Interest held 持有權益
深圳市天星通科技有限公司 (transliterated as Shenzhen Star Technology Co., Ltd) 深圳市天星通科技有限公司	PRC, Limited liability company 中國·有限公司	Trading of electronic student cards 銷售電子學生證	Registered capital of RMB20,100,000 註冊資本為人民幣 20,100,000元	100%
深圳國銀盛世貴金屬經營 有限公司 (transliterated as Shenzhen Guoyin Brilliant Precious Metals Limited) ("Guoyin") 深圳國銀盛世貴金屬經營 有限公司 ("國銀")	PRC, Limited liability company 中國·有限公司	Precious metals brokerage and spot trading 貴金屬經紀及現貨交易	Registered capital of RMB20,000,000 (of which RMB10,000,000 has been paid up as at 31 December 2016) 註冊資本為 人民幣20,000,000元 (當中人民幣10,000,000元 於二零一六年 十二月三十一日已繳足)	55%

Note: The equity interests in these subsidiaries are directly or indirectly held by nominees on behalf of the Group and the Group holds 100% effective interest in the subsidiary.

附註：由代名人代表本集團直接或間接持有該等附屬公司之股本權益，及本集團持有該附屬公司100%實際權益。

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

上表載列董事認為對本集團業績或資產構成主要影響之附屬公司。董事認為，詳列其他附屬公司之資料將導致篇幅過於冗長。

#### Commitments and contingent liabilities in respect of subsidiaries

The Group has the following commitments relating to its subsidiaries

#### 有關附屬公司之承擔及或然負債

本集團擁有有關其附屬公司之以下承擔

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Commitment to provide funding if called	承諾按要求提供資金	3,329,610	3,548,790

As at 31 December 2016 and 2015, there are no contingent liabilities relating to the Group's interest in the subsidiaries.

於二零一六年及二零一五年十二月三十一日，附屬公司並無有關本集團於附屬公司之權益之或然負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 18. 於附屬公司之投資 (續)

#### Material non-controlling interest

The total non-controlling interest for the year is HK\$6,215,475 (2015: HK\$7,006,907), of which HK\$6,215,092 (2015: HK\$7,006,524) is for Guoyin. The non-controlling interests in respect of other subsidiary is not material.

The Proportion of ownership interests held by non-controlling interests in Guoyin is 45% (2015: 45%).

#### Summarized financial information on the subsidiary with material non-controlling interests

The following table lists out the information relating to Guoyin, the only subsidiary of the group which has a material non-controlling interest (NCI). The summarised financial information presented below represents the amounts before any inter-company elimination

#### Summarized statement of financial position

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Current</b>	<b>流動</b>		
Assets	資產	18,341,861	21,894,547
Liabilities	負債	(301,625)	(1,403,274)
Total current net assets	流動資產總淨值	18,040,236	20,491,273
<b>Non-current</b>	<b>非流動</b>		
Assets	資產	304,755	935,836
Liabilities	負債	-	-
Total non-current net assets	非流動資產總淨值	304,755	935,836
Net assets	資產淨值	18,344,991	21,427,109

### 18. 於附屬公司之投資 (續)

#### 重大非控股權益

年內非控股權益總值為6,215,475港元(二零一五年: 7,006,907港元), 其中國銀應佔6,215,092港元(二零一五年: 7,006,524港元)。有關其他附屬公司的非控股權益並不重大。

非控股權益持有國銀的權益比例為45%(二零一五年: 45%)。

#### 有重大非控股權益之附屬公司之財務資料概要

下文載列本集團唯一擁有重大非控股權益之附屬公司國銀之資料。下文呈列之財務資料概要指任何公司間對銷前之款項。

#### 財務狀況報表摘要

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 18. INVESTMENTS IN SUBSIDIARIES (continued)

Material non-controlling interest (continued)

Summarized financial information on the subsidiary with material non-controlling interests (continued)

Summarized statement of profit or loss and other comprehensive income

### 18. 於附屬公司之投資 (續)

重大非控股權益 (續)

有重大非控股權益之附屬公司之財務資料概要 (續)

損益及其他全面收入報表摘要

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Revenue	收益	<b>1,539,763</b>	19,565,735
(Loss)/profit before income tax	除所得稅前(虧損)/利潤	<b>(1,840,315)</b>	4,568,382
Income tax expense	所得稅開支	-	(563,302)
(Loss)/profit for the year	年內(虧損)/利潤	<b>(1,840,315)</b>	4,005,080
Other comprehensive income/(loss)	其他全面收入/(虧損)	<b>81,577</b>	(141,362)
Total comprehensive (loss)/income	全面(虧損)/收入總值	<b>(1,758,738)</b>	3,863,718
Total comprehensive (loss)/income allocated to non-controlling interest	已分配至非控股權益之全面(虧損)/收入總值	<b>(791,432)</b>	1,738,673
Dividend paid to non-controlling interests	向非控股權益派發股息	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 18. INVESTMENTS IN SUBSIDIARIES (continued)

Material non-controlling interest (continued)

Summarized financial information on the subsidiary with material non-controlling interests (continued)

Summarized statement of cash flows

### 18. 於附屬公司之投資 (續)

重大非控股權益 (續)

有重大非控股權益之附屬公司之財務資料概要 (續)

現金流量表摘要

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Cash flows from operating activities	經營活動所得現金流量		
Cash (used in)/generated from operations	經營(動用)/產生之現金	<b>(5,864,901)</b>	6,449,930
Interest received	已收利息	<b>169,039</b>	42,941
Tax paid	已付稅項	<b>(531,781)</b>	(3,352,853)
Net cash (used in)/generated from operating activities	經營活動(動用)/產生之現金淨值	<b>(6,227,643)</b>	3,140,018
Net cash used in investing activities	投資活動動用之現金淨值	<b>(235,824)</b>	-
Net cash from financing activities	融資活動產生之現金淨值	-	-
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目(減少)/增加淨值	<b>(6,463,467)</b>	3,140,018
Cash equivalents at beginning of the year	年初之現金等值項目	<b>15,415,001</b>	12,944,810
Effect of foreign exchange rate changes	匯率變動之影響	<b>(665,549)</b>	(669,827)
Cash equivalents at end of the year	年末之現金等值項目	<b>8,285,985</b>	15,415,001

The information above is the amount before inter-company eliminations.

以上資料為扣除集團公司間沖銷之金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 19. INTERESTS IN ASSOCIATES

### 19. 於聯營公司之權益

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Share of net assets	應佔淨資產	34,944,709	47,942,898

During 2016, the impairment of interests in associates represents the full impairment on the investments in respect of 深圳中財贏通信息技術有限公司 (transliterated as Shenzhen Zhongcai Yingtong Information Technology Company Limited) and 首華(遼寧)農產品交易中心有限公司 (transliterated as First China (Liaoning) Agricultural Products Trading Centre Company Limited) due to continuing suspension of business of those associates during the year. The management of the Company do not expect any active business of these associates in foreseeable future.

In November 2015, there was a temporary suspension on the business operation of the Qianhai First China due to the commodities trading policies review conducted by the government of Qianhai. During 2016, the review was still not completed as at the end of the current reporting period and therefore the business operation of Qianhai First China had not yet resumed. The management considers it is appropriate to make the impairment on the interests in these associates, which is based on the realization basis of the associate's assets and liabilities at 31 December 2016 assuming the suspension will be continued. As the carrying amount of the interests in such associate at 31 December 2016, after sharing the current year's profits and loss of the said associate, is lower than the recoverable amount, the management considers it is not necessary to make the further impairment on it.

於二零一六年，於聯營公司之權益之減值指有關深圳中財贏通信息技術有限公司及首華(遼寧)農產品交易中心有限公司之投資之悉數減值，乃由於該等聯營公司於該年度持續停業。本公司管理層預期該等聯營公司於可見的將來亦不會有任何業務經營。

於二零一五年十一月，由於前海政府進行商品交易審查政策審視，前海首華經營業務暫時終止。於二零一六年，該審查於當前報告期末仍未完成，因此前海首華之業務經營尚未恢復。管理層認為適宜對該等聯營公司權益作出減值，該減值乃根據在上述業務將繼續終止情況下於二零一六年十二月三十一日該聯營公司之資產及負債可變現基準作出。由於在分佔所述聯營公司本年度之利潤及虧損後，於該聯營公司之權益於二零一六年十二月三十一日之賬面值低於可收回金額，管理層認為不必對其作出進一步減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 19. INTERESTS IN ASSOCIATES (continued)

The impairment loss made in year 2015 with reference to the estimation of the recoverable amounts which represents the present value of estimated future cash flows for the forthcoming one-year from the investment discounted at pre-tax rate of 26.92%. The discount rate used was based on market risk free interest rates adjusted for inflation differentials and also include the debt premium, market risk premium, gearing corporate tax rate and asset beta.

Details of the Group's associates as at 31 December 2016 are as follows:

### 19. 於聯營公司之權益 (續)

二零一五年減值虧損參照對可回收款項的估計作出，該款項指來年投資產生的估計未來現金流以除稅前利率26.92%折現的現值。所採用的貼現率基於無風險市場利息率並就通脹差額及包括債務溢價、市場風險溢價、槓桿企業稅率及資產貝塔而作出調整。

於二零一六年十二月三十一日，本集團聯營公司之詳情如下：

Name 名稱	Place of incorporation 註冊成立地點	Principal activities 主要業務	Particulars of issued shares held 所持已發行股份詳情	Interest held 所持權益
深圳中財贏通信息技術有限公司 (transliterated as Shenzhen Zhongcai Yingtong Information Technology Company Limited)	PRC, Limited liability company	Development and sales of software for information network equipment, terminal products and calculators in the PRC	Registered capital of RMB1,000,000	40%
深圳中財贏通信息技術有限公司	中國，有限公司	於中國開發及銷售資訊網絡 設備之軟件，終端產品及 計算器	註冊資本為 人民幣1,000,000元	
深圳前海首華國際商品 交易中心有限公司 (transliterated as Shenzhen Qianhai First China International Commodities Exchange Centre Limited)	PRC, Limited liability company	Provision of trading platform for precious metal and provision of related consultancy services	Registered capital of RMB38,000,000 (of which RMB19,000,013 has been paid up as at 31 December 2016)	38%
深圳前海首華國際商品 交易中心有限公司	中國，有限公司	提供貴金屬交易平台並提供 相關諮詢服務	註冊資本為 人民幣38,000,000元 (其中 人民幣19,000,013元 已於二零一六年 十二月三十一日繳足)	
首華(遼寧)農產品交易中心 有限公司 (transliterated as First China (Liaoning) Agricultural Products Trading Centre Company Limited)	PRC, Limited liability company	Sale of agricultural products, provision of transportation services and e-commerce services	Registered capital of RMB225,000,000 (of which RMB2,000,000 has been paid up as at 31 December 2016)	45%
首華(遼寧)農產品交易中心 有限公司	中國，有限公司	出售農產品，提供運輸服務和 電子商務服務	註冊資本為 人民幣225,000,000元 (其中 人民幣2,000,000元 已於二零一六年 十二月三十一日繳足)	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 19. INTERESTS IN ASSOCIATES (continued)

All of the above associates are accounted for using the equity method in the consolidated financial statements.

