



First Credit Finance Group Limited
第一信用金融集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立並於百慕達存續之有限公司)

Stock Code 股份代號 : 8215

Annual Report 年報 **2017**



Characteristics of GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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香港聯合交易所有限公司(「聯交所」) GEM的特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在主板上市的公司帶有較高投資風險。有意投資的人士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。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

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本年報的資料乃遵照聯交所GEM證券上市規則(「**GEM上市規則**」)而刊載，旨在提供有關第一信用金融集團有限公司(「**本公司**」)的資料；本公司的董事(「**董事**」)願就本報告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本年報所載資料在各重要方面均屬準確完整，沒有誤導或欺騙成分，且並無遺漏任何其他事項，足以令致本年報或其所載任何陳述產生誤導。

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DIRECTORS

EXECUTIVE DIRECTORS

Mr. Li Sin Hung Maxim (*Chairman*)
 Ms. Xie Si
 Ms. Cao Huifang
 Mr. Wong Kai Lun

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Fung Kam Man
 Mr. Wang Zhiwei
 Mr. Chan Tung Tak Alain
 Mr. Li Long
 Mr. Choy Sze Chung Jojo

AUTHORISED REPRESENTATIVES

Ms. Cheang Yee Wah Eva
 Mr. Li Sin Hung Maxim

AUDIT COMMITTEE MEMBERS

Mr. Choy Sze Chung Jojo (*Chairman*)
 Dr. Fung Kam Man
 Mr. Wang Zhiwei
 Mr. Chan Tung Tak Alain

NOMINATION COMMITTEE MEMBERS

Mr. Li Sin Hung Maxim (*Chairman*)
 Dr. Fung Kam Man
 Mr. Wang Zhiwei
 Mr. Chan Tung Tak Alain
 Mr. Choy Sze Chung Jojo

REMUNERATION COMMITTEE MEMBERS

Dr. Fung Kam Man (*Chairman*)
 Mr. Li Sin Hung Maxim
 Mr. Wang Zhiwei
 Mr. Chan Tung Tak Alain
 Mr. Choy Sze Chung Jojo

COMPLIANCE COMMITTEE

Dr. Fung Kam Man (*Chairman*)
 Mr. Wang Zhiwei
 Mr. Chan Tung Tak Alain
 Mr. Choy Sze Chung Jojo

CREDIT COMMITTEE

Mr. Li Sin Hung Maxim
 Ms. Xie Si
 Ms. Cao Huifang
 Mr. Wong Kai Lun

董事

執行董事

李錄洪先生(*主席*)
 謝絲女士
 曹慧芳女士
 黃啟倫先生

獨立非執行董事

馮錦文博士
 王志維先生
 陳通德先生
 李龍先生
 蔡思聰先生

授權代表

蔣綺華女士
 李錄洪先生

審核委員會成員

蔡思聰先生(*主席*)
 馮錦文博士
 王志維先生
 陳通德先生

提名委員會成員

李錄洪先生(*主席*)
 馮錦文博士
 王志維先生
 陳通德先生
 蔡思聰先生

薪酬委員會成員

馮錦文博士(*主席*)
 李錄洪先生
 王志維先生
 陳通德先生
 蔡思聰先生

合規委員會

馮錦文博士(*主席*)
 王志維先生
 陳通德先生
 蔡思聰先生

信貸委員會

李錄洪先生
 謝絲女士
 曹慧芳女士
 黃啟倫先生

CREDIT REVIEW COMMITTEE

Dr. Fung Kam Man (*Chairman*)
Mr. Wang Zhiwei
Mr. Chan Tung Tak Alain

COMPLIANCE OFFICER

Ms. Xie Si

COMPANY SECRETARY

Ms. Cheang Yee Wah Eva

AUDITORS

RSM Hong Kong
Certified Public Accountants

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEADQUARTERS, HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

21/F.–22/F., Fung House
19–20 Connaught Road Central
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

STOCK CODE

8215

WEBSITE OF THE COMPANY

www.fcfg.com.hk

信貸覆核委員會

馮錦文博士(主席)
王志維先生
陳通德先生

合規主任

謝絲女士

公司秘書

蔣綺華女士

核數師

中瑞岳華(香港)會計師事務所
執業會計師

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港總部、總辦事處及主要營業地點

香港中環
干諾道中19–20號
馮氏大廈21–22樓

股份過戶登記總處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

股份代號

8215

本公司網站

www.fcfg.com.hk

Chairman's Statement 主席報告

Dear Shareholders,

On behalf of the board of Directors (“**Board**”) of the Company, I am pleased to present to you the 2017 annual report of the Company (which together with its subsidiaries are collectively referred to as the “**Group**”).

During the year under review, the Group continued with its efforts in developing the money lending business despite keen market competition in Hong Kong. The Group's average loan balance increased significantly from approximately HK\$661.33 million as at 31 December 2016 to approximately HK\$974.70 million as at 31 December 2017. The Group's revenue increased to approximately HK\$116.19 million as compared to approximately HK\$81.60 million in the previous year. The Group recorded profit for the year attributable to owners of the Company of approximately HK\$53.18 million, representing an increase of approximately 58.05% when compared to the previous year.

Considering the potential development of the securities related business and taking into account the interest of the Group and its shareholders as a whole, the Company invested in this business field through share subscriptions and acquisition of Asia Wealth Financial Holdings Limited, which has become a wholly-owned subsidiary of the Company in October 2017.

The external operating environment had been challenging with net interest margin still under downward pressure. In order to maintain sustainable growth of its loan business, the Group will continue to seek for loan portfolio expansion opportunities within a balanced risk and return framework, taking into consideration of its liquidity position from time to time.

The Group has put emphasis on its rising corporate social responsibility. While it is committed to economic development, environmental preservation and social involvement, it utilises its influence among different stakeholders to encourage involvements in various social aspects. The ultimate aim is to achieve long term sustainable development for both the Group and the community.

各位股東：

本人謹代表本公司董事會（「**董事會**」）欣然呈報本公司連同其附屬公司（統稱為「**本集團**」）的二零一七年年報。

回顧本年度，儘管香港市場競爭劇烈，本集團仍致力發展其放債業務。本集團的平均貸款結餘由二零一六年十二月三十一日約661,330,000港元大幅增加至二零一七年十二月三十一日約974,700,000港元。本集團的收益由去年約81,600,000港元增加至約116,190,000港元。本集團錄得本公司擁有人應佔年內溢利約為53,180,000港元，與去年相比增加約58.05%。

考慮到證券相關業務的發展潛能及本集團及其股東之整體利益，本公司透過認購及收購Asia Wealth Financial Holdings Limited的股份投資此業務行業，Asia Wealth Financial Holdings Limited於二零一七年十月成為本公司一間全資附屬公司。

外部經營環境充滿挑戰，淨息差仍面臨下行壓力。為維持其貸款業務可持續增長，本集團將在平衡的風險及回報框架下，不時考慮到其負債狀況，繼續擴大貸款組合。

本集團已將重點放在其日益重要的企業社會責任。在致力於經濟發展、環境保護及社會參與的同時，利用於不同業務相關人士之間的影響，鼓勵大家參與多方面的社會事務。最終目的旨在達致本集團及社區的長期可持續發展。

Chairman's Statement 主席報告 (continued 續)

In view of the uncertain global economic outlook, the Group will actively pursue opportunities and growth in a cautious manner with a high standard of risk management which ensures that risks are assessed and controlled in accordance with the Group's stringent policies.

On behalf of the Board, I would like to express my gratitude to the shareholders of the Company and customers for their continuing loyalty and support. Relying on the diligence and dedication of its employees, the Group will maintain its unwavering focus on the sustainability of its objectives while ensuring the long-term success of the Group.

Li Sin Hung Maxim

Chairman and Executive Director

Hong Kong, 23 March 2018

鑒於全球經濟前景不明朗，本集團將以審慎的態度及高標準的風險管理水平，積極抓緊機遇發展，並確保已根據本集團嚴格的政策，評估及監控當中風險。

本人謹代表董事會感謝本公司股東及客戶長久以來的忠實支持。有賴盡忠職守的員工，本集團將持續堅定專注於其目標的可持續性，同時保證本集團的長遠成就。

主席兼執行董事

李錄洪

香港，二零一八年三月二十三日

Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW AND PROSPECTS

The Group is principally engaged in the businesses of money lending and securities trading. During the year ended 31 December 2017, the Group continued to focus on conducting money lending business by providing both secured and unsecured loans to customers, including individuals, corporations and foreign domestic workers. At the same time, the Group also carried on securities trading business for the provision services in securities brokerage and investments in listed securities.

During the year, in order to enhance its competitiveness and to maintain its market position within the ever changing industry and economy, the Group continued to develop its loan portfolio by diversifying its customer base, in particular individual and corporate customers from different market segments. For the year under review, the Group's average loan balance increased from approximately HK\$661.33 million as at 31 December 2016 to approximately HK\$974.70 million as at 31 December 2017. Meanwhile, to ensure the credit quality of loan portfolio from time to time and after the change of loan portfolio composition, the Group put considerable effort in strengthening the credit risk control by reviewing and modifying its current credit assessments and control measures.

On 20 June 2017, in order to maintain sufficient fund for the development of the Group, the Company and Convoy Asset Management Limited (“Convoy”) entered into a placing agreement pursuant to which Convoy agreed to act as the placing agent of the Company and to procure, on a best endeavour basis during the placing period of one year commencing on the day immediately following the date of the placing agreement, placee(s) to subscribe for the 6% per annum notes (“6% Notes”) to be issued by the Company in an aggregate principal amount of up to HK\$100,000,000 maturing on the day immediately preceding the second anniversary of the date of issue of the 6% Notes at the placing price which equals the principal amount of the 6% Notes. The funds raised from the placing of the 6% Notes are intended to be used as general working capital of the Group for its money lending business, securities related business or any potential investment opportunities. Details of the placing of the 6% Notes are disclosed in the announcement of the Company dated 20 June 2017. The Company has not issued any 6% Notes from then up to the date of this annual report.

業務回顧及展望

本集團主要從事放債及證券買賣業務。截至二零一七年十二月三十一日止年度，本集團繼續專注於經營放債業務，向客戶（包括個人、公司及外籍家庭傭工）提供有抵押及無抵押貸款。同時，本集團亦進行證券買賣業務，以提供證券經紀及上市證券投資服務。

年內，本集團為求在瞬息萬變的行業增強競爭力及維持市場地位，繼續透過擴大客戶基礎（尤其是來自不同市場的個人及企業客戶），發展其貸款組合。於回顧年度內，本集團的平均貸款結餘由二零一六年十二月三十一日約661,330,000港元上升至二零一七年十二月三十一日約974,700,000港元。同時，為不時確保貸款組合的信貨品質，於改變貸款組合構成後，本集團著力檢討及修改現有信貸評估及監控措施，以加強信貸風險監控。

於二零一七年六月二十日，為了保持充裕資金供發展本集團業務，本公司與康宏資產管理有限公司（「康宏」）訂立一項配售協議，據此，康宏同意擔任本公司的配售代理，在緊隨配售協議日期後當日開始的一年配售期間按竭盡所能基準，促使承配人認購本公司將予發行的票據，年利率為6厘（「6厘票據」），本金總額最多為100,000,000港元，並於緊接6厘票據發行日期滿兩週年前一日到期，配售價相當於6厘票據的本金額。從配售6厘票據募集的資金擬用作本集團放債、證券相關業務之一般營運資金或任何潛在投資機會。有關配售6厘票據的詳情於本公司日期為二零一七年六月二十日的公告內披露。自該時起直至本年報日期，本公司並無發行任何6厘票據。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

In view of the uncertain economic outlook and the competitive money lending market in Hong Kong, the Group actively pursued other opportunities in other industries in order to broaden the source of revenue and diversify business risk with the aim to enhance its value for shareholders. At the fourth quarter of 2016, the Group initiated to invest in securities related business through subscribing new shares of Asia Wealth Financial Holdings Limited (“Asia Wealth”) in view of the potential of development of this business field. Upon completion of the two subscriptions of shares of Asia Wealth which took place in October 2016 and April 2017 respectively, Asia Wealth became a non-wholly owned subsidiary of the Company. In October 2017, the Company further acquired the remaining equity interest in Asia Wealth. Since then, Asia Wealth has become a wholly-owned subsidiary of the Group. Details of the share subscriptions and acquisition of Asia Wealth are set out in the sub-paragraph headed “Subscription and Acquisition of Shares in Asia Wealth” on page 15 of this annual report.

In light of the acquisition of Asia Wealth, securities trading business has become a new business of the Group. The wholly-owned subsidiary of Asia Wealth, namely Asia Wealth Securities Limited, holds the licence to carry on Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”). The Group will strive to develop the customer base in securities trading business.

In the future, while maintaining consistent availability of liquidity for money lending business, the Group will closely monitor its cash position to explore if there are any potential investment opportunities, including but not limited to investments in bonds, debt instruments, listed equity securities or project-based investments, subject to the prevailing market condition and the position of the Group. While pursuing the investment opportunities, the Group will take into account of the potential returns and seek to balance the possible market risks and liquidity risks exposures.

Looking ahead, the Group will maintain healthy development of different business segments to consolidate its business portfolio and diversify its source of income, with the ultimate aim to maximise value for shareholders. While leveraging its experience in money lending business, the Group would like to develop its business and to further enlarge its customer base in different territories including Mainland China and Macau in light of the keen competition in the ever-changing local market. Meanwhile, the Group will also closely monitor its capital base from time to time and will pursue corresponding solutions where necessary in order to maintain sufficient funding for different potential opportunities.

FINANCIAL REVIEW

REVENUE

The Group’s revenue is derived from interest received from the provision of various types of loan products as well as commission received from the provision of securities brokerage services to its customers.

For the year ended 31 December 2017, the revenue generated was approximately HK\$116.19 million, representing an increase of approximately 42.38% over the revenue of approximately HK\$81.60 million recorded for the

鑑於經濟前景不明朗，香港放債市場競爭激烈，本集團積極尋求其他行業的不同機遇，以擴大收入來源及分散業務風險，旨在提升其股東價值。於二零一六年第四季度，本集團以認購Asia Wealth Financial Holdings Limited (「Asia Wealth」) 新股份的方式首次投資證券相關業務，乃考慮到此業務領域具有發展潛力。於二零一六年十月及二零一七年四月分別完成兩項認購Asia Wealth股份後，Asia Wealth成為本公司非全資附屬公司。於二零一七年十月，本公司進一步收購Asia Wealth餘下股權。自此，Asia Wealth成為本集團全資附屬公司。有關股份認購及收購Asia Wealth之詳情載於本年報第15頁「認購及收購Asia Wealth的股份」分段。

因應收購Asia Wealth，證券買賣業務已成為本集團的新業務。Asia Wealth的全資附屬公司亞洲創富證券有限公司持有香港法例第571章證券及期貨條例(「證券及期貨條例」)下可從事第1類(「證券交易」)的受規管活動的牌照。本集團會致力開拓證券買賣的客戶基礎。

本集團未來將維持放債業務貫徹足夠流動資金，同時緊密監察其現金狀況，視乎現行市況及本集團狀況，探索任何潛在投資商機，包括但不限於投資債券、債務工具、上市股本證券或以項目為基礎的投資。尋求投資商機的同時，本集團將考慮潛在回報，亦會平衡面臨的潛在市場危機及現金流量風險。

展望未來，為追求股東價值最大化，本集團將維持不同業務分部的健康發展，鞏固旗下業務組合，開拓收入來源。憑藉於借貸業務的豐富經驗，鑒於不斷變化的本地市場競爭激烈，本集團有意發展其業務，並進一步擴大不同區域(包括中國內地及澳門)的客戶基礎。同時，本集團亦將不時緊密監察其資本基礎，並將於有需要時爭取制定相應方案以維持充裕的資金把握不同潛在機遇。

財務回顧

收益

本集團的收益來自向客戶提供各類貸款產品而收取的利息以及提供證券經紀服務而收取的佣金。

於截至二零一七年十二月三十一日止年度，所帶來的收益約為116,190,000港元，較截至二零一六年十二月三十一日止年度錄得收益約81,600,000

Management Discussion and Analysis 管理層討論及分析 (continued 續)

year ended 31 December 2016. The revenue for the year under review comprised loan interest income amounting to approximately HK\$115.88 million (2016: approximately HK\$81.60 million) and commission income from securities brokerage services that amounted to approximately HK\$0.30 million (2016: not applicable).

The increase in revenue was mainly attributable to the growth in average loan balance in the money lending business on the account of the Group's effort in expanding its loan portfolio. In this respect, the average loan balance increased by approximately 47.38% to approximately HK\$974.70 million for the year under review as compared to approximately HK\$661.33 million in 2016.

Meanwhile, the average interest rate in the money lending business recorded a decrease from approximately 12.34% per annum for the year ended 31 December 2016 to approximately 11.89% per annum for the year under review.

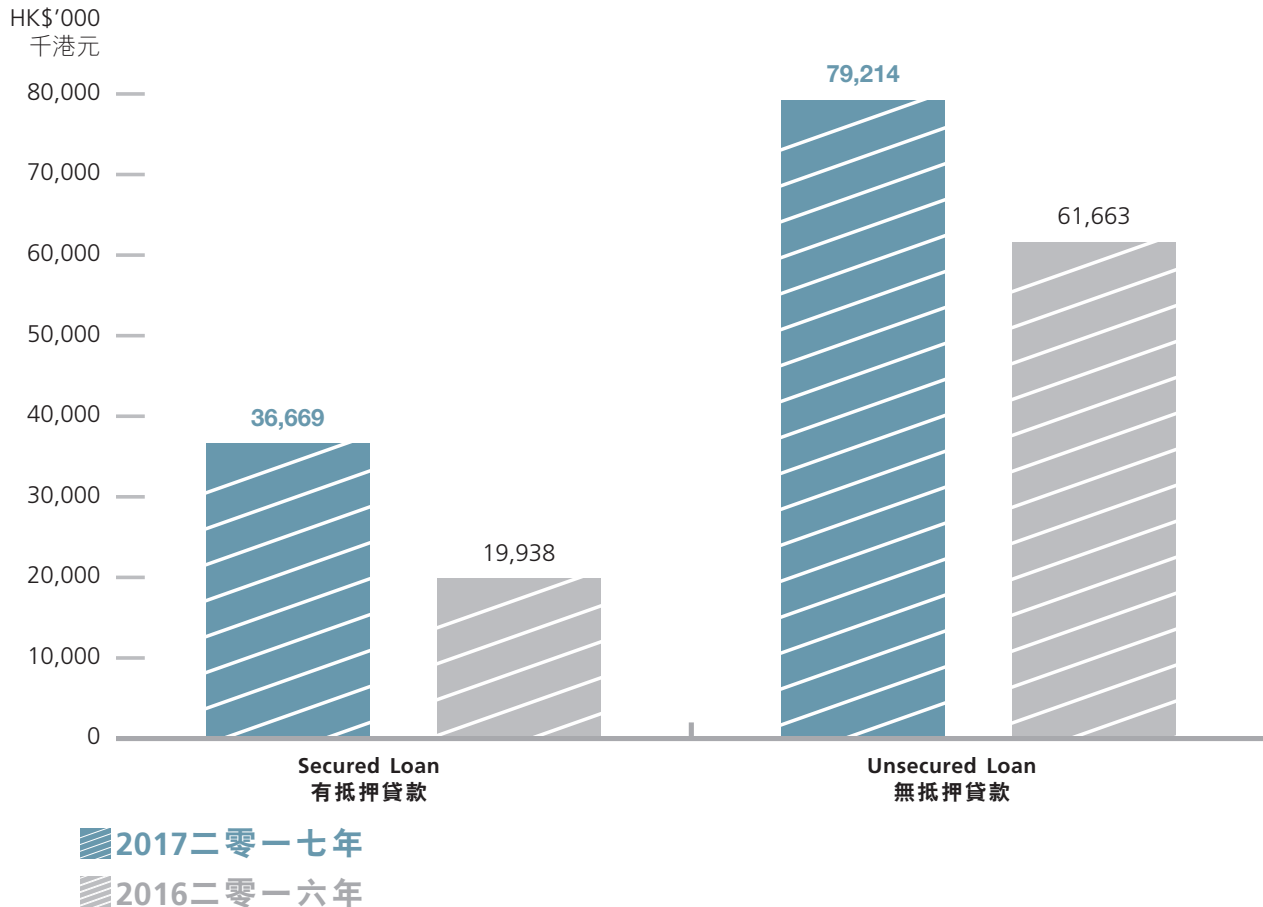
港元增加約42.38%。回顧年度的收益包括貸款利息收入約115,880,000港元(二零一六年:約81,600,000港元)及證券經紀服務的佣金收入約300,000港元(二零一六年:不適用)。

收益增加乃主要由於本集團致力擴大其貸款組合，令其放債業務的平均貸款結餘有所增長。在此方面，回顧年度的平均貸款結餘較二零一六年的約661,330,000港元，增加約47.38%至約974,700,000港元。

同時，放債業務平均利率錄得下跌，由截至二零一六年十二月三十一日止年度約每年12.34%，下跌至回顧年度約每年11.89%。

COMPARISON OF REVENUES FROM SECURED AND UNSECURED LOANS IN 2016 AND 2017

二零一六年及二零一七年來自抵押及無抵押貸款的收益之比較



Revenue breakdown for secured and unsecured loans
有抵押及無抵押貸款收益明細

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unsecured loans	無抵押貸款		
Personal loans	個人貸款	46,265	38,945
Corporate loans	企業貸款	27,143	17,204
Foreign domestic workers loans	外籍家庭傭工貸款	5,806	5,514
Sub-total	小計	79,214	61,663
Secured loans	有抵押貸款		
First property mortgage loans	第一物業按揭貸款	6,752	10,135
Subordinated property mortgage loans	非第一物業按揭貸款	1,661	6,134
Other secured loans	其他有抵押貸款	28,256	3,669
Sub-total	小計	36,669	19,938
Total	總計	115,883	81,601

NET INTEREST MARGIN

The Group recorded a net interest margin of approximately 10.93% for the year ended 31 December 2017, representing a drop compared to that of approximately 12.22% for the corresponding period in 2016. In respect of unsecured loans, the net interest margin decreased from approximately 12.36% for the year ended 31 December 2016 to approximately 11.00% for the year ended 31 December 2017. Meanwhile, net interest margin in respect of secured loans decreased from approximately 11.83% for the year ended 31 December 2016 to approximately 10.77% for the year ended 31 December 2017.

The decrease in overall net interest margin was primarily due to the Group's pricing strategy under the low interest rate environment of the competitive money lending industry.

淨息差

截至二零一七年十二月三十一日止年度，本集團錄得淨息差約10.93%，相較二零一六年同期約12.22%有所下降。無抵押貸款的淨息差由截至二零一六年十二月三十一日止年度約12.36%減少至截至二零一七年十二月三十一日止年度約11.00%。同時，有抵押貸款的淨息差亦由截至二零一六年十二月三十一日止年度約11.83%減少至截至二零一七年十二月三十一日止年度約10.77%。

整體淨息差減少主要由於本集團在競爭激烈的放債行業的低利率環境下作出的定價策略所致。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

Net interest margin
淨息差

		2017 二零一七年	2016 二零一六年
Unsecured loans	無抵押貸款		
Individuals	個人	11.64%	13.00%
Corporations	企業	8.75%	9.16%
Foreign domestic workers	外籍家庭傭工	47.18%	47.15%
Secured loans	有抵押貸款		
Individuals	個人	10.72%	11.71%
Corporations	企業	10.79%	12.15%
All loans	所有貸款	10.93%	12.22%
Unsecured loans	無抵押貸款	11.00%	12.36%
Secured loans	有抵押貸款	10.77%	11.83%

OTHER INCOME AND OTHER GAINS AND LOSSES

Other income recorded an increase of approximately 96.82% from approximately HK\$1.49 million for the year ended 31 December 2016 to approximately HK\$2.93 million for the year ended 31 December 2017. The Group's other income mainly comprises other interest income received from its money lending and securities related businesses, dividend income derived from investments in listed securities (i.e. financial assets at fair value through profit or loss), rental income and bank interest income derived from bank deposit. Other interest income was mainly generated from the interest income received from the provision of securities brokerage services as well as the Group's participation in a facility agreement. All of the rental income of the Group during the year under review was generated from the investment properties held under the name of Techlink Investments Limited ("Techlink"), a subsidiary of the Company prior to the completion of its disposal on 20 February 2017. Rental income recorded a decrease as no rental income was generated since the completion of disposal of Techlink.

Meanwhile, the Group recorded other gains of approximately HK\$14.54 million for the year ended 31 December 2017 as compared to a record of other losses of approximately HK\$1.90 million for the year ended 31 December 2016. The turning from other losses to other gains was mainly attributable to the facts that fair value losses on investment properties were recorded in 2016 and that a gain on the disposal of Techlink was recognised in the profit or loss for the year ended 31 December 2017. Details of the disposal of Techlink are set out in the announcements of the Company dated 29 November 2016 and 2 December 2016.

Details of other income and other gains and losses are set out in notes 10 and 11 to the consolidated financial statements respectively.

其他收入及其他收益及虧損

其他收入由截至二零一六年十二月三十一日止年度約1,490,000港元增加約96.82%至截至二零一七年十二月三十一日止年度約2,930,000港元。本集團的其他收入主要包括自放債及證券相關業務收取的其他利息收入、投資上市證券衍生的股息收入(即以公平值計入損益的金融資產)、租金收入及銀行存款衍生的銀行利息收入。其他利息收入主要來自提供證券經紀服務而收取的利息收入以及本集團參與訂立融資協議。本集團於回顧年度的全部租金收入均產生自迪協投資有限公司(「迪協」)名下持有之投資物業，該公司於二零一七年二月二十日完成其出售事項前為本公司的一間附屬公司。迪協出售完成以來概無賺得租金收入，故租金收入錄得減少。

同時，本集團截至二零一七年十二月三十一日止年度錄得其他收益約14,540,000港元，而截至二零一六年十二月三十一日止年度錄得其他虧損約1,900,000港元。由其他虧損轉為其他收益乃主要由於二零一六年投資物業的公平值虧損以及於截至二零一七年十二月三十一日止年度損益內確認出售迪協的收益。有關出售迪協的詳情載於本公司日期為二零一六年十一月二十九日及二零一六年十二月二日之公告。

其他收入及其他收益及虧損的詳情分別載於綜合財務報表附註10及11。

Management Discussion and Analysis 管理層討論及分析 (continued 續)

ADMINISTRATIVE EXPENSES

The Group's administrative expenses mainly comprise employment expenses, occupancy costs for its offices and branches and depreciation charges. Employment expenses include directors' emoluments, employees' salaries and bonuses, mandatory and voluntary provident fund contributions, insurance premium for employees, directors and officers, etc. Occupancy costs include rental expenses and management fees, government rent and rates as well as utilities. Administrative expenses also include repair and maintenance and general insurance premiums, etc.

For the year ended 31 December 2017, the Group's administrative expenses recorded an increase of approximately 127.99% to approximately HK\$43.85 million when compared to approximately HK\$19.23 million for the year ended 31 December 2016 which was mainly due to the increase in employment expenses arising from the grant of performance related bonuses and increased lease rental payments.

行政開支

本集團的行政開支主要包括僱員開支、辦公室及分行租用成本以及折舊費。僱員開支包括董事酬金、僱員薪金及花紅、強制及自願性公積金供款，以及僱員、董事及高級人員的保險費等。租用成本包括租金開支及管理費、地租及差餉以及水電費。行政開支亦包括維修保養費及一般保險費等。

截至二零一七年十二月三十一日止年度，本集團的行政開支較截至二零一六年十二月三十一日止年度約19,230,000港元增加約127.99%至約43,850,000港元，主要由於發放表現相關花紅產生的僱員開支增加及租賃租金付款增加。

Administrative expenses
行政開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Employment expenses	僱員開支	33,704	15,924
Occupancy costs	租用成本	6,278	1,572
Depreciation charges	折舊費	2,707	1,214
Repair and maintenance and others	維修保養及其他開支	1,026	379
Insurance premium	保險費	132	143
Total	總計	43,847	19,232

OTHER OPERATING EXPENSES

The Group's other operating expenses mainly comprise impairment allowance for loans receivable, advertising and promotion expenses, legal and professional fees and other general expenses.

As compared to approximately HK\$20.04 million for the year ended 31 December 2016, other operating expenses for the year ended 31 December 2017 decreased to approximately HK\$14.82 million. The decrease was mainly attributable to the decrease in impairment allowance for loans receivable on individual and collective assessment for the year ended 31 December 2017.

其他經營開支

本集團的其他經營開支主要包括應收貸款減值撥備、廣告及推廣開支、法律及專業費用以及其他一般開支。

其他經營開支由截至二零一六年十二月三十一日止年度約20,040,000港元減少至截至二零一七年十二月三十一日止年度約14,820,000港元。減幅主要是由於截至二零一七年十二月三十一日止年度根據獨立及集體評估應收貸款減值撥備減少所致。

Other operating expenses
其他經營開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Impairment allowance for loans receivable on individual assessment	獨立評估應收貸款減值撥備	2,786	6,750
Impairment allowance for loans receivable on collective assessment	集體評估應收貸款減值撥備	(200)	2,964
Advertising and promotion expenses	廣告及推廣開支	2,156	3,131
Legal and professional fees	法律及專業費用	4,085	2,677
Other general expenses	其他一般開支	5,996	4,522
Total	總計	14,823	20,044

FINANCE COSTS

The Group's finance costs mainly comprise interest payments for loans from lenders which are third parties independent of the Company and its connected persons ("**Independent Third Party(ies)**"), loan notes, mortgage loans from banks with collaterals on its buildings and investment properties. Finance costs significantly increased from approximately HK\$1.14 million for the year ended 31 December 2016 to approximately HK\$9.39 million for the year ended 31 December 2017. The increase in finance costs was mainly due to an increase in the interest payment for the loan from an Independent Third Party lender during the year under review as compared to that in the corresponding period in 2016.

財務費用

本集團的財務費用主要包括向獨立於本公司及其關連人士之獨立第三方(「**獨立第三方**」)放債人借入貸款、貸款票據及以其樓宇及投資物業作抵押的銀行按揭貸款的利息支出。財務費用由截至二零一六年十二月三十一日止年度約1,140,000港元大幅增至截至二零一七年十二月三十一日止年度約9,390,000港元。財務費用增加乃主要由於與二零一六年同期相比，回顧年度來自獨立第三方放債人的貸款利息支出增加所致。

Finance costs
財務費用

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bank loans	銀行貸款利息	62	378
Interest on other loans	其他貸款利息	8,340	13
Effective interest expense on loan notes	貸款票據的實際利率開支	989	751
Total	總計	9,391	1,142

PROFIT FOR THE YEAR

The profit for the year attributable to owners of the Company increased by approximately 58.05% from approximately HK\$33.65 million for the year ended 31 December 2016 to approximately HK\$53.18 million for the year ended 31 December 2017. The increase was mainly attributable to an increase in revenue and a gain on disposal of a subsidiary of the Company recognised in 2017.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2017, the Group had bank and cash balances (excluding trust and segregated accounts) of approximately HK\$202.02 million (31 December 2016: approximately HK\$58.63 million) and interest-bearing loan of HK\$150 million (31 December 2016: approximately HK\$58.54 million), all of which are denominated in Hong Kong dollars.

As at 31 December 2017, the Group had no loan notes in comparison of approximately HK\$32.87 million as at 31 December 2016.

The interest-bearing loan of HK\$150 million represents a credit facility from an Independent Third Party repayable within one year from the relevant dates of advances with an interest rate of 5% per annum.

As at 31 December 2017, the net current assets of the Group amounted to approximately HK\$608.10 million (31 December 2016: approximately HK\$481.51 million) and the current ratio, being the ratio of current assets to current liabilities, was approximately 4.49 times (31 December 2016: approximately 5.91 times).

The Group generally finances its operations by (i) cash flow from operating activities; (ii) loans and/or credit facilities from Independent Third Parties and banks; and (iii) proceeds from the loan notes issued by the Company.

年內溢利

年內本公司擁有人應佔溢利由截至二零一六年十二月三十一日止年度約33,650,000港元增加約58.05%至截至二零一七年十二月三十一日止年度約53,180,000港元。增幅主要由於二零一七年的收益增加及確認出售本公司一間附屬公司的收益。

流動資金、財務資源及資本結構

於二零一七年十二月三十一日，本集團的銀行及現金結餘(不包括信託及獨立賬戶)約202,020,000港元(二零一六年十二月三十一日：約58,630,000港元)及計息貸款150,000,000港元(二零一六年十二月三十一日：約58,540,000港元)，全部均以港元計值。

於二零一七年十二月三十一日，本集團並無貸款票據，而於二零一六年十二月三十一日則有貸款票據約32,870,000港元。

計息貸款150,000,000港元指來自一名獨立第三方於有關貸款日期起計一年內清還以年利率5厘計息的信貸融資。

於二零一七年十二月三十一日，本集團的流動資產淨值約608,100,000港元(二零一六年十二月三十一日：約481,510,000港元)，而流動比率(即流動資產除以流動負債的比率)約4.49倍(二零一六年十二月三十一日：約5.91倍)。

本集團的營運資金一般來自(i)經營業務所得現金流量；(ii)來自獨立第三方及銀行的貸款及／或信貸融資；及(iii)來自本公司發行的貸款票據的所得款項。

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

SUBSCRIPTION AND ACQUISITION OF SHARES IN ASIA WEALTH

In view of the competitive money lending market in Hong Kong, the Group actively pursued other opportunities in other industries in order to broaden its source of revenue and diversify business risk with the aim to enhance its value for shareholders. In early October 2016, after considering the potential development of the securities related business, the Group initiated to invest in this business field through subscribing new shares in Asia Wealth which represented approximately 9.09% of the then enlarged issued share capital of Asia Wealth. Subsequently on 1 April 2017, the Group further subscribed for additional shares in Asia Wealth, thereby increasing the shareholding of the Group in Asia Wealth to approximately 88.89% of the issued share capital of Asia Wealth as enlarged by the allotment and issue of the additional shares. On 24 October 2017, the Group acquired the remaining approximately 11.11% of the issued share capital of Asia Wealth, and Asia Wealth has then become a wholly-owned subsidiary of the Company. Through the share subscriptions and acquisition in Asia Wealth, the Group has acquired an indirect equity interest in Asia Wealth Securities Limited, a wholly-owned subsidiary of Asia Wealth, which holds the licence to carry on Type 1 (dealing in securities) regulated activity under the SFO. Details of the share subscriptions and acquisition in Asia Wealth are disclosed in the announcements of the Company dated 5 October 2016, 8 November 2016 and 24 October 2017.

對附屬公司作出重大收購及出售

認購及收購ASIA WEALTH的股份

鑒於香港放債市場競爭激烈，本集團於其他行業積極物色其他機會，以拓寬收益來源及分散業務風險，旨在為股東提升其價值。於二零一六年十月初，經考慮證券相關業務的發展潛力，本集團透過認購Asia Wealth的新股份（佔Asia Wealth當時經擴大已發行股本約9.09%），開始投資此業務領域。隨後於二零一七年四月一日，本集團進一步認購Asia Wealth的額外股份，從而使本集團於Asia Wealth的股權增至經配發及發行額外股份擴大的Asia Wealth已發行股本約88.89%。於二零一七年十月二十四日，本集團收購Asia Wealth的餘下約11.11%已發行股本，Asia Wealth隨後成為本公司的全資附屬公司。透過認購及收購Asia Wealth股份，本集團收購Asia Wealth之全資附屬公司亞洲創富證券有限公司的間接股權，該公司持牌可進行證券及期貨條例下第1類（證券交易）受規管活動。認購及收購Asia Wealth股份的詳情披露於本公司日期為二零一六年十月五日、二零一六年十一月八日及二零一七年十月二十四日之公告內。

DISPOSAL OF TECHLINK

On 29 November 2016, First Credit Limited (“FCL”), a wholly-owned subsidiary of the Company, entered into a provisional sale and purchase agreement with, among others, a purchaser which is an Independent Third Party, pursuant to which FCL has conditionally agreed to sell, and the purchaser has conditionally agreed to purchase, one ordinary share of Techlink, which represents the entire issued share capital of Techlink, and all the debts owing by Techlink to FCL and its associates (if any) as at completion at an aggregate consideration of HK\$91 million subject to adjustments at completion. The principal activity of Techlink was investment holding and its principal assets immediately prior to completion of the disposal was certain office premises (“Property”). In view of the capital gain which was expected to derive from the disposal, the Directors considered that it was in the interest of the Company and its shareholders as a whole to dispose of Techlink in order to realise the Group’s investment in the Property and to utilise the proceeds from the disposal for further development of the Group’s money lending business. Details of the disposal of Techlink are set out in the announcements of the Company dated 29 November 2016 and 2 December 2016. The disposal was completed on 20 February 2017 and Techlink has then ceased to be a subsidiary of the Company. The final consideration is HK\$91 million and the gain on disposal is approximately HK\$13.21 million.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 December 2017, the Group had no specific plan for material investments or capital assets.

SIGNIFICANT INVESTMENTS HELD

As at 31 December 2017, the Group did not hold any significant investments.

INFORMATION ON EMPLOYEES

As at 31 December 2017, the Group employed a total of 50 staff (31 December 2016: 41 staff). Total remuneration of employees for the year ended 31 December 2017 (including directors’ emoluments) was approximately HK\$33.46 million (31 December 2016: approximately HK\$14.79 million). The Company’s remuneration policies are formulated on the basis of performance, qualifications and experience of individual employee and with reference to the prevailing market conditions. The remuneration packages of the employees of the Group comprise monthly fixed salaries, medical insurance, contributions to statutory mandatory provident fund scheme and share option scheme etc. Discretionary year-end bonus based on individual performance may also be paid to employees as recognition of and reward for their contributions.

出售迪協

於二零一六年十一月二十九日，第一信用財務有限公司(「FCL」)(本公司之全資附屬公司)與(其中包括)一名買方(為獨立第三方)訂立臨時買賣協議。據此，FCL有條件地同意出售，而買方有條件地同意購買一股迪協普通股，即迪協之全部已發行股本及迪協於交易完成時結欠FCL及其聯繫人(如有)的所有負債，總代價為91,000,000港元(於完成時可予調整)。迪協之主要業務為投資控股，緊接出售事項完成前，其主要資產為若干辦公處所(「物業」)。因應出售事項預期所得之資本收益，董事認為出售迪協以變現本集團於物業之投資及利用出售事項所得款項作本集團放債業務進一步發展之用，符合本公司及其股東整體利益。有關出售迪協的詳情載於本公司日期為二零一六年十一月二十九日及二零一六年十二月二日之公告。出售事項於二零一七年二月二十日完成，其後迪協不再為本公司之附屬公司。最終代價為91,000,000港元，而出售事項收益約為13,210,000港元。

重大投資及資本資產的未來計劃

本集團於二零一七年十二月三十一日並無重大投資或資本資產的具體計劃。

所持重大投資

於二零一七年十二月三十一日，本集團並無持有任何重大投資。

僱員資料

於二零一七年十二月三十一日，本集團共有50名員工(二零一六年十二月三十一日：41名員工)。截至二零一七年十二月三十一日止年度的薪酬總額(包括董事酬金)約為33,460,000港元(二零一六年十二月三十一日：約14,790,000港元)。本公司的僱員薪酬政策乃根據個別僱員的表現、資格及經驗參考當前市況釐定。本集團的僱員薪酬方案涵蓋固定月薪、醫療保險、法定強制性公積金計劃供款及購股權計劃等。本集團亦根據個人表現發放酌情年終花紅，作為對彼等貢獻的認可及獎勵。

CHARGES ON THE GROUP'S ASSETS

As at 31 December 2017, none of the Group's assets was pledged as security for liability.

GEARING RATIO

Gearing ratio is calculated as the net debt (being borrowings and obligations under finance lease less bank and cash balances) divided by the sum of the adjusted capital (being the share capital, retained profits and other reserves) plus net debt. The Group recorded net cash (i.e. negative net debt) of approximately HK\$28.30 million as at 31 December 2017 as compared to the net debt of approximately HK\$39.53 million as at 31 December 2016. It was mainly attributable to the increase in bank and cash balances as at 31 December 2017. Therefore, the gearing ratio was negative (i.e. approximately -3.02%) as at 31 December 2017 (31 December 2016: approximately 4.09%).

FOREIGN EXCHANGE EXPOSURE

The Group is principally engaged in the money lending business and securities trading business in Hong Kong. As the revenue and cost of business are principally denominated in Hong Kong dollars, the exposure to the risk of foreign exchange rate fluctuations for the Group is minimal. Hence, no financial instrument for hedging was employed during the year ended 31 December 2017 (2016: Nil).

CONTINGENT LIABILITIES

Details of the Group's contingent liabilities are set out in note 40 to the consolidated financial statements.

EVENT AFTER THE REPORTING PERIOD

Details of the Group's event after the reporting period are set out in note 43 to the consolidated financial statements.

本集團資產的押記

於二零一七年十二月三十一日，概無抵押本集團資產以作為負債的抵押品。

資產負債比率

資產負債比率按債務淨額(即借貸及融資租賃責任減銀行及現金結餘)除以經調整資本(即股本、保留溢利及其他儲備)與債務淨額的總和計算所得。本集團於二零一七年十二月三十一日錄得現金淨額(即負債淨額)約28,300,000港元，而二零一六年十二月三十一日的債務淨額則約為39,530,000港元。其主要由於二零一七年十二月三十一日的銀行及現金結餘增加。因此，二零一七年十二月三十一日的資產負債比率為負數(即約-3.02%)(二零一六年十二月三十一日：約4.09%)。

匯兌風險

本集團主要於香港從事放債及證券買賣業務。由於業務收益及成本主要以港元計值，本集團面臨的匯率波動風險微乎其微。因此，本集團於截至二零一七年十二月三十一日止年度並未使用金融工具進行對沖(二零一六年：無)。

或然負債

有關本集團或然負債的詳情載於綜合財務報表附註40。

報告期後事項

有關本集團報告期後事項的詳情載於綜合財務報表附註43。

Corporate Governance Report 企業管治報告

Pursuant to Rule 18.44(2) of the GEM Listing Rules, the Board is pleased to present this corporate governance report for the year ended 31 December 2017. This report highlights the key corporate governance practices of the Company.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding the shareholders' interests. The principles set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 15 to the GEM Listing Rules have been applied in maintaining an effective board, sound internal controls, and transparency and accountability to all shareholders.

To the best knowledge of the Board, throughout the year ended 31 December 2017, save for the code provisions A.6.1, A.6.5 and E.1.2 of the CG Code, the Company had complied with all the code provisions set out in the CG Code and no deviation from the CG Code had been noted by the Company during the year.

According to the code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting ("AGM") of the company. At the 2016 AGM of the Company held on 28 June 2017, Mr. Sin Kwok Lam, the then Chairman of the Board, was absent due to unexpected business engagement. Mr. Tsang Yan Kwong, the then executive Director and the Chief Executive Officer of the Company, chaired the 2016 AGM pursuant to the bye-laws of the Company ("Bye-laws") and was available to answer questions raised at the 2016 AGM.

Details of the deviations from code provisions A.6.1 and A.6.5 of the CG Code are set out on page 23 of this annual report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries with all the Directors, each of them confirmed that he/she had complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the year ended 31 December 2017. No incident of non-compliance was noted by the Company during the year.

根據GEM上市規則第18.44(2)條，董事會欣然提呈截至二零一七年十二月三十一日止年度的本企業管治報告。本報告概述本公司的主要企業管治常規。

企業管治常規

本公司致力於維持高水平的企業管治。董事深信完善及合理的企業管治常規對於本集團的發展及保障股東權益至關重要。GEM上市規則附錄十五的企業管治常規守則（「**企業管治守則**」）所載原則經已應用，以維持具效率的董事會、穩固內部監控及透明度及對全體股東的問責制。

據董事所深知，截至二零一七年十二月三十一日止年度全年，除企業管治守則守則條文第A.6.1條、第A.6.5條及E.1.2條外，本公司已遵守載於企業管治守則所載之全部守則條文，且本公司年內並無發現企業管治守則偏離事件。

根據企業管治守則守則條文第E.1.2條，董事會主席須出席本公司股東週年大會（「**股東週年大會**」）。於二零一七年六月二十八日舉行之本公司二零一六年股東週年大會，當時的董事會主席沈國林先生因未能預計之業務事宜未能出席大會。當時的執行董事兼行政總裁曾仁光先生根據本公司細則（「**公司細則**」）主持二零一六年股東週年大會，並在二零一六年股東週年大會回應所提出的問題。

偏離企業管治守則守則條文第A.6.1條及第A.6.5條之詳情載於本年報第23頁。

董事的證券交易

本公司已採納董事進行證券交易之操守守則，其條款不遜於GEM上市規則第5.48條至第5.67條所載之交易準則。經向全體董事作出具體查詢後，彼等均確認已於截至二零一七年十二月三十一日止年度一直遵守本公司所採納的有關董事進行證券交易之交易準則規定及操守守則。年內本公司並無發現任何違規事件。

BOARD OF DIRECTORS

RESPONSIBILITIES AND DELEGATION OF THE BOARD

The Board has a balance of skill and experience and a balanced composition of executive and non-executive Directors. It is responsible for formulating the Group's long term strategy, determining and approving the Group's significant transactions and supervising the management to ensure thorough implementation of the Group's policies and effective performance of their duties. The Board is also responsible for collectively reviewing the remuneration of the Directors and the adoption of any changes in accounting policies and practice. The Board also communicates with the shareholders of the Company and regulatory bodies and makes recommendation to the shareholders on final dividend and approves the declaration of any interim dividend.

The Board is accountable to the shareholders for the strategic development of the Company with the goal of maximising long-term shareholders' value, while balancing broader stakeholders' interests.

Rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules require that the Board includes at least three independent non-executive Directors, which represents at least one-third of the Board and at least one of the independent non-executive Directors possesses the appropriate professional qualifications or accounting or related financial management expertise. On 9 October 2017, Mr. Ng Ting Chi resigned as an independent non-executive Director. Immediately upon his resignation, the Company had four independent non-executive Directors but none of them had appropriate professional qualifications or accounting or related financial management expertise as specified in Rule 5.05(2) of the GEM Listing Rules. Following the resignation of Mr. Ng, the Company used its best endeavour to identify suitable candidate to fulfill the requirements set out in Rule 5.05(2). On 14 November 2017, the Company appointed Mr. Choy Sze Chung Jojo as an independent non-executive Director. Mr. Choy has the appropriate professional qualifications or accounting or related financial management expertise. Since then the Group has fully complied with the requirements of Rule 5.05(2) of the GEM Listing Rules. Save for the non-compliance disclosed above, the Group has complied with Rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules during the year ended 31 December 2017.

The Company received an annual confirmation from each of the existing independent non-executive Directors stating his independence pursuant to Rule 5.09 of the GEM Listing Rules and considers them to be independent.

Biographical details of the Directors are set out in the section headed "Biographical Details of Directors and Senior Management" from pages 37 to 40 of this annual report.

董事會

董事會的職責及授權

董事會擁有全面之專長及經驗，且執行董事及非執行董事之組合亦均衡合理。董事會負責制定本集團的長期策略、釐定及批准本集團的重大交易、監督管理層以確保本集團的政策獲徹底落實以及確保彼等均有效地履行職務。董事會亦負責共同檢討董事薪酬及採納會計政策及慣例的任何修訂。董事會亦負責與本公司股東及監管機構溝通，以及就派發末期股息向股東作出推薦建議，並批准宣派任何中期股息。

董事會須就本公司的策略發展向股東負責，以為股東謀取最大長期價值為目標，同時平衡廣泛持份者的利益。

GEM上市規則第5.05(1)及(2)條以及第5.05A條規定，董事會包括最少三名獨立非執行董事，最少佔董事會成員的三分之一；及最少一名獨立非執行董事具備合適的專業資格或會計或相關財務管理專業知識。於二零一七年十月九日，吳廷智先生辭任獨立非執行董事。緊隨彼辭任時，本公司有四名獨立非執行董事，但彼等概無擁有GEM上市規則第5.05(2)條規定的合適專業資格或會計或相關財務管理專業知識。吳先生辭任後，本公司竭盡所能物色符合第5.05(2)條所載規定的合適人選。於二零一七年十一月十四日，本公司委任蔡思聰先生為獨立非執行董事。蔡先生擁有合適專業資格或會計或相關財務管理專業知識。自此，本集團全面遵守GEM上市規則第5.05(2)條規定。除上文披露的不合規事宜外，於截至二零一七年十二月三十一日止年度，本集團已遵守GEM上市規則第5.05(1)及(2)條及第5.05A條。

本公司亦已接獲各現有獨立非執行董事根據GEM上市規則第5.09條發出的年度獨立性確認書，且認為彼等均為獨立人士。

董事的履歷載於本年報第37頁至第40頁的「董事及高級管理層之履歷」一節。

All Directors have access to the advice and services of the company secretary of the Company (“**Company Secretary**”), senior management and the compliance officer who is mainly responsible for ensuring that the Company is in compliance with the GEM Listing Rules and advising the Board on compliance matters. Directors are also provided with access to independent professional advice, where necessary, in carrying out their obligations as Directors, at the expense of the Company.

The Board has delegated the day-to-day management to the executive Directors and senior management of the Company who meet on a regular basis to review the financial results and performance of the Group and make financial and operational decisions for the implementation of strategies and plans approved by the Board.

There is no relationship (financial, business, family or otherwise) between members of the Board and between the Chairman and the Chief Executive Officer of the Company.

ROTATION AND RE-ELECTION

Pursuant to the Bye-laws, at each AGM one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years. Such retiring Directors shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires.

In accordance with the Bye-laws, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders of the Company after their appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

The executive Directors have entered into service contracts with the Company for a term of three years. The Company has also issued a letter of appointment to each of the independent non-executive Directors for a term of two years. All Directors are subject to retirement, re-election and removal in accordance with the Bye-laws.

全體董事均有權獲得公司秘書(「**公司秘書**」)、高級管理層及合規主任提供的意見及服務，該等人士負責確保本公司符合GEM上市規則的規定及就合規事宜向董事會提供意見。董事亦有權於履行其作為本公司董事的職責時獲提供獨立專業意見(如有需要)，費用由本公司承擔。

董事會已授權本公司執行董事及高級管理層負責日常管理職能，而彼等會定期舉行會議檢討本集團的財務業績及表現，以及就經董事會批准的策略及計劃的實行作出財務及營運決策。

董事會成員之間及本公司主席與行政總裁之間概無任何關係(不論是財政、業務、家庭或其他方面)。

輪席告退及重選

根據公司細則，當時三分之一的董事(或若總數並非三之倍數，則為最接近但不少於三分之一之數)須於每屆股東週年大會上輪值退任，惟每名董事須最少每三年輪值退任一次。有關退任董事均符合資格膺選連任，並在其退任的大會上繼續作為董事。

根據公司細則，董事有權不時及隨時委任任何人士出任董事，以填補董事會的臨時空缺或作為現有董事會的新增成員。任何獲董事會委任以填補臨時空缺的董事，其任期將直至獲委任後的首次本公司股東大會為止，並須於該大會上重選連任，而任何獲董事會委任作為現有董事會新增成員的董事，其任期僅至下屆股東週年大會，屆時將合資格膺選連任。

執行董事與本公司訂立的服務協議均為期三年。本公司亦已向各獨立非執行董事發出委任書，委任期為兩年。全體董事均受公司細則有關退任、重選連任及罷免的條文所限。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the Chief Executive Officer of the Company are held separately by two different individuals to ensure a clear division between their responsibilities and independence. The separation ensures a balance of power and authority so that power is not concentrated in any one individual. The Chairman of the Company for the year was Mr. Sin Kwok Lam. Upon the resignation of Mr. Sin, Mr. Li Sin Hung Maxim, an executive Director, was appointed as the Chairman on 7 February 2018. The responsibility of the Chairman is to manage the Board to ensure its effectiveness in all aspects by providing strategic and business direction. The Chief Executive Officer of the Company is Mr. Tsang Yan Kwong, who is responsible for the Company's day-to-day management and operations. The Chief Executive Officer also focuses on implementing objectives, strategies and policies approved and delegated by the Board.

NON-EXECUTIVE DIRECTORS

Under the Code Provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term and subject to re-election. As at the date of this report, the Company had five independent non-executive Directors and each of them entered into a letter of appointment with the Company for a term of two years.

BOARD MEETINGS AND ATTENDANCE

Regular Board meetings are scheduled to be held four times a year on a quarterly basis with notice given to the Directors at least 14 days in advance. For other Board meetings involving discussion and resolution of significant issues in relation to the operation of the Company, notice is given in a reasonable time in advance. According to the GEM Listing Rules, any directors who or whose close associates (or associates for connected transactions) have a material interest in the contract or arrangement or any other proposal to be approved at a board meeting shall abstain from voting on the relevant resolutions and not to be counted in the quorum at the meeting.

Before each Board meeting, all Directors are provided with a draft agenda at least three days or such other period as agreed in advance in order to allow the Directors to include any other matters in the agenda that are required to be discussed or resolved at the meeting. To enable the Directors to make informed decisions, Board papers together with all appropriate and relevant information in relation to the matters of the meeting are sent to all Directors three days or such other period as agreed before each Board meeting. The Company Secretary is responsible for keeping all minutes of the Board meetings. Draft minutes are normally circulated to Directors for comments within a reasonable time after each meeting and the final version is made available to them for their review and signing.

主席及行政總裁

本公司主席及行政總裁職位乃由兩名不同個別人士分別擔任，以確保彼此之間職責分明及保持獨立。該區分可確保權力及授權分佈平衡，以使權力不會集中於任何個別人士身上。冼先生辭任以後，執行董事李錫洪先生於二零一八年二月七日獲委任為主席。主席的責任為負責管理董事會，向董事會提供策略及業務方向指引，以確保董事會於各方面的有效運作。本公司行政總裁為曾仁光先生，彼負責本公司的日常管理及營運。行政總裁亦關注執行由董事會批准及授權的目標、策略及政策。

非執行董事

根據企業管治守則條文第A.4.1條，非執行董事應以特定任期委任並須重選連任。於本報告日期，本公司有五名獨立非執行董事，彼等各自已與本公司訂立為期兩年的委任函件。

董事會會議及出席記錄

董事會預定每年按季定期舉行四次董事會會議，並至少提前十四日向董事發出通知。就需討論及議決本公司營運的重大問題而舉行的其他董事會會議，通知將提前於合理時間發出。根據GEM上市規則，任何董事本人或其親信（或關連交易的關連人士）於即將在董事會會議上審批的合約或安排或任何其他建議中擁有重大利益，該董事須放棄就相關決議案投票，並且不得計入有關會議的法定人數。

全體董事將於各董事會會議舉行前至少三日或事先協定的其他日期獲發議程草案，以允許董事將任何其他將於會議上討論及議決的事宜納入議程。為使董事作出知情決定，董事會文件連同所有與會議討論事項有關的適當及相關資料將於各董事會會議舉行前三日或協定的其他日期發送予全體董事。公司秘書負責保存所有董事會會議記錄。會議記錄草案一般會於各會議後合理時間內向董事傳閱以供其發表意見，而最終版本則可供董事審閱及簽署。

Corporate Governance Report 企業管治報告 (continued 續)

The attendance record of each Director at the Board meetings and general meetings during the year ended 31 December 2017 is set out in the following table:

於截至二零一七年十二月三十一日止年度，各董事出席董事會會議及股東大會的次數表列如下：

		Number of meetings attended/number of meetings held during the tenure of the relevant Director for the year ended 31 December 2017	
		Board meeting 董事會會議	General meeting 股東大會
Total number of meetings held during the year ended 31 December 2017	於截至二零一七年十二月三十一日止年度內舉行會議次數	22	1
Name of Directors	董事姓名		
Executive Directors	執行董事		
Li Sin Hung Maxim (<i>Chairman</i>) — <i>appointed as an executive Director on 9 January 2018 and appointed as Chairman on 7 February 2018</i>	李錄洪 (<i>主席</i>) — 於二零一八年一月九日獲委任為執行董事； 於二零一八年二月七日獲委任為主席	N/A 不適用	N/A 不適用
Xie Si — <i>appointed on 15 September 2017</i>	謝絲 — 於二零一七年九月十五日獲委任	11/11	0/0
Cao Huifang — <i>appointed on 15 September 2017</i>	曹慧芳 — 於二零一七年九月十五日獲委任	11/11	0/0
Wong Kai Lun — <i>appointed on 9 January 2018</i>	黃啟倫 — 於二零一八年一月九日獲委任	N/A 不適用	N/A 不適用
Sin Kwok Lam — <i>resigned as executive Director and Chairman on 7 February 2018</i>	冼國林 — 於二零一八年二月七日 辭任執行董事及主席	18/22	0/1
Tsang Yan Kwong (<i>Chief Executive Officer</i>) — <i>resigned as an executive Director on 22 September 2017</i>	曾仁光 (<i>行政總裁</i>) — 於二零一七年九月二十二日辭任執行董事	14/14	1/1
Leung Wai Hung — <i>resigned on 22 September 2017</i>	梁偉雄 — 於二零一七年九月二十二日辭任	13/14	1/1
Ho Siu Man — <i>resigned on 22 September 2017</i>	何筱敏 — 於二零一七年九月二十二日辭任	14/14	1/1
Independent Non-executive Directors	獨立非執行董事		
Fung Kam Man	馮錦文	21/22	1/1
Wang Zhiwei	王志維	22/22	1/1
Chan Tung Tak Alain — <i>appointed on 24 August 2017</i>	陳鴻德 — 於二零一七年八月二十四日獲委任	14/15	0/0
Li Long — <i>appointed on 15 September 2017</i>	李龍 — 於二零一七年九月十五日獲委任	11/11	0/0
Choy Sze Chung Jojo — <i>appointed on 14 November 2017</i>	蔡思聰 — 於二零一七年十一月十四日獲委任	0/2	0/0
Chan Kin Keung, Eugene — <i>appointed on 28 June 2017 and resigned on 2 August 2017</i>	陳建強 — 於二零一七年六月二十八日獲委任 並於二零一七年八月二日辭任	1/1	0/0
Ng Ting Chi — <i>appointed on 28 June 2017 and resigned on 9 October 2017</i>	吳廷智 — 於二零一七年六月二十八日獲委任 並於二零一七年十月九日辭任	12/14	0/0
Yu Wan Hei — <i>retired on 28 June 2017</i>	余運喜 — 於二零一七年六月二十八日退休	4/4	0/1

DIRECTORS' INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

According to code provision A.6.1 of the CG Code, every newly appointed director of an issuer should receive a comprehensive, formal and tailored induction on appointment. Among all newly appointed Directors during the year ended 31 December 2017, Ms. Xie Si, Ms. Cao Huifang, Dr. Chan Kin Keung, Eugene, Mr. Chan Tung Tak Alain, Mr. Li Long and Mr. Choy Sze Chung Jojo had received tailored induction package covering the statutory and regulatory obligations of directors. Mr. Ng Ting Chi did not receive any induction on appointment as the Company was unable to arrange an induction upon or shortly after his appointment on 28 June 2017 and Mr. Ng resigned as a Director on 9 October 2017. Save for the non-compliance disclosed above, all Directors newly appointed during the year under review confirmed that they had complied with the code provision A.6.1 of the CG Code during the year under review.

Code provision A.6.5 of the CG Code requires all directors to participate in continuous professional development to develop and refresh their knowledge and skills. To ensure that all Directors' contribution to the Board remain informed and relevant, during the year ended 31 December 2017, the Directors, namely Mr. Sin Kwok Lam, Mr. Tsang Yan Kwong, Mr. Leung Wai Hung, Ms. Ho Siu Man, Ms. Xie Si, Ms. Cao Huifang, Mr. Yu Wan Hei, Dr. Fung Kam Man, Mr. Wang Zhiwei, Mr. Chan Tung Tak Alain, Mr. Li Long and Mr. Choy Sze Chung Jojo had participated in continuous professional development by attending training courses organised by professional firms or institutions, or reading materials provided by the Company regarding updates on the GEM Listing Rules and relevant regulatory requirements. Due to the short tenure of their directorship, (i) Mr. Ng Ting Chi did not attend any directors' training during his tenure as a Director from 28 June 2017 to 9 October 2017; and (ii) Dr. Chan Kin Keung, Eugene did not attend any directors' training during his tenure as a Director from 28 June 2017 to 2 August 2017. Save for the non-compliance disclosed above, all Directors confirmed that they had complied with the code provision A.6.5 of the CG Code during the year under review.

董事的就任須知持續專業發展課程

根據企業管治守則的守則條文第A.6.1條，每名新委任的董事均應在受委任時獲得全面、正式兼特為其而設的就任須知。於截至二零一七年十二月三十一日止年度，所有新委任的董事中，謝絲女士、曹慧芳女士、陳建強醫生、陳通德先生、李龍先生及蔡思聰先生已獲得特為其而設的就職須知，內容涵蓋董事的法規及監管責任。吳廷智先生於獲委任時，並無獲得任何就任須知，因為本公司未能於彼於二零一七年六月二十八日獲委任時或其後短期內，安排向彼提供就任須知，而吳先生於二零一七年十月九日辭任董事。除上文披露之不合規事宜外，於回顧年度獲委任的所有董事已確認，彼等於回顧年度已遵守企業管治守則的守則條文第A.6.1條。

企業管治守則之守則條文第A.6.5條要求所有董事應參與持續專業發展，發展並更新其知識及技能。為確保所有董事對董事會作出知情及相關的貢獻，於截至二零一七年十二月三十一日止年度，各位董事，即冼國林先生、曾仁光先生、梁偉雄先生、何筱敏女士、謝絲女士、曹慧芳女士、余運喜先生、馮錦文博士、王志維先生、陳通德先生、李龍先生及蔡思聰先生已藉出席專業公司或機構籌辦的培訓課程，或閱讀本公司提供關於GEM上市規則及相關監管要求的最新資訊的閱讀材料，參與持續專業發展。由於彼等的董事任期短：(i)吳廷智先生於二零一七年六月二十八日至二零一七年十月九日的董事任期內並無接受任何董事培訓；及(ii)陳建強醫生於二零一七年六月二十八日至二零一七年八月二日的董事任期內並無接受任何董事培訓。除上文披露之不合規事宜外，所有董事已確認，彼等已於回顧年度遵守企業管治守則之守則條文第A.6.5條。

BOARD COMMITTEES

AUDIT COMMITTEE

The audit committee was established in 2011 with its written terms of reference in compliance with the CG Code. The committee currently comprises four independent non-executive Directors, being Mr. Choy Sze Chung Jojo (chairman of the audit committee), Dr. Fung Kam Man, Mr. Wang Zhiwei and Mr. Chan Tung Tak Alain.

The audit committee held 5 meetings during the year ended 31 December 2017. The composition of the audit committee and the attendance record of each member at the audit committee meetings held during the year ended 31 December 2017 is set out below:

Names of committee members	As at	As at	As at	As at	As at	As at	As at	Number of meetings attended/ number of meetings held during the tenure of the relevant member for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度內相關成員於任期內出席會議次數/舉行會議次數
	1 January 2017	28 June 2017	2 August 2017	24 August 2017	9 October 2017	14 November 2017	31 December 2017	
委員會成員姓名	於二零一七年一月一日	於二零一七年六月二十八日	於二零一七年八月二日	於二零一七年八月二十四日	於二零一七年十月九日	於二零一七年十一月十四日	於二零一七年十二月三十一日	
Mr. Yu Wan Hei 余運喜先生	Chairman 主席	—	—	—	—	—	—	3/3 3/3
Dr. Fung Kam Man 馮錦文博士	Member 成員	Member 成員	Member 成員	Member 成員	Chairman 主席	Member 成員	Member 成員	5/5 5/5
Mr. Wang Zhiwei 王志維先生	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	5/5 5/5
Mr. Ng Ting Chi 吳廷智先生	—	Chairman 主席	Chairman 主席	Chairman 主席	—	—	—	1/1 1/1
Dr. Chan Kin Keung, Eugene 陳建強醫生	—	Member 成員	—	—	—	—	—	0/0 0/0
Mr. Chan Tung Tak Alain 陳通德先生	—	—	—	Member 成員	Member 成員	Member 成員	Member 成員	1/1 1/1
Mr. Choy Sze Chung Jojo 蔡思聰先生	—	—	—	—	—	Chairman 主席	—	0/0 0/0

The primary duties of the audit committee are to make recommendations to the Board on the appointment, re-appointment and removal of external auditor; review and supervise the financial reporting process, risk management and internal control procedures and the internal audit function of the Company.

董事委員會

審核委員會

審核委員會於二零一一年成立，其書面職權範圍符合企業管治守則。委員會目前由四名獨立非執行董事組成，即蔡思聰先生（審核委員會主席）、馮錦文博士、王志維先生及陳通德先生。

截至二零一七年十二月三十一日止年度，審核委員會召開五次會議。審核委員會成員及各成員出席於截至二零一七年十二月三十一日止年度舉行的審核委員會會議的出席記錄表列如下：

審核委員會的主要職責為就外聘核數師的委聘、續聘及罷免向董事會提出建議；檢討及監督本公司的財務報告過程、風險管理及內部監控程序以及內部審核職能。

During the year under review, the audit committee has reviewed the Group's quarterly, interim and annual financial results, the Group's financial reporting system, risk management and internal control systems and the effectiveness of the Company's internal audit function. It has discussed the risk management and internal control systems with the management to ensure that the management has performed its duty to have effective systems. The committee has also made recommendations to the Board on the reappointment of the external auditors after reviewing the scope of work offered, taking into account their remuneration and terms of engagement.

Rule 5.28 of the GEM Listing Rules requires that the audit committee comprises a minimum of three non-executive directors, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise, and that the audit committee is chaired by an independent non-executive director. Following the resignation of Mr. Ng Ting Chi on 9 October 2017 as an independent non-executive Director, a member and the chairman of the audit committee, the audit committee comprised three members who are all independent non-executive Directors and was chaired by Dr. Fung Kam Man. However, none of them had appropriate professional qualifications or accounting or related financial management expertise as specified in Rule 5.05(2) of the GEM Listing Rules. On 14 November 2017, the Company appointed Mr. Choy Sze Chung Jojo, who possesses the appropriate professional qualifications or accounting or related financial management expertise as specified in Rule 5.05(2) of the GEM Listing Rules, as an independent non-executive Director, and a member and the chairman of the audit committee. Since then the Group has fully complied with the requirements of Rule 5.28 of the GEM Listing Rules.

Save for the non-compliance disclosed above, the Group has complied with Rule 5.28 of the GEM Listing Rules during the year ended 31 December 2017.

NOMINATION COMMITTEE

The nomination committee was established in 2011 with its written terms of reference in compliance with the CG Code. The committee currently comprises one executive Director, being Mr. Li Sin Hung Maxim (chairman of the nomination committee) and four independent non-executive Directors, being Dr. Fung Kam Man, Mr. Wang Zhiwei, Mr. Chan Tung Tak Alain and Mr. Choy Sze Chung Jojo.

於回顧年內，審核委員會已審閱本集團的季度、中期及全年財務業績，檢討本公司財務申報制度、風險管理及內部監控制度，以及本公司內部審核職能之成效。其已經與管理層討論風險管理及內部監控制度以確保管理層履行其職責建立有效的制度。委員會於檢討外聘核數師提供的工作並計及其薪酬及聘任條款後，亦就重新委任外聘核數師向董事會提出建議。

GEM上市規則第5.28條規定審核委員會包括最少三名非執行董事，其中最少一名為擁有合適專業資格或會計或相關財務管理專業知識的獨立非執行董事，而審核委員會需由獨立非執行董事擔任主席。吳廷智先生於二零一七年十月九日辭任獨立非執行董事、審核委員會成員及主席後，審核委員會由三名成員組成（均為獨立非執行董事）及由馮錦文博士擔任主席。然而，彼等概無擁有GEM上市規則第5.05(2)條規定的合適專業資格或會計或相關財務管理專業知識。於二零一七年十一月十四日，本公司委任蔡思聰先生為獨立非執行董事，彼擁有GEM上市規則5.05(2)條規定的合適專業資格或會計或相關財務管理專業知識，亦獲委任為審核委員會成員及主席。自此，本集團全面遵守GEM上市規則第5.28條規定。

除上文披露的不合規事宜外，於截至二零一七年十二月三十一日止年度，本集團已遵守GEM上市規則第5.28條。

提名委員會

提名委員會於二零一一年成立，其書面職權範圍符合企業管治守則。委員會目前由一名執行董事即李錦洪先生（提名委員會主席），及四名獨立非執行董事即馮錦文博士、王志維先生、陳通德先生及蔡思聰先生組成。

Corporate Governance Report 企業管治報告 (continued 續)

The nomination committee held 5 meetings during the year ended 31 December 2017. The composition of the nomination committee and the attendance record of each member at the nomination committee meetings held during the year ended 31 December 2017 is set out below:

截至二零一七年十二月三十一日止年度，提名委員會舉行五次會議。提名委員會成員及各成員出席於截至二零一七年十二月三十一日止年度舉行的提名委員會會議的出席記錄表列如下：

Names of committee members	As at	As at	As at	As at	As at	As at	As at	Number of meetings attended/ number of meetings held during the tenure of the relevant member for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度內相關成員於任期內出席會議次數／舉行會議次數
	1 January 2017	28 June 2017	2 August 2017	24 August 2017	9 October 2017	14 November 2017	31 December 2017	
委員會成員姓名	於二零一七年一月一日	於二零一七年六月二十八日	於二零一七年八月二日	於二零一七年八月二十四日	於二零一七年十月九日	於二零一七年十一月十四日	於二零一七年十二月三十一日	出席會議次數／舉行會議次數
Mr. Sin Kwok Lam 冼國林先生	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	4/5
Dr. Fung Kam Man 馮錦文博士	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	5/5
Mr. Wang Zhiwei 王志維先生	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	5/5
Mr. Yu Wan Hei 余運喜先生	Member 成員	—	—	—	—	—	—	2/2
Dr. Chan Kin Keung, Eugene 陳建強醫生	—	Member 成員	—	—	—	—	—	0/0
Mr. Ng Ting Chi 吳廷智先生	—	Member 成員	Member 成員	Member 成員	—	—	—	2/2
Mr. Chan Tung Tak Alain 陳通德先生	—	—	—	Member 成員	Member 成員	Member 成員	—	1/2
Mr. Choy Sze Chung Jojo 蔡思聰先生	—	—	—	—	—	Member 成員	—	0/0

The primary function of the nomination committee is to review the structure, size and composition of the Board and make recommendations to the Board on suitable candidates for appointment as Directors, appointment or re-appointment or re-designation of Directors, succession planning for Directors and assessment of the independence of the independent non-executive Directors.

提名委員會的主要職能為檢討董事會的架構、人數及組成以及就董事的委任或重新委任或調任之合適人選、董事繼任計劃，及評核獨立非執行董事的獨立性向董事會提出建議。

The Company has adopted a board diversity policy in September 2013 which sets out the approach to diversity on the Board. When there is a potential candidate of director, the Company will conduct comprehensive research on the candidate, including but not limited to the academic background, employment history and qualifications of the candidate. Suitable candidate will then be proposed to the nomination committee for further discussion. For implementing diversity on the Board, when selecting candidates for appointment, the nomination committee will take into account a range of measurable objectives, including but not limited to the skills, experiences, background, gender, age and other qualities of the potential candidates. The nomination committee will discuss and agree on the objectives on an annual basis and recommend them to the Board for adoption. After comprehensive assessment, the nomination committee will then make appropriate recommendations to the Board for approval. All appointments of Directors will ultimately be based on merit with regard to the benefits of diversity on the Board. The nomination committee reviews the board diversity policy on a regular basis and discuss any revision that may be required, and recommends any proposed changes to the Board for approval. The nomination committee considers that an appropriate balance of diversity of the Board is maintained.

During year under review, the nomination committee has assessed and reviewed the structure, size and composition of the Board, as well as the independence of the independent non-executive Directors. The nomination committee has discussed and reviewed the retirement and re-election of Directors and other relevant issues. During the year under review, the nomination committee also discussed and reviewed the personal profile, experience and qualifications of Dr. Chan Kin Keung, Eugene, Mr. Ng Ting Chi, Mr. Chan Tung Tak Alain, Ms. Xie Si, Ms. Cao Huifang, Mr. Li Long and Mr. Choy Sze Chung Jojo and made recommendations to the Board for their appointments.

REMUNERATION COMMITTEE

The remuneration committee was established in 2011 with its written terms of reference in compliance with the CG Code. The committee currently comprises one executive Director, being Mr. Li Sin Hung Maxim, and four independent non-executive Directors, being Dr. Fung Kam Man (chairman of the remuneration committee), Mr. Wang Zhiwei, Mr. Chan Tung Tak Alain and Mr. Choy Sze Chung Jojo.

本公司於二零一三年九月採納一項董事會多元化政策，當中載列達至董事會多元化之途徑。一旦物色到董事的潛在人選，本公司將對該位人選進行全面審查，包括但不限於該位人選的學術背景、工作履歷及資歷。其後會向提名委員會建議合適人選作進一步討論。為落實董事會多元化，當挑選委任人選時，提名委員會將考慮多項可量度的目標，包括但不限於潛在人選之技能、經驗、背景、性別、年齡及其他質素。提名委員會將每年就目標展開討論及達致共識，並推薦董事會採納。於進行全面評估後，提名委員會其後將向董事會作出合適推薦，以待審批。所有董事任命最終將會建基於董事會多元化得益的理據。提名委員會定期審視董事會多元化政策並討論是否需要作出任何修訂，及把任何建議改動推薦予董事會批准。提名委員會認為目前就董事會多元化能夠達致適當平衡觀點。

於回顧年內，提名委員會已評核及檢討董事會的架構、人數及組成以及獨立非執行董事的獨立性。提名委員會已討論及審閱董事的退任及重選以及其他相關事宜。於回顧年內，提名委員會亦討論及審閱陳建強醫生、吳廷智先生、陳通德先生、謝絲女士、曹慧芳女士、李龍先生及蔡思聰先生之個人資料、經驗及資歷，並向董事會就其委任作出推薦建議。

薪酬委員會

薪酬委員會於二零一一年成立，其書面職權範圍符合企業管治守則。委員會目前由一名執行董事即李錄洪先生及四名獨立非執行董事，即馮錦文博士（薪酬委員會主席）、王志維先生、陳通德先生及蔡思聰先生組成。

Corporate Governance Report 企業管治報告 (continued 續)

The remuneration committee held 9 meetings during the year ended 31 December 2017. The composition of the remuneration committee and the attendance record of each member at the remuneration committee meetings held during the year ended 31 December 2017 is set out below:

截至二零一七年十二月三十一日止年度，薪酬委員會舉行九次會議。薪酬委員會成員及各成員出席於截至二零一七年十二月三十一日止年度舉行的薪酬委員會會議的出席記錄表列如下：

Names of committee members	As at	As at	As at	As at	As at	As at	As at	Number of meetings attended/ number of meetings held during the tenure of the relevant member for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度內相關成員於任期內出席會議次數/舉行會議次數
	1 January 2017	28 June 2017	2 August 2017	24 August 2017	9 October 2017	14 November 2017	31 December 2017	
委員會成員姓名	於二零一七年一月一日	於二零一七年六月二十八日	於二零一七年八月二日	於二零一七年八月二十四日	於二零一七年十月九日	於二零一七年十一月十四日	出席會議次數/舉行會議次數	
Dr. Fung Kam Man 馮錦文博士	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	9/9
Mr. Sin Kwok Lam 冼國林先生	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	7/9
Mr. Wang Zhiwei 王志維先生	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	9/9
Mr. Yu Wan Hei 余運喜先生	Member 成員	—	—	—	—	—	—	2/2
Dr. Chan Kin Keung, Eugene 陳建強醫生	—	Member 成員	—	—	—	—	—	0/0
Mr. Ng Ting Chi 吳廷智先生	—	Member 成員	Member 成員	Member 成員	—	—	—	3/4
Mr. Chan Tung Tak Alain 陳通德先生	—	—	—	Member 成員	Member 成員	Member 成員	Member 成員	5/6
Mr. Choy Sze Chung Jojo 蔡思聰先生	—	—	—	—	—	Member 成員	Member 成員	0/0

Corporate Governance Report 企業管治報告 (continued 續)

The primary duties of the remuneration committee are to make recommendations to the Board on the overall remuneration policy and structure and the remuneration packages of the executive Directors and senior management including benefits in kind, pension rights and compensation payments and ensure none of the Directors or any of their associates will determine his/her own remuneration.