The above associates are private companies and there is no quoted market value available.

#### Commitments in respect of associates

The Group has the following commitments relating to its associates:

Commitment to provide funding if called	承諾按要求提供資金
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#### Litigation in respect of associates

As at 31 December 2016, Qianhai First China has some unresolved legal cases relating to the contracts dispute with some investors. According to the legal opinion obtained from the Group's PRC lawyer, the court may lodge the judgement tends to favor the investors, are therefore Qianhai First China may need to compensate these investors accordingly. The claimed contracted amounts and related disbursement from the investors are RMB4,427,238 (equivalent to HK\$4,913,659) in total.

There are no other contingent liabilities of the associates at 31 December 2016.

### 19. 於聯營公司之權益 (續)

上述所有聯營公司均採用權益法於綜合財務報表內入賬。

以上聯營公司均為私人公司且並沒有市場價值可供參考。

#### 有關聯營公司之承擔

本集團擁有有關其聯營公司之以下承擔：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Commitment to provide funding if called	268,588,526	286,269,045

#### 與聯營公司有關之訴訟

於二零一六年十二月三十一日，前海首華有若干仍未解決之投資者合約糾紛的法律案件。根據自本集團之中國法律顧問取得之法律意見，法院的判決可能傾向於有利於投資者，而前海首華可能需要相應賠償該等投資者。投資者的索償合約款項及相關支付款共計人民幣4,427,238元（相當於4,913,659港元）。

於二零一六年十二月三十一日概無其他有關聯營公司之或然負債。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 19. INTERESTS IN ASSOCIATES (continued)

#### Material Associate

The Directors consider Shenzhen Qianhai First China International Commodities Exchange Centre Limited is a material associate to the Group.

Set out below are the summarized financial information in respect of the Shenzhen Qianhai First China International Commodities Exchange Centre Limited.

#### Summarized statement of financial position

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Total current assets	流動資產總值	104,187,830	222,570,014
Other current liabilities	其他流動負債	(6,953,477)	(100,695,001)
Non-current Assets	非流動資產	6,775,623	12,914,729
Net assets	資產淨值	104,009,976	134,789,742

### 19. 於聯營公司之權益 (續)

#### 重要聯營公司

董事們認為深圳前海首華國際商品交易中心有限公司為本集團重要聯營公司。

下文載列有關深圳前海首華國際商品交易中心有限公司的財務資料概要。

#### 財務狀況報表摘要

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 19. INTERESTS IN ASSOCIATES (continued)

Material Associate (continued)

Summarized statement of profit or loss and other comprehensive income

### 19. 於聯營公司之權益 (續)

重要聯營公司 (續)

損益及其他全面收入報表摘要

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Revenue	收益	2,071	215,696,882
(Loss)/profit before tax	除稅前(虧損)/溢利	<b>(23,496,440)</b>	116,366,528
(Loss)/profit after tax	除稅後(虧損)/溢利	<b>(23,496,440)</b>	98,827,667
Other comprehensive loss	其他全面虧損	<b>(7,283,326)</b>	(6,005,137)
Total comprehensive (loss)/income	全面(虧損)/收入總額	<b>(30,779,766)</b>	92,822,530

The information above reflects the amounts presented in the financial statements of the material associate, adjusted for differences in accounting policies between the Group and the material associate, and not the Group's share of these amounts.

上述資料反映重大聯營公司財務報表內呈列之金額(而非本集團對該等金額的分佔),並已就本集團與重大聯營公司之間會計政策之差別作出調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 19. INTERESTS IN ASSOCIATES (continued)

#### Material Associate (continued)

#### Reconciliation of summarized financial information

Reconciliation of the summarized financial information presented to the carrying amount of its interest in the material associate.

#### Summarized financial information

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Closing net assets	年末資產淨值	<b>104,009,976</b>	134,789,742
Group's share of net assets @38%	集團淨資產份額@38%	<b>39,523,791</b>	51,220,102
Accumulated impairment loss	累計減值虧損	<b>(4,579,082)</b>	(4,880,512)
Carrying value of interest in material associate @ 38%	於重大聯營公司權益之賬面值 @38%	<b>34,944,709</b>	46,339,590

Set out below are the aggregate information of the other associates, which are not individually material:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
The Group's share of loss	本集團應佔虧損	<b>(545,464)</b>	(805,756)
The Group's share of other comprehensive (loss)/income	本集團應佔其他全面(虧損)/收入	<b>(74,845)</b>	27,667
The Group's share of total comprehensive loss	本集團應佔全面虧損總值	<b>(620,309)</b>	(778,089)
Aggregate carrying amount of the Group's interest in an associate	本集團於一間聯營公司權益之總面值	-	1,603,308

### 19. 於聯營公司之權益 (續)

#### 重要聯營公司 (續)

#### 財務資料概要之對賬

所呈報之財務資料概要與其於重大聯營公司之權益之賬面值對賬。

#### 財務資料概要

個別不重要之其他聯營公司匯總資料載列如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 20. CONTINGENT CONSIDERATION RECEIVABLE

### 20. 應收或然代價

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
At 1 January	於一月一日	<b>31,511,100</b>	4,232,422
Currency translation difference	貨幣匯兌差額	<b>(2,210,532)</b>	-
Change in fair value	公平值變動	<b>140,880</b>	27,278,678
At 31 December	於十二月三十一日	<b>29,441,448</b>	31,511,100

The fair value of contingent consideration receivable is related to the acquisition of Shenzhen Star Technology Co., Limited in year 2014.

Pursuant to the acquisition agreement, the vendors guaranteed to the Group that the net profit after tax of Shenzhen Star Technology Co., Ltd. (based on its audited accounts) for each of the three financial years ending 31 December 2015, 31 December 2016 and 31 December 2017 shall be as follows: (i) for the year ending 31 December 2015: not less than RMB20,000,000; (ii) for the year ending 31 December 2016: not less than RMB30,000,000; (iii) for the year ending 31 December 2017: not less than RMB40,000,000.

The vendors failed to achieve the aggregate profit target of RMB50,000,000 for both the years ended 31 December 2015 and 2016 and no shares under the escrow arrangement had been released to the vendors in respect of both years. Pursuant to the acquisition agreement, the profit target not yet reached could be accumulated to coming year if fails to achieve in the corresponding years.

應收或然代價之公平值乃與於二零一四年收購深圳市天星通科技有限公司有關。

根據收購協議，賣方向本集團保證，深圳市天星通科技有限公司於截至二零一五年十二月三十一日、二零一六年十二月三十一日及二零一七年十二月三十一日止三個財政年度各年之除稅後淨利潤（根據其經審核賬目）如下：(i)截至二零一五年十二月三十一日止年度：不少於人民幣20,000,000元；(ii)截至二零一六年十二月三十一日止年度：不少於人民幣30,000,000元；(iii)截至二零一七年十二月三十一日止年度：不少於人民幣40,000,000元。

賣方未能達到截至二零一五及二零一六年十二月三十一日止年度之累計溢利目標人民幣50,000,000元，且於該兩個年度內不會根據購買託管安排向賣方發放股份。根據收購協議，倘其相關年度之溢利目標未能達成，則累計至下一年。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 20. CONTINGENT CONSIDERATION RECEIVABLE

*(continued)*

The increase in the fair value of contingent consideration receivables, during the years ended 31 December 2016 and 2015, was due to the failure on achieving the profit targets set for the first two years by the vendors. The contractual customers temporarily postponed their orders because of the navigating chips of electronic cards and devices was in preparatory stage to be changed to coordinate with the BeiDou Navigation Satellite System (北斗衛星導航系統). In year 2016, despite the effort by the Group to change the navigating chips of electronic cards and devices of the school safety network to coordinate with the BeiDou system, there have been technical issues regarding the high power consumption on tracking and positioning function of BeiDou chips.

The fair value of the contingent consideration receivable at 31 December 2016 and 2015 are based on the valuations under probability model, which is performed by an independent professional valuer. The variable and assumption used in computing the fair value of the contingent consideration receivable are based on the management's best estimate. The value of the contingent consideration receivable varies with different variables of certain subjective assumptions.

### 20. 應收或然代價 (續)

於截至二零一六年及二零一五年十二月三十一日止年度，應收或然代價之公平值增加乃由於賣方未能達到首兩年度之溢利目標所致。這是由於電子卡及設備之導航芯片已開始籌備更換，以配合北斗衛星導航系統，故合約客戶於本年度延遲彼等之訂單。於二零一六年，儘管本集團努力更換電子卡及校園安全網絡設備的導航芯片以配合北斗系統，但仍存在與北斗芯片跟蹤及定位功能消耗高電力有關的技術問題。

於二零一六年及二零一五年十二月三十一日之應收或然代價之公平值乃基於概率模型得出之估值（由獨立專業估值師作出）計算。計算應收或然代價公平值所用之變量及假設乃基於管理層之最佳估計。應收或然代價之公平值隨若干主觀假設變量的變化而變化。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 20. CONTINGENT CONSIDERATION RECEIVABLE

(continued)

#### Inputs into probability model:

- (i) Profit guarantee amount: RMB40,000,000 for the year ending 31 December 2017
- (ii) Number of shares of the Company under escrow arrangement: 200,000,000 shares
- (iii) The Company's share price as at 31 December 2016: HK\$0.148

### 20. 應收或然代價 (續)

#### 概率模型之輸入數據:

- (i) 溢利擔保款項: 截至二零一七年十二月三十一日止年度的人民幣40,000,000元
- (ii) 託管安排下本公司之股份數目: 200,000,000股
- (iii) 於二零一六年十二月三十一日本公司的股價: 0.148港元

Scenario*	情況*	Probability 概率
Optimistic	樂觀值	20%
Expected	估計值	75%
Pessimistic	保守值	5%
Settlement date: 31 December 2017	結算日: 二零一七年十二月三十一日	
Company's share price as at 31 December 2016	於二零一六年十二月三十一日 本公司的股價	0.148

\* There is expected loss incurred for the year ended 31 December 2017 under all scenarios.

\* 截至二零一七年十二月三十一日止年度, 在所有情況下均產生預期虧損。

For the year ended 31 December 2016, there was an increase of HK\$140,880 (2015: increase of HK\$27,278,678) recognized in the consolidated statement of profit or loss and other comprehensive income for the contingent consideration arrangement after taking into the consideration of the calculation based on the above inputs.

截至二零一六年十二月三十一日止年度, 經計及按上述輸入數據作出之計算, 綜合損益及其他全面收入報表中就或然代價安排確認之金額增加140,880港元(二零一五年: 增加27,278,678港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 20. CONTINGENT CONSIDERATION RECEIVABLE (continued)

Taking consideration to this technical issues of the products and the chance for the vendors to reach specified profits target, the management of the Group believe that the vendors are not able to reach the profit target within the time specified and therefore the shares of the Company under the escrow arrangement would be repurchased by the Company.

The fair value of the contingent consideration receivables at 31 December 2016 is based on valuation results from the professional valuer, which is the total value of the Company's share under escrow arrangement as at 31 December 2016.

### 20. 應收或然代價 (續)

考慮到產品的有關技術問題及賣方達致具體溢利目標之機率，本集團管理層認為賣方不能於指定時間內達致溢利目標，因此，根據託管安排，本公司股份將由本公司購回。

應收或然代價於二零一六年十二月三十一日之公平值乃根據專業估值師所得出之估值結果作出，其乃於二零一六年十二月三十一日本公司股份於託管安排下之總值。

### 21. INVENTORIES

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Finished goods	成品	2,590,324	3,729,957

The analysis of the amount of inventories recognized as an expense and included in profit or loss is as follow:

### 21. 存貨

在損益表已確認為開支之存貨金額分析如下：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Carrying amount of inventories sold	已售存貨賬面值	625,819	398,032

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 22. TRADE RECEIVABLES

### 22. 應收貿易款項

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Amounts receivable arising from securities broking:	證券經紀業務所產生應收款項：		
Margin clients	保證金客戶	5,888,186	1,972,037
Cash clients	現金客戶	5,820,001	4,231,651
Brokers and dealers	經紀及交易商	7	7
Hong Kong Securities Clearing Company Limited (net)	香港中央結算有限公司(淨值)	428,834	3,061,540
Other trade receivables	其他應收貿易款項	2,449,061	571,608
		<b>14,586,089</b>	9,836,843
Less: Provision for impairment loss	減：減值虧損撥備	<b>(36,000)</b>	(36,000)
Trade receivables, net	應收貿易款項淨值	<b>14,550,089</b>	9,800,843

Amounts receivable from margin clients are repayable on demand, bearing interest at prevailing market rates and are secured by clients' pledged securities which are listed on the Stock Exchange with a total market value of approximately HK\$25,580,000 as at 31 December 2016 (2015: HK\$21,874,000). No aged analysis is disclosed as, in the opinion of the directors, the aged analysis does not give additional value in view of the nature of the business of securities margin financing.

應收保證金客戶款項須按要求償還，按現行市場利率計息，並以客戶於二零一六年十二月三十一日總市值約25,580,000港元(二零一五年：21,874,000港元)之聯交所上市抵押證券作抵押。基於證券保證金融資業務之性質，董事認為賬齡分析並無任何額外價值，故未有披露賬齡分析。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 22. TRADE RECEIVABLES (continued)

The settlement terms of amounts receivable arising from securities broking are one or two trade days after the trade execution date. Except for the amounts receivable from margin clients as mentioned above, these balances are aged within 30 days.

Other trade receivables arising from the trading of electronic student card are due immediately from date of billing but the Group will generally grant a credit period of 60 days on average to its customers.

The following is an aged analysis of other trade receivables at the reporting period:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
0-30 days	0至30日	2,268,463	535,608
31-90 days	31至90日	-	-
91-180 days	91至180日	144,598	-
181-365 days	181至365日	-	-
Over 365 days	365日以上	36,000	36,000
		<b>2,449,061</b>	571,608

The maximum exposure to credit risk at the end of the reporting period is the carrying amounts of trade receivables. Other than the amounts receivable from margin clients, the Group does not hold any collateral as security in respect of its trade receivables. There is no recent history of default on the trade receivables.

As at 31 December 2016 and 31 December 2015, all other trade receivables, except for the impaired amounts indicated below, were not past due.

### 22. 應收貿易款項 (續)

證券經紀業務所產生應收款項於進行交易日期後一或兩個交易日內支付。除上述應收保證金客戶款項外，餘款之賬齡為三十日內。

銷售電子學生證產生之其他應收貿易款項，於發出賬單當日即時到期，惟本集團一般會給予其客戶平均六十日之信貸期。

其他應收貿易款項於報告期間之賬齡分析如下：

於報告期間結束時，最大信貸風險為應收貿易款項之賬面值。除保證金客戶之應收款項外，本集團並無就其應收貿易款項持有任何抵押品作抵押。此等應收貿易款項並無近期欠款記錄。

於二零一六年十二月三十一日及二零一五年十二月三十一日，除下文提及已減值之款項外，所有其他應收貿易款項沒有逾期。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 22. TRADE RECEIVABLES (continued)

Movements on the provision of impairment of trade receivables are as follow:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
At 1 January and at 31 December	於一月一日及十二月三十一日	<b>36,000</b>	36,000

As at 31 December 2016 and 2015, the Group's trade receivables of HK\$36,000 (2015: HK\$36,000) were individually determined to be impaired.

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Hong Kong dollars	港元	<b>12,137,028</b>	9,265,235
RMB	人民幣	<b>2,413,061</b>	535,608
		<b>14,550,089</b>	9,800,843

### 22. 應收貿易款項 (續)

應收貿易款項減值撥備之變動情況如下:

於二零一六年及二零一五年十二月三十一日，本集團之應收貿易款項36,000港元（二零一五年：36,000港元）為個別客戶貿易款減值。

本集團應收貿易款項之賬面值按以下貨幣列值：

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 23. LOANS AND RECEIVABLES

During the year ended 31 December 2016, RMB14,000,000 (equivalent to HK\$15,538,180) (2015: equivalent to HK\$16,561,020) of the Group's loans receivable were arising from one PRC subsidiary of the Company and are denominated in RMB. The loans and receivables in the PRC carry interest at an annual effective rate of 17% to 18% (2015: 17% to 18%).

The repayment of the outstanding loan principals will be at maturity and interest is repayable monthly. The above loan in the amount of RMB14,000,000 is secured by the pledged securities which are listed on Shanghai Stock Exchange and Shenzhen Stock Exchange and such securities were transferred to the nominee of the Group and in his custody. The fair value of such securities was approximately RMB18,912,300 as at 31 December 2016. As at 31 December 2016 and 2015, in the opinion of the Company's directors, the Group held collateral with value not less than the carrying amount of the loans and receivables.

During the year ended 31 December 2016, two of the PRC subsidiaries of the Company lent the amounts of RMB16,211,000 (equivalent to HK\$17,992,103) (2015: RMB2,500,000 equivalent to HK\$2,957,325) to some independent third parties. Those loan and receivables bore interest at annual effective rate ranged from 2.3% to 10.8% per annum (2015: 22.4%) and the principals and corresponding interests were expected to be repaid within one year. The Group did not hold any collateral on these loans and receivables.

The typical loans generally bearing interest at an annual effective rate and has a term of 1 year (2015: 7 months to 1 year). All of the short-term loans and receivables are expected to be recovered within one year.

### 23. 貸款及應收款項

截至二零一六年十二月三十一日止年度，本集團的應收貸款人民幣14,000,000元（相等於15,538,180港元）（二零一五年：相等於16,561,020港元）來自本公司一間中國附屬公司並以人民幣計值。中國附屬公司的貸款及應收款項按每年實際利率17厘至18厘（二零一五年：17厘至18厘）計息。

未償還貸款本金須於到期時償還而利息須按月償付。以上金額為人民幣14,000,000元之貸款以於上海證券交易所及深圳證券交易所上市之抵押證券作抵押，而該等證券已轉讓予本集團之代名人並由其保管。於二零一六年十二月三十一日，該等證券之公平值約為人民幣18,912,300元。於二零一六年及二零一五年十二月三十一日，本公司董事認為，本集團持有價值不低於貸款及應收款項賬面值的抵押品。

於截至二零一六年十二月三十一日止年度，本公司之兩間中國附屬公司向若干獨立第三方借出款項人民幣16,211,000元（相等於17,992,103港元）（二零一五年：人民幣2,500,000元，相等於2,957,325港元）。該等貸款及應收款項按每年實際利率2.3厘至10.8厘（二零一五年：22.4厘）計息，本金及相應利息預期於一年內償還。本集團對該等貸款及應收款項並無持有任何抵押品。

一般貸款通常按每年實際利率計息，為期1年（二零一五年：7個月至1年）。所有短期貸款及應收款項預期於一年內收回。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 23. LOANS AND RECEIVABLES (continued)

At initial recognition, the Group determined the fair value of the loans receivable equivalent to their principal amounts. The analysis of the carrying amount of loans receivable as at 31 December 2016 and 2015 are as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Current	即期	33,530,283	19,518,345

As at 31 December 2016 and 2015, no loans and receivables were past due.