During the year under review, the remuneration committee adopted the approach under Code Provision B.1.2(c)(ii) of the CG Code to make recommendations to the Board on the remuneration packages as well as the terms of the service contracts of the executive Directors and senior management of the Company. In addition, it has met to determine the remuneration policy and structure and to assess the performance of Directors.

Pursuant to code provision B.1.5 of the CG Code, the annual remuneration of the senior management for the year ended 31 December 2017 by band is set out below:

薪酬委員會的主要職責為就整體薪酬政策及架構，以及執行董事和高級管理層的薪酬方案（包括實物福利、退休金權利及賠償金額），向董事會提出建議；並確保並無本集團董事或其聯繫人釐定其自身之薪酬。

於回顧年內，薪酬委員會採納企業管治守則守則條文第B.1.2(c)(ii)條下之方法以向董事會就薪酬方案以及本公司董事及高級管理層服務合約的條款提出建議。此外，其已舉行會議釐定薪酬政策及架構及評估董事之表現。

根據企業管治守則第B.1.5條，高級管理層於截至二零一七年十二月三十一日止年度按組別劃分之年度薪酬列載如下：

		Number of Individuals 僱員人數
HK\$1,000,000 to HK\$1,500,000	1,000,000港元至1,500,000港元	1
HK\$1,500,000 to HK\$2,000,000	1,500,000港元至2,000,000港元	2

CREDIT COMMITTEE

The Company had set up a credit committee in 2007 for the purpose of better management of its credit risk and credit operations. The members of the credit committee are responsible for, among other things, approving and overseeing the Group's credit policy and monitoring the Group's loan portfolio. The credit committee currently comprises four executive Directors, namely Mr. Li Sin Hung Maxim, Ms. Xie Si, Ms. Cao Huifang and Mr. Wong Kai Lun.

信貸委員會

本公司已於二零零七年設立信貸委員會，以更好地管理其信貸風險及信貸業務。信貸委員會成員負責（其中包括）批准及監管本集團的信貸政策，以及監督本集團的貸款組合。信貸委員會目前由四名執行董事組成，即李錄洪先生、謝絲女士、曹慧芳女士及黃啟倫先生。

Corporate Governance Report 企業管治報告 (continued 續)

The credit committee held 12 meetings during the year ended 31 December 2017. The composition of the credit committee and the attendance record of each member at the credit committee meetings held during the year ended 31 December 2017 is set out below:

截至二零一七年十二月三十一日，信貸委員會舉行十二次會議。信貸委員會成員及各成員出席於截至二零一七年十二月三十一日止年度舉行的信貸委員會會議的出席記錄表列如下：

Names of committee members	As at	As at	Number of meetings attended/number of meetings held during the tenure of the relevant member for the year ended
	1 January 2017	22 September 2017	31 December 2017
委員會成員姓名	於二零一七年一月一日	於二零一七年九月二十二日	截至二零一七年十二月三十一日止年度內相關成員於任期內出席會議次數／舉行會議次數
Mr. Sin Kwok Lam	Chairman	—	0/12
冼國林先生	主席	—	0/12
Mr. Tsang Yan Kwong	Member	—	8/8
曾仁光先生	成員	—	8/8
Mr. Leung Wai Hung	Member	—	8/8
梁偉雄先生	成員	—	8/8
Mr. Wong Yu Shun Billy	Member	—	8/8
王宇迅先生	成員	—	8/8
Ms. Xie Si	—	Member	4/4
謝絲女士	—	成員	4/4
Ms. Cao Huifang	—	Member	4/4
曹慧芳女士	—	成員	4/4

COMPLIANCE COMMITTEE

A compliance committee was established in 2010 serving the corporate governance function of the Company, with the aim to ensure the strict compliance of the Group with relevant laws, rules and regulations applicable to the Group, in particular the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) (“MLO”) and the SFO, from time to time. The major duties of the compliance committee include to develop and review the Company’s policies and practices on corporate governance and make recommendations to the Board, to review and monitor the training and continuous professional development of Directors and senior management, to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements, to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors and to review the Company’s compliance with the CG Code and disclosure in the corporate governance report.

合規委員會

合規委員會於二零一零年成立，肩負本公司的企業管治職能，旨在確保本集團嚴格遵守不時適用於本集團的相關法例、規則及法規，尤其是放債人條例（香港法例第163章）（「放債人條例」）及證券及期貨條例。合規委員會的主要職責包括設立及審閱本公司有關企業管治方面的政策及常規並向董事會作出推薦意見，審閱及監察董事及高級管理層的培訓及持續專業化發展，審閱及監察本公司有關遵守法律及監管規定的政策及實務，設立、審閱及監督適用於僱員及董事的行為守則及合規手冊，以及檢討本公司遵守企業管治守則及企業管治報告之披露規定的合規情況。

Corporate Governance Report 企業管治報告 (continued 續)

The compliance committee currently comprises four independent non-executive Directors, namely Dr. Fung Kam Man (chairman of the compliance committee), Mr. Wang Zhiwei, Mr. Chan Tung Tak Alain and Mr. Choy Sze Chung Jojo.

合規委員會目前由四名獨立非執行董事組成，即馮錦文博士（合規委員會主席）、王志維先生、陳通德先生及蔡思聰先生。

The compliance committee held 4 meetings during the year ended 31 December 2017. The composition of the compliance committee and the attendance record of each member at the compliance committee meetings held during the year ended 31 December 2017 is set out below:

截至二零一七年十二月三十一日止年度，合規委員會舉行四次會議。合規委員會成員及各成員出席於截至二零一七年十二月三十一日止年度舉行的合規委員會會議的出席記錄表列如下：

Names of committee members	As at	As at	As at	As at	As at	As at	As at	Number of meetings attended/ number of meetings held during the tenure of the relevant member for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度內相關成員於任期內出席會議次數／舉行會議次數
	1 January 2017	28 June 2017	2 August 2017	24 August 2017	22 September 2017	9 October 2017	14 November 2017	
委員會成員名稱	於二零一七年一月一日	於二零一七年六月二十八日	於二零一七年八月二日	於二零一七年八月二十四日	於二零一七年九月二十二日	於二零一七年十月九日	於二零一七年十一月十四日	出席會議次數／舉行會議次數
Mr. Yu Wan Hei 余運喜先生	Chairman 主席	—	—	—	—	—	—	2/2
Ms. Ho Siu Man 何筱敬女士	Member 成員	Member 成員	Member 成員	Member 成員	—	—	—	3/3
Dr. Fung Kam Man 馮錦文博士	Member 成員	Member 成員	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	Chairman 主席	4/4
Mr. Wang Zhiwei 王志維先生	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	Member 成員	4/4
Dr. Chan Kin Keung, Eugene 陳建強醫生	—	Chairman 主席	—	—	—	—	—	0/0
Mr. Ng Ting Chi 吳廷智先生	—	Member 成員	Member 成員	Member 成員	Member 成員	—	—	1/1
Mr. Chan Tung Tak Alain 陳通德先生	—	—	—	Member 成員	Member 成員	Member 成員	Member 成員	1/1
Mr. Choy Sze Chung Jojo 蔡思聰先生	—	—	—	—	—	—	Member 成員	0/0

The compliance committee holds meetings on a quarterly basis for reviewing matters regarding the compliance of the Group with the MLO, the SFO and other relevant laws and regulations applicable to the Group. The Company has adopted relevant compliance manuals which governs the Group's compliance matters in relation to the MLO, the SFO, the GEM Listing Rules as well as other relevant regulations.

During the period under review, the compliance committee had no material findings on the compliance issues of the Group. Meanwhile, it has made several suggestions to the Board and the management of the Company particularly concerning risk management, environmental, social and governance matters and the Company has acted on the recommendations of the compliance committee.

CREDIT REVIEW COMMITTEE

The Company had set up a credit review committee in 2018 for the purpose of enhancing risk management and internal control of the Group. Dr. Fung Kam Man, Mr. Wang Zhiwei and Mr. Chan Tung Tak Alain, all being independent non-executive Directors, were appointed as the members of the credit review committee and Dr. Fung Kam Man was appointed as the chairman of the credit review committee.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements for each financial year, which should provide a true and fair view of the Company's financial information. In preparing the financial statements, the Directors have consistently selected and applied appropriate accounting policies and standards. The statement of the auditors of the Company about their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditors' Report on pages 78 to 83 of this annual report.

COMPANY SECRETARY

The Company engages an external service provider, Ms. Cheang Yee Wah Eva, as the Company Secretary. She is a Chartered Financial Analysts Charterholder, a member of The Hong Kong Institute of Certified Public Accountants and an associate member of The Hong Kong Institute of Chartered Secretaries. During the year under review, the Company Secretary has taken not less than 15 hours of relevant professional training in compliance with Rule 5.15 of the GEM Listing Rules.

合規委員會按季舉行會議，以審閱有關本集團遵守放債人條例、證券及期貨條例及適用於本集團之其他相關法律及法規的事宜。本公司已採納相關合規守則，規管本集團有關放債人條例、證券及期貨條例、GEM上市規則以及其他相關法規的合規事宜。

於回顧期間，合規委員會並未發現本集團存在重大合規問題。同時，合規委員會已向本公司董事會及管理層作出有關風險管理及環境、社會及管治事宜之修訂的建議，而本公司已根據合規委員會的建議採取相關措施。

信貸覆核委員會

本公司於二零一八年就改善本集團風險管理及內部監控建立信貸覆核委員會。獨立非執行董事馮錦文博士、王志維先生及陳通德先生獲委任為信貸覆核委員會成員，而馮錦文博士獲委任為信貸覆核委員會主席。

董事就財務報表的財務申報責任

董事負責就各財政年度編製財務報表，以真實及公平地反映本公司的財務資料。於編製財務報表時，董事已貫徹選擇及應用適當的會計政策及準則。本公司核數師有關彼等對本公司財務報表的申報責任的聲明載於本年報第78頁至第83頁的獨立核數師報告。

公司秘書

本公司委聘一名外部服務供應商蔣綺華女士為公司秘書。彼為特許金融分析師特許資格認證持有人、香港會計師公會會員及香港特許秘書公會資深會員。於回顧年度內，公司秘書已遵照GEM上市規則第5.15條接受不少於15小時的相關專業培訓。

AUDITORS' REMUNERATION

The fees in relation to the audit for the financial year ended 31 December 2017 provided by RSM Hong Kong, the external auditors of the Company, amounted to approximately HK\$0.9 million. In addition, an approximately HK\$0.29 million was charged for non-audit services consisting mainly of taxation services and interim review.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk management and internal control are essential elements of corporate governance. Effective risk management and internal control facilitate the day-to-day operation and business development of the Group while maintaining risk at an optimal level.

SYSTEM FEATURES: RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The risk management and internal control systems (“**RM & IC Systems**”) of the Company is designed to identify and monitor risks from day-to-day operations and it is embodied by the Board through the audit committee, the management, the branches and departments and the internal audit function.

The Board recognises its responsibilities to evaluate and determine the nature and extent of the risks the Group is willing to take in achieving the strategic objectives of the Group, and ensures that the Company has established and maintained appropriate and effective RM & IC Systems. The Board is also responsible for overseeing the management in the design, implementation and monitoring of the RM & IC Systems on an ongoing basis. In this regards, the Board conducts evaluation on the effectiveness of the RM & IC systems established and maintained by the management of the Company at least annually. The review covers all relevant financial, operational and compliance controls and reports on any failure of or deficiency in the RM & IC Systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board has conducted an annual review on the effectiveness of the RM & IC Systems of the Group for the year ended 31 December 2017 and considered these systems effective and adequate.

核數師的薪酬

於截至二零一七年十二月三十一日止財政年度，由本公司外聘核數師中瑞岳華(香港)會計師事務所提供的審計服務的相關費用約為900,000港元。此外，非審計服務(主要包括稅項服務及中期審閱)的相關費用約為290,000港元。

風險管理及內部監控

風險管理及內部監控為企業管治之關鍵元素。有效的風險管理及內部監控在維持風險於理想水平的同時，促進本集團之日常營運及業務發展。

系統特徵：風險管理及內部監控體系

本公司之風險管理及內部監控體系(「**風險管理及內部監控體系**」)旨在識別及監察日常營運的風險且由董事會透過審核委員會、管理層、分行及部門及內部審核人員具體化。

董事會確認其評估及釐定本集團達成其策略目標時所願意接納的風險性質及程度的職責，並確保本公司已設立及維持合適及有效的風險管理及內部監控體系。董事會有責任持續監督管理層對風險管理及內部監控體系的設計、實施及監察；就此而言，董事會就本公司管理層建立風險管理及內部監控體系的有效性進行最少每年一次評估。有關檢討涵蓋所有相關財務、經營和合規監控，並匯報風險管理及內部監控體系中的任何缺失或不足。有關系統乃用於管理而非消除不能達致業務目標的風險，並僅可就重大失實陳述或損失作出合理而非絕對的保證。

截至二零一七年十二月三十一日止年度，董事會已就本集團風險管理及內部監控系統的有效性進行年度檢討，並認為該等系統有效及健全。

The Audit Committee The audit committee is responsible for overseeing the Company's financial reporting system and the RM & IC Systems. It also develops a regular platform to discuss the RM & IC Systems with the management to ensure that the management has performed its duty to have effective systems. Such discussion includes the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. The audit committee considers the major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and the management's response to these findings. The audit committee also regularly reviews the findings and opinions of the internal audit function and the management to evaluate the effectiveness of the RM & IC Systems.

Credit Review Committee The credit review committee was established in January 2018 for the purpose of enhancing risk management and internal control of the Group, mainly on the aspects of credit risk. The committee has periodic review on issues including credit quality of various cases including cases of newly drawn loans and overdue loans. Review on current loan cases are also conducted as a continuous monitoring on the credit quality. Results and findings of the review are submitted to the Board for further discussion.

The internal audit function is performed by Dr. Fung Kam Man, the independent non-executive Director of the Group. The internal audit function generally carries out the analysis and independent appraisal of the adequacy and effectiveness of the Company's RM & IC Systems.

The Management, Branches and Departments The management is responsible for designing, implementing and monitoring of the RM & IC Systems. The management implements and takes day-to-day responsibility for the Group's policies and manuals on risk management and internal control. The branches and departments of the Group, as the daily operation units, are responsible for reviewing and reporting potential risks from time to time to the management.

Inside Information Handling and Dissemination The Company has also adopted the Disclosure Policy and Procedures to promote consistent disclosure practices in compliance with the GEM Listing Rules and the SFO. Under the policy, the management shall report to the Board as soon as practicable for any event which may constitute inside information, and the Board shall decide, if required, to make relevant disclosure in a timely manner.

審核委員會 審核委員會負責監督本公司之財務報告系統以及風險管理及內部監控系統。其亦設立定期平台以與管理層討論風險管理及內部監控系統，確保管理層履行其職責維持有效系統。有關討論包括資源充足性、員工資歷及經營、培訓項目及本公司之會計及財務報告職能預算。審核委員會考慮由董事會委派或其主動進行之風險管理及內部監控事宜之主要調查結果，以及管理層就該等結果的回應。審核委員會亦對該等結果及內部審核人員及管理層的意見進行定期檢討，以評估風險管理及內部監控體系的有效性。

信貸覆核委員會 信貸覆核委員會於二零一八年一月成立，目的為加強本集團風險管理及內部監控，主要為信貸風險方面。該委員會定期審查包括新提取貸款個案、逾期個案的信貸質素在內的事宜。目前貸款個案的審查亦按持續監察信貸質素的方式進行。審查結果及所得會呈交董事會作進一步討論。

內部審核職能 由本集團獨立非執行董事馮錦文博士履行。內部審核職能通常就本公司之風險管理及內部監控體系的準確性及有效性進行分析及獨立評估。

管理層、分行及部門 管理層負責設計、執行及監督風險管理及內部監控系統。管理層執行本集團政策及風險管理及內部監控手冊，並就其履行日常職責。作為日常營運機構的本集團分行及部門，負責不時監督及向管理層匯報潛在風險。

內幕消息處理及發佈 本公司亦已發財披露政策及程序，以推行符合GEM上市規則及證券及期貨條例的一致披露常規。根據政策，管理層須在可行情況下盡快向董事會匯報任何可能構成內幕消息的事項，而董事會須決定是否須及時作出相關披露。

RISK MANAGEMENT PROCESS

風險管理程序



Risk Identification The branches and the major subsidiaries of the Group are required to report on material risks identified in the Risk Management Report (on branch or subsidiary level) which is submitted to the management periodically.

Risk Assessment and Measurement The internal processes of risk assessment and measurement involve the participation of management in assessing the risk exposure such as identifying the impact of potential risk. The management reviews and scrutinises the material risks and ensures that appropriate controls and measures are in place or in progress. The management, through consolidating, filtering and prioritising processes, compiles a Company Risk Management Report to the audit committee and the internal audit function. Following review by the audit committee and internal audit function, the Company Risk Management Report would be submitted to the Board.

Risk Control and Mitigation The management considers the risks and material internal control defects identified and recommends appropriate measures to control and mitigate risks as well as resolving material internal control defects. For instance, the management reviews the risk management policy from time to time. Such measures vary according to the type of risks or defects and resources available.

Risk Monitoring The management, in conjunction with the audit committee, regularly monitors the Company's risk exposure and reviews the effectiveness of the RM & IC systems in terms of risk control and mitigation.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS AND INVESTOR RELATIONS

The Board believes that transparent and timely disclosure of the Group's information will enable shareholders and investors to make the best investment decision and to have better understanding on the Group's business performance and strategies. It is also vital for developing and maintaining continuing investor relations with the Company's potential and existing investors.

The Company maintains a website at "www.fcfg.com.hk" as a communication platform with its shareholders and investors, where the Group's business developments and operations, financial information, corporate governance practices and other information are available for public access. Shareholders and investors may also write directly to the Company's principal place of business in Hong Kong at 21/F-22/F, Fung House, Nos. 19-20 Connaught Road Central, Hong Kong or via email to enquiry@firstcredit.com.hk for any inquiries. Inquiries will be dealt with in an informative and timely manner.

The Board considers that general meetings of the Company provide an important channel for the shareholders to exchange views with the Board. All Directors endeavor to be available at the general meetings to answer any questions raised by the shareholders.

風險識別 本集團之分行及主要附屬公司須匯報其於風險管理報告(於分行或附屬公司層面)所識別的重大風險，其會定期提交予管理層。

風險評估及計量 風險評估及計量之內部程序涉及管理層參與評估所承擔的風險，如識別潛在風險的影響。管理層檢討及深入檢視重大風險，確保維持及採取適當監控及措施。管理層透過整合、過濾及排次的步驟，編寫公司風險管理報告，供由審核委員會及內部審核人員討論。經審核委員會及內部審核人員檢視後，公司風險管理報告將呈交予董事會。

風險控制和緩解 管理層已識別風險及重大內部監控不足並建議採取適當措施以控制及緩解風險以及解決重大內部監控缺陷。例如，管理層不時審閱風險管理政策。有關措施根據風險或缺失的種類及可供取用的資源而有所不同。

風險監測 管理層連同審核委員會定期監督本公司之風險及檢討風險管理及內部監控系統於風險控制及緩解方面的有效性。

與股東及投資者保持溝通及投資者關係

董事會相信，透明且及時地披露本集團資料將有助於股東及投資者作出最佳的投資決策及加強其對本集團業務表現及策略的了解。此外，就與本公司的潛在及現有投資者發展及維持持續投資者關係而言，有關披露亦極為重要。

本公司備有一個網站「www.fcfg.com.hk」作為與股東及投資者溝通的平台，公眾可透過該網站查閱本集團的業務發展及營運、財務資料、企業管治常規及其他資料。股東及投資者如有任何查詢，亦可直接寄信至本公司於香港的主要營業地點(地址為香港中環干諾道中19-20號馮氏大廈21樓-22樓)或發電郵至「enquiry@firstcredit.com.hk」。本公司將盡快就有關查詢提供詳盡資料。

董事會認為，本公司股東大會提供一個重要渠道供股東與董事會交流意見。所有董事將盡力出席股東大會並回答股東提出的任何問題。

During the year ended 31 December 2017, there was no significant change in the memorandum of continuance and the Bye-laws of the Company.

SHAREHOLDERS' RIGHT

It is the Company's responsibility to ensure that its shareholders' interests are well-protected. To do so, the Company maintains on-going dialogue with its shareholders to communicate with them and encourage their participation in AGM and other general meetings. Registered shareholders are notified by post for the convening of general meetings of the Company. Notice of meeting contains agenda, proposed resolutions and a proxy form. All registered shareholders are entitled to attend annual and special general meetings of the Company, provided that their names have been recorded in the register of members of the Company on the relevant record dates of the meetings.

Pursuant to the Bye-laws, the Board may whenever it thinks fit call for special general meeting. Shareholders holding not less than one-tenth of the paid-up capital of the Company carrying the right to vote at general meetings of the Company as of the date of deposit of the requisition, shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If the Board fails to proceed to convene such meeting within 21 days from the date of deposit of the requisition, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

Pursuant to the Companies Act 1981 of Bermuda, (i) shareholders representing not less than one-twentieth of the total voting rights of all shareholders having a right to vote at the general meeting; or (ii) not less than one hundred shareholders, can submit a written requisition stating the resolution which is intended to be moved at a general meeting, or to submit a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

Shareholders may send their enquiries or requests in respect of their rights as mentioned above to the Company's principal place of business in Hong Kong or via email as set out in the paragraph headed "Communications with Shareholders and Investors and Investor Relations" above.

截至二零一七年十二月三十一日止年度，本公司的存續章程大綱及公司細則概無重大變化。

股東權利

本公司有責任確保股東權益獲得充份保障。為達致該目的，本公司持續與股東保持聯繫，並鼓勵彼等出席股東週年大會及其他股東大會參與本公司事務。我們以郵遞方式向登記股東寄發召開本公司股東大會的通告。大會通告包含會議議程、提呈的決議案以及代表委任表格。所有於大會相關記錄日期名列於本公司股東名冊內的登記股東均有權出席本公司股東週年大會及股東特別大會。

根據公司細則，董事會可於其認為適當的任何時候召開股東特別大會。任何於遞交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的權力)十分之一的股東於任何時候有權透過向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項。有關大會應於遞交該要求後兩個月內舉行。倘董事會未能於遞交要求當日起計21日內開展召開該大會的程序，則遞交人士，或代表彼等全體人士總投票權一半以上之任何人士，可自行召開大會，惟任何如此召開的會議不可於前述日期起計滿三個月後舉行。

根據百慕達一九八一年公司法，股東若(i)代表有權於股東大會投票的全體股東總投票權不少於二十分之一；或(ii)人數不少於一百，可寄發請求書，列明擬於股東大會上動議之決議案，或就該次大會上的任何建議決議案或將予處理的事務所提述的事宜，傳閱不超過一千字的聲明。

誠如上文「與股東及投資者保持溝通及投資者關係」一段所載，股東可將其對上述股東權利之查詢或要求郵寄至本公司於香港的主要營業地點，或以電郵方式作出查詢。

Biographical Details of Directors and Senior Management 董事及高級管理層之履歷

EXECUTIVE DIRECTORS

Mr. Li Sin Hung Maxim, aged 47, is an executive Director and the Chairman of the Board. He joined the Group and was appointed as a Director in January 2018 and subsequently appointed as the Chairman in February 2018. Mr. Li is also a director of certain subsidiaries of the Company. Mr. Li is responsible for managing the Board to ensure its effectiveness in all aspects by providing strategic and business direction and ensuring the loan quality of the Group. Mr. Li holds a bachelor's degree of business administration and management (with honours) awarded by De Montfort University. He worked in various companies including without limitation a banking company and a solicitors' firm. Mr. Li was an executive director of National Arts Entertainment and Culture Group Limited ("National Arts") (stock code: 8228), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and whose shares are listed on GEM, from 13 May 2009 and was re-designated as a non-executive director of National Arts from 9 May 2011 to 5 January 2018. Mr. Li is a current holder of the Estate Agents License (Individual) and a Certified Paralegal in the Institute of Paralegals.

Ms. Xie Si, aged 29, is an executive Director and the compliance officer of the Company. She joined the Group and was appointed as a Director in September 2017. Ms. Xie is also a director of certain subsidiaries of the Company. Ms. Xie is responsible for supervising the overall operation and management, formulating market strategies and ensuring the loan quality of the Group. Ms. Xie graduated from Southwest University of Science and Technology with a bachelor's degree in accountancy. Ms. Xie has over 8 years of experience in banking and financial industry. She has extensive experiences in providing financial services to customers, including corporate and individual clients.

Ms. Cao Huifang, aged 29, is an executive Director of the Company. She joined the Group and was appointed as a Director in September 2017. Ms. Cao is also a director of certain subsidiaries of the Company. Ms. Cao is responsible for supervising the overall operation and management, formulating market strategies and ensuring the loan quality of the Group. Ms. Cao graduated from Shenzhen University with a bachelor's degree in commerce majoring in business English. She has extensive experience in strategic planning, corporate finance and financial management. Ms. Cao is currently the corporate representative, general manager and executive director of a private company in the People's Republic of China ("PRC"), which is engaged in design and trading of apparels and trading of chemicals.

Mr. Wong Kai Lun, aged 40, is an executive Director of the Company. He joined the Group and was appointed as a Director of the Group in January 2018. Mr. Wong is also a director of certain subsidiaries of the Company. Mr. Wong is responsible for supervising the overall operation and management, formulating market strategies and ensuring the loan quality of the Group. Mr. Wong has various marketing and managerial experience in the beauty industry in Hong Kong. He is currently a marketing manager of Pure Derma Limited, a company incorporated in Hong Kong with limited liability, which is principally engaged in the medical beauty business.

獨立非執行董事

李錄洪先生，47歲，為執行董事兼董事會主席。彼於二零一八年一月加入本集團，並獲委任為董事，其後於二零一八年二月獲委任為主席。李先生亦為本公司若干附屬公司的董事。李先生負責管理董事會，透過提供策略及業務方向，確保其於各方面的效率及確保集團的貸款質素。李先生持有德蒙福特大學授予的工商管理及管理榮譽學士學位。彼曾任職於包括但不限於金融公司及律師事務所在內的數間公司。李先生自二零零九年五月十三日起曾為國藝娛樂文化集團有限公司（「國藝」）（股份代號：8228）的執行董事，並自二零一一年五月九日至二零一八年一月五日調任為國藝非執行董事。該公司於開曼群島註冊成立並於百慕達存續之有限公司，股份於GEM上市。李先生現為地產代理（個人）牌照的持有人及英國法律務人員學院（Institute of Paralegals）的經認證法律顧問（Certified Paralegal）。

謝絲女士，29歲，為執行董事兼本公司合規主任。彼於二零一七年九月加入本集團，並獲委任為董事。謝女士亦為本公司若干附屬公司的董事。謝女士負責監察本集團營運及管理、制定市場策略及確保貸款質量。謝女士畢業於西南科技大學，獲會計學學士學位。謝女士於銀行及金融行業擁有逾8年經驗。彼於為客戶（包括企業及個人客戶）提供金融服務方面擁有豐富經驗。

曹慧芳女士，29歲，為本公司執行董事。彼於二零一七年九月加入本集團，並獲委任為董事。曹女士亦為本公司若干附屬公司的董事。曹女士負責監察本集團營運及管理、制定市場策略及確保貸款質量。曹女士畢業於深圳大學，獲商務英語專業商學士學位。彼於戰略規劃、企業融資及財務管理方面擁有豐富經驗。曹女士現時為中華人民共和國（「中國」）一間私營公司的法人代表、總經理及執行董事，該公司從事服裝設計及貿易以及化學品貿易。

黃啟倫先生，40歲，為本公司執行董事。彼於二零一八年一月加入本集團，並獲委任為董事。黃先生亦為本公司若干附屬公司的董事。黃先生負責監察本集團營運及管理、制定市場策略及確保貸款質量。黃先生擁有香港美容行業各類營銷及管理經驗。彼目前為Pure Derma Limited的營銷經理。該公司為香港註冊成立的有限公司，主要從事醫療美容業務。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Fung Kam Man, aged 54, was appointed as an independent non-executive Director in July 2016. Dr. Fung has obtained a bachelor's degree in business administration from the Chinese University of Hong Kong, a degree of Master of Science in Financial Management from the University of London and a degree of Doctor of Philosophy awarded by the University of Nottingham. Dr. Fung has been certified as a Project Management Professional by the Project Management Institute. He is a certified financial planner certified by the Institute of Financial Planners of Hong Kong and a certified financial planner of The Chinese Institute of Certified Financial Planners. Dr. Fung has experience of more than 20 years in the continuing education and vocational training field. Dr. Fung is currently a self-employed higher education development and quality assurance consultant. Dr. Fung was an independent non-executive director of DX.com Holdings Limited (currently known as "Sino Vision Worldwide Holdings Limited"), (stock code: 08086), the shares of which are listed on GEM, from 1 August 2016 to 2 November 2017. He acted as the independent non-executive director of Jia Meng Holdings Limited (currently known as "EJE (Hong Kong) Holdings Limited (KY)"), (stock code: 08101), the shares of which are listed on GEM, from 1 April 2015 to 21 September 2016.

Mr. Wang Zhiwei, aged 50, was appointed as an independent non-executive Director in October 2016. Mr. Wang graduated from Taiyuan Institute of Machinery (currently known as the North University of China) in 1990 with a bachelor's degree in mechanical engineering. Mr. Wang has been qualified as a senior engineer in electronic engineering in the PRC since December 2000. Mr. Wang has over 15 years of experience in holding senior executive positions in various corporations in the PRC with businesses involving e-commerce, software development, coal and energy development and solar power. Mr. Wang is an independent non-executive director of Interactive Entertainment China Cultural Technology Investments Limited (stock code: 08081), the shares of which are listed on GEM. From January 2011 to April 2014, Mr. Wang was the vice president of a subsidiary of Jun Yang Financial Holdings Limited (stock code: 00397), the shares of which are listed on the Main Board of the Stock Exchange. From May 2014 to June 2016, Mr. Wang was also working as the deputy general manager of China Demeter Investments Limited (currently known as China Demeter Financial Investments Limited) (stock code: 08120), the shares of which are listed on the GEM, and participated in seeking potential investment opportunities in different projects.

獨立非執行董事

馮錦文博士，54歲，於二零一六年七月獲委任為獨立非執行董事。馮博士於香港中文大學獲取工商管理學士學位，於倫敦大學獲取金融管理理學碩士學位，並獲得諾丁漢大學頒授之哲學博士學位。馮博士為獲項目管理專業學會承認的專業項目管理人員。彼亦為香港財務策劃師學會之認可財務策劃師及獲中國註冊理財規劃師協會認證之註冊理財規劃師。馮博士於持續教育及職業培訓範疇擁有逾20年經驗。目前，馮博士為自僱的專上教育發展及質素保證顧問。馮博士於二零一六年八月一日至二零一七年十一月二日為DX.com控股有限公司(現稱為「新維國際控股有限公司」，其股份於GEM上市(股份代號：08086))的獨立非執行董事。彼於二零一五年四月一日至二零一六年九月二十一日為家夢控股有限公司(現稱為「壹家壹品(香港)控股有限公司」，其股份於GEM上市(股份代號：08101))的獨立非執行董事。

王志維先生，50歲，於二零一六年十月獲委任為獨立非執行董事。王先生於一九九零年畢業於太原機械學院(現中國中北大學)，並獲機械工程學士學位。王先生自二零零零年十二月起獲授予中國電氣工程高級工程師資格。王先生曾於中國多個企業擔任高級行政人員職位，擁有逾十五年相關經驗，其業務涵蓋電子商務、軟件開發、煤炭及能源發展以及太陽能發電。王先生為互娛中國文化科技投資有限公司(其股份於GEM上市(股份代號：08081))的獨立非執行董事。王先生於二零一一年一月至二零一四年四月，擔任君陽金融控股有限公司(股份代號：00397，其股份於聯交所主板上市)之附屬公司之副主席。王先生由二零一四年五月至二零一六年六月擔任中國神農投資有限公司(股份代號：08120，其股份於GEM上市)(現稱為國農金融投資有限公司)之副總經理。彼亦參與各種項目發掘潛在投資機會。

Biographical Details of Directors and Senior Management 董事及高級管理層之履歷 (continued 續)

Mr. Chan Tung Tak Alain, aged 63, was appointed as an independent non-executive Director in August 2017. Mr. Chan obtained a bachelor of science degree (with honours) in architecture and a diploma in architecture from the Polytechnic of North London, United Kingdom in 1979 and 1983 respectively. He had held a corporate membership of the Royal Institute of British Architects, United Kingdom from 1985 to 2014, and had been a registered member of the Architects Registration Board of the United Kingdom from 1984 to 2014, a member of the Royal Architectural Institute of Canada from 1994 to 2014 and a graduate member of the Hong Kong Institute of Architects from 1980 to 2014. Mr. Chan has over 16 years of experience in the architecture sector and had worked as an architect, senior architect or project manager in various architecture firms in London, United Kingdom, Canada and Hong Kong from 1983 to 1999. Mr. Chan had also been an independent non-executive Director of the Company from April 2010 to June 2013.

Mr. Li Long, aged 60, was appointed as an independent non-executive Director in September 2017. Mr. Li has over 25 years of experience in the trading industry. Mr. Li has held managerial positions in various sizeable corporations in the PRC from 1985 to 2013. He has mainly been responsible for business development, marketing and financial management.

Mr. Choy Sze Chung Jojo, aged 58, was appointed as an independent non-executive Director in November 2017. Mr. Choy obtained a master of business administration degree from the University of Wales, Newport in 2004 and a master of business law degree from the Monash University in Australia in 2007. Mr. Choy is a fellow member of each of the Institute of Financial Accountants of the United Kingdom, the Institute of Public Accountants of Australia, The Hong Kong Institute of Directors and the Institute of Compliance Officers. He is also a member of the Cash Market Consultative Panel of the Stock Exchange and the Society of Registered Financial Planners. Mr. Choy has extensive experience in the securities industry and has worked as a responsible officer and representative in various securities companies in Hong Kong. He is currently the vice chairman and a responsible officer of National Resources Securities Limited for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO and also the permanent honorable president and the vice chairman of the Institute of Securities Dealers Limited. Mr. Choy is currently an independent non-executive director of Luye Pharma Group Ltd. (stock code: 2186), Sparkle Roll Group Limited (stock code: 0970) and Zhaojin Mining Industry Company Limited (stock code: 1818), all being limited companies listed on the Main Board of the Stock Exchange. He was an independent non-executive director of Chengdu PUTIAN Telecommunications Cable Company Limited* (stock code: 1202), a limited company whose shares are listed on the Main Board of the Stock Exchange, from February 2006 to January 2018. He was also an independent non-executive director of Orient Securities International Holdings Limited (stock code: 8001), a limited company whose shares are listed on GEM, from March 2010 to May 2016.

陳通德先生，63歲，於二零一七年八月獲委任為獨立非執行董事。陳先生分別於一九七九年及一九八三年取得英國北倫敦理工大學建築學(榮譽)理學士學位及建築學文憑。彼於一九八五年至二零一四年為英國皇家建築師學會公司會員，於一九八四年至二零一四年為英國特許註冊建築師，於一九九四年至二零一四年加拿大皇家建築師學會會員以及於一九八零年至二零一四年為香港建築師學會畢業生會員。陳先生於建築領域累積超過16年經驗，並自一九八三年起至一九九九年於倫敦、英國、加拿大及香港多間建築師事務所擔任建築師、高級建築師或項目經理。自二零一零年四月起至二零一三年六月止，陳先生曾任本公司獨立非執行董事。

李龍先生，60歲，於二零一七年九月獲委任為獨立非執行董事。李先生於貿易行業擁有逾25年經驗。李先生自一九八五年至二零一三年曾擔任中國多間大型企業的管理職位。彼主要負責業務發展、市場營銷及財務管理。

蔡思聰先生，58歲，於二零一七年十一月獲委任為獨立非執行董事。蔡先生於二零零四年取得紐波特威爾斯大學之工商管理碩士學位，並於二零零七年取得澳大利亞蒙納士大學之商業法律碩士學位。蔡先生為英國財務會計師公會、澳洲公共會計師協會、香港董事學會、法則合規師協會各自的資深會員。彼亦為聯交所現貨市場諮詢小組成員及註冊財務策劃師協會會員。蔡先生於證券業擁有豐富經驗，一直擔任香港多家證券公司的負責人員及代表。彼現時為中潤證券有限公司的副主席，並為證券及期貨條例下第1類(證券交易)、第4類(就證券提供意見)及第9類(提供資產管理)受規管活動的負責人員。彼亦為證券協商會的永遠名譽會長及副主席。蔡先生現任綠葉製藥集團有限公司(股份代號：2186)、耀萊集團有限公司(股份代號：0970)及招金礦業股份有限公司(股份代號：1818)之獨立非執行董事，該等公司均是在聯交所主板上市的有限公司。彼曾於二零零六年二月至二零一八年一月擔任成都普天電纜股份有限公司(股份代號：1202)的獨立非執行董事，該公司為有限公司，其股份在聯交所主板上市。彼亦曾於二零一零年三月至二零一六年五月擔任東方滙財證券國際控股有限公司(股份代號：8001)的獨立非執行董事，該公司為有限公司，其股份在GEM上市。

* For identification purposes only.