Management of the Group determined no impairment loss on these loans receivable are required to be recognized, after taking into account the collaterals held by the Group and/or no past due on loans and receivables. The loan receivables amounting to HK\$14,107,558 as at 31 December 2016 have been repaid in accordance with the repayment schedule in subsequent period.

### 23. 貸款及應收款項 (續)

於首次確認時，本集團釐定應收貸款之公平值相當於其本金額。於二零一六年及二零一五年十二月三十一日應收貸款之賬面值分析如下：

於二零一六年及二零一五年十二月三十一日，所有貸款及應收款項沒有逾期。

本集團管理層判定，經考慮本集團所持有之抵押品及／或所有貸款及應收款項並無逾期後，毋須確認該等應收貸款之減值虧損。於二零一六年十二月三十一日之貸款及應收款項合共14,107,558港元已於報告期後按還款時間表還款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 24. 按公平值計入損益之金融資產

				2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Listed equity – held for trading Equity securities – Hong Kong		上市股權－持作買賣 股本證券－香港		<b>63,967,620</b>	201,969,810
Stock code 股票代號	Company name 公司名稱	No. of share held as at 31 December 2016 於二零一六年 十二月三十一日 持股數量	Approximately percentage of shareholding 概約持股百分比	Fair value as at 31 December 2016 於二零一六年 十二月三十一日 之公平值 HK\$ 港元	Fair value loss on securities trading for 2016 二零一六年度 證券買賣公平值 虧損 HK\$ 港元
01335	Sheen Tai 順泰控股	83,152,000	3.80%	59,869,440	(29,934,720)
06898	China Aluminum 中國鋁罐	2,454,000	0.39%	4,098,180	(173,794)
				63,967,620	(30,108,514)

Financial assets at fair value through profit or loss are presented within “operating activities” as part of changes in working capital in the statement of cash flows.

按公平值計入損益之金融資產於現金流量表內「經營活動」內呈列，為營運資金變動之一部份。

Changes in fair values of financial assets at fair value through profit or loss are recorded in “other income and loss, net” in the consolidated statement of profit or loss and other comprehensive income.

按公平值計入損益之金融資產之公平值變動計入綜合損益及其他全面收入報表之「其他收入及虧損淨值」內。

The fair value of all equity securities is based on their current bid prices in an active market.

所有股本證券之公平值乃根據彼等於活躍市場上之現時買入價計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 25. 預付款項、按金及其他應收款項

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Other receivables	其他應收款項	25,398,536	31,794,760
Other deposits and prepayments	其他按金及預付款項	3,784,931	1,783,271
		<b>29,183,467</b>	33,578,031
Represented by:	由下列各項表示：		
Non-current assets	非流動資產	940,607	-
Current assets	流動資產	28,242,860	35,578,031
		<b>29,183,467</b>	35,578,031

The amount of other receivables included the amount of RMB20,000,000 (equivalent to HK\$22,197,400) as at 31 December 2016 (2015: RMB20,000,000, equivalent to HK\$23,658,600) which represents the refundable earnest money paid for the proposed acquisition for the entire registered capital of 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co., Limited) in January 2015. The vendors had pledged their owned shares in 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co., Limited) as a collateral on the refundable earnest money paid by the Group. The proposed acquisition had been terminated in May 2015 and the Group had filed an arbitration application (the "Arbitration") to South China International Economic and Trade Arbitration Commission for the repayment of the overdue receivables in same year.

Although the final judgement of the arbitration had been issued on 3 June 2016, the receivables have not yet been repaid at 31 December 2016. The management will negotiate with the vendors on the settlement of the said refundable earnest money paid. The management believes that no impairment is necessary in respect of this balance after taking into consideration on the review of financial positions at 31 December 2016 and the discounted cashflow forecast information of 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co., Limited).

於二零一六年十二月三十一日，其他應收款項包括人民幣20,000,000元（相當於22,197,400港元）（二零一五年：人民幣20,000,000元，相當於23,658,600港元），指就建議收購民勤量子新能源有限公司之全部註冊資本於二零一五年一月支付的可退還誠意金。賣方已將其於民勤量子新能源有限公司之股份抵押，作為本集團支付的可退還誠意金之抵押品。建議收購已於二零一五年五月終止，及本集團已於同年就償還逾期應收款項向華南國際經濟貿易仲裁委員會提交仲裁申請（「仲裁」）。

儘管仲裁的終局裁決已於二零一六年六月三日頒佈，但應收款項於二零一六年十二月三十一日仍未獲償還。管理層將與賣方就上述已付可退還誠意金之結付進行磋商。經計及審閱民勤量子新能源有限公司於二零一六年十二月三十一日之財務狀況及貼現現金流預測資料，管理層認為該結餘毋需作出減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 26. AMOUNTS DUE FROM FORMER DIRECTORS

### 26. 應收前任董事款項

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Amounts due from former Directors	應收前任董事款項	<b>331,419</b>	831,419

The SFC has served a petition under the Securities and Futures Ordinance against the Company, three former Directors (Mr. Yin Yingneng Richard, Mr. Wang Wenming and Mr. Lee Yiu Sun) of the Company in November 2012. At that time, SFC was seeking disqualification orders against such Directors and an order that the Company should itself or otherwise procure Aceview International Limited, a wholly owned subsidiary of the Company, to bring court proceedings against Fame Treasure Limited and/or other parties at fault to recover the dividend of RMB18,692,000 (equivalent to HK\$23,268,362) with the interest accruing at 1% above the prime rate published by the HSBC from 31 December 2008 to the date hereof and thereafter at the judgment rate until the date of payment to the Company.

證監會於二零一二年十一月根據證券及期貨條例向本公司、本公司之三名前任董事（尹應能先生、王文明先生及李耀新先生）提出呈請。當時，證監會正尋求對該等董事之取消資格令及命令本公司本身或另行促使本公司之全資附屬公司銳景國際有限公司向譽寶有限公司及／或存在過失之其他人士提出法院訴訟，以收回支付予該公司之股息人民幣18,692,000元（相當於23,268,362港元），並按滙豐銀行自二零零八年十二月三十一日至判決日期所公佈之最優惠利率另加1厘計息，之後按判決利率計息直至向本公司付款日期。

### 27. BANK BALANCES AND CASH

#### (a) Cash and cash equivalent

### 27. 銀行結餘及現金

#### (a) 現金及現金等值項目

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Cash at bank and on hand	銀行及手頭現金	<b>252,923,389</b>	263,837,599
Short-term bank deposits	短期銀行存款	<b>2,073,049</b>	2,063,948
Cash and cash equivalents	現金及現金等值項目	<b>254,996,438</b>	265,901,547

As at 31 December 2016, the Group had bank balances and cash of approximately HK\$34,486,314 (2015: HK\$58,540,204) which are denominated in RMB. The remittance of these funds out of the PRC is subject to the exchange control restrictions imposed by the PRC Government.

於二零一六年十二月三十一日，本集團有以人民幣列值之銀行結餘及現金約34,486,314港元（二零一五年：58,540,204港元）。將該筆款項匯出中國境外受中國政府實施之外匯管制所限。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 27. BANK BALANCES AND CASH (continued)

#### (a) Cash and cash equivalent (continued)

The bank balances are deposited with creditworthy banks with no recent history of default.

Bank balances and cash include the following for the purposes of the consolidated statement of cash flows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
General accounts and cash	一般賬戶及現金	240,921,035	241,490,110
Segregated trust bank balances	獨立信託賬戶結餘	14,075,403	(24,411,437)
Cash and cash equivalents	現金及現金等值項目	254,996,438	265,901,547

#### (b) Restricted cash

As at 31 December 2015, RMB1,534,998, which is equivalent to HK\$1,815,795 are restricted cash balance held at designated bank account controlled by customs of the PRC as the guarantee deposit for the motor vehicle under the supervision by the customs of the PRC. During 2016, the restricted cash balances have been refunded.

### 27. 銀行結餘及現金 (續)

#### (a) 現金及現金等值項目 (續)

有關銀行結餘存於信譽良好且無近期拖欠記錄之銀行。

就綜合現金流量表而言，銀行結餘及現金包括以下各項：

#### (b) 受限制現金

於二零一五年十二月三十一日，人民幣1,534,998元（相當於1,815,795港元）為受限制現金結餘，乃作為受中國海關監管之汽車保證金，並於受中國海關控制之指定銀行賬戶持有。於二零一六年期間，受限制現金結餘已退還。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 28. TRADE PAYABLES

### 28. 應付貿易款項

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Amounts payable arising from securities broking:	證券經紀業務所產生應付款項：		
Margin clients	保證金客戶	90,320	2,352,874
Cash clients	現金客戶	14,721,481	14,322,759
Other trade payables	其他應付貿易款項	5,897	5,897
		<b>14,817,698</b>	16,681,530

Amounts payable to margin clients are repayable on demand. No aged analysis is disclosed as, in the opinion of the directors, the aged analysis does not give additional value in view of the nature of the business of securities margin financing.

應付保證金客戶款項須按要求償還。基於證券保證金融資業務之性質，董事認為賬齡分析並無任何額外價值，故未有披露賬齡分析。

The settlement terms of amounts payable arising from securities broking are one or two trade days after the trade execution date. Except for the amounts payable to margin clients as mentioned above, these balances are aged within 30 days.

證券經紀業務所產生應付款項須於進行交易日期後一或兩個交易日內支付。除上述應付保證金客戶款項外，餘款須於三十日內清償。

The following is an aged analysis of other trade payables at the end of each reporting period:

其他應付貿易款項於各報告期間結束時之賬齡分析如下：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
0-30 days	0至30日	-	-
31-90 days	31至90日	-	-
91-180 days	91至180日	-	-
181-365 days	181至365日	-	-
Over 365 days	365日以上	5,897	5,897
		<b>5,897</b>	5,897

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 29. OTHER PAYABLES AND ACCRUALS

Included in other payables of the Group as at 31 December 2016 and 2015 were the following amounts:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Other payables and accruals	其他應付款項及應計款項	2,168,841	4,388,082

### 30. BORROWINGS

Borrowing included in current liabilities 計入流動負債的借款  
– Secured bank borrowings 一有抵押銀行借款

Notes:

(a) The maturity of borrowings is as follows (Note (c)):

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within one year	一年內	1,998,932	1,939,954
In the second year	第二年	2,059,731	1,998,958
In the third to fifth year	第三至第五年	4,496,290	6,369,133
Over five years	超過五年	-	185,968
		<b>8,554,953</b>	<b>10,494,013</b>

At 31 December 2016 and 2015, the bank borrowings of the Group were secured by the charges over the Group's land and buildings (Note 15) and corporate guarantees executed by the Company (Note 36). At 31 December 2016 and 2015, the Group's bank borrowings are denominated in HK\$, bearing floating interest rate of 3% (2015: 3%) per annum.

(b) The amounts due are based on the scheduled repayment dates set out in the loan agreement.

(c) The bank borrowings are shown under current liabilities as the loan agreement contain a repayment on demand clause.

### 29. 其他應付款項及應計款項

本集團於二零一六年及二零一五年十二月三十一日之其他應付款項包括以下款項：

### 30. 借款

Borrowing included in current liabilities 計入流動負債的借款  
– Secured bank borrowings 一有抵押銀行借款

附註：

(a) 借款到期日詳情如下(附註(c))：

於二零一六年及二零一五年十二月三十一日，本集團銀行借款由本集團之土地及樓宇(附註15)作為抵押，並由本公司提供公司擔保(附註36)。於二零一六年及二零一五年十二月三十一日，本集團之銀行借款均以港元列值，並每年以浮息3厘(二零一五年：3厘)計息。

(b) 應付金額乃按貸款協議所載預定還款日期計算。

(c) 由於貸款協議載有須按要求償還條款，故銀行借款於流動負債項下呈列。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 31. DEFERRED INCOME TAX LIABILITIES

The movement on the deferred tax liabilities is as follows:

### 31. 遞延所得稅負債

遞延所得稅負債之變動如下：

		Accelerated tax depreciation	Undistributed profits of foreign associate	Fair value adjustment on non-monetary assets through business combination	Total
		加快稅項 折舊	海外 聯營公司之 未分配溢利	透過業務合併 之非貨幣資產 公平值調整	合計
		HK\$ 港元	HK\$ 港元	RMB 人民幣	HK\$ 港元
Balance as at 1 January 2015	於二零一五年一月一日的結餘	3,834,713	-	56,963,894	60,798,607
Charged/(credited) to profit or loss	於損益扣除/(計入)	(181,549)	4,320,880	(23,331,306)	(19,191,975)
Currency translation difference	貨幣匯兌差額	-	(152,509)	(2,009,072)	(2,161,581)
Balance as at 31 December 2015	於二零一五年十二月三十一日的結餘	3,653,164	4,168,371	31,623,516	39,445,051
Balance as at 1 January 2016	於二零一六年一月一日的結餘	3,653,164	4,168,371	31,623,516	39,445,051
Credited to profit or loss	計入損益	(181,549)	(1,651,025)	(31,046,614)	(32,879,188)
Currency translation difference	貨幣匯兌差額	-	(184,261)	(576,902)	(761,163)
Balance as at 31 December 2016	於二零一六年十二月三十一日的結餘	3,471,615	2,333,085	-	5,804,700

The deferred tax liabilities are attributable to accelerated tax depreciation, fair value adjustment and reversal on non-monetary assets through business combination and withholding tax on unremitted earnings of a PRC associate.

A deferred tax asset has not been recognized in the consolidated financial statements in respect of estimated unused tax losses available for offset against future profits due to the uncertainty of future profit streams.

As at 31 December 2016, the unrecognized tax losses of the Group amounted to HK\$246,128,426 (2015: HK\$146,299,067). These tax losses have no expiry date except that HK\$60,418,771 will expire from 2017 to 2021 (2015: HK\$59,782,275 expire from 2016 to 2020).

遞延稅項負債來自加快稅務折舊，透過業務合併之非貨幣性資產之公平值調整及撥回以及中國聯營公司未匯出盈利之預扣稅。

鑑於未能確定日後利潤來源，故並無於綜合財務報表就可用以抵銷日後利潤之估計未動用稅務虧損確認遞延稅項資產。

於二零一六年十二月三十一日，本集團之未確認稅項虧損為246,128,426港元（二零一五年：146,299,067港元）。除60,418,771港元將於二零一七年至二零二一年期間屆滿（二零一五年：59,782,275港元於二零一六年至二零二零年期間屆滿）外，該等稅項虧損並無屆滿日期。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 32. SHARE CAPITAL AND PREMIUM

### 32. 股本及溢價

Notes	Number of issued shares 已發行 股份數目 (in thousands) (千股)	Ordinary shares 普通股 HK\$ 港元	Share premium 股份溢價 HK\$ 港元	Total 總計 HK\$ 港元
At 1 January 2015, 31 December 2015, 1 January 2016 and at 31 December 2016	於二零一五年一月一日、 二零一五年 十二月三十一日、 二零一六年一月一日及 二零一六年 十二月三十一日	6,498,958	1,614,798,866	1,679,788,448

The total authorized number of ordinary shares is 10,000,000,000 shares (2015: 10,000,000,000 shares) with a par value of HK\$0.01 per share (2015: HK\$0.01 per share). All issued shares are fully paid.

法定普通股總數為10,000,000,000股（二零一五年：10,000,000,000股），每股面值為0.01港元（二零一五年：每股0.01港元）。所有已發行股份股款均已繳足。

### 33. RESERVE

#### (i) Special reserve

The special reserve of the Group represents the difference between the nominal amount of the shares issued by the Company and the aggregate of the nominal amount of the issued share capital and share premium of First China Financial Holdings (BVI) Limited acquired pursuant to the corporate reorganization undertaken in preparation for the listing of the Company's shares on GEM on 11 January 2002.

#### (ii) Statutory reserve

PRC companies are required to appropriate 10% of statutory net profits to statutory reserve, upon distribution of their post-tax profits in accordance with the PRC laws and regulations. A company may discontinue the contribution when aggregate sum of the statutory surplus reserve is more than 50% of its registered capital. The statutory surplus reserves shall only be used make up losses of the companies, to expand the companies' operation, or to increase the capital of the companies.

#### (iii) Translation reserve

Exchange translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 2.5.

### 33. 儲備

#### (i) 特別儲備

本集團之特別儲備乃指本公司根據就籌備本公司股份於二零零二年一月十一日在創業板上市所進行企業重組所發行股份之面值與所收購First China Financial Holdings (BVI) Limited已發行股本面值及股份溢價總額間之差額。

#### (ii) 法定儲備

根據中國法律及法規，中國公司於分派其除稅後溢利時，須向法定儲備劃撥法定淨利潤的10%。當公司法定盈餘儲備的總和超過其註冊資本的50%時，公司可停止劃撥。法定盈餘儲備只可用作彌補公司的虧損、擴大公司的營運或增加公司的資本。

#### (iii) 匯兌儲備

匯兌儲備包括因海外業務財務報表換算產生的所有匯兌差額。該儲備乃根據附註2.5所列會計政策處理。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE OPTION SCHEMES

#### (a) The Old Share Option Scheme

The Company operates a share option scheme under which persons working for the interest of the Group are entitled to an opportunity to obtain equity interest in the Company. The number of shares in respect of which options may be granted under the share option scheme and any other share option schemes is not permitted to exceed 30% of the shares of the Company in issue from time to time, without prior approval from the Company's shareholders. The maximum number of shares issued and to be issued upon exercise of options granted and to be granted pursuant to the Old Share Option Scheme and any other share options schemes of the Company to any person (including both exercised and outstanding options) in any 12-month period up to the date of grant of options shall not exceed 1% of the shares of the Company in issue, without prior approval from the Company's shareholders.

The Old Share Option Scheme was adopted pursuant to a resolution passed on 17 December 2001. The purpose of the Old Share Option Scheme is to provide the people and the parties working for the interest of the Group with an opportunity to obtain equity interest in the Company, thus linking their interest with the interest of the Group and thereby providing them with an incentive to work better for the interest of the Group. Under the Old Share Option Scheme, the Board of Directors of the Company may grant options to eligible employees, including Directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to outside third parties for settlement in respect of goods or services provided to the Group.

HK\$1 is payable on the acceptance of the option per grant. Options may generally be exercised at any time during a period to be notified by the Board to each grantee provided that the period within which the option must be exercised shall not be more than 10 years from the date of grant of the share option.

### 34. 購股權計劃

#### (a) 舊購股權計劃

本公司設有購股權計劃，向為本集團利益工作之人士提供獲得本公司股權之機會。除非獲得本公司股東事先批准，否則根據購股權計劃及任何其他購股權計劃可予授出之購股權所涉及股份數目，不得超過本公司不時已發行股份30%。除非獲得本公司股東事先批准，否則於授出購股權日期前任何十二個月期間，根據舊購股權計劃及本公司任何其他購股權計劃已經及將會授予任何人士之購股權（包括已行使及尚未行使購股權）獲行使時已經及將會發行之最高股數，不得超過本公司已發行股份1%。

本公司根據於二零零一年十二月十七日通過之決議案，採納舊購股權計劃。舊購股權計劃旨在向為本集團利益工作之人士及各方提供獲得本公司股權之機會，從而將彼等之利益與本集團之利益連結，以鼓勵彼等為本集團之利益付出更大努力。根據舊購股權計劃，本公司董事會可向合資格僱員（包括本公司及其附屬公司董事）授出購股權，以認購本公司股份。此外，本公司可不時向外界第三方授出購股權，以支付該等人士向本集團提供商品或服務之費用。

接納購股權時須就每次授出之購股權支付1港元。購股權一般可於董事會通知各承授人之期間內任何時間行使，惟購股權之行使期限由授出購股權日期起計不得超過十年。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE OPTION SCHEMES (continued)

#### (a) The Old Share Option Scheme (continued)

The exercise price is determined by the Board, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five Trading Days immediately preceding the date of grant; and (iii) the nominal value of a share.