SENIOR MANAGEMENT

Mr. Tsang Yan Kwong, aged 52, is the Chief Executive Officer of the Company and is responsible for supervising the overall operation and management and formulating market strategies of the Group. Mr. Tsang joined the Group in August 2007 and was appointed as an executive Director in April 2010. Following his resignation as an executive Director in September 2017, Mr. Tsang remains as the general manager of First Credit Limited, the wholly-owned subsidiary of the Company, overseeing the money lending business of the Group. He has extensive experience in the finance field through his working experience in the finance sector for over 27 years specialising in money lending industry. Mr. Tsang obtained a master degree of business from the University of Newcastle, Australia and a diploma in management studies jointly from Lingnan University and The Hong Kong Management Association.

高級管理層

曾仁光先生，52歲，為本公司行政總裁，負責監督本集團整體營運及管理及制訂市場策略。曾先生於二零零七年八月加入本集團，並於二零一零年四月獲委任為董事。自彼於二零一七年九月辭任執行董事一職後，曾先生仍為本公司全資附屬公司——第一信用財務有限公司的總經理，監管本集團放債業務。彼於金融領域（專注於放債行業）工作超過27年，在金融領域方面經驗豐富。曾先生獲得澳洲紐卡素大學商業碩士學位及由嶺南大學與香港管理專業協會聯合頒授的管理學文憑。

Directors' Report 董事會報告

The Board is pleased to present the annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2017. All cross-references mentioned in this directors' report forms part of this directors' report.

PRINCIPAL ACTIVITIES

The Group is principally engaged in money lending business in Hong Kong through the provision of both secured and unsecured loans to its customers, including individuals, corporations and foreign domestic workers. The Group also conducts securities trading business for the provision of services in relation to securities brokerage and investments in listed securities

RESULTS

The Group's results for the year ended 31 December 2017 and the state of affairs of the Company and the Group as at that date are set out in the consolidated financial statements from pages 84 to 89 of this annual report.

DIVIDENDS

The directors did not recommend the payment of any final dividend for the year ended 31 December 2017.

BUSINESS REVIEW

A fair review of the business of the Group during the year ended 31 December 2017, particulars of important events affecting the Group since the end of the financial year, an analysis of the Group's performance using financial key performance indicators, and an indication of likely future developments in the Group's business are provided in the sections headed "Chairman's Statement" from page 5 to page 6 and "Management Discussion and Analysis" from page 7 to page 17 of this annual report. Description of any matter that is material for appreciation of the state of the Group's affairs can be found throughout this annual report.

董事會欣然提呈本集團截至二零一七年十二月三十一日止年度的年報及經審核綜合財務報表。所有於本董事會報告內提及的相互參照內容均構成董事會報告的一部分。

主要業務

本集團主要在香港進行放債業務，向我們的客戶（包括個人、企業及外籍家庭傭工）提供有抵押及無抵押貸款。本集團亦提供有關證券經紀及上市證券投資服務的證券買賣業務。

業績

本集團截至二零一七年十二月三十一日止年度的業績以及本公司及本集團於該日的財務狀況載於本年報第84頁至第89頁的綜合財務報表。

股息

董事並不建議就截至二零一七年十二月三十一日止年度派付任何末期股息。

業務回顧

有關截至二零一七年十二月三十一日止年度本集團業務的中肯審視、在財政年度終結後發生對本公司有影響的重大事件的詳情、運用財務主要表現指標進行的本集團表現分析，及本集團業務未來可能發展方向分別本年報載於第5頁至第6頁「主席報告」各節、第7頁至第17頁管理層討論及分析。對了解本集團事務狀況據關鍵性的事項之描述均列載於本年報。

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's business operations and financial conditions may be affected by risks and uncertainties pertaining to the Group's businesses, which mainly include the operational risks, financial risks, market risks and regulatory risks.

Operational risks are those relating to the Group's internal processes, including but not limited to potential misconduct of employees and fraud, which may bring significant adverse impact on the Group's business operations and reputation. Failures of information technology systems will result in interruption of the loan and securities trading operation of the Group and potential leakage of confidential information. Operational risks may also result from emergencies and unexpected events such as natural hazards. Relevant operation policies and procedures have been adopted and in place to ensure that the daily operation of the Group is in compliance with the relevant requirements, such as the MLO and the SFO. Internal reporting procedures have been established and when any suspected case of employee misconduct and/or fraud arises, any staff can report directly to the management. The staff handbook has also stipulated that employee misconduct and fraud are prohibited. The Group places considerable value on data security and data privacy. The computer systems are secured with access controls, while maintenance and update are conducted regularly by the information technology services providers. Anti-virus softwares have been installed for all computers in office.

Financial risks include interest rate risk, credit risk and liquidity risk in the Group's normal course of business. Interest rate risk relates to the fluctuation of interest rates of the interest-bearing lending and borrowing of the Group. Credit risk relates to the ability or willingness of customers to meet their contractual obligations whereas liquidity risk refers to the Group's ability in maintaining sufficient fund to meet the liquidity requirements. The above financial risks may affect the finance costs incurred, revenue generated as well as impairment loss on loans receivables. Further discussion about the financial risks is set out in note 6 to the consolidated financial statements from page 121 to page 130 of this annual report. For credit risk in respect of the loan portfolio, the Group has developed and adopted a set of loan approval procedures and credit policy. The Group strives to maintain sufficient cash and adequate funding available from its shareholders and committed line(s) of funding from financial institution(s). To ensure the Group maintains sufficient capital and credit lines to meet its liquidity requirements, the cash flows projection of the Group is reviewed on a regular basis. For the securities trading business of the Group, the financial resources are regularly reviewed to ensure that the financial reserve of the Group can meet the liquid capital requirement under the relevant rules and regulations.

Market risks relate to the change in macroeconomic conditions and fluctuation of market variables such as gross domestic product, exchange rates, equity prices and property prices in Hong Kong. These risks may generally affect market demands and the repayment abilities of customers, in particular the customers for personal loans and mortgage loans, which may lead to adverse impact on the Group's revenue. The Group would from time to time fine-tune the Group's business strategies, policies and procedures, in particular the loan approval procedures, according to the market situation.

主要風險及不確定因素

本集團之業務營運及財務狀況可受與本集團業務有關之風險及不確定因素影響，主要包括營運風險、財務風險、市場風險及監管風險。

營運風險指與本集團內部程序有關之風險，包括但不限於潛在僱員行為不當及欺詐，可能對本集團業務營運及聲譽造成嚴重不利影響。資訊科技系統故障可能導致本集團貸款及證券買賣業務中斷及可能洩漏機密資訊。營運風險亦可能因天災等緊急情況及意料之外之事件導致。本集團已採納和設有相關營運政策，確保本集團的日常營運遵從有關規定。例如放債人條例及證券及期貨條例。內部申報程序已獲建立，倘出現任何僱員涉嫌行為失當及／或欺詐的任何案件，僱員可直接向管理層上報。員工手冊亦規定禁止僱員作出失當及欺詐行為。本集團甚為重視資料保安及資料穩私。電腦系統具有存取控制保障，資訊科技服務供應商則定期維護及更新系統。辦公室內所有電腦均已安裝防毒軟件。

財務風險包括本集團正常業務過程中之利率風險、信貸風險及流動性風險。利率風險涉及本集團計息貸款及借款之利率波動。信貸風險涉及客戶履行合約責任之能力或意願，而流動性風險指本集團維持充足資金以滿足流動性要求之能力。上述財務風險可能影響所產生之財務成本、已產生之收入以及應收貸款之減值虧損。關於財務風險之進一步討論載於本年報綜合財務報表第121頁至第130頁。貸款組合的信貸風險而言，本集團已加強並採納一套貸款審批程序及信貸政策。本集團致力維持現金充裕和從股東及其他金融機構所得的融資充足。為了確保本集團備有充裕資金及信貸額以符合其流動性規定，會定期審視現金流預測。就證券買賣業務而言，本集團會定期檢討財務資源，確保本集團的財務儲備達到相關法例及法規下的流動資金規定。

市場風險涉及宏觀經濟情況及市場可變因素波動，例如香港的本地生產總值、匯率、股本價格及物業價格。該等風險可能全面影響市場需求及客戶的償還能力，尤其是個人貸款及按揭貸款之客戶，可能對本集團之收益導致不利影響。本集團會根據市況，不時微調本集團的策略、政策及程序(特別是貸款審批程序)。

Regulatory risks may arise from potential default of the Group in compliance with the relevant laws and regulations which have a significant impact on the Group's business and any future changes in the relevant laws and regulations. Non-compliance with the relevant laws and regulations may bring various consequences to the Group, including but not limited to the revocation or suspension of the money lenders licence, licence to carry on Type 1 (dealing in securities) regulated activity under SFO and/or the imposition of penalties resulting from the offence. The compliance committee of the Company was established with the aim to ensure the strict compliance of the Group with relevant laws, rules and regulations applicable to the Group. The Company has also adopted a compliance policy and manual which governs the Company's compliance matters in relation to the MLO, SFO, the GEM Listing Rules as well as other relevant regulations. More information about the compliance committee of the Company is set out in the sub-paragraph headed "Compliance Committee" in the section headed "Corporate Governance Report" from page 30 to page 32 of this annual report.

Further discussion on the risk management and internal control of the Company is set out in the paragraph headed "Risk Management and Internal Control" in the section headed "Corporate Governance Report" from page 33 to page 35 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has been aware of its rising environmental responsibility to the community and is committed to reducing the negative impacts on the environment caused by the operation of its business and enhancing its influence among different stakeholders. It also strives to maintain an environmental-friendly business mechanism across its operation.

The Group encourages treasure and efficient use of natural resources such as electricity, water and papers. Environmental-friendly workplace guidelines are provided to employees to create a green workplace. Employees are encouraged to use both sides of papers, recycled papers, or choosing "2 pages per sheet" printing setting when printing documents. Also, the Group nurtures recycling habit of employees and over 610 kg of used papers were recycled during the year under review. The Group also initiates to reduce waste on festive occasions. For instance, it introduced the "mooncake container recycling campaign" and "no gift wrapping campaign" during last Mid-Autumn Festival and Christmas respectively.

Further details of the Group's environmental policies and performance are set out in the paragraph headed "Environment" in the Environmental, Social and Governance Report from page 57 to page 77 of this annual report.

監管風險可能因本集團對遵守有關法律及法規有潛在違規(對本集團業務有重大影響)及有關法律及法規之任何未來變動而產生。不遵守有關法律及法規可能對本集團導致各種後果，包括但不限於撤銷或暫停放債人牌照、可進行證券及期貨條例下第1類(證券交易)受規管活動牌照及/或因罪行而被施加罰款。本公司已成立合規委員會，旨在確保本集團嚴格遵守對本集團適用之相關法律、規則及法規。本公司亦已採納合規政策及手冊，規管本公司關於放債人條例、證券及期貨條例、GEM上市規則及其他有關法規之合規事宜。關於本公司合規委員會之更多資料載於本年報第30頁至第32頁「企業管治報告」一節「合規委員會」分節。

關於本公司風險管理及內部監控之進一步討論載於本年報第33頁至第35頁「企業管治報告」一節「風險管理及內部監控」一段。

環境政策及表現

本集團已意識到日益增多的社會環境責任且致力於減少由其業務營運而產生的對環境的負面影響以及加強於不同持份者間的影響，亦致力於維持覆蓋其營運的環境友好型業務機制。

本集團鼓勵珍惜及有效利用自然資源，如電力、水及紙張。本集團向僱員提供環境友好型的工作場所指引以創造綠色的工作環境。本集團鼓勵僱員打印文件時使用紙張的雙面、循環用紙或選擇「每張2頁」印刷設置。本集團亦培養僱員循環利用的習慣且審閱年度有逾610公斤已使用紙張得以循環利用。本集團亦提倡節日減廢。舉例而言，本公司於去年的中秋節及聖誕節分別推行「月餅盒回收計劃」及「無禮物包裝計劃」。

有關本集團環境政策及表現之進一步詳情列載於本年報第57頁至第77頁之環境、社會及管治報告「環境」一段。

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The operations of the Group are based in Hong Kong and the Group itself is listed on GEM. In light of this, the Group upholds high corporate governance standards and strives to ensure that its business practice complies with all relevant laws and regulations in the jurisdiction. Reviews on regulatory compliance of its business operation are conducted from time to time. During the year under review and up to the date of this annual report, the Group has been in compliance with the relevant laws and regulations that have a significant impact on its money lending business and securities trading business in Hong Kong which mainly include the MLO as well as the SFO.

The MLO provides for the control and regulation of money lenders and money lending transactions, the licensing of persons carrying on business as money lenders, and provides protection and relief against excessive interest rates and extortionate stipulations in respect of loans. As a licenced money lender in Hong Kong, the Group has to ensure strict compliance with the MLO. The Group's money lending business is subject to licensing requirements. The money lenders licence is granted by the licensing court and is renewable annually subject to satisfaction of all licensing conditions. Any non-compliance with the MLO may result in revocation or suspension of the money lenders licence, imposition of fines and hindrance for future renewal of the money lenders licence, which may have an adverse impact on the Group's money lending business.

The SFO regulates various securities related activities including dealing in securities. Asia Wealth Securities Limited, a wholly-owned subsidiary of the Company, is licensed for Type 1 (dealing in securities) regulated activity under the SFO. Being a licensed corporation under the SFO, Asia Wealth Securities Limited shall ensure, among other matters, that (i) it does not provide any services or carry on any activities which is not within the authorised scope of its licence; (ii) any individual who carries on the regulated activities must be duly licenced or authorised to do so; and (iii) it shall comply with the relevant approval and notification obligations under the SFO. In the event of any non-compliance with the SFO, the SFC has the power to revoke or suspend the licence of the licenced corporation and order payment of pecuniary penalty, which may have an adverse impact on the Group's securities trading business.

For the year under review and up to the date of this annual report, there has been no material breach or non-compliance with the relevant laws and regulations which have a material impact on the business and operations of the Group.

遵守相關法律及法規

本集團於香港營運且本集團於GEM上市。有鑒於此，本集團維持高標準的企業管治及致力於確保業務實踐遵守司法權區所有相關法律及法規，且不時進行有關業務營運符合監管規定的審閱。於回顧年度內及截至本年報日期，本集團一直遵守對於其香港放貸業務及證券買賣業務有重大影響的相關法律及法規，主要包括放債人條例及證券及期貨條例。

放債人條例規定有關放債人及放債交易的監控和規管條文，發出牌照以進行放債人業務，並規定有關保護和濟助貸款方面苛徵利息及勒索敲詐條款的條文。作為香港持牌放債人，本集團必須恪守放債人條例。本集團的放債業務受牌照規定所限。放債人牌照由牌照法庭頒發，當局信納所有發牌條件的前提下才會每年續期。任何不遵守放債人條例的情況均可能導致放債人牌照被撤銷或暫時吊銷、徵收罰款及妨礙放債人牌照的日後重續，這可能對本集團的放債業務造成不利影響。

證券及期貨條例規管各類證券相關活動，包括證券交易。本公司全資附屬公司亞洲創富證券有限公司獲發牌，可從事證券及期貨條例項下第1類（證券交易）受規管活動。作為證券及期貨條例下的持牌法團，亞洲創富證券有限公司須確保（其中包括）(i)其不提供不屬其牌照授權範圍內的任何服務或進行任何該等活動；(ii)任何從事受規管活動的人士必須妥為獲發牌照或獲授權如是行事；及(iii)其須遵守證券及期貨條例項下有關批准及通知義務。如有任何違反證券及期貨條例的情況，證監會有權撤銷或暫時吊銷該持牌法團的牌照，並命令繳付罰款，這可能會對本集團的證券交易業務造成不利影響。

於回顧年度內及直至本年報日期，概無發現重大違反或並無遵守相關法律及法規的情況而對本集團業務及營運造成重大影響。

KEY RELATIONSHIPS

Employees

The fact that employees are crucial assets of the Group is of no doubt. The Group strives to enhance employees' loyalty and sense of belonging to the Group through various policies and practice. It emphasizes the importance of labour diversity and equal opportunities in recruitment process. It also provides staff with a caring, safe and healthy working environment. In order to help cater for the continuous development of the employees, professional trainings and self-development sponsorships are provided. The Group values any feedback from employees and hopes to maintain open communication with the latter, which favours a good and long-lasting relationship.

Further details about the Group's policies and relationship with its employees are set out in the paragraphs headed "Employees" in the Environmental, Social and Governance Report from page 62 to 64 of this annual report.

Customers

Customer-oriented principle is adopted across the business operation of the Group. Product mix (e.g. loan portfolio) and service quality are regarded as the key to good relationship with customers of the Group and are reviewed from time to time with the aim to cater for target customers' fast-changing needs and enhance their satisfactions. The Group also strives to ensure that honest and comprehensive information about its products is provided to customers so that they can make appropriate informed decision. In addition, as numerous personal and confidential information is handled and processed by staff in day-to-day operation, guidelines regarding security of customers' personal data and privacy and avoidance of information leakage are in place.

While the Group is principally engaged in money lending business and securities trading business, scale of the former is larger in terms of trade volume and revenue generated. During the year under review, the Group maintained good relationship with its major customers, including individuals and corporations. The Group did not rely on any of its major customers as the relevant revenue generated was not significant. During the year under review, the five largest customers of the Group in aggregate accounted for less than 28% of the revenue of the Group. These customers were Independent Third Parties from the Group's money lending business, among which two are individuals and the other three are corporations. Two of the customers have fully settled their respective loans by 31 December 2017.

During the year under review, the credit period of the loans granted to the major customers ranged from 1 year to 3 years, which was negotiated on an arm's length basis with reference to the commercial practice and the Group's credit policy. The top management of the Company will closely monitor the loan portfolio, in particular the loans to major customers, periodically and will continue to adopt risk control and management strategies while broadening the customer base.

As far as the Directors are aware, neither the Directors nor their close associates nor any shareholders of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had any interest in the five largest customers of the Group during the year.

重要關係

僱員

僱員無疑是本集團重要資產。本集團致力於通過多種政策及實踐加強僱員的忠誠度及對本集團的歸屬感，強調勞動力的多樣性及招聘過程的機會平等，亦為員工提供用心、安全及健康的工作環境。為幫助員工持續發展，我們提供專業訓練及贊助自我發展。本集團重視僱員的任何反饋並希望維持與其的有利於良好而持久關係的開放交流。

有關本集團僱員政策及其與僱員關係之更多詳情載於本年報第62頁至第64頁環境、社會及管治報告「僱員」各段。

客戶

本集團於業務營運中採取以客戶為本的宗旨。本集團視產品組合（例如貸款組合）及服務質量為維持與客戶維持良好關係的關鍵，並不時審閱產品組合及服務質量以希望達到迎合客戶瞬息萬變的需求及提高彼等的滿意度。本集團亦致力確保於向客戶提供誠信及全面的產品資料，令彼等作出適宜的知情決定。此外，於每日營運中員工經手並處理大量的個人及機密資料，本集團適當作出有關客戶個人資料及隱私安全及避免信息洩露的指引。

本集團主要從事放債業務及證券買賣業務，在交易量及所得收益方面，前者的規模較大。於回顧年度，本集團與其主要客戶維持良好關係，包括個人及企業。本集團並無依賴任何主要客戶，因為所產生的相關收益並不重大。於回顧年內，本集團五大客戶合共為本集團收益貢獻不足28%。該等客戶在本集團的放債業務為獨立第三方，其中兩名為個別人士，其餘三名為企業。兩名客戶分別於二零一七年十二月三十一日已悉數支付。

於回顧年度，授予主要客戶的貸款信貸期介乎一年至三年，乃參考商業常規及本集團的信貸政策按公平基準磋商。本公司高級管理層將定期密切監察貸款組合，尤其是授予主要客戶的貸款，並將繼續採用風險監控及管理策略，同時擴大客戶基礎。

據董事所知，概無董事或其聯繫人或就董事所知擁有本公司已發行股本5%以上的任何股東於本集團五大客戶中擁有任何權益。

Suppliers

Given that the Group is engaged in the finance industry which is office-based, it does not rely on any major suppliers for its business operation in general. In other words, the Group's suppliers are mainly those who provide services supporting the daily office operation of the Group such as cleaning service companies, office consumables suppliers and so on. The Group therefore considers that the risk arising from cooperation with suppliers is minimal. It is unlikely that the relationships with suppliers will bring significant impact on the business operation of the Group as it is comparatively easy to seek alternative suppliers in the market.

Besides, guidelines were established and adopted to outline criteria to be considered when selecting suppliers and vendors. Factors such as whether the potential suppliers own shared values with the Group in terms of sustainable development will be considered. During the year under review and up to the date of this annual report, the Group has worked closely with its suppliers and maintained good relationships with them.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five years is set out in the section headed "Financial Summary" on page 180 of this annual report. The summary does not form part of the audited consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 34 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme adopted by the Company ("**Share Option Scheme**") as disclosed in note 37 to the consolidated financial statements, no equity-linked agreements were entered into by the Company during the year ended 31 December 2017 or subsisted at the end of the year.

ISSUE OF SHARES AND DEBENTURES

During the year under review, the Company has not issued any shares or debentures.

PRE-EMPTIVE RIGHTS

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

供應商

鑑於本集團所從事的金融業以辦公室作基地，通常在業務營運無須依賴任何主要供應商。換言之，本集團的供應商主要為提供可協助本集團辦公室日常營運的服務，比如清潔服務公司、辦公室消耗品供應商及其他。因此，本集團認為與供應商合作而產生的風險甚微。由於在市場上較易尋找其他替代供應商，故與供應商的關係不會對本集團的業務營運帶來重大影響。

此外，本集團已設立並採納挑選供應商及賣方時供考慮的標準的指引，考慮因素如是否潛在供應商與本集團就持續發展享有共識。於回顧年度及直至本年報日期，本集團與供應商合作緊密且維持良好的關係。

財務摘要

有關本集團於過往五年的業績以及資產及負債的摘要載於本年報第180頁「財務摘要」一節。該摘要並不構成經審核綜合財務報表一部分。

股本

本公司股本於本年度的變動詳情載於綜合財務報表附註34。

股權掛鈎協議

除綜合財務報表附註37所披露本公司採納的購股權計劃（「**購股權計劃**」）外，本公司於截至二零一七年十二月三十一日止年度內並無訂立任何股權掛鈎協議，而且於年末時並無任何該類協議存續。

發行股份及債權證

於回顧年內，本公司並無發行任何股份或債權證。

優先購買權

公司細則或百慕達法律均無有關促使本公司向現有股東按比例發售新股的優先購買權的規定。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Company's property, plant and equipment during the year are set out in note 19 to the consolidated financial statements.

RESERVE

Details of movements in the reserves of the Group during the year are set out in note 36 to the consolidated financial statements and in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company's reserves available for distribution to equity holders comprised the contributed surplus amounted to approximately HK\$213.46 million.

DONATIONS

During the year under review, the Group made charitable donations and other donations amounting to approximately HK\$934,000 (2016: HK\$120,000).

DIRECTORS AND SENIOR MANAGEMENT

The Directors of the Company during the year and up to the date of this annual report are:

EXECUTIVE DIRECTORS

Li Sin Hung Maxim (Chairman) — *appointed as executive Director on 9 January 2018 and appointed as Chairman on 7 February 2018*

Xie Si — *appointed on 15 September 2017*

Cao Huifang — *appointed on 15 September 2017*

Wong Kai Lun — *appointed on 9 January 2018*

Sin Kwok Lam — *resigned as Chairman and executive Director on 7 February 2018*

Tsang Yan Kwong (Chief Executive Officer) — *resigned as executive Director on 22 September 2017*

Leung Wai Hung — *resigned on 22 September 2017*

Ho Siu Man — *resigned on 22 September 2017*

物業、廠房及設備

本公司於本年度的物業、廠房及設備變動詳情載於綜合財務報表附註19。

儲備

本集團於本年度的儲備變動詳情載於綜合財務報表附註36以及綜合權益變動表。

可供分派儲備

於二零一七年十二月三十一日，本公司可供分派予權益持有人的儲備由繳入盈餘組成，金額約為213,460,000港元。

捐款

於回顧年內，本集團作出慈善捐款及其他捐款約934,000港元(二零一六年：120,000港元)。

董事及高級管理層

年內及直至本年報日期，本公司董事包括：

執行董事

李錦洪(主席) — 於二零一八年一月九日獲委任為執行董事並於二零一八年二月七日獲委任為主席

謝絲 — 於二零一七年九月十五日獲委任

曹慧芳 — 於二零一七年九月十五日獲委任

黃啟倫 — 於二零一八年一月九日獲委任

冼國林 — 於二零一八年二月七日辭任主席及執行董事

曾仁光(行政總裁) — 於二零一七年九月二十二日辭任執行董事

梁偉雄 — 於二零一七年九月二十二日辭任

何筱敏 — 於二零一七年九月二十二日辭任

INDEPENDENT NON-EXECUTIVE DIRECTORS

Fung Kam Man
 Wang Zhiwei
 Chan Tung Tak Alain — appointed on 24 August 2017
 Li Long — appointed on 15 September 2017
 Choy Sze Chung Jojo — appointed on 14 November 2017
 Chan Kin Keung, Eugene — appointed on 28 June 2017 and resigned on 2 August 2017
 Ng Ting Chi — appointed on 28 June 2017 and resigned on 9 October 2017
 Yu Wan Hei — retired on 28 June 2017

In accordance with the Bye-laws, any Director appointed by the Board to fill casual vacancy shall hold office until the first general meeting of the Company held after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM of the Company and shall then be eligible for re-election. By virtue of the above requirement, Mr. Li Sin Hung Maxim, Ms. Xie Si, Ms. Cao Huifang, Mr. Wong Kai Lun, Mr. Chan Tung Tak Alain, Mr. Li Long and Mr. Choy Sze Chung Jojo will hold office until the forthcoming AGM of the Company and be subject to re-election at such meeting.

Biographical information of Directors and senior management of the Group are set out from page 37 to page 40 of this annual report.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the existing independent non-executive Directors an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and considers all the existing independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

Each of the existing executive Directors has entered into a service contract with the Company for a term of three years and each of the existing independent non-executive Directors is appointed for a term of two years, all being subject to retirement, re-election and removal in accordance with the Bye-laws.

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

獨立非執行董事

馮錦文
 王志維
 陳通德 — 於二零一七年八月二十四日獲委任
 李龍 — 於二零一七年九月十五日獲委任
 蔡思聰 — 於二零一七年十一月十四日獲委任
 陳建強 — 於二零一七年六月二十八日獲委任並
 於二零一七年八月二日辭任
 吳廷智 — 於二零一七年六月二十八日獲委任並
 於二零一七年十月九日辭任
 余運喜 — 於二零一七年六月二十八日退任

根據公司細則，由董事會委任以填補臨時空缺的任何董事的任期直至其獲委任後本公司舉行的首次股東大會為止，並可於該大會上膺選連任；獲董事會委任為額外增加現有董事會成員人數的任何董事的任期僅直至本公司下屆股東週年大會為止，並於大會上符合資格膺選連任。根據上述規定，李錦洪先生、謝絲女士、曹慧芳女士、黃啟倫先生、陳通德先生、李龍先生及蔡思聰先生之任期將至本公司下屆股東週年大會並可於該大會上膺選連任。

本集團董事及高級管理層履歷載於本年報第37頁至第40頁。

確認獨立性

本公司已收到各現時獨立非執行董事根據GEM上市規則第5.09條發出的年度獨立性確認書，並認為所有現時獨立非執行董事均為獨立人士。

董事的服務合約

各現時執行董事已與本公司訂立服務合約，為期三年。各現時獨立非執行董事的任期為兩年，並須遵照公司細則接受退任、重選及罷免。

概無擬於應屆股東週年大會上重選之董事擁有本公司在未有作出補償(法定補償除外)下不得於一年內終止的服務合約。

EMOLUMENT POLICY

A remuneration committee is set up for reviewing the Group's emolument policy and structure of all remuneration of the Directors and senior management of the Group. The remuneration package generally includes fees or salary, discretionary bonus, allowance and benefits and so on, details of which are set out in note 16 to the consolidated financial statements. Emolument payable to Directors is generally determined based on the Group's operating results, individual performance and experience and comparable market practices.

The Share Option Scheme was also adopted for the purpose of providing incentives and rewards to eligible participants, including the Directors, who contribute to the success of the Group's operations. Further details of the Share Option Scheme are set out in note 37 to the consolidated financial statements.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

On 7 February 2018, Mr. Li Sin Hung Maxim was appointed as the Chairman of the Company following the resignation of Mr. Sin Kwok Lam as an executive Director and the Chairman. In light of the new position taken up by Mr. Li, a supplemental service agreement was entered into between the Company and Mr. Li on 7 February 2018, pursuant to which the salary of Mr. Li is increased to HK\$60,000 per month and Mr. Li will be entitled to an additional sum equivalent to his then current monthly salary (or such pro-rated sum for an incomplete year of service) which shall be payable in December every year. The revised remuneration package of Mr. Li was determined with reference to his role, qualification, level of experience, the contribution to be made by him to the Company and the prevailing market conditions. Mr. Li will also be entitled to a discretionary bonus to be determined by the Board at its absolute discretion having regard to his performance.

Details of the emoluments of the Directors and five individuals with highest emoluments are set out in notes 16 and 15 to the consolidated financial statements respectively.

COMPETING INTERESTS

During the year under review, none of the Directors and their respective close associates had any business or interests in business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

薪酬政策

本集團已設立薪酬委員會，以審閱本集團的薪酬政策及本集團全體董事及高級管理層的薪酬架構。薪酬方案一般包括袍金或薪金、酌情花紅、津貼及福利等，有關詳情載於綜合財務報表附註16。應付董事的薪酬一般是根據本集團營運業績、個人表現、經驗及相若市場慣例釐定。

本集團亦採納購股權計劃，以提供激勵及獎賞予對本集團營運成就有貢獻的合資格參與者（包括董事）。有關購股權計劃的其他詳情載於綜合財務報表附註37。

董事及五名最高薪酬人士的酬金

二零一八年二月七日，於冼國林先生辭任本公司執行董事兼主席後，李錄洪先生獲委任為本公司主席。有鑒於李先生接任新職位，本公司與李先生於二零一八年二月七日訂立補充服務協議，據此，李先生的薪金將調高至每月60,000港元，而李先生將有權獲得一筆金額相等於其當前月薪的額外款項（或如服務不足一年，則為按比例調整的款項），須於每年十二月支付。李先生的經更新薪酬方案乃根據其職位、資歷、經驗水平、其將會向本公司作出的貢獻及當前市況釐定。李先生亦將有權獲得酌情花紅，金額將由董事會就其表現全權酌情釐定。

董事及五名最高薪酬人士的酬金詳情分別載於綜合財務報表附註16及15。

競爭權益

於回顧年度，概無董事及彼等各自聯繫人於業務中擁有任何業務或權益，而會或可能會與本集團的業務造成不論直接或間接的競爭。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save for the Share Option Scheme, at no time during the year ended 31 December 2017 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 debentures of, the Company or any other body corporate.

Also, no transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had material interest (whether directly or indirectly), was subsisted at the end of the year or at any time during the year.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-laws, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty. Such provisions were in force during the year under review and remained in force as of the date of this annual report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisted during the year.

董事於交易、安排及合約的權益

除購股權計劃外，於截至二零一七年十二月三十一日止年度內的任何時間，本公司或其任何附屬公司從未作為任何容許董事透過收購本公司或任可其他法團的股份或債權證以獲取利益的安排的訂約方。

此外，於本年度末或本年度期間內任何時間，董事或與董事相關的實體並無存續任何與本公司、或其任何控股公司、附屬公司或旗下附屬公司所訂立或作出的擁有重大權益（不論直接或間接）的交易、安排或重大合約。

獲准許的彌償條文

根據公司細則，董事均可從本公司的資產及溢利獲得彌償保證，彼等就其職務執行其職責時因作出、發生的任何作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害賠償及開支，可就此獲保證免受任何損害。有關條文於回顧年度內生效並且於本年報日期仍然生效。

管理合約

本年度內概無訂立或存在與本公司全部或任何重大部分業務有關的管理及行政合約。

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

As at 31 December 2017, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

INTERESTS IN THE COMPANY

Long Position

Name of Director 董事姓名	Capacity 身份	Number of ordinary shares held 所持普通股數目	Approximate percentage of the Company's issued share capital 佔本公司已發行 股本的概約百分比
Sin Kwok Lam (Note 1) 冼國林(附註1)	Interest of controlled corporations (Note 2) 受控制法團權益(附註2)	404,856,000	11.16%

Notes:

- Mr. Sin Kwok Lam resigned as a Director on 7 February 2018.
- Best Year Enterprises Limited ("Best Year") and Enhance Pacific Limited ("Enhance Pacific") are the registered and beneficial owners of these shares. Best Year, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Sin Kwok Lam, is interested in 365,656,000 shares. By virtue of the provisions of Part XV of the SFO, Mr. Sin Kwok Lam is deemed to be interested in all the shares in which Best Year is interested. Enhance Pacific, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Sin Kwok Lam, is interested in 39,200,000 shares. By virtue of the provisions of Part XV of the SFO, Mr. Sin Kwok Lam is deemed to be interested in all the shares in which Enhance Pacific is interested.

Save as disclosed above, as at 31 December 2017, none of the Directors nor chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules.

董事及最高行政人員於股份、相關股份及債券中的權益及淡倉

於二零一七年十二月三十一日，董事及本公司最高行政人員於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有記入根據證券及期貨條例第352條規定須予存置的登記冊中的任何權益及淡倉，或根據GEM上市規則第5.46條董事買賣守則所規定以其他方式通知本公司及聯交所的權益及淡倉如下：

於本公司的權益

好倉

Name of Director 董事姓名	Capacity 身份	Number of ordinary shares held 所持普通股數目	Approximate percentage of the Company's issued share capital 佔本公司已發行 股本的概約百分比
Sin Kwok Lam (Note 1) 冼國林(附註1)	Interest of controlled corporations (Note 2) 受控制法團權益(附註2)	404,856,000	11.16%

附註：

- 冼國林先生於二零一八年二月七日辭任董事一職。
- 好年企業有限公司(「好年」)及Enhance Pacific Limited (「Enhance Pacific」)為該等股份的註冊及實益擁有人。好年乃於英屬處女群島註冊成立的有限公司，由冼國林先生全資擁有，並擁有365,656,000股股份的權益。根據證券及期貨條例第XV部的條文規定，冼國林先生被視為於好年所擁有權益的全部股份中擁有權益。Enhance Pacific乃於英屬處女群島註冊成立的有限公司，由冼國林先生全資擁有，並擁有39,200,000股股份的權益。根據證券及期貨條例第XV部的條文規定，冼國林先生被視為於Enhance Pacific所擁有權益的全部股份中擁有權益。

除上文所披露者外，於二零一七年十二月三十一日，本公司董事或行政總裁概無於本公司或其相關法團(定義見證券及期貨條例第XV部)股份、相關股份及債權證中擁有記入根據證券及期貨條例第352條規定須予存置的登記冊中的任何權益或淡倉，或根據GEM上市規則第5.46條董事買賣守則所規定以其他方式通知本公司及聯交所的權益或淡倉。

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

As at 31 December 2017, the interests and short positions of the persons (other than the Directors or chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

Long Position

Name	Capacity	Number of ordinary shares held	Approximate percentage of the Company's issued share capital
名稱／姓名	身份	所持普通股數目	佔本公司已發行股本概約百分比
Convoy Global Holdings Limited 康宏環球控股有限公司	Interest of controlled corporations (Note 1) 受控制法團權益(附註1)	1,070,400,000	29.50%
Convoy (BVI) Limited Convoy (BVI) Limited	Interest of controlled corporations (Note 1) 受控制法團權益(附註1)	1,070,400,000	29.50%
Convoy Collateral Limited 康宏財務有限公司	Beneficial owner (Note 1) 實益擁有人(附註1)	1,070,400,000	29.50%
Ng Kam Lung Volais 吳金龍	Beneficial owner 實益擁有人	1,013,040,000	27.92%
Best Year 好年	Beneficial owner (Note 2) 實益擁有人(附註2)	365,656,000	10.08%

Note 1: These shares are held by Convoy Collateral Limited, which is a company incorporated in Hong Kong with limited liability. Convoy Collateral Limited is wholly-owned by Convoy (BVI) Limited, which is in turn wholly-owned by Convoy Global Holdings Limited (stock code: 01019), whose shares are listed on the Main Board of the Stock Exchange. By virtue of the SFO, Convoy (BVI) Limited and Convoy Global Holdings Limited are deemed to be interested in all the shares in which Convoy Collateral Limited is interested.

Note 2: Best Year is a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Sin Kwok Lam.

主要股東及其他人士於股份及相關股份中的權益及淡倉

於二零一七年十二月三十一日，於本公司股份及相關股份中持有權益並記錄於根據證券及期貨條例第336條須予存置的登記冊中的個人(董事或本公司最高行政人員除外)的權益及淡倉如下：

好倉

附註1：該等股份由康宏財務有限公司持有，該公司乃於香港註冊成立的有限公司。康宏財務有限公司由Convoy(BVI)Limited全資擁有，而Convoy(BVI)Limited則由康宏環球控股有限公司(其股份於聯交所主板上市，股份代號：01019)全資擁有。根據證券及期貨條例，Convoy(BVI)Limited及康宏環球控股有限公司被視為於康宏財務有限公司擁有權益的全部股份中擁有權益。

附註2：好年乃於英屬處女群島註冊成立的有限公司，由冼國林先生全資擁有。

Save as disclosed above, the Directors are not aware of any other person (other than a Director or the chief executive of the Company) who/which had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

CONNECTED TRANSACTIONS

- (1) On 11 May 2016, in order to maintain sufficient fund for the expansion of the Group's loan portfolio, the Company and Convoy entered into a placing agreement, pursuant to which Convoy agreed to act as the placing agent of the Company and to procure, on a best endeavour basis, place(s) to subscribe for the 4.5% per annum notes ("**4.5% Notes**") to be issued by the Company in an aggregate principal amount of up to HK\$100,000,000 maturing on the day immediately preceding the second anniversary of the issue date of the 4.5% Notes at the placing price which equals to the principal amount of the 4.5% Notes. Convoy was entitled to a placing commission of 0.5% of the aggregate placing price of the 4.5% Notes subscribed for or purchased by the placee(s) successfully procured by or on behalf of Convoy. Convoy is authorised to deduct such aggregate amount of the commission from the payment to be made by it to the Company at closing(s) of the subscription of the 4.5% Notes.

Convoy was an Independent Third Party at the time of signing the placing agreement in respect of the 4.5% Notes. Convoy Collateral Limited became a substantial shareholder of the Company on 13 September 2016 and Convoy, being an associate of Convoy Collateral Limited, therefore became a connected person of the Company since then.

The placing period for the 4.5% Notes expired on 11 May 2017. Out of the aggregate amount of HK\$165,000 placing commission of the said notes which was paid to Convoy in 2016, an aggregate amount of HK\$126,822 was recognised and recorded for the year ended 31 December 2017, while an aggregate amount of HK\$38,178 was recognised and recorded for the year ended 31 December 2016.

Further details of the placing of the 4.5% Notes by Convoy are set out in the announcements of the Company dated 11 May 2016 and 27 June 2016.

除上文披露者外，董事並不知悉任何其他個人（董事或本公司最高行政人員除外）在本公司股份或相關股份中擁有記錄於根據證券及期貨條例第336條規定須予存置的登記冊中的任何權益或淡倉。

關連交易

- (1) 於二零一六年五月十一日，為了維持充足資金以供本集團擴充貸款組合，本公司與康宏訂立配售協議，據此，康宏同意擔任本公司的配售代理並按竭盡所能基準促使承配人認購本公司將予發行的票據，年利率為4.5厘（「**4.5厘票據**」），本金總額高達100,000,000港元，並將於緊接4.5厘票據發行日期滿兩週前一日到期，配售價相等於4.5厘票據的本金額。康宏有權自成功促使承配人或代表康宏認購或購買4.5厘票據的總配售價中收取0.5%的配售佣金。康宏獲授權於截止認購4.5厘票據時自其向本公司作出的付款中扣減該等佣金總額。

康宏就4.5厘票據而簽署配售協議時為獨立第三方。康宏財務有限公司於二零一六年九月十三日成為本公司的主要股東，而康宏作為康宏財務有限公司的聯營公司，故自此成為本公司的關連人士。

4.5厘票據配售期於二零一七年五月十一日屆滿。上述票據配售佣金總額165,000港元（已於二零一六年支付予康宏）當中，126,822港元的總額於截至二零一七年十二月三十一日止年度獲確認及記錄，而38,178港元的總額於截至二零一六年十二月三十一日止年度獲確認及記錄。

有關康宏配售4.5厘票據的更多詳情，載於本公司日期為二零一六年五月十一日及二零一六年六月二十七日的公告。

(2) On 20 June 2017, in order to maintain sufficient fund for the development of the Group, the Company and Convoy further entered into a placing agreement, pursuant to which Convoy agreed to act as the placing agent of the Company and to procure, on a best endeavour basis during the placing period of one year commencing on the day immediately following the date of such placing agreement, placee(s) to subscribe for the 6% Notes to be issued by the Company in an aggregate principal amount of up to HK\$100,000,000 maturing on the day immediately preceding the second anniversary of the issue date of the 6% Notes at the placing price which equals the principal amount of the 6% Notes. Convoy is entitled to a placing commission of 3.8% of the aggregate placing price of the 6% Notes subscribed for or purchased by placee(s) successfully procured by or on behalf of Convoy. Convoy is authorised to deduct such aggregate amount of the commission from the payment to be made by it to the Company at closing(s) of the subscription of the 6% Notes.

As Convoy is an associate of Convoy Collateral Limited, which is a substantial shareholder of the Company, Convoy is a connected person of the Company and the payment of the placing commission by the Company to Convoy in respect of the 6% Notes will constitute a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

For the year ended 31 December 2017, no placing commission was paid to Convoy in respect of the placing of the 6% Notes as the Company has not issued any 6% Notes in 2017.

Further details of the placing agreement in respect of the 6% Notes are set out in the announcement of the Company dated 20 June 2017.

(2) 於二零一七年六月二十日，為了維持足夠資金以供本集團發展，本公司與康宏進一步訂立配售協議，據此，康宏同意擔任本公司的配售代理並於配售期（緊接配售協議日期後一日起計一年）內，按竭盡所能基準促使承配人認購本公司將予發行的6厘票據，本金總額高達100,000,000港元，並將於6厘票據發行日期滿兩週年前一日到期，配售價相等於6厘票據的本金額。康宏有權自成功促使承配人或代表康宏認購或購買6厘票據的總配售價中收取3.8%的配售佣金。康宏獲授權於截止認購6厘票據時自其向本公司作出的付款中扣減該等佣金總額。

由於康宏為本公司的主要股東康宏財務有限公司的聯營公司，故康宏為本公司的關連人士，而本公司就6厘票據而向康宏支付的配售佣金將構成GEM上市規則第20章下本公司一項關連交易。

截至二零一七年十二月三十一日止年度，由於本公司並無於二零一七年發行任何6厘票據，故並無就配售6厘票據向康宏支付配售佣金。

有關6厘票據配售協議的更多詳情，載於本公司日期為二零一七年六月二十日的公告。

(3) On 24 October 2017, the Company and Mr. Ling Koon Wah (“Vendor”) entered into a sale and purchase agreement (“SP Agreement”), pursuant to which the Vendor has agreed to sell, and the Company has agreed to purchase, the shares in Asia Wealth which represented approximately 11.11% of its issued share capital (“Acquisition”) at an aggregate consideration of HK\$15,000,000. The consideration was settled by the Company in cash upon completion of the Acquisition which took place upon signing of the SP Agreement on 24 October 2017. Immediately prior to completion of the Acquisition, Asia Wealth was a non-wholly owned subsidiary of the Company which was owned as to approximately 88.89% by the Company and as to approximately 11.11% by the Vendor. In order to enhance the control efficiency and facilitate management, the Company decided to acquire the remaining equity interest in Asia Wealth. The Vendor, being a substantial shareholder (as defined in the GEM Listing Rules) of Asia Wealth immediately prior to completion of the Acquisition, was a connected person of the Company at subsidiary level and therefore the Acquisition constituted a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. Further details of the Acquisition are set out in the announcement of the Company dated 24 October 2017.

Details of the related party transactions entered into by the Group during the year ended 31 December 2017 are set out in note 42 to the consolidated financial statements.

The related party transaction stated in note 42(a) to the consolidated financial statements which relates to the transaction with Convoy falls under the definition of “connected transactions” under the GEM Listing Rules. The Company has complied with the relevant disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules for such connected transaction.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance. A report on the principal corporate governance practices adopted by the Company is set out in the section headed “Corporate Governance Report” from page 18 to page 36 of this annual report.

(3) 於二零一七年十月二十四日，本公司與凌冠華先生（「賣方」）訂立一份買賣協議（「買賣協議」），據此，賣方已同意出售及本公司已同意購買Asia Wealth的股份（佔其已發行股本約11.11%）（「收購事項」），總代價為15,000,000港元。代價由本公司於收購事項完成（已於二零一七年十月二十四日簽立買賣協議時發生）時以現金結付。緊隨收購事項完成前，Asia Wealth為本公司一間非全資附屬公司，由本公司及賣方分別擁有約88.89%及約11.11%。為提升管控效率及方便管理，本公司決定收購Asia Wealth的餘下股權。賣方（為緊隨收購事項完成前Asia Wealth的主要股東（定義見GEM上市規則））為本公司附屬公司層面的關連人士，因此，收購事項構成GEM上市規則第20章下本公司一項關連交易。有關收購事項的更多詳情，載於本公司日期為二零一七年十月二十四日的公告。

截至二零一七年十二月三十一日止年度，本集團訂立的關連方交易的詳情載於綜合財務報表附註42。

綜合財務報表附註42(a)所述涉及與康宏交易的關連方交易與GEM上市規則「關連交易」之定義相符。本公司已根據GEM上市規則第20章就該等關連交易遵守相關披露規定。

購買、出售或贖回上市證券

截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

企業管治

本公司致力於維持高水平的企業管治。有關本公司所採納的主要企業管治常規的報告載於本年報「企業管治報告」一節第18至36頁。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the latest practicable date prior to the issue of annual report.

AUDITORS

During the year, RSM Hong Kong ("RSM") was appointed as the auditors of the Company by the shareholders at the AGM for the year ended 31 December 2017. RSM will retire and, being eligible, offer itself for re-appointment at the forthcoming AGM. A resolution to re-appoint RSM and to authorise the Directors to fix its remuneration will be proposed at the forthcoming AGM.

ON BEHALF OF THE BOARD

Li Sin Hung Maxim
Chairman

Hong Kong, 23 March 2018

足夠公眾持股量

於刊發本年報前之最後實際可行日期，根據本公司可從公開途徑取得的資料及據董事所知，本公司已發行股本總量中至少25%乃由公眾持有。

核數師

於本年度，中瑞岳華(香港)會計師事務所(「**中瑞岳華**」)獲股東於截至二零一七年十二月三十一日止年度的股東週年大會上委聘為本公司之核數師。中瑞岳華將退任，惟其符合資格並願意於應屆股東週年大會獲續聘。重新委任中瑞岳華及授權董事決定其酬金的決議案將於應屆股東週年大會上提呈。

代表董事會

主席
李錫洪

香港，二零一八年三月二十三日

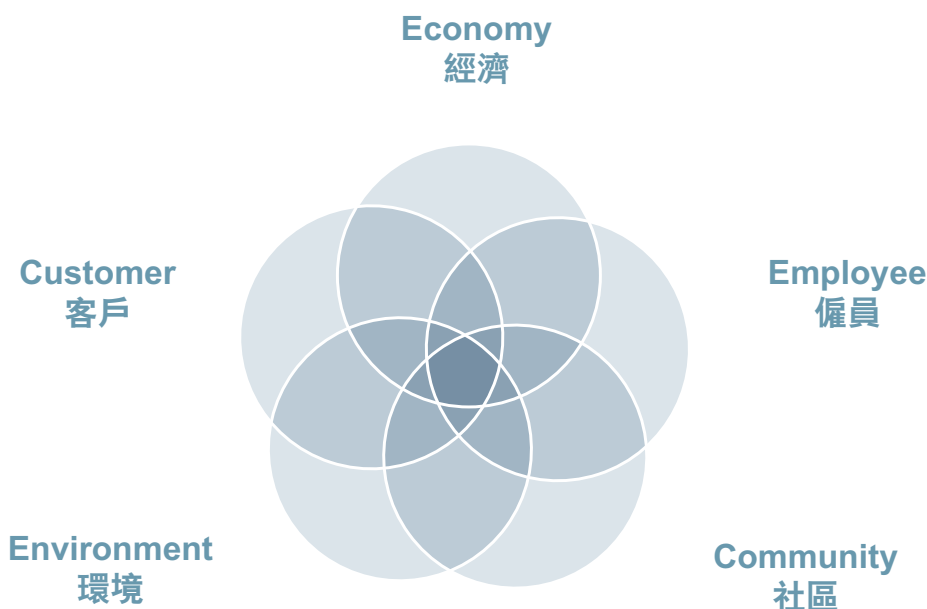
Environmental, Social and Governance Report 環境、社會及管治報告

ABOUT THIS REPORT

Pursuant to the Environmental, Social and Governance Reporting Guide (“ESG Guide”) set out in Appendix 20 to the GEM Listing Rules, the Board is pleased to present this environmental, social and governance report (“ESG Report”) for the year ended 31 December 2017. This ESG Report highlights the initiatives and efforts of the Company and its key subsidiaries (including First Credit Limited and Asia Wealth Securities Limited) in the commitment to sustainable development and corporate social responsibility in the course of their principal business of money lending and securities trading. For the sake of materiality principle stated in the ESG Guide, aspects and issues that are not relevant or material to the Group are excluded from this ESG Report. The Group has complied with the “comply or explain” provisions set out in the ESG Guide for the year ended 31 December 2017.

MISSION STATEMENT

Engaging in the finance industry in Hong Kong, the Group has been emphasizing its rising corporate social responsibility (“CSR”) and role in sustainable development of the community. CSR is not empty talk; the Group has put considerable efforts in exploring different possibilities to enhance its positive impacts to the community in economic, environmental, social aspects and so on throughout the past year. The following shows the five major areas of concern that the Group emphasises and strives to improve:



In pursuing various objectives, the Group adopts a balanced approach to consider all the above areas of concern on a case-by-case basis.

關於本報告

根據GEM上市規則附錄二十所載的《環境、社會及管治報告指引》(「環境、社會及管治報告指引」)，董事會欣然呈列截至二零一七年十二月三十一日止年度之環境、社會及管治報告(「環境、社會及管治報告」)。環境、社會及管治報告重點闡述本公司及其主要附屬公司(包括第一信用財務有限公司及亞洲創富證券有限公司)致力在彼等放債及證券買賣的主要業務過程中，為可持續發展及履行企業社會責任所作出的措施及努力。就環境、社會及管治報告指引所述之重要性原則而言，環境、社會及管治報告不包括與本集團無關或非重大方面及事宜。就截至二零一七年十二月三十一日止年度，本集團已依從環境、社會及管治報告指引所載「不遵守就解釋」條文。

使命宣言

本集團在香港從事金融業，並一直強調自身日益加重的企業社會責任(「企業社會責任」)及於社區可持續發展進程中擔任的角色。企業社會責任並非空談，過往一年裡本集團已投入相當大的努力開拓各種可能，以加強自身對社區的經濟、環境及社會等層面上的積極影響。下圖顯示本集團重點關注及致力改善的五大領域：

本集團在致力達成各個目標時，會以平衡的切入觀點，按個別情況考慮以上所有關注範疇。

GUIDING PRINCIPLES

When designing business practice and making business decisions across its operations, the Group takes the following general principles into account:

- Economy: acts as a socially responsible economic contributor in the community; upholds high corporate governance standards and strives to comply with all relevant ordinances and regulations;
- Customers: provides customer-oriented solutions and quality services to customers; respects and protects customers personal data privacy and security;
- Employees: promotes equal opportunities and combats any kind of discrimination; provides a safe and healthy working environment to employees;
- Environment: adopts the Three R's principles (i.e. reduce, reuse and recycle), minimizing its carbon footprint and considering cost-environmental-friendly products and services; and
- Community: encourages social commitment in any practicable ways; enhances the positive impacts of the Group to the community.

The above general principles shall be embedded into the Group's operation as they relate to its different stakeholders as well as different business decisions and practices.

指導原則

構思業務實踐及作出各營運部門的業務決策時，本集團考慮以下一般原則：

- 經濟：作為對社區負責的經濟貢獻者；恪守高度企業管治標準及致力遵守所有相關條例及法規；
- 客戶：為客戶提供以客戶為中心的解決方案及品質服務；遵照及保障客戶的個人資料隱私及安全；
- 僱員：推廣公平機會及遏制任何形式的歧視行為，為僱員提供安全並健康的工作環境；
- 環境：採用三R原則（即減少、重複利用及回收），將二氧化碳排放減至最低，考慮使用環保產品及服務；及
- 社區：鼓勵透過任何可行方式的社會承擔；加強本集團對社區產生的積極影響。

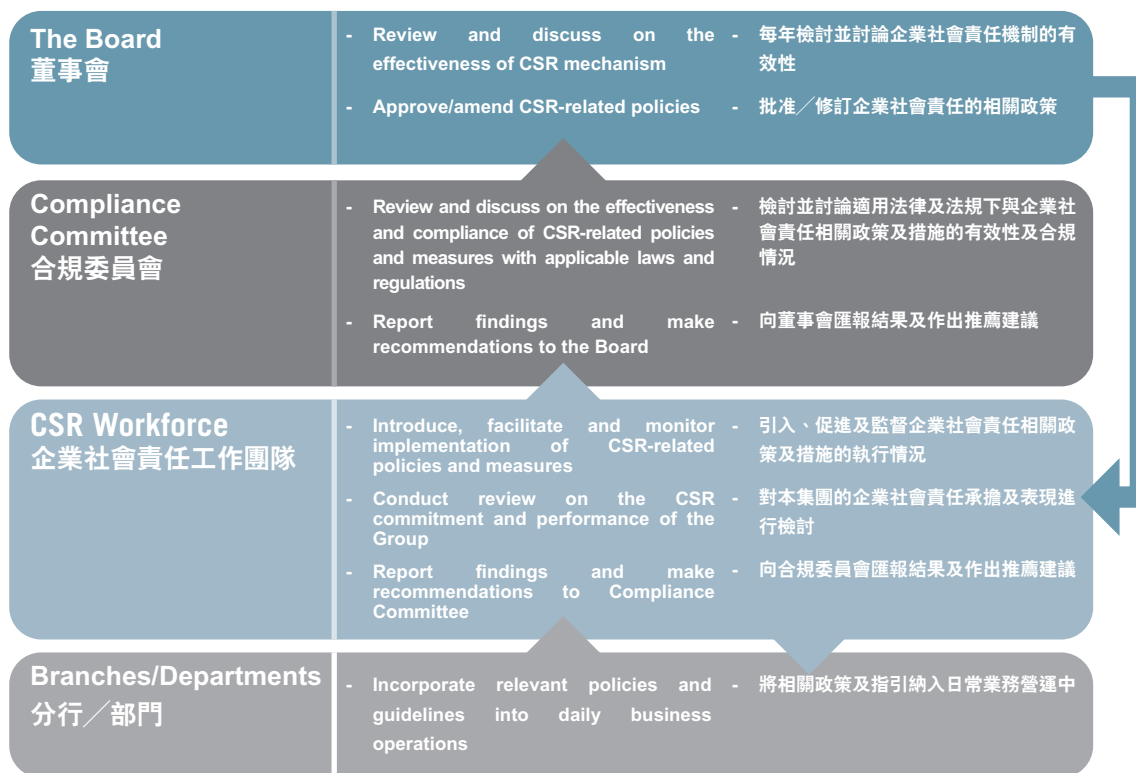
由於上述一般原則與不同的持份者以及不同的業務決策及做法息息相關，故將滲入本集團營運之中。

MANAGEMENT APPROACH

管理方式

CSR STRUCTURE OF THE GROUP

本集團之企業社會責任架構



The CSR commitment of the Group involves participation of every employee from every branch and department. Policies and guidelines covering areas such as business operations manual, compliance, staff working environment and welfare, recruitment and so on are established and incorporated into day to day operations of the Group.

A corporate social responsibility workforce (“**CSR Workforce**”) is established to introduce and facilitate implementation of CSR-related policies and measures. It ensures that employees are well-informed of any introductions of or amendments to the CSR-related policies and measures. It also takes the major role of monitoring and providing assistance to employees where necessary during implementation of the CSR measures.

In addition, the CSR Workforce facilitates an open dialogue with different stakeholders and is responsive to any changes in the regulatory factors and market prevailing situations. Annual review is conducted regarding the CSR commitment and performance of the Group based on all external and internal information gathered.

本集團的企業社會責任承擔離不開各分行及部門每個僱員的參與。政策及指南涵蓋業務營運手冊、合規、員工工作環境及福利、招聘等領域，乃建基於並納入本集團日常營運當中。

企業社會責任工作團隊(「**企業社會責任工作團隊**」)的建立目的在於促進企業社會責任相關政策及措施的執行，確保員工知悉任何有關企業社會責任相關政策及措施的新增或修訂，同時亦擔當重要的監督角色，確保在有需要時於實施企業社會責任措施過程中向僱員提供協助。

此外，企業社會責任工作團隊促進不同持份者的公開對話，並回應任何監管因素及市場狀況變化。基於所有外部及內部所得資料，每年進行關於本集團企業社會責任承擔及表現的年度檢討。

Based on the findings in its annual review, the CSR Workforce makes recommendations and suggestions to the Compliance Committee of the Group, which conducts review and reports findings and suggestions to the Board correspondingly. The Board then conducts overall review with the aim to enhance CSR mechanism and policies of the Group.

ECONOMY

CORPORATE GOVERNANCE

The Group upholds high corporate governance standards and strives to ensure that its business practice complies with all relevant laws and regulations in the jurisdiction. The Group is responsive to regulatory changes and will evaluate the need to amend its existing policies and practice from time to time. Details of the Group's corporate governance structure and practices are set out in the section headed "Corporate Governance Report" from page 18 to page 36 of this annual report.

ANTI-MONEY LAUNDERING

Engaging in the money lending business, employees have to deal with payments in the Group's day to day operation. Potential risks regarding improper or dishonest handling of money by customers or employees cannot be neglected. Guidelines in relation to anti-corruption, fraud and anti-money laundering etc. are established and stated to all staff. For instance, "know your customer" principle is adopted during the loan application process where employees are required to be sensitive in verifying the identity of customers to ascertain whether they may pose risk of money laundering. Maximum limit is also set for cash repayments and so on.

Enhanced customer due diligence measures are in place. Appropriate due diligence procedures are adopted for different customers of different risk level in order to minimise the risk of money laundering and terrorist financing. Measures regarding monitoring and reporting suspicious cases are in place and maintained with high importance and confidentiality. Risk management report is prepared periodically on branch, subsidiary and company level respectively. Details of customer due diligence measures are set out in the Company's Credit Policy and Operational Manual. Any suspicious case of money laundering or terrorist financing which comes to the staff's knowledge should be reported to the management immediately. Should there be any suspicion found, the Company will report to the Joint Financial Intelligence Unit ("JFIU").

All employees are required to comply strictly with the above guidelines and measures. In addition to the setting out of indicators for identifying anti-money laundering risks, reporting and monitoring system was also established.

基於年度檢討之結果，企業社會責任工作團隊向本集團合規委員會作出推薦建議及意見，而合規委員會則相應地進行檢討及向董事會匯報結果及建議。董事會其後進行全面檢討以提高本集團之企業社會責任機制及政策。

經濟

企業管治

本集團恪守高度企業管治標準及致力保證其業務常規遵守司法管轄區的所有相關法律及法規。本集團對監管變動反應迅速並將評估是否需要不時修訂現有政策及常規。有關本集團企業管治架構及常規之詳情載於本年報第18頁至第36頁「企業管治報告」一節。

反洗黑錢

本集團從事放債業務，在日常營運中會有很多需要僱員處理款項支付的交易。故不能忽視客戶或僱員處理金錢不當或不實之潛在風險。已確立並向員工述明有關反貪污、欺詐及反洗黑錢等指引。例如，於申請貸款程序中採納「認識你的客戶」原則，員工須保持敏銳，核實客戶的身份，確定彼等是否構成洗黑錢風險。對現金還款等亦設有上限。

提高客戶盡職審查措施經已採取。適當盡職審查程序針對具有不同風險水平的不同客戶，並已獲採納，從而減低洗黑錢及恐怖分子籌資之風險。有關監察及匯報可疑個案的措施經已採取，並予以十分重視及保持機密性。我們會定期分別編製於分行、附屬公司及公司層面的風險管理報告。客戶盡職審查措施的詳情載於本公司信貸政策及營運手冊。倘員工獲悉任何洗黑錢或恐怖分子籌資的可疑個案，應即刻向管理層匯報。倘發現任何可疑情況，本公司將向聯合財富情報組（「**聯合財富情報組**」）匯報。

全體僱員須嚴謹遵守上述指引及措施。除制訂指標以識別反洗錢風險之外，申報及監督系統亦已成立。

No significant risks relating to improper or dishonest handling of money were identified during the year under review. The Group did not receive any whistleblowing reports from its employees during the year as well. There were also no confirmed incidents regarding bribery, corruption, fraud or money laundering against the laws of Hong Kong during the year under review. The Group was not aware of any material non-compliance with the relevant laws and regulations which have a significant impact on the Group relating to bribery, extortion, fraud and money laundering for the year 2017.

ENGAGEMENT WITH SUPPLIERS

Suppliers of the Group are mainly service providers who provide services supporting the daily office operation of the Group such as cleaning service companies, office consumable suppliers and so on.

In order to build cooperation relationships with different suppliers in a socially responsible manner, guidelines were established and adopted to outline the criteria to be considered when selecting suppliers and vendors with an aim to establish a sustainable relationship with suppliers and to safeguard the welfare of the workers, the community and the environment. The criteria include application of environmentally-friendly principles, protection of workers' human rights, safety and health by the suppliers and so on.

During 2017, the risk of suppliers bringing significant, negative impacts (whether actual or contingent) on the Group's business is negligible and the Group was not aware of any material non-compliance incidents of suppliers on aspects regarding environmental and labour protection.

CUSTOMERS

PRODUCTS AND SERVICES

The Group has always striven to provide diversified financial solutions to customers. Honest and comprehensive information about the products are provided to customers with the aim to help them make appropriate informed decisions. In addition, with its customer-oriented principle, the Group puts emphasis on quality services to raise customers' satisfaction. Members of staff are encouraged to give prompt response and provide best assistance to customers.

於回顧年度，概無識別有關處理金錢不當或不實的重大風險。年內本集團亦無收到來自僱員的任何舉報。於回顧年內並無確認已違反香港法律的有關賄賂、貪污、欺詐或洗黑錢事件。於二零一七年，本集團並不知悉任何涉及賄賂、敲詐、欺詐及洗黑錢而嚴重違反相關法律及法規的事件，而其會對本集團產生重大影響。

委聘供應商

本集團供應商主要指為本集團辦公室日常營運提供支援服務的服務供應商，例如清潔服務公司、辦公室消耗品供應商等等。

為了以對社會負責的方式與不同供應商建立合作關係，已建立及採納指引以概述挑選供應商及賣方時應考慮之標準。此舉為與供應商建立可持續關係，保障員工的福利、社區和環境。該準則包括供應商的環保原則及員工人權、安全和健康等的應用。

於二零一七年，供應商對本集團業務帶來重大負面影響（不論實際或或然）之風險極微，而本集團並不知悉供應商有任何關於環境及勞工保障之嚴重違規事件。

客戶

產品及服務

本集團一直致力向客戶提供多樣化財務解決方案。向客戶提供真誠及全面的產品資料，旨在幫助其在知情情況下作出適當決定。此外，基於我們以客戶為中心的原則，本集團強調品質服務，以提升客戶的滿意度。我們亦鼓勵員工迅速回應客戶需求及提供協助。

For the year under review and up to the date of this annual report, no material breach or non-compliance with relevant laws and regulations regarding the business and operations of the Group is found. In particular, the Group adhered to the applicable laws regulating its principal businesses of money lending and securities trading, i.e. MLO and SFO. In light of the advertising practice, the Group complied with the additional licensing conditions imposed on money lenders which came into effect on 1 December 2016 and was not aware of any material non-compliance with the relevant laws and regulations which have a significant impact on the Group relating to advertising.

DATA PRIVACY

The Group values security and protection of customers' privacy and personal data. Information provided by customers is handled with due care and in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and other relevant laws and regulations. Guidelines regarding the handling of confidential information are provided to staff to enhance information security in business operations and across branches. Statement for collection of personal data is provided to customers before collection of personal data. A data protection officer is appointed by the Group to handle any requests from customers for access to and correction of personal data.

No issue regarding material non-compliance with the relevant laws and regulations mentioned above was identified or reported during the year under review. In particular, no incidents regarding infringement of customers' privacy or loss of customer data were found. For the year ended 31 December 2017, the Group was not aware of any material non-compliance with the relevant laws and regulations which have a significant impact on the Group relating to privacy matters.

EMPLOYEES

EMPLOYMENT OPPORTUNITIES

The Group emphasises the importance of labour diversity and equal opportunities in recruitment and promotion matters. Candidates with different qualifications and experiences are welcome in order to diversify the labour base. The Recruitment Policy of the Group sets out a transparent mechanism and practice for recruitment in compliance with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and other relevant laws and regulations which have a significant impact on the Group in relation to child and forced labour prevention, recruitment and promotion, equal opportunity and anti-discrimination. It also states clearly that in candidates screening process, criteria such as age, gender, marital status, nationality, race and religious belief should not be considered to ensure equal treatment to all applicants. Child and forced labour are strictly prohibited in the Group.

During 2017, no complaints were received from employees or candidates regarding child or forced labour, unfair treatment or discrimination during the recruitment and promotion process.

於回顧年度及直至本年報日期，並無嚴重違反或不遵守有關本集團業務及經營之相關法律及法規。尤其是，本集團遵守規管其放債及證券買賣主要業務的適用法例，即放債人條例及證券及期貨條例。因應宣傳慣例，本集團已遵守施加於放債人的額外發牌條件（於二零一六年十二月一日生效），且並不知悉任何涉及廣告宣傳而嚴重違反相關法律及法規的事件，而其會對本集團產生重大影響。

資料隱私

本集團重視客戶隱私及個人資料之安全及保護。客戶所提供資料須根據個人資料(隱私)條例(香港法例第486章)及其他法律及法規審慎處理。集團已向員工提供有關處理保密資料之指引，以提高業務營運及各分行的資訊保安。收集個人資料時，集團會向客戶提供收集個人資料聲明。本集團已委任一名資料保障主任，處理客戶提出任何查閱及更改個人資料的要求。

於回顧年度，並無識別或申報有關嚴重違反相關法律及法規的事件。尤其是，並無發現有關侵犯客戶隱私或損失客戶資料之事件。截至二零一七年十二月三十一日止年度，本集團並不知悉任何涉及隱私事宜而嚴重違反相關法律及法規的事件，而其會對本集團產生重大影響。

僱員

僱傭機會

本集團在招聘及晉升事宜上強調勞動力多元化及公平機會的重要。集團歡迎具不同資歷和經驗者應徵工作，使勞工基礎更多元化。本集團之招聘政策載列一項有透明度的招聘機制及常規，其符合香港法例第57章僱傭條例及其他防止童工及強逼勞動、招聘及晉升、平等機會及反歧視的相關法律及法規，而其會對本集團產生重大影響。其亦清晰說明候選人篩選過程，不得以年齡、性別、婚姻狀況、國籍、種族及宗教信仰等作為標準，以確保各求職者得到公平對待。另外本集團嚴禁任何童工和強逼勞動。

於二零一七年，概無收到僱員或求職者於人事招聘及擢升過程中遇上任何有關童工及強逼勞工、不公平對待或歧視的投訴。

CARING WORKPLACE

The fact that employees are crucial assets of the Group is of no doubt. A caring workplace helps enhancing employees' sense of belonging. Comprehensive guidelines and procedures regarding human resources including but not limited to recruitment, working hours, rest periods as well as compensation are established. Employees who commit misconducts or violate company rules may be dismissed according to the Group's dismissal policy. In addition to maternity leave and condolence leave, employees are entitled to have birthday leave showing the Group's emphasis on its relationships with employees. To promote a breastfeeding-friendly work environment, the Group has also joined the "Say Yes to Breastfeeding" campaign launched by UNICEF HK in collaboration with the Food and Health Bureau, Department of Health. Moreover, staff events are held regularly as opportunities for employees' team building, with the aim to unite all employees and create a harmonious working environment.

During 2017, the Group was not aware of any material non-compliance with the Employment Ordinance and other relevant laws and regulations which have a significant impact on the Group relating to employees' compensations and dismissal, working hours and rest periods.

SAFE AND HEALTHY WORKING ENVIRONMENT

A Business Contingency Plan is in place to protect the Group from possible threats and risks caused by emergent situation or disaster and to define the recovery process developed to restore the critical business functions of the Group. The Group strives to create a safe working environment as recommended by the Occupational Safety and Health Council in Hong Kong. For instance, computer workstations for employees are designed in the way that will help alleviate health problems like upper limb pains and discomfort resulting from inappropriate postures. All employees are involved in creating a working environment that is free of discrimination and harassment, which can reduce employees' work stress. Any discrimination based on any grounds in any circumstances is prohibited. Reporting channel is also provided for staff who feels being treated unfairly. Besides, to promote healthy lifestyle, employees are encouraged to eat green and healthy and as a result the Group launched the "Green Monday Programme" to promote the idea of green meal in daily life.

For the year under review, there were no incidents found in relation to occupational health and safety. Given the nature of the Group's money lending and securities related business, the Group considers the risk of employees working under health and safety threats to be insignificant. The Group was not aware of any material non-compliance with the relevant laws and regulations which have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards for the year 2017.

關愛的工作場所

毋庸置疑，僱員乃本集團至關重要的資產。充滿關愛的工作場所有助增強僱員的歸屬感。本集團已建立有關人力資源的全面指引及程序(包括但不限於招聘、工時、休息時間及補償薪酬方面)。若僱員作出失當行為或違反公司規章，按照本集團解僱政策可被革除。除產假及喪假以外，僱員亦有權享有生日假期，藉此強調本集團與僱員的關係。為推廣母乳餵哺友善工作場所，本集團已參與聯合國兒童基金會香港委員會主辦，食物及衛生局和衛生署協辦的「母乳育嬰齊和應」活動。此外，本集團亦定期舉行員工活動，藉此建立僱員間的團隊精神，以團結全體僱員及創造和諧的工作環境。

於二零一七年，本集團並不知悉任何涉及僱員補償及解僱、工時及休息時間而嚴重違反僱傭條例及其他相關法律及法規的事件，而其會對本集團產生重大影響。

安全及健康的工作環境

本集團已制定一套業務應變計劃，以保護本集團免受因緊急狀況或災難引致的潛在威脅及風險，及制定恢復程序，以復原本集團的主要業務功能。本集團致力建構符合香港職業安全健康局所建議的安全工作環境。例如，電腦工作桌椅的設計幫助舒緩因姿勢不確引致上肢痛症和不適等健康問題。集團讓所有僱員一同參與創造零歧視及零騷擾的工作環境，有助減輕員工的工作壓力。嚴禁任何情況下基於任何理由的歧視行為。若員工自感受到不公平對待，我們亦有提供申報渠道。此外，為推廣健康生活模式，我們鼓勵僱員注重飲食健康，本集團亦因此推出「綠色星期一計劃」，推廣日常生活中綠色用膳的概念。

於回顧年度，概無發現與職業健康及安全相關的任何事件。基於本集團放債及證券相關業務的性質，本集團認為員工工作時面對健康及安全威脅的風險並不重大。於二零一七年，本集團並不知悉任何涉及提供安全工作環境及保障僱員不受職業危險而嚴重違反相關法律及法規的事件，而其會對本集團產生重大影響。

PROFESSIONAL DEVELOPMENT

The Group provides continuous professional trainings to employees to ensure they are equipped with updated knowledge and skills to perform their duties, details of which are set out in the Staff Training and Development Policy of the Group. Staff training is conducted every half year to ensure employees are well-informed of the policies of the Group. Self-Development Sponsorship Policy is also in place to encourage continuous learning and development of staff by providing financial supports to nurture talents and explore various potentials of staff.

Seminar about credit assessment was delivered to the Directors, so as to ensure that the Directors are familiar with the market practice and the Group's measures in credit assessment.

ENVIRONMENT

GREENHOUSE GAS EMISSIONS CONTROL

The Group understands the importance of environmental protection. The Group is committed to minimise greenhouse gas ("GHG") emission as it knows that problems of global warming should never be overlooked. The Group therefore implements various measures on GHG emission reduction. In a digitalised community, the Group encourages paperless culture when and where practicable such as to communicate and circulate documents via emails. The Group also welcomes video or telephone conference so as to reduce the need of business trips of the staff. The Group encourages its staff to take public transport and requires employees to turn off the electronic appliances that are not in use before they get off from work.

According to the Reporting Guidance on Environmental KPIs issued by the Hong Kong Exchanges and Clearing Limited, GHG emissions can be divided into three different scopes, namely (1) direct emission, (2) energy indirect emission and (3) other indirect emission. SME Carbon Audit Toolkit ("Toolkit") invented by the University of Hong Kong and City University of Hong Kong is designed for the use by small and medium enterprises. Considering the scale of the Group's business, the Carbon Footprint Calculator of the Toolkit is adopted in calculating the GHG emission of the Group that is disclosed in this ESG Report. Even though the Toolkit system was established in 2011, the Group considers that the potential inaccuracies due to time factor causes minor influence on the results. Given the scale of operation of the Group, the Toolkit is still considered suitable and practicable to the Group.

專業發展

本集團為僱員提供持續專業培訓，以確保他們具備最新知識及技能履行職責，有關詳情載列於本集團員工培訓及發展政策。員工培訓每半年舉行一次，以確保僱員深諳本集團政策。我們亦已制定自我發展資助政策，透過提供財務支援鼓勵員工持續進修及發展，藉此培育人才及發掘員工的多樣潛能。

有關信用評估的研討會已向本集團董事召開，以確保董事熟悉信用評估的市場常規及本集團的措施。

環境

溫室氣體排放控制

本集團深明環保非常重要。本集團認為全球暖化問題不容忽視，因而致力減少溫室氣體（「溫室氣體」）排放。故此，本集團實施多項措施降低溫室氣體排放。處於數碼化的社會，本集團在可行情況下鼓勵無紙化，例如通過收發電郵進行溝通及傳閱文件。本集團亦鼓勵使用視像或電話會議，從而減少僱員公幹需求。本集團建議僱員乘搭公共交通工具，並要求僱員於下班前關閉不使用的電子儀器。

根據香港交易及結算所有限公司發出的環境關鍵績效指標匯報指引，溫室氣體可分為三個範疇，即(1)直接排放、(2)能源間接排放及(3)其他間接排放。由香港大學及香港城市大學研發的中小企業碳審計工具箱（「工具箱」）主要設計予中小企業使用。考慮到本集團業務規模，本集團採納工具箱的碳足跡計算器以計算本集團的溫室氣體排放，並於本環境、社會及管治報告中披露。雖然工具箱系統於二零一一年建立，惟本集團認為由於時間因素導致的潛在誤差對結果產生影響輕微。計及本集團營運規模，工具箱對本集團而言仍為合適及可行。

Environmental, Social and Governance Report 環境、社會及管治報告 (continued 續)

Direct emission means the direct emission from the operations that are owned or controlled by the Group. The Group's principal businesses are money lending and securities trading. In other words, the main operation of the Group is office-based and hence it generally does not have significant direct emission of GHG. The only cause of direct emission of GHG in the Group's operation was from using a vehicle which runs on petrol. During the year, a total of approximately 840 litres of petrol was used for the vehicle, which equals to 2,275 kg CO₂.