On 5 September 2007, share options to subscribe for an aggregate of 32,400,000 shares of the Company were granted to certain Directors and employees of the Company.

On 13 April 2010, share options to subscribe for an aggregate of 84,000,000 shares of the Company were granted to certain directors and employees of the Company. The fair value of 84,000,000 share options granted under the share option scheme on 13 April 2010 was determined by the Directors to be HK\$23,382,573 with reference to a valuation performed by an independent firm of professional valuers using a binomial model. The inputs into the model included grant date share price of HK\$0.4, exercise price of HK\$0.419 per share, expected volatility of 103.41%, expected option life of 10 years, no expected dividend and estimated risk-free interest rate of 2.833%.

The Old Share Option Scheme adopted by the Company on 17 December 2001 had expired on 16 December 2011. The Company has adopted the New Share Option Scheme on 21 June 2012.

### 34. 購股權計劃 (續)

#### (a) 舊購股權計劃 (續)

行使價由董事會釐定，將不低於下列三者之最高價格：(i)本公司股份於授出日期之收市價；(ii)股份於緊接授出日期前五個交易日之平均收市價；及(iii)股份面值。

於二零零七年九月五日，向本公司若干董事及僱員授出可認購合共32,400,000股本公司股份購股權。

於二零一零年四月十三日，向本公司若干董事及僱員授出可認購合共84,000,000股本公司股份之購股權。董事參考由獨立專業估值師按二項期權定價模式進行之估值後釐定，於二零一零年四月十三日根據購股權計劃授出之84,000,000份購股權之公平值為23,382,573港元。定價模式之輸入數據包括授出日期之股價為0.4港元、行使價為每股0.419港元、預期波幅為103.41%、預期購股權期限為10年、預期股息為零及估計無風險利率為2.833%。

本公司於二零零一年十二月十七日採納之舊購股權計劃於二零一一年十二月十六日已到期。本公司於二零一二年六月二十一日採納新購股權計劃。

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE OPTION SCHEMES (continued)

#### (a) The Old Share Option Scheme (continued)

The following table discloses the movements of the share options granted under the Old Share Option Scheme during the year ended 31 December 2016:

### 34. 購股權計劃 (續)

#### (a) 舊購股權計劃 (續)

下表披露截至二零一六年十二月三十一日止年度根據舊購股權計劃所授出購股權之變動：

Name of grantee	Date of grant	Exercise price	Exercisable period	Number of share options				Outstanding as at 31 December 2016 於二零一六年十二月三十一日尚未行使
				Outstanding as at 1 January 2016 於二零一六年一月一日尚未行使	Reclassification during the year 於年內重新分類	Exercised during the year 年內行使	Lapsed during the year 年內失效	
Lai Yuk Mui (executive director) 黎玉梅女士 (執行董事)	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	-	3,186,158	-	-	3,186,158
Mr. Liu Runtong (non-executive director) 劉潤桐先生 (非執行董事)	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	31,861,575	-	-	-	31,861,575
Professor Zhang Benzheng (independent non-executive director) 張本正教授 (獨立非執行董事)	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	2,124,105	-	-	-	2,124,105
Sub-total for directors 董事小計				33,985,680	3,186,158	-	-	37,171,838
3 employees* 三名僱員*	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	52,040,573	(3,186,158)	-	(3,186,158)	45,668,257
1 employee* 一名僱員*	5 September 2007 二零零七年九月五日	HK\$0.215 0.215港元	05/09/2007 – 04/09/2017 二零零七年九月五日至二零一七年九月四日	4,779,236	-	-	(531,026)	4,248,210
Sub-total for employees 僱員小計				56,819,809	(3,186,158)	-	(3,717,184)	49,916,467
Total 總計				90,805,489	-	-	-	87,088,305
Weight average exercise price 加權平均行使價				0.408	-	-	-	0.409

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## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE OPTION SCHEMES (continued)

#### (a) The Old Share Option Scheme (continued)

The following table discloses the movements of the share options granted under the Old Share Option Scheme during the year ended 31 December 2015:

Name of grantee 承授人姓名	Date of grant 授出日期	Exercise price 行使價	Exercisable period 行使期間	Number of share options 購股權數目			
				Outstanding as at 1 January 2015 於二零一五年一月一日尚未行使	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding as at 31 December 2015 於二零一五年十二月三十一日尚未行使
Mr. Liu Runtong (non-executive director) 劉潤桐先生(非執行董事)	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	31,861,575	-	-	31,861,575
Professor Zhang Benzheng (independent non-executive director) 張本正教授(獨立非執行董事)	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	2,124,105	-	-	2,124,105
<b>Sub-total for directors 董事小計</b>				<b>33,985,680</b>	<b>-</b>	<b>-</b>	<b>33,985,680</b>
4 employees 四名僱員	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	52,040,573	-	-	52,040,573
2 employees 兩名僱員	5 September 2007 二零零七年九月五日	HK\$0.215 0.215港元	05/09/2007 – 04/09/2017 二零零七年九月五日至二零一七年九月四日	4,779,236	-	-	4,779,236
<b>Sub-total for employees 僱員小計</b>				<b>56,819,809</b>	<b>-</b>	<b>-</b>	<b>56,819,809</b>
<b>Total 總計</b>				<b>90,805,489</b>	<b>-</b>	<b>-</b>	<b>90,805,489</b>
Weight average exercise price 加權平均行使價				0.408	-	-	0.408

\* As one of the employees has resigned from his position on 30 May 2016, the options granted to him which are not exercised have been lapsed accordingly.

As at 31 December 2016, the Company had 87,088,305 (2015: 90,805,489) share options outstanding for the share options granted under the Old Share Option Scheme. The exercise in full of the remaining share options would, under result in the issue of 87,088,305 (2015: 90,805,489) additional ordinary shares of the Company and additional share capital of HK\$870,883 and share premium of HK\$34,752,482 (2015: share capital of HK\$908,055 and share premium of HK\$36,164,481).

### 34. 購股權計劃 (續)

#### (a) 舊購股權計劃 (續)

下表披露截至二零一五年十二月三十一日止年度根據舊購股權計劃所授出購股權之變動：

Name of grantee 承授人姓名	Date of grant 授出日期	Exercise price 行使價	Exercisable period 行使期間	Number of share options 購股權數目			
				Outstanding as at 1 January 2015 於二零一五年一月一日尚未行使	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding as at 31 December 2015 於二零一五年十二月三十一日尚未行使
Mr. Liu Runtong (non-executive director) 劉潤桐先生(非執行董事)	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	31,861,575	-	-	31,861,575
Professor Zhang Benzheng (independent non-executive director) 張本正教授(獨立非執行董事)	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	2,124,105	-	-	2,124,105
<b>Sub-total for directors 董事小計</b>				<b>33,985,680</b>	<b>-</b>	<b>-</b>	<b>33,985,680</b>
4 employees 四名僱員	13 April 2010 二零一零年四月十三日	HK\$0.419 0.419港元	13/04/2010 – 12/04/2020 二零一零年四月十三日至二零二零年四月十二日	52,040,573	-	-	52,040,573
2 employees 兩名僱員	5 September 2007 二零零七年九月五日	HK\$0.215 0.215港元	05/09/2007 – 04/09/2017 二零零七年九月五日至二零一七年九月四日	4,779,236	-	-	4,779,236
<b>Sub-total for employees 僱員小計</b>				<b>56,819,809</b>	<b>-</b>	<b>-</b>	<b>56,819,809</b>
<b>Total 總計</b>				<b>90,805,489</b>	<b>-</b>	<b>-</b>	<b>90,805,489</b>
Weight average exercise price 加權平均行使價				0.408	-	-	0.408

\* 由於其中一名僱員已於二零一六年五月三十日離職，故向彼授出且未獲行使的購股權已告失效。

於二零一六年十二月三十一日，本公司有87,088,305份(二零一五年：90,805,489份)根據舊購股權計劃授出之購股權尚未行使。倘餘下之購股權獲全面行使，將導致額外發行87,088,305股(二零一五年：90,805,489股)本公司普通股，以及產生額外股本870,883港元及股份溢價34,752,482港元(二零一五年：股本908,055港元及股份溢價36,164,481港元)。



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### 34. SHARE OPTION SCHEMES (continued)

#### (b) The New Share Option Scheme

The Company operates a New Share Option scheme under which person working for the interest of the Group are entitled to an opportunity to obtain equity interest in the Company. The number of shares in respect of which options may be granted under the New Share Option Scheme and any other share option schemes is not permitted to exceed 30% of the shares of the Company in issue from time to time, without prior approval from the Company's shareholders. The maximum number of shares issued and to be issued upon exercise of options granted and to be granted pursuant to the New Share Option Scheme and any other share options schemes of the Company to any person (including both exercised and outstanding options) in any 12-month period up to the date of grant of options shall not exceed 1% of the shares of the Company in issue, without prior approval from the Company's shareholders.

The New Share Option Scheme was adopted pursuant to a resolution passed on 21 June 2012. The purpose of the New Share Option Scheme is to provide the people and the parties working for the interest of the Group with an opportunity to obtain equity interest in the Company, thus linking their interest with the interest of the Group and thereby providing them with an incentive to work better for the interest of the Group. Under the New Share Option Scheme, the Board of Directors of the Company may grant options to eligible employees, including Directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to outside third parties for settlement in respect of goods or services provided to the Group.

HK\$1 is payable on the acceptance of the option per grant. Options may generally be exercised at any time during a period to be notified by the Board to each grantee provided that the period within which the option must be exercised shall not be more than 10 years from the date of grant of the share option.