Apart from direct emission of GHG, the Group also has indirect emissions of GHG caused by energy consumption. Indirect emissions include emissions resulting from the generation of electricity, as well as the heating and cooling systems. The Group generates energy indirect emissions of GHG through our consumption of electricity in our offices and warehouse, which includes the Central main branch, Causeway Bay branch, Mongkok branch, office of Asia Wealth and Kwun Tong warehouse.

直接排放指由本集團擁有或控制的業務直接產生的排放。本集團主要業務為放債及證券買賣。換言之，本集團主要於辦公室營運，因此一般並不會有大量直接的溫室氣體排放。本集團營運過程中直接排放溫室氣體的唯一來源是使用一輛汽車，其使用汽油開動。年內，該私家車合共使用約840公升汽油，相當於2,275公斤二氧化碳。

除直接排放溫室氣體外，本集團亦有因能源消耗而產生的能源間接排放溫室氣體。間接排放包括消耗電力以及供熱及冷卻系統所引致的排放。本集團透過辦公室及倉庫耗電產生溫室氣體能源間接排放，地方包括中環總行、銅鑼灣分行、旺角分行、Asia Wealth辦公室及觀塘倉庫。

		Electricity (Note 1) 電力 (附註1)	
		2016 (kg CO ₂ eq-) (Note 2) 二零一六年(公斤 二氧化碳當量-) (附註2)	2017 (kg CO ₂ eq-) 二零一七年(公斤 二氧化碳當量-)
Central Main Branch	中環總行	28,070	24,135
Causeway Bay Branch	銅鑼灣分行	17,081	15,304
Mongkok Branch	旺角分行	5,511	5,678
Tsuen Wan Branch (Note 3)	荃灣分行(附註3)	1,185	N/A 不適用
Kwun Tong Warehouse	觀塘倉庫	23	821
Asia Wealth (Note 4)	Asia Wealth(附註4)	N/A 不適用	15,508
Total:	總計:	51,870	61,446

Note 1: The emission factors are 0.79 kg CO₂ per unit for electricity supplied by Hong Kong Electric and 0.54 kg CO₂ per unit for the electricity supplied by China Light and Power.

附註1: 排放係數為香港電燈供應的每單位發電量排放0.79公斤二氧化碳，而中電供應的每單位發電量排放0.54公斤二氧化碳。

Note 2: Electricity consumption generates various types of GHG, including carbon dioxide, methane and nitrous oxide. To be more understandable, GHG emissions stated above are calculated according to the unit of kg of carbon dioxide in equivalent produced regarding the respective consumption by the relevant branch.

附註2: 消耗電力會產生各類溫室氣體，包括二氧化碳、甲烷及氧化亞氮。為方便理解，上述溫室氣體排放量乃根據相關分行各自消耗產生相當每公斤二氧化碳單位計算。

Environmental, Social and Governance Report 環境、社會及管治報告 (continued 續)

Note 3: Tsuen Wan Branch was closed in April 2016.

附註3: 荃灣分行於二零一六年四月關閉。

Note 4: The data of Asia Wealth was not available for 2016 as Asia Wealth only became a subsidiary of the Company in April 2017.

附註4: Asia Wealth於二零一六年的數據不適用，因為Asia Wealth於二零一七年四月才成為本公司附屬公司。

The increase in GHG emission from electricity consumption is mainly attributable to the acquisition of Asia Wealth in April 2017 and the consolidation of its data into that of the Group.

耗電溫室氣體排放增加主要由於二零一七年四月收購Asia Wealth及其數據綜合入賬本集團所致。

Other indirect emission of GHG includes the emission resulting from paper disposal, waste disposal, water consumption and the transportation of staff etc.

其他溫室氣體間接排放包括廢紙、廢物棄置、耗水及差旅等。

		2017 (kg CO ₂ eq-) (Note 1) 二零一七年 (公斤二氧化碳 當量-)(附註1)
Waste Disposal (Note 2)	廢物棄置(附註2)	3,116
Water Consumption (Note 3)	耗水(附註3)	N/A 不適用
Transportation (Note 2)	交通(附註2)	1,807

Note 1: The Toolkit is used to calculate the indirect emission of GHG of the Group.

附註1: 工具箱用作計算本集團溫室氣體的間接排放量。

Note 2: Owing to practical reasons, the data of waste disposal and transportation are estimated figures. The estimation is done by taking the data of one week as sample for waste disposal. For transportation, due to incomplete record, the data is composed of actual and estimated figures.

附註2: 基於實際理由，廢物棄置及交通數據乃為估計數字。就廢物棄置而言，該估計乃以取得一星期的數據樣本而計算得出。就交通而言，由於記錄不完整，數據包含真實及估計數字。

Note 3: Data of water consumption is not available since the Group operates in leased office premises for which both water supply and consumption are solely controlled by the building management office. The provision of water consumption data or sub-meter for individual occupants is not feasible.

附註3: 由於本集團經營所在租賃辦公場所的用水供應及消耗僅由樓宇管理處控制，故未能提供用水數據。提供耗水量數據或以水錶計量個人用戶用水量並不可行。

Environmental, Social and Governance Report 環境、社會及管治報告 (continued 續)

For the year under review, the intensity of GHG emissions was maintained at a low level. Given that the principal businesses of the Group are office-based, square feet is used as factor in calculating the intensity of GHG emissions.

於回顧年內，溫室氣體排放密度維持低水平。考慮到本集團的主要業務乃於辦公室進行，故使用平方呎作為計算溫室氣體排放密度的指標。

GHG Emissions in Intensity	溫室氣體排放量密度	2017 (kg CO ₂ eq-/sq. feet) 二零一七年(公斤 二氧化碳等量/平 方呎)
Scope 1 — Direct Emissions	範圍1 — 直接排放	0.21
Scope 2 — Energy Indirect Emissions	範圍2 — 能源間接排放	5.58
Scope 3 — Other Indirect Emissions	範圍3 — 其他間接排放	0.45
Total:	總計：	6.24

WASTE DISPOSAL AND RECYCLING

As the principal businesses of the Group are office-based, no hazardous waste defined in the “Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their disposal, 1989” was produced during the review period. Meanwhile, the Group strives to promote recycling habits among the employees. Staff members are also encouraged to re-use office consumables such as printing paper and manila envelopes. The Group implements policies to enhance employees’ awareness on waste separation and recycling. The Group also organised a Mooncake Box Recycling event in 2017. In 2017, the weight of used paper collected for recycling exceeds 610 kg, implying a contribution of over 2,900 kg of GHG reductions.

In 2017, Central main branch and Mongkok branch of the Group were relocated to new office premises and all construction wastes generated by renovation and closure of previous premises were transported, handled and disposed of in accordance with the Waste Disposal Ordinance (Chapter 354, Laws of Hong Kong) and the relevant regulations, which minimises the impact of such waste on the environment.

廢物棄置及循環再用

由於本集團主要於辦公室營運，於回顧期間並無產生「一九八九年控制危險廢物越境轉移及其處置巴塞爾公約」所定義的有害廢棄物。同時，本集團致力鼓勵僱員培養循環再用習慣。我們亦建議僱員重用辦公室消耗品，如打印紙及馬尼拉紙質信封。本集團實施政策提高僱員對廢棄物分類及循環再用的意識。本集團亦籌辦二零一七年「月餅盒回收」活動。於二零一七年，共收集超過610公斤的舊紙作循環再用，意味協助減少逾2,900公斤的溫室氣體。

於二零一七年，本集團中環總行及旺角分行分別已搬遷至新辦公室物業，而所有裝修及關閉先前物業的建築廢料已根據香港法例第354章廢棄物處置條例及相關法規運送、處理及棄置，減少有關廢料對環保造成的影響。

Non-Hazardous Waste (Note) 2017**無害廢物(附註)二零一七年**

		In kg 公斤	In kg/square feet 公斤/平方呎
Central Main Branch	中環總行	864	0.18
Causeway Bay Branch	銅鑼灣分行	120	0.10
Mongkok Branch	旺角分行	168	0.19
Asia Wealth	Asia Wealth	925	0.36
Total:	Total:	2,077	0.22

Note: Owing to practical reasons, the data of non-hazardous waste are estimated figures. The estimation is done by taking the data of one week as sample for non-hazardous waste.

附註：由於實際原因，無害廢物的數據為估計數字。就無害廢物而言，該估計乃以取得一星期的數據樣本而計算得出。

USE OF RESOURCES

The Group treasures natural resources as a gift from nature and it encourages efficient use of resources to avoid over-consumption. The Group pledged to support Earth Hour by turning off all non-essential lights for one hour on 24 March 2017 and encouraged all staff members to do so on 25 March 2017 at home. Employees are encouraged to turn off the lights and electronic appliances that are not in use after business hour, room temperature in office is kept at reasonable level. Office consumables such as light bulbs and stationery shall be replaced or purchased only when necessary in order to avoid wastage.

The Group's business is office-based and it merely involves normal daily water consumption and discharge. No issue arises in sourcing water as the water supply is managed by the building management office. Employees are reminded to turn off water faucet when it is not in use. Reminder tags of water conservation are placed at conspicuous position near the sinks to remind employees to save water. As the saying goes "many a little makes a mickle", all these habits can bring significant impacts to the environment.

As the Group is not engaged in manufacturing business, its operation does not involve the use of packaging materials.

資源使用

本集團珍惜天然資源，視之為大自然的禮物，鼓勵資源的有效利用，避免過度消耗。本集團承諾支持地球一小時活動，於二零一七年三月二十四日關閉全部不必要電燈一小時，並鼓勵員工於二零一七年三月二十五日於其家中作出同樣行動。集團鼓勵僱員在營業時間後關閉室內不使用的電燈及電器，辦公地方的室溫保持在合理水平。僅在有需要的時候才更換或購買如燈泡及文具等辦公室消耗品，以免浪費。

本集團的業務於辦公室進行，只涉及日常用水及排放。於水源方面並無產生問題，因用水供應乃由樓宇管理處管理。本集團提醒僱員於不使用水龍頭時將其關閉。於水龍頭附近當眼地方貼有保護水資源的標記以提醒僱員節約用水。有道是「積少成多」，該等習慣將對我們的環境帶來重大影響。

由於本集團並不從事生產業務，故其營運不涉及包裝材料的使用。

Environmental, Social and Governance Report 環境、社會及管治報告 (continued 續)

During 2017, the Group is not aware of any material non-compliance with relevant laws and regulations which have a significant impact on the Group relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

於二零一七年，本集團並不知悉任何涉及空氣及溫室氣體排放、排放至水源及土地及產生有害及無害廢棄物而嚴重違反相關法律及法規的事件，而其會對本集團產生重大影響。

		2016 二零一六年		2017 二零一七年	
		Unit 用量	Unit/square feet 每平方米用量	Unit 用量	Unit/square feet 每平方米用量
Electricity (kWh in '000s)	耗用電力 (千瓦時)	66,138	8.79	76,368	6.93
Water Consumption (Note 1)	耗水(附註1)	N/A 不適用		N/A 不適用	
Total:	總計:	66,138	8.79	76,368	6.93

Note 1: Data of water consumption is not available since the Group operates in leased office premises for which both water supply and consumption are solely controlled by the building management office. The provision of water consumption data or sub-meter for individual occupants is not be feasible.

附註1：由於本集團經營所在租賃辦公場所的用水供應及消耗僅由樓宇管理處控制，故未能提供用水數據。提供耗水量數據或以水錶計量個人用戶用水量並不可行。

ENVIRONMENTAL AND NATURAL RESOURCES

Being a financial institution, most business operations of the Group involve document printing. No significant impacts are made on the environment and natural resources resulting from the Group's operation except documentation of customer information, agreements and so on that can result in the consumption of large amount of printing papers. The Group therefore emphasizes on minimising paper use such as promoting the use of double-sided printing and recycling non-confidential used paper. To enhance the environmental awareness of the staff not just within the office, but also in daily life, the Group also provides some environmentally friendly tips to employees such as Green Christmas Tips for reducing the waste of packaging materials and food resulting from Christmas presents and meals.

As this is the first reporting period for which the Group discloses data on its emission and the use of resources, including electricity consumption, water consumption, discharges of hazardous and non-hazardous solid waste, the Group will conduct year to year comparison for the data in the coming year to quantify the Group's achievements in terms of its measures on emission and waste reduction and use of resources efficiency initiatives.

環境及天然資源

作為一間金融機構，本集團大部分業務營運涉及文件影印。除為客戶資料、協議等建立文檔可導致消耗大量影印紙張外，本集團的營運對環境及天然資源並無重大影響。故此，本集團強調節約用紙，如推廣應用雙面影印及回收非機密性廢紙。為了提高員工不僅在辦公室且在日常生活的環保意識，本集團亦向僱員提供若干環保貼士(如有關減少浪費來自聖誕節禮物及餐食的包裝材料及食物的綠色聖誕貼士)。

由於此為本集團就其排放及資源使用情況，包括耗電量、耗水量、排放有害及無害固體廢物披露數據的首個報告年期，本集團將於來年進行按年數據比較，以量化本集團在其減排及減廢措施以及資源使用增效倡議方面的成績。

COMMUNITY

SUPPORT SOCIAL SERVICE ORGANISATIONS

Initiatives and efforts of social service organisations should be recognised and supported. The Group has sponsored and participated in the Barrier Free City Orienteering organised by the Hong Kong PHAB Association in March 2017. The Group will also explore possibilities to cooperate with different organisations that share the same values and principles with it.

EMPLOYEE INVOLVEMENT

The Group strives to raise employees' awareness in terms of social involvement and civic consciousness. In 2017, the Group establishes the First Credit Volunteering Team. The Volunteering Team has participated in several elderly visits organized by Po Leung Kuk in 2017, including the Mid-Autumn elderly visit and Winter Solstice elderly visit. Employees are encouraged to participate in community enhancement events such as volunteering and fundraising activities etc.

AWARDS

During the year ended 31 December 2017, the Group received the following major awards which represent a recognition of the team efforts paid by the Group:

- “Listed Company Award of Excellence 2017” by PR ASIA Consultants Limited and Hong Kong Economic Journal
- “The Distinguished SME Partners Award 2017” by PR ASIA Consultants Limited and Hong Kong Economic Journal

社區

支持社區服務組織

社區服務組織付出的積極努力應被肯定並支持。本集團於二零一七年三月贊助及參與香港傷健協會組織的無障礙城市定向活動。本集團亦將挖掘跟與集團秉持同樣價值及原則的不同組織合作的可能性。

僱員參與

本集團致力提高僱員之社會參與意識及公民知覺。於二零一七年，本集團成立第一信用義工團隊。義工團隊於二零一七年數次參與由保良局舉辦的長者探訪活動，包括中秋長者探訪活動及冬至長者探訪活動。集團鼓勵僱員參與社區活動，如義工及籌款活動等。

獎項

於截至二零一七年十二月三十一日止年度，本集團獲得以下重要獎項，反映本集團的團隊努力得到大眾認可：

- 獲亞洲公關有限公司及《信報財經新聞》頒發「傑出上市公司2017」；及
- 獲亞洲公關有限公司及《信報財經新聞》頒發「香港中小企卓越營商夥伴2017」。

DIALOGUE AND COMMUNICATION

The Group will continue to maintain opportunities for open dialogue relating to CSR matters with various stakeholders from time to time. The Group values every feedback and recommendations from its stakeholders in order to improve its existing CSR policies and practice. Stakeholders may write directly to the Group's principal place of business in Hong Kong at 21/F-22/F., Fung House, Nos. 19-20 Connaught Road Central, Hong Kong or via email to "enquiry@firstcredit.com.hk" for any inquiries, feedback and recommendation regarding CSR-related issues.

對話與溝通

本集團將就企業社會責任事宜不時與各個持份者保持開放持續的溝通。本集團重視持份者的每一項意見及推薦建議，以提升現有企業社會責任政策及常規。持份者如有任何有關企業社會責任事宜的查詢、意見及推薦建議可直接郵寄至本公司之香港主要營業地點(地址為香港中環干諾道中19-20號馮氏大廈21樓至22樓)或以電郵方式發送至「enquiry@firstcredit.com.hk」。

ESG PERFORMANCE SUMMARY

環境、社會及管治表現概況

Indicators 指標		2017 二零一七年
A1 — Emission A1 — 排放物		
A1.1	Types of Emission and Emission Data from Vehicle 汽車的排放物種類及排放數據	Approximately 840 Litres of Petrol 約840公升汽油
A1.2	GHG Emissions in Total 溫室氣體總排放量	Kg CO ₂ equivalent 公斤二氧化碳等量
	Scope 1 — Direct Emissions 範圍1 — 直接排放	2,275
	Scope 2 — Energy Indirect Emissions 範圍2 — 能源間接排放	
	— Electricity — 電力	61,445
	Scope 3 — Other Indirect Emissions 範圍3 — 其他間接排放	
	— Waste Disposal — 廢物棄置	3,116
	— Water Consumption — 耗水	N/A (Note) 不適用(附註)
	— Transportation — 交通	1,807
	Total: 總計:	68,643

Indicators 指標		2017 二零一七年
	GHG Emissions in Intensity 溫室氣體排放密度	Kg CO ₂ eq-/sq. feet 每平方呎公斤二氧化碳等量
	Scope 1 — Direct Emissions 範圍1 — 直接排放	0.21
	Scope 2 — Energy Indirect Emissions 範圍2 — 能源間接排放	5.58
	Scope 3 — Other Indirect Emissions 範圍3 — 其他間接排放	0.45
	Total: 總計：	6.24
A1.3	Hazardous Waste in Total 所產生有害廢物總量	N/A (Note 1) 不適用(附註1)
A1.4	Non-Hazardous Waste in Total 所產生無害廢物總量	In Kg 公斤
	— Central Main Branch — 中環總行	864
	— Causeway Bay Branch — 銅鑼灣分行	120
	— Mongkok Branch — 旺角分行	168
	— Asia Wealth (Note) — Asia Wealth (附註)	925
	Total: 總計：	2,077
	Non-Hazardous Waste in Intensity 所產生無害廢物密度	Kg/sq. feet 每平方呎公斤
	— Central Main Branch — 中環總行	0.18
	— Causeway Bay Branch — 銅鑼灣分行	0.10
	— Mongkok Branch — 旺角分行	0.18
	— Asia Wealth (Note) — Asia Wealth (附註)	0.36
	Total: 總計：	0.82

Indicators 指標		2017 二零一七年
A2 — Use of Resources A2 — 資源使用		Unit 單位
A2.1	Electricity Consumption in Total 總耗電量	76,368 unit 76,368單位
	Electricity Consumption in Intensity 耗電量密度	6.93 unit/sq. feet 6.93單位/平方呎
A2.2	Water Consumption in Total 總耗水量	N/A (Note 2) 不適用(附註2)
	Water Consumption in Intensity 耗水量密度	N/A (Note 2) 不適用(附註2)

Note 1: As the principal businesses of the Group are office-based, no hazardous waste was produced during the year.

附註1：由於本集團的業務於辦公室進行，故年內並無產生有害廢物。

Note 2: Data of water consumption is not available since the Group operates in leased office premises for which both water supply and consumption are solely controlled by the building management. The provision of water consumption data or sub-meter for individual occupants is not feasible.

附註2：由於本集團經營所在租賃辦公場所的用水供應及消耗僅由樓宇管理處控制，故未能提供用水數據。提供耗水量數據或以水錶計量個人用戶用水量並不可行。

REFERENCES TO HKEx ESG GUIDE

參考香港交易所《環境、社會及管治報告指引》

Aspects/ General Disclosures 層面／一般披露	Description 描述	Content in 2017 Annual Report 二零一七年年報的內容
Aspect A1: Emissions 層面A1：排放物		
General Disclosure 一般披露	Information on: 以下： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料 relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢物的產生等	ESG Report: 環境、社會及管治報告： “Environment — Greenhouse Gas Emissions Control; Use of Resources” (page 64 to 67; page 68 to 69) 「環境 — 溫室氣體排放控制；資源使用」(第64頁至第67頁；第68頁至第69頁)
Aspect A2: Use of Resources 層面A2：資源使用		
General Disclosure 一般披露	Policies on efficient use of resources including energy, water and other raw materials 有效使用資源(包括能源、水及其他原材料)的政策	ESG Report: 環境、社會及管治報告： “Environment — Use of Resources” (page 68) 「環境 — 資源使用」(第68頁)
Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源		
General Disclosure 一般披露	Policies on minimising the issuer’s significant impact on the environment and natural resources 減低發行人對環境及天然資源造成重大影響的政策	ESG Report: 環境、社會及管治報告： “Environment — Environmental and Natural Resources” (page 69) 「環境 — 環境及天然資源」(第69頁)

Aspects/ General Disclosures 層面／一般披露	Description 描述	Content in 2017 Annual Report 二零一七年年報的內容
Aspect B1: Employment 層面B1：僱傭		
General Disclosure 一般披露	<p>Information on: 以下：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare 有關薪酬及解僱、招聘及晉升、工作時數、休息時間、平等機會、多元化、反歧視以及其他待遇及福利</p>	<p>ESG Report: 環境、社會及管治報告：</p> <p>“Employee — Employment Opportunities & Caring Workplace” (page 62 to 63) 「僱員 — 僱傭機會及關愛的工作環境」(第62頁至第63頁)</p>
Aspect B2: Health and Safety 層面B2：健康與安全		
General Disclosure 一般披露	<p>Information on: 以下：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards 有關提供安全工作環境及保障僱員避免職業性危害</p>	<p>ESG Report: 環境、社會及管治報告：</p> <p>“Employee — Safe and Healthy Working Environment” (page 63) 「僱員 — 安全及健康的工作環境」(第63頁)</p>

Aspects/ General Disclosures 層面／一般披露	Description 描述	Content in 2017 Annual Report 二零一七年年報的內容
Aspect B3: Development and Training 層面B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities 有關提升僱員履行工作職責的知識及技能的政策。 描述培訓活動	ESG Report: 環境、社會及管治報告： "Employee — Professional Development" (page 64) 「僱員 — 專業發展」(第64頁)
Aspect B4: Labour Standards 層面B4：勞工準則		
General Disclosure 一般披露	Information on: 以下： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料 relating to preventing child and forced labour 有關防止童工或強制勞工	ESG Report: 環境、社會及管治報告： "Employee — Employment Opportunities" (page 62) 「僱員 — 僱傭機會」(第62頁)
Aspect B5: Supply Chain management 層面B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain 管理供應鏈的環境及社會風險政策	ESG Report: 環境、社會及管治報告： "Economy — Engagement with Suppliers" (page 61) 「經濟 — 委聘供應商」(第61頁)

Aspects/ General Disclosures 層面／一般披露	Description 描述	Content in 2017 Annual Report 二零一七年年報的內容
Aspect B6: Product Responsibility 層面B6：產品責任		
General Disclosure 一般披露	Information on: 以下： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料 relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法	ESG Report: 環境、社會及管治報告： “Customer — Products and Services & Data Privacy” (page 61 to 62) 「客戶 — 產品及服務及資料私隱」 (第61頁至第62頁)
Aspect B7: Anti-corruption 層面B7：反貪污		
General Disclosure 一般披露	Information on: 以下： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料 relating to bribery, extortion, fraud and money laundering 有關賄賂、勒索、欺詐及洗黑錢	ESG Report: 環境、社會及管治報告： “Economy — Anti-Money Laundering” (page 60 to 61) 「經濟 — 反洗黑錢」 (第60頁至第61頁)
Aspect B8: Community Investment 層面B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities’ interests 有關以社區參與來了解營運所在社區需要和確保其業務活動有考慮社區利益的政策	ESG Report: 環境、社會及管治報告： “Community” (page 70) 「社區」(第70頁)

Independent Auditors' Report 獨立核數師報告

RSM

TO THE SHAREHOLDERS OF
FIRST CREDIT FINANCE GROUP LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of First Credit Finance Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 84 to 179, which comprise the consolidated statement of financial position as at 31 December 2017, 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 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS 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.

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. The key audit matters we identified and how our audit addressed the key audit matters are set out below.

致第一信用金融集團有限公司股東

(於開曼群島註冊成立並於百慕達存續之有限公司)

意見

本核數師(以下簡稱「**我們**」)已審計列載於第84頁至第179頁第一信用金融集團有限公司(「**貴公司**」)及其附屬公司(「**貴集團**」)的綜合財務報表，此綜合財務報表包括於二零一七年十二月三十一日的綜合財務狀況表以及截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要及其他附註解釋資料。

吾等認為，該等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈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 貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度 貴集團的綜合財務表現及綜合現金流量，並已按照香港《公司條例》的披露規定妥為編製。

意見基準

吾等已根據香港會計師公會頒佈的香港審計準則(「**香港審計準則**」)進行審計。吾等根據該等準則的責任於吾等報告中「**核數師就審計綜合財務報表的責任**」進一步描述。根據香港會計師公會之專業會計師道德守則(「**守則**」)，吾等獨立於 貴集團，且吾等已根據守則履行吾等其他道德責任。吾等相信，吾等獲得之審計證據充分及適當，足以為吾等之意見提供基準。

關鍵審計事項

關鍵審計事項為吾等的專業判斷中，審計本期綜合財務報表中最重要的事項。吾等於審計整體綜合財務報表處理此等事項及就此形成意見，而不會就此等事項單獨發表意見。吾等識別的關鍵審計事項及吾等的審計如何處理關鍵審計事項載列如下。

Key Audit Matter**關鍵審計事項****How our audit addressed the Key Audit Matter****吾等的審計如何處理關鍵審計事項****Impairment of loans receivable from customers****應收客戶貸款減值**

(Refer to notes 6(b) and 25 to the consolidated financial statements)

(參閱綜合財務報表附註6(b)及25)

The Group had loans receivable from customers amounting to HK\$879,868,764 as at 31 December 2017.

貴集團於二零一七年十二月三十一日之應收客戶貸款達879,868,764港元。

As part of the Group's credit policy, management assessed the recoverability of each loan receivable individually and each portfolio of loans receivable with similar credit risk characteristics collectively.

作為 貴集團信貸政策之部分，管理層分別評估具類似信貸風險特徵的每項個別應收貸款及各個應收貸款組合之可收回性。

As at 31 December 2017, the impairment allowance made for doubtful loans receivable amounted to HK\$6,837,461.

於二零一七年十二月三十一日，就應收呆賬貸款作出之減值撥備為6,837,461港元。

The identification of doubtful debts in the individual assessments requires significant judgement about whether objective evidence for impairment exists, taking into consideration the current creditworthiness and the past collection history of each debtor. It also requires significant estimates when determining the estimated recoverable amount of the doubtful loans receivable.

獨立評估中之呆賬識別需要在考慮目前之信用度及過往各項應收賬款的收款記錄的前提下就是否存在客觀減值證據作出重大判斷。釐定應收呆賬貸款之估計可收回金額時亦須作出重大估計。

We understood and tested the key controls over the impairment of loans receivable and focused on:

吾等知悉及檢測應收貸款減值之關鍵控制機制並專注於：

- The identification of impairment events;
- 識別減值事件；
- The assessment and approval processes for the determination of the extent to which impairment should be made;
- 釐定應作出減值程度的評估及批核過程；
- The governance over the impairment assessments processes, including the continuous re-assessment by management that the impairment policy is still calibrated in a way which is appropriate for the impairment risks in the Group's loan portfolios
- 減值評估過程之監管，包括管理層持續就減值政策是否精準且對 貴集團貸款組合之減值風險而言屬適當進行重新評估。

In addition, we performed the following substantive procedures: 此外，吾等進行以下實質性程序：

For the individual assessment:

獨立評估：

For a sample of impaired loans, we performed audit tests to ascertain whether the loss event had been identified in a timely manner and examined the expected future cash flows and the valuation of collateral held, if any, and compared management's estimate to external evidence where applicable.

吾等對減值貸款的樣本進行審核測試，以確認虧損事件是否及時被識別及檢測預期未來現金流及所持抵押品(如有)之估值，並比較管理層對外部證據(倘適用)所作出之估計。

Key Audit Matter
關鍵審計事項

How our audit addressed the Key Audit Matter
吾等的審計如何處理關鍵審計事項

Impairment of loans receivable from customers (Cont'd)
應收客戶貸款減值 (續)

For the collective assessments, management also made assumptions and judgements in respect of the calculation of impairment rates of each portfolio of loans receivable and the impact of external factors such as market interest rates. 就集體評估而言，管理層亦就計算各應收貸款組合之減值率及外部因素(如市場利率)之影響作出假設。

For a sample of performing loans (i.e. the loans that are not considered to be doubtful by management), we performed audit tests to ascertain whether any impairment events had occurred including consideration of forbearance. We considered the payment performance and financial condition of these customers and other relevant factors.

吾等對良好貸款(即管理層認為並非屬呆賬之貸款)樣本進行審核測試，以確認是否發生任何減值事件，包括審議延期償付。吾等亦審議該等客戶還款的表現及財務狀況及其他相關因素。

For the collective assessment
集體評估

We tested the completeness and accuracy of information and calculations applied in the collective assessment model. 我們測試於集體評估模式所應用資料及計算之完整性及準確性。

We assessed the reasonableness of the assumptions and parameters adopted in the collective assessment model, including the rate of default and adjustment for changes in economic conditions, which are based on both historical data and management's estimation of future market prospects, by comparing to externally available market data and considering the sensitivity of the parameters adopted in the model.

我們評估集體評估模式所採納假設及參數之合理性，包括拖欠還款概率及經濟條件變動調整，其乃基於歷史數據及管理層對未來市場前景之估計，透過與外部可得市場數據進行比較及計及模式所採納參數之敏感度所得。

OTHER INFORMATION

The directors are responsible for the Other Information. The Other Information comprises all of the information in First Credit Finance Group Limited's 2017 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.

其他資料

董事負責其他資料。其他資料包括第一信用金融集團有限公司二零一七年年報所載資料，但不包括綜合財務報表及相關核數師報告。

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核證結論。

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information identified above 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 the Other Information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKASAs 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.

審核綜合財務報表時，吾等的責任為閱讀上述其他資料，於此過程中，考慮其他資料是否與綜合財務報表或吾等於審計過程中所瞭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，倘吾等認為其他資料有重大錯誤陳述，吾等須報告該事實。於此方面，吾等沒有任何報告。

董事對綜合財務報表的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製並真實而公平地呈列的綜合財務報表，並為其認為必須為使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述的內部監控負責。

編製綜合財務報表時，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。

審核委員會協助董事履行監督 貴集團財務報告過程的責任。

核數師就審計綜合財務報表的責任

吾等的目標為合理確定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，並發出載有吾等意見的核數師報告。吾等僅向 閣下(作為整體)按照百慕達1981年公司法第90條報告，除此之外本報告別無其他目的。吾等不會就本報告內容向任何其他人士負上或承擔任何責任。

合理確定屬高層次核證，但不能擔保根據香港審計準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

Independent Auditors' Report 獨立核數師報告 (continued 續)

As part of an audit in accordance with HKSAAs, 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.
 - 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.
- 根據香港審計準則進行審核時，吾等運用專業判斷，於整個審核過程中抱持專業懷疑態度。吾等亦：
- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
 - 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見。
 - 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。
 - 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。
 - 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。
 - 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。

Independent Auditors' Report 獨立核數師報告 (continued 續)

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Wong Tak Man, Stephen.

RSM Hong Kong

Certified Public Accountants
29th Floor, Lee Garden Two,
28 Yun Ping Road, Causeway Bay
Hong Kong
23 March 2018

吾等與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現,包括吾等於審核期間識別出內部監控的任何重大缺陷溝通。

吾等亦向審核委員會提交聲明,說明吾等已遵守有關獨立性的道德要求,並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施(如適用)與負責管治的人員溝通。

吾等從與審核委員會溝通的事項中,決定某些事項對本期綜合財務報表的審核工作最為重要,因而構成關鍵審核事項。除非法律或法規不容許公開披露此等事項,或於極罕有的情況下,吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露,否則吾等會於核數師報告中描述此等事項。

出具本獨立核數師報告的審計項目合夥人為王德文先生。

中瑞岳華(香港)會計師事務所

執業會計師
銅鑼灣恩平道28號
利園二期29樓
香港
二零一八年三月二十三日

Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收入表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Note 附註	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Revenue	收益	9	116,186,005	81,601,121
Other income	其他收入	10	2,931,746	1,489,567
Other gains and losses	其他收益及虧損	11	14,542,347	(1,898,911)
			133,660,098	81,191,777
Impairment loss on goodwill	商譽減值虧損		(1,423,124)	—
Administrative expenses	行政開支		(43,846,860)	(19,232,035)
Other operating expenses	其他經營開支		(14,822,538)	(20,043,705)
Profit from operations	經營溢利		73,567,576	41,916,037
Finance costs	財務費用	12	(9,391,129)	(1,141,893)
Profit before tax	除稅前溢利	13	64,176,447	40,774,144
Income tax expense	所得稅開支	14	(11,270,017)	(7,127,652)
Profit for the year	年內溢利		52,906,430	33,646,492
Other comprehensive income, net of tax	其他全面收入(扣除稅項)			
<i>Items that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益的項目:</i>			
— Fair value gain on available-for-sale financial assets	— 可供出售金融資產之公平值收益		83,252	—
— Release of investment revaluation reserve upon completion of the step acquisition of Asia Wealth Financial Holdings Limited (“Asia Wealth”)	— 就分階段收購Asia Wealth Financial Holdings Limited (「Asia Wealth」) 完成後解除投資重估儲備		(83,252)	—
			—	—
Total comprehensive income for the year	年內全面收入總額		52,906,430	33,646,492
Profit and total comprehensive income for the year attributable to:	以下人士應佔年內溢利及全面收入總額:			
Owners of the Company	本公司擁有人		53,177,690	33,646,492
Non-controlling interests	非控股權益		(271,260)	—
			52,906,430	33,646,492
Earnings per share	每股盈利		HK cents 港仙	HK cents 港仙
Basic	基本	18	1.47	1.19
Diluted	攤薄	18	N/A不適用	N/A不適用

Consolidated Statement of Financial Position 綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

			2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
	Note 附註			
Non-current assets		非流動資產		
Property, plant and equipment	19	物業、廠房及設備	6,578,552	1,565,195
Leasehold land under finance leases	20	融資租約下租賃土地	1,285,161	1,328,694
Goodwill	21	商譽	—	—
Intangible assets — trading right	22	無形資產 — 貿易權	3,100,000	—
Available-for-sale financial assets	23	可供出售金融資產	—	900,000
Loans receivable	25	應收貸款	346,022,026	439,202,306
Other assets		其他資產	200,000	—
Deferred tax assets	33	遞延稅項資產	872,748	905,748
Total non-current assets		非流動資產總額	358,058,487	443,901,943
Current assets		流動資產		
Loans receivable	25	應收貸款	533,846,738	442,790,299
Accounts receivable	26	應收賬款	4,252,258	—
Financial assets at fair value through profit or loss	27	以公平值計入損益的金融資產	21,925,350	—
Prepayments, deposits and other receivables		預付款項、按金及其他應收款項	19,587,475	1,400,174
Bank balances — trust and segregated accounts	28	銀行結餘 — 信託及獨立賬戶	803,343	—
Bank and cash balances		銀行及現金結餘	202,020,501	58,634,302
			782,435,665	502,824,775
Assets classified as held for sale	29	分類為持作出售資產	—	76,800,585
Total current assets		流動資產總額	782,435,665	579,625,360

Consolidated Statement of Financial Position 綜合財務狀況表 (continued 續)

At 31 December 2017 於二零一七年十二月三十一日

	Note	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
	附註		
Current liabilities			
流動負債			
Accounts payable	30	793,623	—
應付賬款			
Accruals and other payables		19,890,077	3,569,445
應計費用及其他應付款項			
Interest-bearing loans	31	150,000,000	58,537,056
計息貸款			
Loan notes	32	—	32,873,178
貸款票據			
Current tax payable		3,648,488	2,956,791
應付即期稅項			
		174,332,188	97,936,470
Liabilities directly associated with assets classified as held for sale	29	—	179,289
與分類為持作出售 資產直接相關的負債			
Total current liabilities		174,332,188	98,115,759
流動負債總額			
Net current assets		608,103,477	481,509,601
流動資產淨值			
Total assets less current liabilities		966,161,964	925,411,544
資產總額減流動負債			
Non-current liabilities			
非流動負債			
Deferred tax liabilities	33	269,194	120
遞延稅項負債			
Total non-current liabilities		269,194	120
非流動負債總額			
NET ASSETS		965,892,770	925,411,424
資產淨值			
Capital and reserves			
資本及儲備			
Share capital	34	72,576,000	72,576,000
股本			
Reserves	36	893,316,770	847,631,649
儲備			
Amounts recognised in other comprehensive income and accumulated in equity relating to assets classified as held for sale	29	—	5,203,775
有關分類為持作出售資產 於其他全面收入及累 計權益確認之金額			
TOTAL EQUITY		965,892,770	925,411,424
權益總額			

Approved by the Board of Directors on 23 March 2018 and are signed on its behalf by:

於二零一八年三月二十三日經董事會批准，並由下列董事代表簽署：

Li Sin Hung Maxim
李錄洪
Director
董事

Wong Kai Lun
黃啟倫
Director
董事

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2017 截至二零一七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									Total
		Share capital	Share premium	Capital reserve	Contributed surplus	Property revaluation reserve	Amounts recognised in other comprehensive income and accumulated in equity relating to assets classified as held for sale (note 29) 有關分類為持作出售資產於其他全面收入及累計權益確認之金額	Retained profits	Proposed final dividend	Non-controlling interests	
		股本 HK\$ 港元	股份溢價 HK\$ 港元	資本儲備 HK\$ 港元	繳入盈餘 HK\$ 港元	儲備 HK\$ 港元	(附註29) HK\$ 港元	保留溢利 HK\$ 港元	建議末期股息 HK\$ 港元	非控股權益 HK\$ 港元	總額 HK\$ 港元
At 1 January 2016	於二零一六年一月一日	6,048,000	7,590,768	141,829,615	220,718,070	5,203,775	—	94,775,610	—	—	476,165,838
Total comprehensive income for the year	年內全面收入總額	—	—	—	—	—	—	33,646,492	—	—	33,646,492
Issue of shares on placing (note 34(a))	配售時發行股份 (附註34(a))	1,209,600	9,313,920	—	—	—	—	—	—	—	10,523,520
Issue of shares under rights issue (note 34(b))	根據供股發行股份 (附註34(b))	65,318,400	349,453,440	—	—	—	—	—	—	—	414,771,840
Share issue expenses	股份發行開支	—	(9,696,266)	—	—	—	—	—	—	—	(9,696,266)
Reclassification relating to assets classified as held for sale (note 29)	有關分類為持作出售資產重新分類(附註29)	—	—	—	—	(5,203,775)	5,203,775	—	—	—	—
2016 proposed final dividend (note 17)	二零一六年擬派末期股息(附註17)	—	—	—	(7,257,600)	—	—	—	7,257,600	—	—
Changes in equity for the year	年內股權變動	66,528,000	349,071,094	—	(7,257,600)	(5,203,775)	5,203,775	33,646,492	7,257,600	—	449,245,586
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	72,576,000	356,661,862	141,829,615	213,460,470	—	5,203,775	128,422,102	7,257,600	—	925,411,424
Total comprehensive income for the year	年內全面收入總額	—	—	—	—	—	—	53,177,690	—	(271,260)	52,906,430
Acquisition of a subsidiary (note 38(a))	收購一間附屬公司 (附註38(a))	—	—	—	—	—	—	—	—	9,832,516	9,832,516
Acquisition of non-controlling interests without a change in control (note 38(b))	在控制權不變下收購非控股權益 (附註38(b))	—	—	—	—	—	—	(5,438,744)	—	(9,561,256)	(15,000,000)
Disposal of a subsidiary (note 39(a))	出售一間附屬公司 (附註39(a))	—	—	—	—	—	(5,203,775)	5,203,775	—	—	—
Dividend paid	已付股息	—	—	—	—	—	—	—	(7,257,600)	—	(7,257,600)
Changes in equity for the year	年內權益變動	—	—	—	—	—	(5,203,775)	52,942,721	(7,257,600)	—	40,481,346
At 31 December 2017	於二零一七年十二月三十一日	72,576,000	356,661,862	141,829,615	213,460,470	—	—	181,364,823	—	—	965,892,770

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Note 附註	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
CASH FLOWS FROM OPERATING ACTIVITIES 經營業務的現金流量			
Profit before tax	除稅前溢利	64,176,447	40,774,144
Adjustments for:	經以下各項調整：		
Depreciation	折舊	2,663,899	1,143,553
Amortisation of leasehold land under finance leases	融資租約下租賃土地攤銷	43,533	70,876
Bank interest income	銀行利息收入	(132,229)	(16,314)
Dividend income	股息收入	(486,150)	—
Other interest income	其他利息收入	(2,018,881)	—
Impairment loss on goodwill	商譽減值虧損	1,423,124	—
Realised loss from financial assets at fair value through profit or loss	以公平值計入損益的金融資產的已變現虧損	184,430	—
Fair value changes on financial assets at fair value through profit or loss, net	以公平值計入損益的金融資產公平值變動淨額	(1,970,110)	—
Finance costs	財務費用	9,391,129	1,141,893
Loss/(gain) on disposals of property, plant and equipment	出售物業、廠房及設備虧損／(收益)	538,774	(1,089)
Gain on disposal of a subsidiary	出售一間附屬公司收益	(13,212,189)	—
Gain on re-measurement of pre-existing interest in Asia Wealth to acquisition date fair value	重新計量於Asia Wealth的先前權益至收購日期公平值的收益	(83,252)	—
Fair value losses on investment properties	投資物業公平值虧損	—	1,900,000
Net impairment loss on loans receivable	應收貸款減值虧損淨額	4,857,068	10,390,746
Recoveries of loans receivable impaired or written off	收回已減值或撇銷的應收貸款	(2,270,751)	(676,720)
Operating profit before working capital changes	營運資金變動前經營溢利	63,104,842	54,727,089
Increase in loans receivable	應收貸款增加	(462,476)	(513,461,877)
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)／減少	(16,121,731)	364,298
Decrease in bank balances — trust and segregated accounts	銀行結餘 — 信託及獨立賬戶減少	2,626,619	—
Increase in financial assets at fair value through profit or loss	以公平值計入損益的金融資產增加	(20,139,670)	—
Decrease in accounts receivable	應收賬款減少	3,742,110	—
Decrease in accounts payable	應付賬款減少	(10,340,099)	—
Increase in accruals and other payables	應計費用及其他應付款項增加	9,815,852	1,610,386
Cash generated from/(used in) operations	營運所得／(所用)現金	32,225,447	(456,760,104)
Hong Kong profits tax paid	已付香港利得稅	(10,236,246)	(5,666,949)
Net cash generated from/(used in) operating activities	經營業務所得／(所用)現金淨額	21,989,201	(462,427,053)

Consolidated Statement of Cash Flows 綜合現金流量表 (continued 續)

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Note 附註	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動的現金流量		
Bank interest received	已收銀行利息	132,229	16,314
Dividend received	已收股息	486,150	—
Other interest received	已收其他利息	655,195	—
Purchases of property, plant and equipment	購置物業、廠房及設備	(7,909,955)	(2,776,096)
Purchase of available-for-sale financial assets	收購可供出售金融資產	—	(900,000)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	—	1,800
Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	39(a) 89,796,195	—
Acquisition of a subsidiary	收購一間附屬公司	38(a) 4,950,107	—
Net cash generated from/(used in) investing activities	投資活動所得/(所用)現金淨額	88,109,921	(3,657,982)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動的現金流量		
Proceeds from placing of new shares	配售新股份所得款項	34(a) —	10,523,520
Proceeds from rights issue	供股所得款項	34(b) —	414,771,840
Proceeds from issuance of loan notes	發行貸款票據所得款項	—	32,835,000
Share issue expenses paid	已付股份發行開支	—	(9,696,266)
Acquisition of non-controlling interests without a change in control	在控制權不變下收購非控股權益	38(b) (15,000,000)	—
Interest-bearing loans raised	新借計息貸款	39(b) 150,000,000	50,000,000
Repayment of interest-bearing loans	償還計息貸款	39(b) (58,537,056)	(1,016,542)
Repayment of loan notes	償還貸款票據	39(b) (33,000,000)	—
Interest paid	已付利息	39(b) (2,918,267)	(1,032,019)
Dividends paid	已付股息	(7,257,600)	—
Net cash generated from financing activities	融資活動所得現金淨額	33,287,077	496,385,533
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	143,386,199	30,300,498
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物	58,634,302	28,333,804
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物	202,020,501	58,634,302
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Bank and cash balances	銀行及現金結餘	202,020,501	58,634,302

1. GENERAL INFORMATION

First Credit Finance Group Limited (the “**Company**”) was incorporated in the Cayman Islands and duly continued in Bermuda as an exempted company with limited liability under the laws of Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of its principal place of business was changed from Units 907-911, 9/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong to 21/F., Fung House, 19-20 Connaught Road Central, Hong Kong during the year. The Company’s shares are listed on GEM of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”). On 24 November 2017, the Securities and Futures Commission directed the Stock Exchange to suspend all dealings in the shares of the Company. As at the date of approval of these financial statements, the trading of shares of the Company remains suspended.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 24 to the consolidated financial statements.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

1. 一般資料

第一信用金融集團有限公司(「**本公司**」)在開曼群島註冊成立，並根據百慕達法律以獲豁免有限公司形式正式於百慕達存續。其註冊辦事處的地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。其主要營業地點地址由香港德輔道中121號遠東發展大廈9樓907-911室更改為香港中環干諾道中19-20號馮氏大廈21樓。本公司股份於香港聯合交易所有限公司(「**聯交所**」)GEM上市。於二零一七年十一月二十四日，證券及期貨事務監察委員會指令聯交所暫停本公司股份之所有買賣。於該等財務報表批准日期，本公司股份繼續暫停買賣。

本公司為投資控股公司。其附屬公司的主要業務載列於綜合財務報表附註24。

2. 編製基準

此等綜合財務報表已按照香港會計師公會(「**香港會計師公會**」)所頒佈的所有適用香港財務報告準則(「**香港財務報告準則**」)編製。香港財務報告準則包括香港財務報告準則(「**香港財務報告準則**」)、香港會計準則(「**香港會計準則**」)及詮釋。此等綜合財務報表亦符合聯交所GEM證券上市規則的適用披露條文及香港《公司條例》(第622章)的適用披露規定。以下披露本集團採納的重大會計政策。

香港會計師公會已頒布若干於本集團現時會計期間首次生效或允許提前採用的新訂及經修訂香港財務報告準則。附註3提供因首次應用該等變動而引致任何會計政策變動之資訊，以其與本集團現時及過往會計期間綜合財務報表所反映的有關程度為限。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(A) APPLICATIONS OF NEW AND REVISED HKFRSS

The HKICPA has issued a number of new and revised HKFRSS that are first effective for annual periods beginning on or after 1 January 2017. None of these impact on the accounting policies of the Group. However, the Amendments to HKAS 7 Statement of Cash Flows: Disclosure Initiative require disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The effect of the amendments on the Group's consolidated financial statements has been the inclusion of additional disclosures in note 39(B).

(B) NEW AND REVISED HKFRSS IN ISSUE BUT NOT YET EFFECTIVE

The Group has not early applied new and revised HKFRSS that have been issued but are not yet effective for the financial year beginning 1 January 2017. These new and revised HKFRSS include the following which may be relevant to the Group.

3. 採納新訂及經修訂香港財務報告準則

(A) 應用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈多項自二零一七年一月一日或之後年度首次生效的新訂及經修訂香港財務報告準則。概無該等準則對本集團的會計政策造成影響。然而，香港會計準則第7號「現金流量表：主動披露（修訂本）」要求披露融資活動之負債變動，包括現金流量變動及非現金變動。該等修訂對本集團綜合財務報表造成的影響載於附註39(B)的附加披露。

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用已頒佈但尚未於二零一七年一月一日開始的財政年度生效的新訂及經修訂香港財務報告準則。如下所示的新訂及經修訂香港財務報告準則可能與本集團有關。

Effective for accounting periods beginning on or after
自以下日期或之後開始之會計期間生效

HKFRS 9 Financial Instruments

香港財務報告準則第9號金融工具

HKFRS 15 Revenue from Contracts with Customers

香港財務報告準則第15號來自與客戶合約之收入

HKFRS 16 Leases

香港財務報告準則第16號租賃

1 January 2018

二零一八年一月一日

1 January 2018

二零一八年一月一日

1 January 2019

二零一九年一月一日

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(B) NEW AND REVISED HKFRSS IN ISSUE BUT NOT YET EFFECTIVE (Cont'd)

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 9 and HKFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's quarterly review report for the three months ending 31 March 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that quarterly review report.

HKFRS 9 Financial Instruments

HKFRS 9 will replace HKAS 39 Financial Instruments: Recognition and Measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, new rules for hedge accounting and a new impairment model for financial assets.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to adopt the new standard on the required effective date and will not restate comparative information.

3. 採納新訂及經修訂香港財務報告準則(續)

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

本集團現正就有關修訂及新訂準則預期對首次應用期間產生的影響進行評估。目前為止，本集團已識別新訂準則的若干層面可能對綜合財務報表產生重大影響。預期影響的詳情於下文討論。儘管有關香港財務報告準則第9號及香港財務報告準則第15號之評估已大致完成，惟首次採納該等準則時產生之實際影響可能有所不同，原因為至今已完成之評估乃根據本集團目前可得的資料作出，而於本集團截至二零一八年三月三十一日止三個月之季度審閱報告首次應用該等準則前可能會識別出其他影響。此外，於上述季度審閱報告首次應用該等準則前，本集團亦可能變更其會計政策選擇(包括過渡性條文選擇)。

香港財務報告準則第9號金融工具

香港財務報告準則第9號將取代香港會計準則第39號「金融工具：確認及計量」。香港財務報告準則第9號引入有關金融資產分類及計量之新規定、對沖會計法之新規則以及金融資產之新減值模式。

香港財務報告準則第9號按追溯基準於二零一八年一月一日或之後開始之年度期間生效。本集團計劃於規定生效日期採納新準則且不會重列比較資料。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(B) NEW AND REVISED HKFRSS IN ISSUE BUT NOT YET EFFECTIVE (Cont'd)

HKFRS 9 Financial Instruments (Cont'd)

Based on an analysis of the Group's financial assets and financial liabilities as at 31 December 2017 on the basis of the facts and circumstances that exist at that date, the directors of the Company have assessed the impact of HKFRS 9 to the Group's consolidated financial statements.

HKFRS 9 requires the Group to recognise and measure either a 12-month expected credit loss or lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group expects that the application of the new impairment model will result in the earlier recognition of impairment losses but is unable to quantify the impact as detailed credit analysis is not yet completed.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services, and HKAS 11, Construction contracts, which specifies the accounting for revenue from construction contracts.

HKFRS 15 is effective for annual periods beginning on or after 1 January 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

3. 採納新訂及經修訂香港財務報告準則 (續)

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第9號金融工具 (續)

根據本集團於二零一七年十二月三十一日之金融資產及金融負債之分析(有關分析乃基於該日存在之事實及情況而作出)，本公司董事已評定香港財務報告準則第9號對本集團綜合財務報表之影響。

香港財務報告準則第9號要求本集團確認及計量12個月的預期信用損失或整個壽命期的預期信用損失，視乎資產與事實及情況而定。本集團預期應用新減值模型將導致提早確認減值虧損但無法量化有關影響因尚未完成詳盡信貸分析。

香港財務報告準則第15號來自客戶合約之收入

香港財務報告準則第15號建立了一個確認客戶合約收入之綜合框架。香港財務報告準則第15號將取代現有收益準則香港會計準則第18號「收益」(涵蓋銷售商品及提供服務產生之收益)及香港會計準則第11號「建造合約」(規定了建造合約收益之會計處理)。

香港財務報告準則第15號於二零一八年一月一日或之後開始之年度期間生效。該準則允許按全面追溯方式或經修訂追溯方式採納準則。本集團擬使用經修訂追溯方式採納準則，這意味著採納準則之累積影響將於截至二零一八年一月一日之保留盈利內確認，且將不會重列比較資料。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(B) NEW AND REVISED HKFRSS IN ISSUE BUT NOT YET EFFECTIVE (Cont'd)

HKFRS 15 Revenue from Contracts with Customers (Cont'd)

Based on the assessment completed to date, the Group has identified the timing of revenue recognition is expected to be affected.

Currently, interest income charged on loan facilities is recognised on an accrual basis using the effective interest method, whereas revenue from brokerage services is recognised on the date of transaction when the relevant services are rendered.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

3. 採納新訂及經修訂香港財務報告準則 (續)

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第15號來自客戶合約之收入 (續)

根據至今完成之評估，本集團已確認收益確認時間預計將受到影響。

目前，就貸款融資收取的利息收入採用實際利率法按累計基準確認，而來自經紀服務的收益則於提供相關服務交易當日確認。

根據香港財務報告準則第15號，收益於客戶獲得合約中所承諾之商品或服務之控制權時確認。香港財務報告準則第15號確定了承諾商品或服務之控制權被視為隨時間轉移的三種情況：

- a) 當客戶同時取得及消耗實體履約所提供之利益時；
- b) 實體之履約行為創造或改良了客戶在資產被創造或改良時已控制的資產（例如在建工程）；
- c) 實體之履約行為並未創造一項可被實體用於替代用途之資產，且實體具有就迄今為止已完成之履約部份獲得客戶付款之可執行權利。

倘合約條款及實體之活動並不屬於上述三種情況下的任何情況，則根據香港財務報告準則第15號，實體於某一時間點（即控制權轉移時）就銷售該商品或服務確認收益。擁有權風險及回報之轉移僅為釐定控制權轉移發生時將予考慮的其中一項指標。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(B) NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (Cont'd)

HKFRS 15 Revenue from Contracts with Customers (Cont'd)

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognises revenue from the brokerage services.

HKFRS 16 Leases

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

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

3. 採納新訂及經修訂香港財務報告準則 (續)

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第15號來自客戶合約之收入 (續)

本集團已評定，上述新的收益準則對其如何確認來自經紀服務之收益不大可能構成重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋。新訂準則引入單一承租人會計處理模式。承租人的經營及融資租賃區別已獲撤除，承租人將就所有租賃確認使用權資產及租賃負債（除短期租賃及低價值資產之租賃可獲選擇性豁免外）。香港財務報告準則第16號轉承自香港會計準則第17號的出租人會計法規定大致不變。因此，出租人將繼續將租賃分類為經營或融資租賃。

香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。本集團擬應用簡化過渡法，並將不會重列首次採納前年度的比較金額。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(B) NEW AND REVISED HKFRSS IN ISSUE BUT NOT YET EFFECTIVE (Cont'd)

HKFRS 16 Leases (Cont'd)

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

As disclosed in note 41, the Group's future minimum lease payments under non-cancellable operating leases for its office properties amounted to HK\$12,624,335 as at 31 December 2017. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

3. 採納新訂及經修訂香港財務報告準則 (續)

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號租賃 (續)

根據初步評估，該準則將主要影響本集團經營租賃的會計處理。本集團的辦公物業租賃現時被分類為經營租賃，及租賃支付(扣除自出租人收取任何獎勵金後)於租賃期間以直線法確認為開支。根據香港財務報告準則第16號，本集團可能需要按未來最低租賃款項的現時價值確認及計量負債，及就該等租賃確認相應的使用權資產。租賃負債的利息開支及使用權資產的減值將於損益中確認。本集團之資產及負債將增加，開支確認時間亦會因此受到影響。

誠如附註41所披露，於二零一七年十二月三十一日，本集團辦公物業之不可撤銷經營租賃項下的未來最低租賃款項達12,624,335港元。一旦採用香港財務報告準則第16號，該等租賃預期確認為租賃負債，並確認相應使用權資產。有關金額將就折讓影響及本集團可用之過渡安排作出調整。

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. certain financial instruments that are measured at fair value).

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

(A) CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

4. 主要會計政策

除於下列會計政策另有說明外(如若干按公平值計量的金融工具),此等綜合財務報表已按歷史成本法編製。

編製符合香港財務報告準則的財務報表須採用若干主要會計估計,而管理層亦須在應用本集團會計政策過程中行使其判斷。涉及較高判斷或較複雜或對綜合財務報表而言屬重大的假設及估計的範疇於附註5披露。

編製此等綜合財務報表時採用的主要會計政策載於下文。

(A) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止之財務報表。附屬公司指本集團擁有控制權之實體。當本集團因參與實體業務而承擔可變動回報的風險或因此享有可變動回報,且有能力透過向實體施加權力而影響該等回報時,則本集團控制該實體。當本集團之現有權利賦予其現有能力掌控有關活動(如大幅影響實體回報之活動),本集團對該實體擁有權力。

於評估控制權時,本集團會考慮其潛在投票權以及其他各方持有的潛在投票權。潛在投票權僅於有關持有人擁有實質能力行使該權利時予以考慮。

附屬公司自其控制權轉移予本集團當日起全面綜合入賬,並於控制權終止當日起不再綜合入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(A) CONSOLIDATION (Cont'd)

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated foreign currency translation reserve relating to that subsidiary.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

4. 主要會計政策(續)

(A) 綜合賬目(續)

出售附屬公司導致失去控制權之收益或虧損指(i)出售代價公平值加保留於該附屬公司之任何投資之公平值與(ii)本公司應佔該附屬公司資產淨值加與該附屬公司有關之任何餘下商譽及任何相關之累計外幣匯兌儲備之間的差額。

集團內公司間交易、結餘及未變現溢利予以對銷。未變現虧損亦予以對銷，除非交易有證據顯示所轉讓資產出現減值。本公司已對附屬公司之會計政策作出必要修訂，以確保符合本集團所採納之政策。

非控股權益指並非本公司直接或間接應佔之附屬公司權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內呈列。非控股權益於綜合損益表及綜合損益及其他全面收入表呈列為本公司非控股股東與擁有人應佔溢利或虧損及年內全面收益總額之分配。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(A) CONSOLIDATION (Cont'd)

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

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position, the investments in subsidiaries are stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

4. 主要會計政策(續)

(A) 綜合賬目(續)

儘管會導致非控股權益出現虧絀結餘，損益及其他全面收入各部分應計入本公司擁有人及非控股股東。

附屬公司之擁有權權益變動不會導致本公司失去控制權並計入股權交易(即以擁有人身份與擁有人進行之交易)。控股權益及非控股權益之賬面值已作調整，以反映其附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價之公平值，兩者間之任何差額直接於權益確認，並由本公司擁有人分佔。

除分類為持作出售的投資(或出售組別內分類為持作出售的投資)外，於附屬公司的投資乃以按成本減減值虧損於本公司財務狀況表內列賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(B) BUSINESS COMBINATION AND GOODWILL

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

4. 主要會計政策(續)

(B) 業務合併及商譽

本集團採用收購法為業務合併中所收購之附屬公司列賬。於業務合併中所轉讓代價是以所付出的資產在收購當日之公平值、所發行之權益工具及所產生之負債以及任何或然代價計量。收購相關成本於有關成本產生及獲得服務期間確認為開支。所收購之附屬公司之可識別資產及負債，均按其於收購當日之公平值計量。

所轉讓代價之總和超出本公司應佔附屬公司可識別資產及負債之公平淨值之差額列作商譽。本公司應佔可識別資產及負債之公平淨值超出所轉讓代價之總和之差額則於綜合損益內確認為本公司應佔之議價收購收益。

對於分階段進行之業務合併，先前已持有之附屬公司之權益按收購當日之公平值重新計量，而由此產生之收益或虧損於綜合損益內確認。公平值會加入至於業務合併中所轉讓代價之總和以計算商譽。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(B) BUSINESS COMBINATION AND GOODWILL (Cont'd)

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. 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 Group at which the goodwill is monitored for internal management purposes. 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 its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

4. 主要會計政策(續)

(B) 業務合併及商譽(續)

於附屬公司之非控股權益初步按非控股股東應佔該附屬公司於收購當日之可識別資產及負債之公平淨值比例計算。

於初次確認後，商譽乃按成本減累計減值虧損計量。就減值測試而言，業務合併所獲得之商譽會分配至預期將受益於合併協同效應之各現金產生單位（「現金產生單位」）或現金產生單位組別。商譽所分配之各單位或單位組別為本集團內就內部管理目的而監察商譽之最低層次。商譽乃於經營分部層次進行監察。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。含有商譽之現金產生單位之賬面值與其可收回金額作比較，可收回金額為使用價值與公平值減出售成本兩者之較高者。任何減值即時確認為開支，且其後不會撥回。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(C) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, including buildings and leasehold land (classified as finance leases), held for use in the supply of services, or for administrative purposes, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised 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. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold land under finance leases	Over the lease terms
Buildings	10%
Leasehold improvements	50%
Furniture and fixture	50%
Office equipment	50%
Computer	50%

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

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

4. 主要會計政策(續)

(C) 物業、廠房及設備

物業、廠房及設備(包括持作提供服務用途或行政用途之樓宇及租賃土地(分類為融資租約))按成本扣除其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表入賬。

其後成本乃撥入資產之賬面值或確認為獨立資產(如適用),惟前提為本集團可能就該項目產生相關之未來經濟利益,而項目成本可以可靠計量。所有其他維修及保養乃於產生期間在損益表列支。

物業、廠房及設備之折舊,按足夠撇銷其成本減剩餘價值之比率,於估計可使用年內使用直線法計算,主要年率如下:

融資租約下租賃土地	在租賃期內
樓宇	10%
租賃物業裝修	50%
傢俱及固定裝置	50%
辦公室設備	50%
電腦	50%

剩餘價值、可使用年期及折舊方法於各報告期末進行檢討及作出調整(如適用)。

出售物業、廠房及設備之損益指出售所得款項淨額與有關資產賬面值兩者間之差額,於損益表內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(D) LEASES

(i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases.

Where the Group is the lessee, lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

Where the Group is the lessor, rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

Assets under finance leases are depreciated the same as owned assets over the shorter of the lease term and their estimated useful lives.

4. 主要會計政策(續)

(D) 租約

(i) 經營租約

未將資產擁有權的所有風險及回報絕大部分轉移至本集團的租賃均視為經營租約。

當本集團為承租人時，租賃租金(扣除任何自出租人所收獎勵)於租期內按直線法確認為開支。

當本集團為出租人時，經營租約之租金收入於相關租期內按直線法確認。

(ii) 融資租約

將資產擁有權的所有風險及回報絕大部分轉移至本集團的租賃均視為融資租約。融資租約在開始時按租賃資產之公平值及最低租金現值兩者之較低者(兩者均在租賃開始時釐定)入賬。

融資租約項下之資產與自置資產同樣按租期及其估計使用年期中較短者計算折舊。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(D) LEASES (Cont'd)

(iii) Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lumpsum upfront payments) are allocated between the land and building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

4. 主要會計政策(續)

(D) 租約(續)

(iii) 自用租賃土地

當租賃包括土地及樓宇部分，本集團根據對附於各部分所有權的絕大部分風險及回報是否已轉移本集團的評估，分別將各部分的分類評定為融資或經營租賃。除非土地及樓宇部分均明確為經營租賃，於此情況下，整項租賃歸類為經營租賃。具體而言，最低租賃款項（包括任何一筆過預付款項）於租約訂立時按租賃土地部分及樓宇部分中的租賃權益相對公平值比例於土地與樓宇部分之間分配。

倘能可靠地分配租賃款項，則入賬列為經營租賃的租賃土地權益將於綜合財務狀況表內列作「預付租賃款項」，並於租賃期內以直線法攤銷入賬。倘未能可靠地於土地及樓宇部分之間分配租賃款項，則整項租賃一般會分類為融資租賃，併入賬列作物業、廠房及設備。除非土地及樓宇部分均明確為經營租賃，於此情況下，整份租賃歸類為經營租賃。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(E) INTANGIBLE ASSETS — TRADING RIGHT

Trading right with indefinite useful life that is acquired separately is carried at cost less any impairment losses. Impairment is reviewed annually or when there is any indication that the trading right has suffered an impairment loss.

(F) RECOGNITION AND DERECOGNITION OF FINANCIAL INSTRUMENTS

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

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

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

Financial assets 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 amounts and there is an intention to settle on a net basis or realise the asset 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.

4. 主要會計政策(續)

(E) 無形資產 — 貿易權

獨立收購而具有無限使用年期的貿易權按成本扣除任何減值虧損列賬。本集團每年或當有任何跡象顯示貿易權出現減值虧損時審閱減值。

(F) 金融工具之確認及終止確認

當本集團成為金融工具合約條文之一方時，金融資產及金融負債於綜合財務狀況表內予以確認。

當自資產收取現金流量之合約權利屆滿時；本集團轉移資產擁有權之絕大部分所有風險及回報時；或本集團並無轉移或保留資產擁有權之絕大部分所有風險及回報，但並無維持控制該資產時，金融資產予以終止確認。於終止確認一項金融資產時，該資產之賬面值與所收取之代價及已於其他全面收入內確認之累計收益或虧損之總和之間之差額乃於損益內予以確認。

當有關合約所訂明之責任獲解除、註銷或屆滿時，金融負債予以終止確認。所終止確認之金融負債之賬面值與已付代價間之差額於損益內予以確認。

當擁有可抵銷已確認金額的法定可執行權，並有意以淨額基準結算或同時變現資產及償還負債的情況下，則金融資產及負債相互抵銷，並於財務狀況表呈報所得淨額。法定可執行權不得取決於未來事項，且在日常業務過程中，以及在公司或對手方違約、無力償債或破產的情況下須強制執行有關權利。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(G) FINANCIAL ASSETS

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

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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

Financial assets at fair value through profit or loss are either financial assets classified as held for trading or designated as at fair value through profit or loss upon initial recognition. These financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these financial assets are recognised in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) minus any reduction for impairment or uncollectibility. Typically loans receivable, prepayments, deposits and other receivables and bank and cash balances are classified in this category.

4. 主要會計政策(續)

(G) 金融資產

金融資產乃按交易日基準(即購買或出售金融資產的合約條款所規定及經由所屬市場設定的時限交付該項金融資產之日)確認及終止確認,並初始按公平值加上直接應佔交易成本計量,惟以公平值計入損益的金融資產除外。

本集團將其金融資產分類為以下類別:以公平值計入損益、貸款及應收款項及可供出售。分類乃按照購入金融資產時的目的劃分。管理層在初始確認時釐定金融資產類別。

(i) 以公平值計入損益的金融資產

以公平值計入損益的金融資產為分類為持作買賣的金融資產或於初始確認時指定為以公平值計入損益的金融資產。該等金融資產其後按公平值計量。該等金融資產的公平值變動收益或虧損於損益確認。

(ii) 貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款之非衍生金融資產。該等資產以實際利率法按攤銷成本(除利息屬微不足道的短期應收款項外),再減去任何減值或不可回收款項列賬。一般而言,應收貸款、預付款項、按金及其他應收款項以及銀行及現金結餘均分類至此類別。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(G) FINANCIAL ASSETS (Cont'd)

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss. They are included in non-current assets unless the Groups intend to dispose of the investment within 12 months from the end of the reporting period.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost less impairment losses.

(H) LOANS AND OTHER RECEIVABLES

Loans receivable and accounts receivable are amounts due from customers for the provision and arrangement of credit facilities to the customers or provision of securities brokerage in the ordinary course of business. If collection of loans 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.

Loans and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

(I) CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

4. 主要會計政策(續)

(G) 金融資產(續)

(iii) 可供出售金融資產

可供出售金融資產為非衍生金融資產，其並非按公平值於損益分類為貸款及應收款項、持有至到期的投資或金融資產。除本集團於報告期末起十二個月內有意出售有關資產外，其將分類為非流動資產。

就沒有在活躍市場上報價且其公平值不能可靠計量之權益工具投資，以及與該無報價權益工具掛鉤及須通過交付該權益工具進行結算之衍生工具而言，該等投資均按成本減減值虧損計量。

(H) 貸款及其他應收款項

應收貸款及應收賬款為於日常業務過程中向客戶提供及安排信貸融資或提供證券經紀服務而應收客戶的款項。倘預期於一年或以內(或如較長時間，則於正常經營週期中)收回貸款及其他應收款項，該等款項將分類為流動資產。否則，該等款項則呈列為非流動資產。

貸款及其他應收款項初步按公平值確認，其後採用實際利率法按攤銷成本減去減值撥備計量。

(I) 現金及現金等價物

就現金流量表而言，現金及現金等價物包括銀行、手頭現金及存放於銀行及其他金融機構之活期存款，以及可隨時轉換為已知金額現金但價值改變風險不大的短期高流動性投資。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(J) NON-CURRENT ASSETS HELD FOR SALE

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. The Group must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of the asset's or disposal group's previous carrying amount and fair value less costs to sell.

(K) FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

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

4. 主要會計政策(續)

(J) 持作出售的非流動資產

倘非流動資產或出售組別的賬面值將主要透過銷售交易而非持續使用收回，則分類為持作出售。這種情形被視為僅當銷售極度可能進行及資產或出售組別可供其當時條件立即銷售才會發生。本集團將承諾銷售，預期應符合資格確認為自分類日期起一年內完成的銷售。

非流動資產或出售組別分類為持作出售者，按資產或出售組別過往賬面值及公平值減銷售成本之較低者計量。

(K) 金融負債及權益工具

金融負債及權益工具乃根據所訂立合約安排之內容與香港財務報告準則對金融負債及權益工具之定義分類。權益工具乃證明本集團於扣減其所有負債後之資產中擁有剩餘權益之任何合約。就特定金融負債及權益工具所採納的會計政策列載如下。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(L) BORROWINGS

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

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

(M) FINANCIAL GUARANTEE CONTRACT LIABILITIES

Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of:

- the amount of the obligations under the contracts, as determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and
- the amount initially recognised less cumulative amortisation recognised in profit or loss on a straight-line basis over the terms of the guarantee contracts.

(N) ACCOUNTS AND OTHER PAYABLES

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

(O) EQUITY INSTRUMENTS

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

4. 主要會計政策(續)

(L) 借貸

借貸初步以公平值(扣除所產生之交易成本)確認,其後採用實際利率法以攤銷成本計量。

除非本集團有權無條件延遲負債償還日期至報告期後最少十二個月,否則借貸將被分類為流動負債。

(M) 財務擔保合約負債

財務擔保合約負債初步按其公平值計量,其後按下列較高者計量:

- 合約項下責任之金額,乃根據香港會計準則第37號「撥備、或然負債及或然資產」釐訂;及
- 初步確認之金額減於損益中按擔保合約期以直線法確認之累計攤銷。

(N) 應付賬款及其他應付賬項

應付賬款及其他應付賬項初步按公平值確認,其後則以實際利率法按攤銷成本計量,惟倘貼現之影響屬微不足道則例外,於該情況下,則按成本列賬。

(O) 權益工具

本公司發行之權益工具按已收所得款項扣減直接發行成本入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(P) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Interest income on loans is recognised on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset. When a loan has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash receipts for the purpose of measuring the impairment loss.

Commission income from securities brokerage services is recognised on the date of transaction when the relevant services are rendered.

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

Rental income is recognised on a straight-line basis over the lease term.

4. 主要會計政策(續)

(P) 收益確認

收益乃按已收或應收代價之公平值計量，並於本集團預計可獲得經濟利益並能可靠地計算收益金額時確認入賬。

貸款的利息收入乃按累計基準利用實際利率法，將金融工具預期可使用年期內的估計未來現金收入折現至金融資產賬面淨值計算。倘貸款因減值虧損而撇減，利息收入按為計量減值虧損而用以折現未來現金收入的利率確認。

證券經紀服務的佣金收入於提供相關服務時按交易日期確認。

股息收入，在股東收取相應款項的權利確立時確認。

租金收入，於租賃年期內按直線法確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(Q) EMPLOYEE BENEFITS

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement scheme (“**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme.

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees’ basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

The Group’s employer contributions vest fully with 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.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

4. 主要會計政策(續)

(Q) 僱員福利

(i) 僱員休假權利

僱員於年假和長期服務休假的權利在僱員應享有時確認。本集團為截至報告期末止僱員已提供服務而產生的年假及長期服務休假的估計負債作出撥備。

僱員的病假及產假於僱員正式休假時予以確認。

(ii) 退休金責任

本集團已按香港強積金條例，為所有合資格僱員加入既定供款強制性公積金計劃(「**強積金計劃**」)。

本集團為所有僱員提供定額供款退休計劃。本集團及僱員向計劃作出之供款乃根據僱員基本薪金之百分比計算。計入損益內之退休福利計劃成本指本集團應付予有關基金之供款。

本集團的僱主供款已於向強積金計劃供款時悉數歸屬，惟本集團僱主自願性供款除外，其須根據強積金計劃的規定，於僱員離職時，悉數歸屬前退回予本集團。

(iii) 終止福利

終止福利於以下較早者發生時確認：當本集團無法再撤回該等福利之要約時及當本集團確認重組成本並涉及支付終止福利時。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(R) SHARE-BASED PAYMENTS

Equity-settled share-based payments are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

(S) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

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

4. 主要會計政策(續)

(R) 以股份為基礎的付款

以股權結算並以股份為基礎的付款乃按權益工具於授出日期的公平值(非市場歸屬條件的影響除外)計量。以股權結算並以股份為基礎的付款於授出日期釐定的公平值根據本集團估計最終歸屬的股份,於歸屬期間以直線法支銷,並就非市場歸屬條件的影響作出調整。

(S) 借貸成本

因收購、建設或生產合資格資產(需於一段長時間方能達致其原定用途或出售者)而直接產生之借貸成本撥充該等資產之部分成本,直至該等資產大致上可準備投入作原定用途或出售時為止。從特定借貸待支付符合規定資產之經費前而作出之短暫投資所賺取之投資收入乃從可撥充資本之借貸成本中扣除。

以一般性借入資金用於獲取一項合資格資產為限,可撥充資本之借貸成本數額乃透過該項資產之支出所採用之資本化率而釐定。資本化率乃適用於本集團借貸(於有關期間內尚未償還)之借貸成本之加權平均數,惟特別為獲取合資格資產而作出之借貸則除外。

所有其他借貸成本乃於其產生之期間於損益內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(T) TAXATION

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

4. 主要會計政策(續)

(T) 稅項

所得稅開支指即期及遞延稅項之總和。

即期應付稅項按年內應課稅溢利計算。由於有於其他年度應課稅或可扣稅之收入或開支項目及永遠毋須課稅或不可扣稅之項目，故應課稅溢利有別於損益所確認之溢利。本集團有關即期稅項之負債採用於結算日前已頒佈或實際頒佈之稅率計算。

遞延稅項就綜合財務報表所示資產及負債之賬面值與計算應課稅溢利所依據相關稅基間之差額確認入賬。遞延稅項負債一般就所有應課稅暫時差額確認入賬，並於應課稅溢利有可能用作抵銷可扣稅暫時差額、未動用稅項虧損或未動用稅項抵免之情況下，確認遞延稅項資產。倘暫時差額源自商譽或初次確認不會影響應課稅溢利或會計溢利之交易(業務合併除外)資產或負債，則不會確認有關資產及負債。

遞延稅項負債就源自於附屬公司的投資之應課稅暫時差額予以確認，惟本集團能控制暫時差額之撥回時間及暫時差額於可見未來不會撥回之情況除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(T) TAXATION (Cont'd)

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. 主要會計政策(續)

(T) 稅項(續)

遞延稅項資產之賬面值於各個結算日檢討，並於不再可能有足夠應課稅溢利抵銷全部或部分將予收回資產情況下作出相應扣減。

遞延稅項以預期適用於償還負債或變現資產期間之稅率，按於報告期末已生效或實際生效之稅率計算。遞延稅項於損益內確認，除非其與在其他全面收入確認或直接計入權益之項目相關，於該情況下，遞延稅項亦於其他全面收入或直接於權益確認。

遞延稅項資產及負債的計量反映本集團於報告期末，預期將要收回或償還其資產及負債的賬面值之稅務後果。

遞延稅項資產及負債於有可合法執行權利將即期稅項資產抵銷即期稅項負債，及與相同稅務機關徵收之所得稅相關，且本集團擬按淨額基準清償其即期稅項資產及負債之情況下予以抵銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(U) RELATED PARTIES

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

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

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

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

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

4. 主要會計政策(續)

(U) 關連人士

關連人士為與本集團相關之人士或實體。

(A) 倘屬以下人士，則該人士或該人士之近親家庭成員與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團之主要管理人員。

(B) 倘符合下列任何條件，即實體與本集團(申報實體)有關連：

- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方之合營企業。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(U) RELATED PARTIES (Cont'd)

(B) (Cont'd)

- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity.
- (viii) The entity, or any member of the Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

4. 主要會計政策(續)

(U) 關連人士(續)

(B) (續)

- (iv) 一間實體為第三方實體之合營企業，而另一實體為同一第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關連之實體就僱員利益而設之離職後福利計劃。倘本集團自身屬於有關計劃，則資助之僱員亦與本集團相關連。
- (vi) 實體受(A)所識別人士控制或受共同控制。
- (vii) 於(A)(i)所識別人士對實體有重大影響力或屬該實體主要管理人員。
- (viii) 實體或其所屬集團之任何成員公司向報告實體或向報告實體之母公司提供主要管理人員服務。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(V) IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life or that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of other non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

4. 主要會計政策(續)

(V) 非金融資產減值

具有無限使用年期或尚未可供使用的無形資產每年及當發生顯示賬面值可能無法收回的事件或情況變動時進行減值審閱。

其他非金融資產的賬面值於各報告期末檢討有無減值跡象，倘資產已減值，則透過綜合損益表以開支撇減至其估計可收回金額。可收回金額乃就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合的現金流入，則可收回金額就資產所屬的現金產生單位釐定。可收回金額為個別資產或現金產生單位的使用價值與其公平值減出售成本兩者中之較高者。

使用價值為資產／現金產生單位估計未來現金流量的現值。現值按反映貨幣時間值及資產／現金產生單位(已計量減值)的特有風險的稅前折現率計算。

現金產生單位的減值虧損首先用於抵銷單位商譽，然後於現金產生單位的其他資產之間按比例分配。隨後估計變動導致的可收回金額增長計入損益，直至撥回減值。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(W) IMPAIRMENT OF FINANCIAL ASSETS

At the end of each reporting period, the Group assesses whether its financial assets are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

For available-for-sale equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered also to be objective evidence of impairment.