### 34. 購股權計劃 (續)

#### (b) 新購股權計劃

本公司設有新購股權計劃，向為本集團利益工作之人士提供獲得本公司股權之機會。除非獲得本公司股東事先批准，否則根據新購股權計劃及任何其他購股權計劃可予授出之購股權所涉及股份數目，不得超過本公司不時已發行股份30%。除非獲得本公司股東事先批准，否則於授出購股權日期前任何十二個月期間，根據新購股權計劃及本公司任何其他購股權計劃已經及將會授予任何人士之購股權（包括已行使及尚未行使購股權）獲行使時已經及將會發行之最高股數，不得超過本公司已發行股份1%。

本公司根據於二零一二年六月二十一日通過之決議案，採納新購股權計劃。新購股權計劃旨在向為本集團利益工作之人士提供獲得本公司股權之機會，從而將彼等之利益與本集團之利益連結，以鼓勵彼等為本集團之利益付出更大努力。根據新購股權計劃，本公司董事會可向合資格僱員（包括本公司及其附屬公司董事）授出購股權，以認購本公司股份。此外，本公司可不時向外界第三方授出購股權，以支付該等人士向本集團提供商品或服務之費用。

接納購股權時須就每次授出之購股權支付1港元。購股權一般可於董事會通知各承授人之期間內任何時間行使，惟購股權之行使期限由授出購股權日期起計不得超過十年。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE OPTION SCHEMES (continued)

#### (b) The New Share Option Scheme (continued)

The exercise price is determined by the Board, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five Trading Days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company.

The following table discloses the movements of the share options granted under the New Share Option Scheme during the year ended 31 December 2016:

Name of grantee	Date of grant	Exercise price	Exercisable period	Number of share options			Outstanding as at 31 December 2016 於二零一六年十二月三十一日尚未行使
				Outstanding as at 1 January 2016 於二零一六年一月一日尚未行使	Granted during the year	Lapsed during the year	
承授人姓名	授出日期	行使價	行使期間	購股權數目	購股權數目	購股權數目	購股權數目
Mr. James Beeland Rogers Jr. (non-executive Director) James Beeland Rogers Jr.先生 (非執行董事)	22 September 2014 二零一四年九月二十二日	HK\$0.518 0.518港元	22/9/2014 – 21/9/2024 二零一四年九月二十二日至二零二四年九月二十一日	20,000,000	-	-	20,000,000
Mr. Chen Li* (executive Director) 陳力先生 (執行董事)	13 November 2014 二零一四年十一月十三日	HK\$0.590 0.590港元	13/11/2014 – 12/11/2024 二零一四年十一月十三日至二零二四年十一月十二日	15,000,000	-	(15,000,000)	-
Mr. James Beeland Rogers Jr. (non-executive Director) James Beeland Rogers Jr.先生 (非執行董事)	16 October 2015 二零一五年十月十六日	HK\$0.238 0.238港元	16/10/2015 – 15/10/2025 二零一五年十月十六日至二零二五年十月十五日	20,000,000	-	-	20,000,000
Mr. James Beeland Rogers Jr. (non-executive Director) James Beeland Rogers Jr.先生 (非執行董事)	9 November 2016 二零一六年十一月九日	HK\$0.15 0.15港元	9/11/2016 – 8/11/2026 二零一六年十一月九日至二零二六年十一月八日	-	20,000,000	-	20,000,000
<b>Total</b> 總計				<b>55,000,000</b>	<b>20,000,000</b>	<b>(15,000,000)</b>	<b>60,000,000</b>
Weight average exercise price 加權平均行使價				<b>0.436</b>	<b>0.15</b>	<b>0.59</b>	<b>0.302</b>

### 34. 購股權計劃 (續)

#### (b) 新購股權計劃 (續)

行使價由董事會釐定，將不低於下列三者之最高價格：(i)本公司股份於授出日期之收市價；(ii)股份於緊接授出日期前五個交易日之平均收市價；及(iii)本公司股份面值。

下表披露截至二零一六年十二月三十一日止年度根據新購股權計劃所授出購股權之變動：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE OPTION SCHEMES (continued)

#### (b) The New Share Option Scheme (continued)

The following table discloses the movements of the share options granted under the New Share Option Scheme during the year ended 31 December 2015:

Name of grantee	Date of grant	Exercise price	Exercisable period	Number of share options			Outstanding as at 31 December 2015 於二零一五年十二月三十一日尚未行使
				Outstanding as at 1 January 2015 於二零一五年一月一日尚未行使	Granted during the year 年內授出	Lapsed during the year 年內失效	
Mr. Haroon Hasan* (executive Director) Haroon Hasan先生* (執行董事)	22 September 2014 二零一四年九月二十二日	HK\$0.518 0.518港元	22/9/2014 – 21/9/2024 二零一四年九月二十二日至二零二四年九月二十一日	10,000,000	-	(10,000,000)	-
Mr. James Beeland Rogers Jr. (non-executive Director) James Beeland Rogers Jr.先生 (非執行董事)	22 September 2014 二零一四年九月二十二日	HK\$0.518 0.518港元	22/9/2014 – 21/9/2024 二零一四年九月二十二日至二零二四年九月二十一日	20,000,000	-	-	20,000,000
Mr. Chen Li (executive Director) 陳力先生(執行董事)	13 November 2014 二零一四年十一月十三日	HK\$0.590 0.590港元	13/11/2014 – 12/11/2024 二零一四年十一月十三日至二零二四年十一月十二日	15,000,000	-	-	15,000,000
Mr. James Beeland Rogers Jr. (non-executive Director) James Beeland Rogers Jr.先生 (非執行董事)	16 October 2015 二零一五年十月十六日	HK\$0.238 0.238港元	16/10/2015 – 15/10/2025 二零一五年十月十六日至二零二五年十月十五日	-	20,000,000	-	20,000,000
<b>Total</b> 總計				45,000,000	20,000,000	(10,000,000)	55,000,000
Weight average exercise price 加權平均行使價				0.542	0.238	0.518	0.436

As at 31 December 2016, the Company had 60,000,000 (2015: 55,000,000) share options outstanding for the share options granted under the New Share Option Scheme. The exercise in full of the remaining share options would result in the issue of 60,000,000 (2015: 55,000,000) additional ordinary shares of the Company and additional share capital of HK\$600,000 (2015: HK\$550,000) and share premium of HK\$17,520,000 (2015: HK\$23,420,000)

於二零一六年十二月三十一日，本公司有60,000,000份(二零一五年：55,000,000份)根據新購股權計劃授出之購股權尚未行使。倘餘下之購股權獲全面行使，將導致額外發行60,000,000股(二零一五年：55,000,000份)本公司普通股，以及產生額外股本600,000港元(二零一五年：550,000港元)及股份溢價17,520,000港元(二零一五年：23,420,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 34. SHARE OPTION SCHEMES (continued)

#### (b) The New Share Option Scheme (continued)

The share options granted to Mr James Beeland Rogers Jr. may be exercisable at any time during the exercisable period. In the event that the service agreement is terminated before the term ends, they shall be entitled to the said share options on a pro rata basis, and any excess share options granted to but not exercised by them shall lapse.

\* The vesting condition of the share option granted to Mr. Chen Li is to exercise the share option only after satisfaction of the condition that the net profit after tax of Shenzhen Star Technology Co., Ltd (based on its audited accounts) for the profit targets specified in the employment contract. As Mr. Chen Li resigned from his position on 1 July 2016, the options granted to him would be lapsed accordingly.

# With effect from 4 February 2015, Mr. Haroon Hasan resigned as an executive Director of the Company. Accordingly, his entitlement to share option lapsed on the same date.

#### (c) Fair value of share options and assumptions

The fair value of share options granted under the scheme at the date of grant was determined using the Binomial option pricing model with the following inputs:

Date of grant 授出日期	16 October 2015 二零一五年 十月十六日	9 November 2016 二零一六年 十一月九日
Fair value at the date of grant 於授出日期之公平值	0.113港元	0.075港元
Exercise price per share 每股行使價	0.238港元	0.15港元
Expected volatility 預期波幅	86%	83%
Expected dividend yield 預期股息收益率	-	-
Expected option period (years) 預期購股權期限(年)	10.0	10
Risk-free rate 無風險利率	1.45%	1.01%

The expected volatility is based on the historical volatility of the shares of the Company over the expected option period. Changes in the subjective input assumptions could materially affect the fair value of the share options granted. During the year, the fair value of equity-settled share-based payment of HK\$1,688,031 (2015: HK\$5,103,117) has been recognized in profit or loss.

### 34. 購股權計劃 (續)

#### (b) 新購股權計劃 (續)

授予James Beeland Rogers Jr.先生之購股權可於行使期內任何時間予以行使。倘服務協議於期限結束前被終止，彼等將有權按比例享有上述購股權，而彼等已獲授但沒有行使之任何超額購股權將告失效。

\* 授予陳力先生之購股權的歸屬條件僅於條件達成後方予以行使，該條件為深圳市天星通科技有限公司除稅後純利（基於其經審核賬目）達到僱傭合約所規定之盈利目標。由於陳力先生已於二零一六年七月一日辭任，其獲授予之購股權將因此失效。

# 自二零一五年二月四日起，Haroon Hasan先生辭任本公司執行董事。因此，彼享有之購股權於同日失效。

#### (c) 購股權之公平值及假設

於授出日期根據購股權計劃授出之購股權之公平值乃採用二項式期權定價模式按下列輸入數據釐定：

預期購股權期內的預期波幅乃根據本公司股份過往之股價波幅計算。該等主觀輸入假設之變動或會嚴重影響已授出購股權之公平值。年內，以股本結算並以股份支付之1,688,031港元（二零一五年：5,103,117港元）之公平值已於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 35. OPERATING LEASE COMMITMENTS

#### The Group as lessee

As at 31 December 2016, the Group had future aggregated minimum lease payments under non-cancelable operating leases in respect of rented premises as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
No later than one year	一年內	1,594,446	2,445,035
Later than one year and no later than five years	一年後及五年內	5,989,228	-
		<b>7,583,674</b>	2,445,035

Leases in respect of rented office premises are negotiated for an average period of one to five years (2015: one to three years).

租用辦公室物業之租期平均商定為一至五年（二零一五年：一至三年）。

### 36. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group had the following significant related party transactions during the year:

		Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Office rentals paid to a director	支付予董事之辦公室租金	(i)	3,000,059	3,167,607
Service income received from Guangdong Brightzone	自廣東博眾收取之服務收入	(ii)	775,864	630,962
Service income received from an associate	自聯營公司收取之服務收入	(iii)	-	19,905,079

### 35. 經營租約承擔

#### 本集團作為承租人

於二零一六年十二月三十一日，本集團根據不可撤銷經營租約就租用物業應付之未來最低租賃款項總值如下：

### 36. 重大有關連人士交易

除此綜合財務報表其他章節披露之交易及結餘外，本集團於年內訂立以下重大有關連人士交易：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 36. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

### 36. 重大有關連人士交易 (續)

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Key management compensation	主要管理人員之薪酬		
– Salaries and other short-term employee benefits	– 薪金及其他短期僱員福利	<b>3,757,000</b>	8,070,253
– Share options	– 購股權	<b>1,688,031</b>	5,613,208
– Post-employment benefits	– 離職福利	<b>46,500</b>	73,500
		<b>5,491,531</b>	13,756,961

Notes:

- (i) The office rentals paid to the Company's director by few subsidiaries were based on the market rental.

Mr. Wang Jiawei is an executive Director of the Company and therefore a connected person of the Company as defined in the GEM Listing Rules. Accordingly, the transactions between those subsidiaries and Mr. Wang constitute connected transactions for the Company under the GEM Listing Rules.

- (ii) Wealth Alliance (a wholly-owned subsidiary of the Company) entered into an agreement with Guangdong Brightzone pursuant to which Guangdong Brightzone has appointed Wealth Alliance for the website operation and sales promotion services. The service income were based on terms agreed between the parties involved. Guangdong Brightzone is owned as to 51.43% by Shenzhen Guangxin and the remaining interests by independent third parties.

Shenzhen Guangxin is controlled by Ms. Chen Dongjin. Ms. Chen Dongjin is the spouse of Mr. Wang Wenming (who is a former Director of the Company) and is therefore an associate of a connected person of the Company as defined in the GEM Listing Rules. Accordingly, the transactions between Wealth Alliance and Guangdong Brightzone under the Sales Agency Agreement constitute continuing connected transactions on the part of the Company under the GEM Listing Rules.

- (iii) Service income from an associate was charged at a negotiated value. No significant balance was carried forward at the end of the reporting period in respect of the current year.

附註：

- (i) 若干附屬公司付予本公司董事之辦公室租金乃根據市場租金而釐定。

王嘉偉先生是本公司執行董事，因此屬創業板上市規則所定義之本公司關連人士。故根據創業板上市規則，該等附屬公司及王先生之間的交易構成本公司之關連交易。

- (ii) 富盟（本公司之全資附屬公司）與廣東博眾訂立協議，據此，廣東博眾委託富盟提供網站運營及產品的網絡銷售策劃服務，服務收入乃根據雙方商定的條款釐定。廣東博眾分別由深圳廣信及獨立第三方擁有51.43%及剩餘權益。

深圳廣信由陳冬瑾女士控制。陳冬瑾女士為本公司前任董事王文明先生之配偶，因此，為本公司有關連人士之聯繫人（定義見創業板上市規則）。因此，根據創業板上市規則，富盟與廣東博眾根據銷售代理協議進行之交易構成本公司之持續關連交易。

- (iii) 聯營公司的服務收入按協商價值收費。於報告期末，本年度並無結轉重大結餘。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 36. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

The Company has given a corporate guarantee to the extent of HK\$30,230,000 (2015: HK\$30,230,000) to a bank in respect of general banking facility granted to two (2015: two) of its subsidiaries. As at 31 December 2016 and 31 December 2015, an amount of HK\$8,554,953 (2015: HK\$10,494,013) of such facility was being utilized by the subsidiaries. In the opinion of the Directors, no material liabilities will arise from the above corporate guarantee which arose in the ordinary course of business and fair value of the corporate guarantee granted by the Company is immaterial.

### 36. 重大有關連人士交易 (續)

本公司已就授予其中兩家(二零一五年:兩家)附屬公司之一般銀行信貸向銀行作出30,230,000港元(二零一五年:30,230,000港元)之公司擔保。於二零一六年十二月三十一日及二零一五年十二月三十一日,該等附屬公司動用之融資金額為8,554,953港元(二零一五年:10,494,013港元)。董事認為,於日常業務中訂立之上述公司擔保不會產生重大負債,且本公司所授出公司擔保之公平值並不重大。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 37. 本公司財務狀況報表

		Note 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備		75,994	44,236
Investments in subsidiaries	於附屬公司之投資	18	-	4,771,260
Interests in associates	於聯營公司之權益		14,886,819	14,886,819
Amounts due from subsidiaries	應收附屬公司款項		497,250,928	513,126,723
			<b>512,213,741</b>	532,829,038
<b>Current assets</b>	<b>流動資產</b>			
Repayments, deposits and other receivables	預付款項、按金及其他應收款項		262,137	195,967
Amounts due from former Director	應收前任董事款項		331,419	831,419
Bank balances and cash	銀行結餘及現金		135,996,261	156,526,048
			<b>136,589,817</b>	157,553,434
<b>Total assets</b>	<b>資產總值</b>		<b>648,803,558</b>	690,382,472
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables and accruals	其他應付款項及應計款項		873,512	849,871
Amounts due to subsidiaries	應付附屬公司款項		13,606,591	13,606,591
			<b>14,480,103</b>	14,456,462
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>122,109,714</b>	143,096,972
<b>Net assets</b>	<b>資產淨值</b>		<b>634,323,455</b>	675,926,010
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本		64,989,582	64,989,582
Share premium	股份溢價		1,614,798,866	1,614,798,866
Share-based compensation reserve	股份補償儲備		30,383,874	34,149,275
Accumulated losses	累計虧損		(1,075,848,867)	(1,038,011,713)
<b>Total equity</b>	<b>權益總值</b>		<b>634,323,455</b>	675,926,010

Wang Jiawei

王嘉偉

Director

董事

Lai Yuk Mui

黎玉梅

Director

董事



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

### 38. RESERVE OF THE COMPANY

### 38. 本公司儲備

		Share capital 股本 HK\$ 港元	Share premium 股份溢價 HK\$ 港元	Share-based compensation reserve 股份補償儲備 HK\$ 港元	Accumulated losses 累計虧損 HK\$ 港元	Total equity 權益總值 HK\$ 港元
Balance as at 1 January 2015	於二零一五年一月一日之結餘	64,989,582	1,614,798,866	29,832,788	(1,018,559,920)	691,061,316
Loss for the year	年內虧損	-	-	-	(20,238,423)	(20,238,423)
Equity-settled share option arrangements	以股權結算之購股權安排	-	-	5,103,117	-	5,103,117
Transfer of share-based compensation reserve upon the forfeiture or expiry of share options	購股權被沒收或屆滿時轉撥股份補償儲備	-	-	(786,630)	786,630	-
Balance as at 31 December 2015	於二零一五年十二月三十一日之結餘	64,989,582	1,614,798,866	34,149,275	(1,038,011,713)	675,926,010
Balance as at 1 January 2016	於二零一六年一月一日之結餘	<b>64,989,582</b>	<b>1,614,798,866</b>	<b>34,149,275</b>	<b>(1,038,011,713)</b>	<b>675,926,010</b>
Loss for the year	年內虧損	-	-	-	<b>(38,760,586)</b>	<b>(38,760,586)</b>
Reversal of share-based compensation reserve upon the forfeiture of share option	購股權被沒收時撥回股份補償儲備	-	-	<b>(4,530,000)</b>	-	<b>(4,530,000)</b>
Equity-settled share option arrangements	以股權結算之購股權安排	-	-	<b>1,688,031</b>	-	<b>1,688,031</b>
Transfer of share-based compensation reserve upon the lapse of share options	購股權失效時轉撥股份補償儲備	-	-	<b>(923,432)</b>	<b>923,432</b>	-
Balance as at 31 December 2016	於二零一六年十二月三十一日之結餘	<b>64,989,582</b>	<b>1,614,798,866</b>	<b>30,383,874</b>	<b>(1,075,848,867)</b>	<b>634,323,455</b>

# FINANCIAL SUMMARY

## 財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years as extracted from the published audited consolidated financial statements is set out below:

摘錄自最近期刊發經審核綜合財務報表之本集團過去五個財政年度業績以及資產與負債概要載列如下：

		Year ended 31 December 截至十二月三十一日止年度				
		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元	2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元	2012 二零一二年 HK\$ 港元 (Restated) (經重列)
<b>RESULTS</b>	<b>業績</b>					
Revenue	收益	<b>8,896,415</b>	45,714,003	40,616,592	14,809,860	9,185,990
(Loss)/profit before income tax	除所得稅前(虧損)/利潤	<b>(277,782,737)</b>	(79,676,433)	120,366,125	(42,467,528)	(44,686,708)
Income tax income/(expense)	所得稅收入/(開支)	<b>32,879,188</b>	18,628,673	(3,147,706)	(844,111)	181,522
Profit from discontinued operation	已終止經營業務利潤	-	-	-	9,333,152	5,097,537
(Loss)/profit for the year	年內(虧損)/利潤	<b>(244,903,549)</b>	(61,047,760)	117,218,419	(33,978,487)	(39,407,649)
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	<b>(244,075,407)</b>	(62,850,046)	114,540,442	(34,033,645)	(39,019,328)
Non-controlling interests	非控股權益	<b>(828,142)</b>	1,802,286	2,677,977	55,158	(388,321)
		<b>(244,903,549)</b>	(61,047,760)	117,218,419	(33,978,487)	(39,407,649)

		Year ended 31 December 截至十二月三十一日止年度				
		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元	2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元	2012 二零一二年 HK\$ 港元
<b>ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS</b>	<b>資產、負債及非控股權益</b>					
Total assets	資產總值	<b>500,383,613</b>	802,266,703	900,049,433	154,122,355	146,521,839
Total liabilities	負債總值	<b>(31,346,192)</b>	(71,550,339)	(98,789,783)	(35,364,540)	(48,379,794)
Non-controlling interests	非控股權益	<b>(6,215,475)</b>	(7,006,907)	(5,267,851)	(2,607,017)	(1)
		<b>462,821,946</b>	723,709,457	795,991,799	116,150,798	98,142,044



首 華 財 經 網 絡 集 團 有 限 公 司  
FIRST CHINA FINANCIAL NETWORK HOLDINGS LIMITED