In addition, for loans and accounts receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

Only for loans and accounts receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for loans receivable) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

For available-for-sale equity securities, an increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated in revaluation reserve; impairment losses are not reversed through profit or loss.

4. 主要會計政策(續)

(W) 金融資產減值

於各報告期末，本集團均會根據客觀證據(即(一組)金融資產的估計未來現金流量由於初步確認後發生的一項或多項事件而受到影響)評估其金融資產有否減值。

就可供出售的權益工具而言，投資公平值之重大或長期下跌至低於其成本，均被視為減值之客觀證據。

此外，就單獨評估並無減值的應收貸款及應收賬款而言，本集團將根據本集團的過往收款經驗、投資組合內延遲還款的增加、與應收款項違約情況有連帶關係的經濟狀況出現明顯改變等共同評估有否減值。

僅應收貸款及應收賬款的賬面值會使用撥備賬扣減，而其後收回之前已撤銷的數額乃計入撥備賬。撥備賬的賬面值變動於損益中確認。

就所有其他金融資產而言，賬面值會直接按減值虧損作出扣減。

就按攤銷成本計量的金融資產而言，倘減值虧損的金額於其後期間減少，而該減少可以客觀地與確認減值後發生的一項事件有關，則先前已確認的減值虧損透過損益撥回(直接或藉著調整應收貸款的撥備賬)。然而，撥回不得導致賬面值高於假使並無確認減值該項金融資產於撥回減值當日的攤銷成本。

就可供出售的權益證券而言，減值虧損後倘公平值增加會於其他全面收入內確認，並累計入重估儲備；減值虧損不會透過損益撥回。

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(X) PROVISIONS AND CONTINGENT LIABILITIES

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

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

(Y) EVENTS AFTER THE REPORTING PERIOD

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

4. 主要會計政策(續)

(X) 撥備及或然負債

倘本集團因過往事件而須負上現行法律或推定之責任，且可能須就履行該等責任而導致經濟利益流出，並能夠就此作出可靠估計時，則始為未能確定何時發生或其款額之負債作出撥備。倘數額涉及重大之貨幣之時值，則按預期用以履行責任之開支之現值作出撥備。

當不大可能有需要付出經濟利益，或其數額未能可靠地估計，除非其付出之可能性極少，則需披露該責任為或然負債。潛在責任，其存在僅能以一個或數個未來事項之發生或不發生來證實，除非其付出之可能性極少，否則亦同時披露為或然負債。

(Y) 報告期後事項

提供於報告期末有關本集團狀況之額外資料的報告期後事項為調整事項並在綜合財務報表內有所反映。並非調整事項之報告期後事項將於屬重大時於綜合財務報表之附註內予以披露。

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

(A) IMPAIRMENT OF GOODWILL

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was determined to be nil after an impairment loss of HK\$1,423,124 was recognised during the year. Details of the impairment loss calculation are provided in note 21 to the consolidated financial statements.

(B) IMPAIRMENT ALLOWANCE FOR LOANS RECEIVABLE

The Group makes impairment allowance for loans receivable based on assessments of the recoverability of the loans receivable, including the current creditworthiness and the past collection history of each debtor. If there is objective evidence that impairment loss on loans receivable has been incurred, 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 (i.e., the effective interest rate computed at initial recognition). The identification of bad and doubtful debts requires significant judgement on whether the objective evidence for impairment exists and assessing the amount of impairment loss requires significant estimates when determining the present value of the expected future cash flows. Where the actual result is different from the original estimate, such difference will impact the carrying value of the loans receivable and doubtful debt expenses in the year in which such estimate has been charged.

As at 31 December 2017, the impairment allowance for loans receivable amounted to HK\$6,837,461 (2016: HK\$10,492,669).

5. 估計不明朗因素的主要來源

很可能導致下個財政年度的資產及負債的賬面值出現大幅調整，且涉及日後的主要假設及於各報告期末估計不明朗因素的其他主要來源概述如下。

(A) 商譽減值

釐定商譽是否出現減值須估計商譽所屬配之現金產生單位的使用價值。計算使用價值時需要本集團估計現金產生單位將來可產生的現金流量和合適的折現率以計算現值。在扣除年內確認的減值虧損1,423,124港元後，商譽於報告期末之賬面值為零。減值虧損評算之詳情載於綜合財務報表附註21內。

(B) 應收貸款減值撥備

本集團根據應收貸款的可收回性評估(包括各債務人的目前信譽及過往收款記錄)對應收貸款作出減值撥備。如果有客觀證據表明應收貸款已經出現減值虧損，則虧損金額按資產賬面值與估計未來現金流量(不包括尚未產生的未來信貸損失)以原始實際利率(即初步確認時計算的實際利率)折現的現值之間的差額計量。識別呆壞賬時，需要對是否存在客觀減值證據作出重大判斷，而估算減值虧損金額時，則需在釐定預計未來現金流量的現值時作出重大估計。倘實際結果與原來估計出現差異，則有關差異於本年度計入時將影響應收貸款的賬面值及呆賬開支。

於二零一七年十二月三十一日，應收貸款減值撥備為6,837,461港元(二零一六年：10,492,669港元)。

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: price risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(A) PRICE RISK

The Group is exposed to equity price risk mainly through its investment in listed equity securities which are classified as financial assets at fair value through profit or loss. The management manages this exposure by maintaining a portfolio of investments with different risk and return profiles. The Group's equity price risk is mainly concentrated on equity securities quoted on the Stock Exchange.

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

If equity prices had been 10% higher/lower (2016: N/A), profit after tax for the year would increase/decrease by approximately HK\$2.2 million (2016: N/A). This is mainly due to the changes in fair value of held-for-trading investments.

(B) CREDIT RISK

Credit risk is the risk of loss due to the inability or unwillingness of a counterparty to meet its contractual obligations. The carrying amount of the bank and cash balances, loans and interests receivable, deposits and other receivables, included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to the Group's financial assets, before taking into account of collateral it holds. Exposure to such credit risk arises primarily from its financing activities to customers.

6. 金融風險管理

本集團經營活動面臨各種金融風險，包括價格風險、信貸風險、流動資金風險及利率風險。本集團整體的風險管理是關注不可預測的金融市場和尋求降低潛在的負面因素對本集團財務表現所帶來的風險。

(A) 價格風險

本集團承受的股本價格風險主要源於投資分類為以公平值計入損益的金融資產的上市股本證券。管理層透過持有不同風險及回報組合的投資組合來管理此項風險。本集團的股本價格風險主要集中於聯交所所報的股本證券。

下述敏感度分析乃根據報告期末所承受的股本價格風險釐定。

倘股本價格上升／下降10%（二零一六年：不適用），年內除稅後溢利將增加／減少約2,200,000港元（二零一六年：不適用）。此乃主要由於持作買賣投資之公平值變動。

(B) 信貸風險

信貸風險是由於對手方無力或拒絕履行合約責任，造成虧損的風險。列入綜合財務狀況表之銀行及現金結餘、應收貸款及利息、按金及其他應收款項的賬面值為本集團就本集團金融資產面臨的最高信貸風險（未考慮其持有的抵押品）。該等信貸風險主要源自向客戶提供的融資服務。

6. FINANCIAL RISK MANAGEMENT (Cont'd)**(B) CREDIT RISK (Cont'd)**

The Group's credit policy specifies the credit approval, review and monitoring processes. All new customers of the Group are subject to account opening procedures which include financial background checks for credit verification purpose. Credit limit applications are guided by a set of credit principles and these applications are subject to regular independent review. The board of directors of the Company are responsible to ensure the credit policies and operation manual are appropriate to the market need and the Group's loans department ensures the credit approval, review and monitoring processes as per stipulated in the manual are properly followed by the operation staff.

The Group also adopts a "two eyes" process requiring credit approval at successively higher levels or committees depending on, among other things, the size and nature of the proposed transactions.

The credit quality classification of gross loans receivable (before impairment allowance) using the Group's credit rating system is set out in the table below:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Performing	履約	884,937,811	869,519,617
Doubtful	呆賬	585,027	21,434,318
Loss	虧損	1,183,387	1,531,339
		886,706,225	892,485,274

6. 金融風險管理 (續)**(B) 信貸風險 (續)**

本集團的信貸政策指定有關信貸批核、審閱及監控程序。本集團所有新客戶須進行開戶手續，包括進行財務背景檢閱，以核實信貸的目的。信貸限額申請以一套完整的信貸原則作為指引，而該等申請須經正常獨立審閱。本公司董事會負責確保信貸政策及操作手冊合乎市場需要，而本集團貸款部應確保手冊所訂明的信貸批核、審閱及監控程序已獲操作人員妥當遵行。

本集團同時採用「雙眼」程序，根據（其中包括）擬進行交易的規模及性質，要求由低級至高級或由下級至上級委員會作出信貸批准。

根據本集團的信貸評級系統，應收貸款總額（扣除減值撥備前）的信貸質量級別載列如下：

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(B) CREDIT RISK (Cont'd)

The Group considers all loans receivable (except for loans to foreign domestic workers) as doubtful if the repayment of principal and/or interest has been overdue for more than 3 months and principal, accrued interest and/or future interest may not be fully secured by the fair value of collateral at its prevailing market price. The Group considers the loans receivable as loss if the repayments of principal and/or interest have been overdue for more than 45 days for the loans to foreign domestic workers, or have been overdue for more than 6 months for all other types of loans receivable; and in both cases the collection of principal and/or interest in full is improbable after taking into account the fair values of the collateral at prevailing market prices.

Based on the above individual assessment, the loans department of the Group proposes to the management of the Company the amount of impairment provision to be made at least on a monthly basis. The Group also performs collective assessment of the loans receivable by grouping together all its receivables with similar credit risk characteristics. The impairment provision is made based on the historical impairment rates of receivables with similar credit risk characteristic.

Movements in the provision for impairment on loans receivable are as follows:

		Individual 獨立 HK\$ 港元	Collective 集體 HK\$ 港元
At 1 January 2016	於二零一六年一月一日	4,036,982	2,525,063
Charged during the year	年內計提	7,426,425	2,964,321
Written off during the year	年內撇銷	(5,783,402)	—
Reversed during the year	年內撥回	(676,720)	—
At 31 December 2016 and 1 January 2017	於二零一六年 十二月三十一日及 二零一七年一月一日	5,003,285	5,489,384
Charged during the year	年內計提	4,857,068	—
Written off during the year	年內撇銷	(6,241,525)	—
Reversed during the year	年內撥回	(2,070,751)	(200,000)
At 31 December 2017	於二零一七年 十二月三十一日	1,548,077	5,289,384

6. 金融風險管理(續)

(B) 信貸風險(續)

若本金及／或利息還款逾期超過三個月，而抵押品按現行市價計算的公平值未必足夠全數抵償本金、應計利息及／或未來利息，本集團視所有應收貸款為呆賬(向外籍家庭傭工提供的貸款除外)。若向外籍家庭傭工提供的貸款在本金及／或利息還款逾期超過45日，或若所有其他應收貸款在本金及／或利息還款逾期超過六個月，且在此兩種情況下，經計算抵押品按現行市價計算的公平值後，悉數收回本金及／或利息已不大可能，本集團將視該應收貸款為虧損。

基於上述獨立評估，本集團貸款部至少每月向本公司的管理層建議作出減值撥備的金額。本集團亦通過綜合所有信貸風險特徵類似的應收款項，進行應收貸款集體評估。減值撥備乃基於具有類似信貸風險的應收貸款於過往年度的減值利率而作出。

應收貸款減值撥備變動載列如下：

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(B) CREDIT RISK (Cont'd)

As at 31 December 2017, the Group has certain concentrations of credit risk as 9% (2016: 6%) of the Group's loans receivable were due from the Group's largest customer, and 32% (2016: 25%) were due from the five largest customers determined on the same basis.

Collateral is obtained in respect of mortgage loans, secured fixed loans and secured revolving loans which made up to 33% (2016: 28%) of the total loans receivable as at 31 December 2017. Such collaterals comprise residential and commercial properties and listed/unlisted equity securities pledged against the balances. As at 31 December 2017, the fair value of collaterals for the first mortgage loans which are mainly residential flats based on its prevailing market prices amounted to approximately HK\$62.35 million (2016: approximately HK\$201.71 million). The fair value of properties collateralised for the second mortgage loans before discounting credit protections available to the first mortgagees amounted to approximately HK\$55.95 million (2016: approximately HK\$122.58 million). The fair value/net asset value of other collaterals which mainly include listed/unlisted equity securities amounted to approximately HK\$361.26 million (2016: approximately HK\$277.12 million).

The credit risk on bank and cash balances is limited because the counterparties are banks with high credit-ratings.

The Group does not provide any guarantees which would expose the Group to credit risk.

6. 金融風險管理(續)

(B) 信貸風險(續)

於二零一七年十二月三十一日，本集團9%（二零一六年：6%）的應收貸款來自本集團最大客戶，以相同基準釐定，有32%（二零一六年：25%）的應收貸款來自五大客戶，故本集團存有一定程度的信貸集中風險。

於二零一七年十二月三十一日，就按揭貸款、有抵押定期貸款及有抵押循環貸款獲得的抵押品佔應收貸款總額最多33%（二零一六年：28%）。該等抵押品包括就貸款結餘抵押的住宅及商用物業以及上市／非上市股本證券。於二零一七年十二月三十一日，首次按揭貸款的抵押品（主要為住宅物業）按現行市價計算的公平值約為62,350,000港元（二零一六年：約201,710,000港元）。未折現適用於第一承按人的信用保障前第二次按揭貸款的物業抵押品公平值約為55,950,000港元（二零一六年：約122,580,000港元）。其他抵押品（主要包括上市／非上市股本證券）的公平值／資產淨值為約361,260,000港元（二零一六年：約277,120,000港元）。

銀行及現金結餘之信貸風險有限，因交易對手為高信貸評級之銀行。

本集團並不提供任何會令本集團承擔信貸風險的擔保。

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(C) LIQUIDITY RISK

Liquidity risk is the risk that the Group is unable to meet its payment obligations when they are due. The Group manages its liquidity risk by maintaining sufficient cash and the availability of funding from shareholders of the Company and adequate committed lines of funding from financial institutions to meet its liquidity requirements. The board of directors of the Company is responsible to ensure the Group to maintain sufficient capital funding and credit lines to meet liquidity requirements. This is achieved by projecting cash flows on a regular basis. The accounts department of the Group monitors and reports the funding needs to management.

The Group is not exposed to significant liquidity risk since there is no substantial irrevocable commitment associated with financial instruments.

6. 金融風險管理(續)

(C) 流動資金風險

流動資金風險是本集團未能履行其到期付款責任的風險。本集團藉維持充足現金，加上可從本公司股東獲得的資金，並保持足夠的金融機構已承諾信貸額度應付流動資金需要，管理流動資金風險。本公司董事會負責確保本集團維持足夠的資本融資及信貸額度以應付流動資金需要。此舉乃藉定期預測現金流量而達致。本集團的會計部監察資金需要以向管理層匯報。

本集團並無與金融工具相關的重大不可撤回承諾，故並不面臨重大流動資金風險。

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(C) LIQUIDITY RISK (Cont'd)

The following table summarises the maturity of the Group's non-derivative financial liabilities as at 31 December 2017 based on contractual undiscounted payments. Except for the interest-bearing loans, the contractual undiscounted payments of all financial liabilities approximate to their carrying amounts as at the end of the reporting period.

		On demand	Less than 3 months	3 to 12 months	Over 1 year	Total
		按要求償還	少於三個月	十二個月	一年以上	總額
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
At 31 December 2017	於二零一七年十二月三十一日					
Accounts payable	應付賬款	—	793,623	—	—	793,623
Accruals and other payables	應計費用及其他應付款項	—	8,562,505	—	—	8,562,505
Interest-bearing loans (note(a))	計息貸款(附註(a))	150,000,000	—	—	—	150,000,000
		150,000,000	9,356,128	—	—	159,356,128
At 31 December 2016	於二零一六年十二月三十一日					
Accruals and other payables	應計費用及其他應付款項	—	2,498,607	—	60,000	2,558,607
Interest-bearing loans (note(a))	計息貸款(附註(a))	58,537,056	—	—	—	58,537,056
Loan notes (note (b))	貸款票據(附註(b))	32,873,178	—	—	—	32,873,178
		91,410,234	2,498,607	—	60,000	93,968,841

6. 金融風險管理(續)

(C) 流動資金風險(續)

下表載列於二零一七年十二月三十一日，本集團非衍生金融負債按合約未折現付款呈列的到期情況概要。除計息貸款外，所有金融負債的合約未折現付款約為彼等於報告期末的賬面值。

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(C) LIQUIDITY RISK (Cont'd)

Notes:

- (a) The balance of HK\$150,000,000 (2016: HK\$50,000,000) that is classified as "on demand" represents the loans from an independent third party as at 31 December 2017, which are repayable on demand.

The board of directors of the Company has closely monitored the rate of utilisation of the facility throughout the year and make sure all relevant interests were duly paid.

Included in interest-bearing loans as at 31 December 2016 are mortgage loans from bank amounted to HK\$8,537,056. The loan agreement of the loan contain a repayment on demand clause giving the bank the unconditional right to call in the loan at any time. Therefore, for the purpose of the above maturity profile, such amounts are classified as "on demand". The mortgage loans were fully repaid during the current year.

- (b) The loan notes as at 31 December 2016 are classified as "on demand" as the holders of the loan notes have the right to request the Company to redeem all/part of the outstanding principal amount of the loan notes on a day after the third month of the date of issue of the loan notes and before the maturity date.

During the year, the holders of the loan notes executed their right to request the Company to early redeem all of the outstanding principals of the loan notes. Details of which are provided in note 32 to the consolidated financial statements.

6. 金融風險管理(續)

(C) 流動資金風險(續)

附註：

- (a) 金額150,000,000港元(二零一六年：50,000,000港元)，為「按要求償還」類別，乃指於二零一七年十二月三十一日來自獨立第三方的貸款，並須按要求償還。

本公司董事會已密切監察融資於年內的使用率，確保所有相關利息已獲妥為支付。

於二零一六年十二月三十一日的計息貸款為8,537,056港元的按揭貸款。該筆貸款的貸款協議包含按要求償還的條款，銀行可隨時無條件要求還款。因此，對上述到期組合而言，有關金額均列作「按要求償還」。按揭貸款於本年度悉數償還。

- (b) 由於貸款持有人有權要求本公司於發行貸款票據日期後第三個月後直至到期日前贖回全部／部分未償還貸款票據的本金金額，二零一六年十二月三十一日的貸款票據分類為「按要求償還」。

年內，貸款票據持有人行使權利要求本公司提早贖回所有貸款票據的未償還本金。有關詳情載於綜合財務報表附註32。

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(D) INTEREST RATE RISK

Interest rate risk is the risk that the value of a financial instrument or the interest income of a portfolio will fluctuate due to changes in market interest rates. The Group's major interest-bearing assets at the end of the reporting period are bank deposits and interest-bearing loans receivable and payable. Interests on bank deposits are principally based on deposits rates offered by banks in Hong Kong. Interest-bearing loans receivable are charged at fixed or floating rates. Interest-bearing loans payable comprise loans from independent lenders which are charged at fixed rates, and loans from a bank which are charged at floating rates.

The Group manages its interest rate exposure by matching the interest rate profile of its assets and liabilities. The board of directors of the Company is responsible for ensuring the policy is appropriate and sufficient to monitor the interest rate exposure of the Group, by regularly monitoring the benchmark interest rates of products offered against prevailing market conditions. Substantially most of the Group's loans receivable carried fixed interest rates. The Group prices these loans receivable strategically to reflect market fluctuations and achieve a reasonable interest rate spread.

In consideration of historical fluctuation in interest rates in recent years, the Group expects a similar level of change within the next twelve months. The following table demonstrates the sensitivity of a reasonably possible change in interest rates, with all other variables held constant arising from the Group's interest-bearing financial instruments.

6. 金融風險管理(續)

(D) 利率風險

利率風險指金融工具的價值或投資組合的利息收入將隨市場利率變動而波動的風險。於報告期末，本集團主要計息資產為銀行存款、應收及應付計息貸款。銀行存款的利息主要基於香港銀行提供的存款利率。應收計息貸款按固定或浮動利率計息。應付計息貸款包括獨立貸款人固定利率的貸款，以及銀行浮息貸款。

本集團透過將資產與負債的利率特性配對來控制利率風險。本公司董事會負責定期監察當時的市況與產品相應地提供的指標利率，確保政策恰當，足以監控本集團承擔的利率風險。本集團絕大部分的應收貸款按固定利率計息。本集團因時制宜地為該等應收貸款定價，以反映市場的波動，並維持合理的息差。

考慮到近年的利率波動，本集團預期未來十二個月內的類似變動水平。下表顯示在所有其他變量維持不變的情況下，本集團計息金融工具利率可能合理變動的敏感度。

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(D) INTEREST RATE RISK (Cont'd)

The sensitivity analysis below is presented for the Group's bank deposits and loans receivable and payable at floating interest rates.

6. 金融風險管理 (續)

(D) 利率風險 (續)

本集團於浮動利率下的銀行存款以及應收及應付貸款的敏感度分析呈列如下。

		Change in basis points 基點變動 HK\$ 港元	Effect on profit after tax 對除稅後溢利 的影響 HK\$ 港元	Effect on equity 對權益的 影響 HK\$ 港元
31 December 2017	二零一七年 十二月三十一日			
Bank deposits	銀行存款	+/-50	+/-732,068	+/-732,068
Interest-bearing loans receivable	應收計息貸款	+/-50	+/-17,865	+/-17,865
Interest-bearing accounts receivable	應付計息貸款	+/-50	+/-21,261	+/-21,261
31 December 2016	二零一六年 十二月三十一日			
Bank deposits	銀行存款	+/-50	+/-293,172	+/-293,172
Interest-bearing loans receivable	應收計息貸款	+/-50	+/-277,061	+/-277,061
Interest-bearing loans payable	應付計息貸款	+/-50	-/+35,642	-/+35,642

6. FINANCIAL RISK MANAGEMENT (Cont'd)

(E) CATEGORIES OF FINANCIAL INSTRUMENTS AT 31 DECEMBER 2017

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Financial assets:	金融資產：		
Available-for-sale financial assets	可供出售金融資產	—	900,000
Financial assets at fair value through profit or loss:	以公平值計入損益的金融資產：		
Held-for-trading	持作買賣	21,925,350	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	1,105,047,645	941,147,067
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本計值之金融負債	159,356,129	93,968,843

(F) FAIR VALUES

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

6. 金融風險管理(續)

(E) 於二零一七年十二月三十一日之金融工具種類

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Financial assets:	金融資產：		
Available-for-sale financial assets	可供出售金融資產	—	900,000
Financial assets at fair value through profit or loss:	以公平值計入損益的金融資產：		
Held-for-trading	持作買賣	21,925,350	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	1,105,047,645	941,147,067
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本計值之金融負債	159,356,129	93,968,843

(F) 公平值

本集團計入綜合財務狀況表中的金融資產及金融負債的賬面值與其各自的公平值相若。

7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(A) DISCLOSURES OF LEVEL IN FAIR VALUE HIERARCHY AT 31 DECEMBER 2017 AND 2016:

At 31 December 2017, the fair value measurements of the Group's investment in listed securities (2016: Nil) classified as financial assets at fair value through profit or loss are recurring and are determined using level 1 inputs.

At 31 December 2016, the fair value measurements of the Group's investment properties classified as held for sale are non-recurring and are determined using level 2 inputs.

(B) DISCLOSURE OF VALUATION TECHNIQUES AND INPUTS USED IN FAIR VALUE MEASUREMENTS AT 31 DECEMBER 2016

The investment properties classified as held for sale were revalued on 31 December 2016 by RHL Appraisal Limited, independent professional qualified valuer, on direct comparison of price of properties of similar size, character and location (level 2 measurement). The key input used in the valuation is the price per square feet.

7. 公平值計量

公平值為於市場參與者於計量日期進行有序交易出售資產時將收取或轉讓負債時將支付的價格。以下公平值計量披露資料所用的公平值架構按用以計量公平值的估值方法所使用的輸入資料分為三個等級：

等級一的 根據本集團於計量日期可獲輸入資料：得的相同資產或負債於活躍市場的報價(未經調整)。

等級二的 除等級一包含的報價外的輸入資料：入資料，無論是資產或負債直接的或是間接的可觀察輸入資料。

等級三的 資產或負債的非可觀察輸入資料：資料。

本集團的政策是於促成轉撥的事件或情況變動發生日期確認三個等級之間的任何轉撥。

(A) 於二零一七年及二零一六年十二月三十一日公平值架構等級的披露

於二零一七年十二月三十一日，本集團分類為按公平值計入損益的金融資產的上市證券投資(二零一六年：無)所計量的公平值乃非經常性，並採用等級一釐定。

於二零一六年十二月三十一日，本集團分類為持作出售的投資物業所計量的公平值乃非經常性，並採用等級二釐定。

(B) 披露於二零一六年十二月三十一日採用之估值技術及公平值計量所用的輸入資料

於二零一六年十二月三十一日，該等持作待售的投資物業獲獨立專業合資格估值師永利行評值顧問有限公司直接比較相近規模、性質及地段物業之價格重新估值(等級二計量)。估值使用之主要輸入數據為每平方呎價格。

8. SEGMENT INFORMATION

The Group has two operating segments as follows:

- Money lending — provision and arrangement of credit financing in Hong Kong
- Securities trading — provision of services in relation to securities brokerage and investments in listed securities

The securities trading segment is a new business segment of the Group for the year ended 31 December 2017 through step acquisition of a subsidiary during current year.

The Group's operating segments are strategic business units that offer different services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements.

Segment profit or loss does not include the following items:

- gain on disposal of a subsidiary
- unallocated other income
- unallocated other gains and losses
- unallocated corporate expenses

Segment assets do not include the following items:

- deferred tax assets
- other unallocated assets

Segment liabilities do not include the following items:

- deferred tax liabilities
- other unallocated liabilities

8. 分部資料

本集團之兩項營運分部如下：

- 放債 — 於香港提供及安排信貸融資
- 證券買賣 — 提供有關證券經紀及上市證券投資的服務

證券買賣分部為本集團截至二零一七年十二月三十一日止年度的新業務分部，源於本年度分階段收購附屬公司。

本集團之營運分部為提供不同服務之策略業務單位。由於各業務須應用不同技術及市場推廣策略，故該等營運分部分開管理。

營運分部之會計政策與綜合財務報表附註4所述者相同。

分部損益不包括以下項目：

- 出售一間附屬公司收益
- 未分配其他收入
- 未分配其他收益及虧損
- 未分配企業開支

分部資產不包括以下項目：

- 遞延稅項資產
- 其他未分配資產

分部負債不包括以下項目：

- 遞延稅項負債
- 其他未分配負債

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)
For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

8. SEGMENT INFORMATION (Cont'd)

8. 分部資料(續)

Information about operating segment profit or loss, assets and liabilities:

有關營運分部損益、資產及負債之資料：

		Money Lending 放債 HK\$ 港元	Securities Trading 證券買賣 HK\$ 港元	Total 總計 HK\$ 港元
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度			
Revenue	收益	115,883,092	302,913	116,186,005
Segment profit/(loss)	分部溢利/(虧損)	65,046,211	(4,400,776)	60,645,435
Interest revenue	利息收入	115,883,092	966,859	116,849,951
Interest expense	利息開支	(8,339,728)	—	(8,339,728)
Depreciation	折舊	(2,161,558)	(483,584)	(2,645,142)
Income tax expense	所得稅開支	(11,095,412)	—	(11,095,412)
Other material non-cash item:	其他重大非現金項目：			
— Net charge for impairment allowance for loans receivable	— 應收貸款減值撥備淨額	2,586,317	—	2,586,317
— Impairment loss on goodwill	— 商譽減值虧損	—	1,423,124	1,423,124
Additions to segment non-current assets	分部非流動資產添置	6,784,383	1,125,572	7,909,955
As at 31 December 2017	於二零一七年十二月三十一日			
Segment assets	分部資產	1,033,913,848	86,812,945	1,120,726,793
Segment liabilities	分部負債	162,673,650	1,407,770	164,081,420

For the year ended 31 December 2016, the Group's resources are integrated and no discrete financial information is available for the purpose of resources allocation and assessment of the Group's performance. Accordingly, no segment analysis or information about the Group's segment is presented.

截至二零一六年十二月三十一日止年度，本集團的資源屬綜合及就分配資源及評估本集團表現而言概無可得獨立財務資料。據此，概無呈列本集團分部的分析或資料。

8. SEGMENT INFORMATION (Cont'd)

8. 分部資料(續)

Reconciliations of reportable segment profit or loss, assets and liabilities:

可呈報分部損益、資產及負債之對賬：

		2017 二零一七年 HK\$ 港元
Profit or loss	損益	
Total profit or loss of reportable segments	可呈報分部總溢利或虧損	60,645,435
Unallocated amounts:	未分配金額：	
Gain on disposal of a subsidiary	出售一間附屬公司收益	13,212,189
Administrative and other operating expenses	行政及其他經營開支	(21,202,916)
Other income	其他收入	1,394,476
Other gains and losses	其他收益及虧損	83,252
Finance costs	財務成本	(1,051,401)
Income tax expense	所得稅開支	(174,605)
Consolidated profit for the year	年內綜合溢利	52,906,430
Assets	資產	
Total assets of reportable segments	可呈報分部總資產	1,120,726,793
Unallocated amounts:	未分配金額：	
Deferred tax assets	遞延稅項資產	872,748
Other receivables and other assets	其他應收款項及其他資產	18,894,610
Consolidated total assets	綜合資產總值	1,140,494,151
Liabilities	負債	
Total liabilities of reportable segments	可呈報分部總負債	164,081,420
Unallocated amounts:	未分配金額：	
Deferred tax liabilities	遞延稅項負債	269,194
Other liabilities	其他負債	10,250,767
Consolidated total liabilities	綜合負債總值	174,601,381

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)
For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

8. SEGMENT INFORMATION (Cont'd)

All of the Group's revenue from external customers and non-current assets was generated from and located in Hong Kong during the years ended 31 December 2017 and 2016.

For the years ended 31 December 2017 and 2016, no revenue from a single external customer was amounted to 10% or more of the Group's revenue.

8. 分部資料(續)

截至二零一七年及二零一六年十二月三十一日止年度，本集團所有來自外界客戶及資產的收益均產生自香港並存置於香港。

截至二零一七年及二零一六年十二月三十一日止年度，並無單一外界客戶的收益佔本集團收益10%或以上。

9. REVENUE

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Interest income charged on loan facilities	就貸款融資收取的 利息收入	115,883,092	81,601,121
Commission income from securities brokerage	來自證券經紀的佣金 收入	302,913	—
		116,186,005	81,601,121

9. 收益

10. OTHER INCOME

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Bank interest income	銀行利息收入	132,229	16,314
Dividend income	股息收入	486,150	—
Gross rental income	租金收入總額	210,218	1,452,735
Other interest income	其他利息收入	2,018,881	—
Sundry income	雜項收入	84,268	20,518
		2,931,746	1,489,567

10. 其他收入

11. OTHER GAINS AND LOSSES

11. 其他收益及虧損

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Fair value losses on investment properties	投資物業公平值虧損	—	(1,900,000)
Gain on disposal of a subsidiary (note 39(A))	出售一間附屬公司收益 (附註39(A))	13,212,189	—
Gain on re-measurement of pre-existing interest in Asia Wealth to acquisition date fair value (note 38(A))	重新計量於Asia Wealth 的先前權益至收購 日期公平值的收益 (附註38(A))	83,252	—
(Loss)/gain on disposals of property, plant and equipment	出售物業、廠房及設備 (虧損)/收益	(538,774)	1,089
Realised loss from financial assets at fair value through profit or loss	以公平值計入損益的 金融資產的已變現 虧損	(184,430)	—
Fair value changes on financial assets at fair value through profit or loss, net	以公平值計入損益的 金融資產公平值 變動淨額	1,970,110	—
		14,542,347	(1,898,911)

12. FINANCE COSTS

12. 財務費用

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Interest on bank loans	銀行貸款利息	62,079	377,516
Interest on other borrowings wholly repayable within five years	須於五年內悉數償付的 其他借貸利息	8,339,728	13,699
Effective interest expense on loan notes wholly repayable within five years	須於五年內悉數償付的 貸款票據的實際 利率開支	989,322	750,678
		9,391,129	1,141,893

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13. PROFIT BEFORE TAX

The Group's profit before tax is stated after charging/(crediting) the following:

13. 除稅前溢利

本集團除稅前溢利已扣除／(計入)下列各項：

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Auditor's remuneration	核數師酬金	900,000	720,000
Depreciation	折舊	2,663,899	1,143,553
Amortisation of leasehold land under finance leases	融資租約下租賃土地攤銷	43,533	70,876
Legal and professional fees	法律及專業費用	4,085,333	2,676,730
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損／(收益)	538,774	(1,089)
Gain on disposal of a subsidiary	出售一間附屬公司收益	13,212,189	—
Impairment loss on goodwill	商譽減值虧損	1,423,124	—
Fair value losses on investment properties	投資物業公平值虧損	—	1,900,000
Direct operating expenses of investment properties that generate rental income	產生租金收入的投資物業之直接營運開支	—	203,348
Minimum lease rental payments in respect of land and buildings under an operating lease	根據經營租約就土地及樓宇支付的最低租金	5,419,661	966,025
Net charge for impairment allowance for loans receivable	應收貸款減值撥備淨額	2,586,317	9,714,026

14. INCOME TAX EXPENSE

14. 所得稅開支

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅		
Provision for the year	年內撥備	11,592,091	7,492,677
Over-provision in prior years	過往年度超額撥備	(20,000)	(20,000)
		11,572,091	7,472,677
Deferred tax (note 33)	遞延稅項(附註33)	(302,074)	(345,025)
		11,270,017	7,127,652

Hong Kong Profits Tax has been provided at a rate of 16.5% (2016: 16.5%) on the estimated assessable profit for the year ended 31 December 2017.

截至二零一七年十二月三十一日止年度，香港利得稅已根據估計應課稅溢利，按16.5%（二零一六年：16.5%）的稅率作出撥備。

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14. INCOME TAX EXPENSE (Cont'd)

The reconciliation between the income tax expense and the product of profit before tax multiplied by the Hong Kong Profits Tax rate is as follows:

14. 所得稅開支(續)

所得稅開支與除稅前溢利乘以香港利得稅稅率之積對賬如下：

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Profit before tax	除稅前溢利	64,176,447	40,774,144
Tax at the applicable tax rate of 16.5% (2016: 16.5%)	按適用稅率16.5% (二零一六年： 16.5%)計算的稅項	10,589,114	6,727,734
Tax effect of income that is not taxable	毋須課稅收入的稅務 影響	(1,136,207)	(174,590)
Tax effect of expenses that are not deductible	不可扣除開支的稅務 影響	186,090	631,918
Tax effect of temporary difference not recognised	未確認暫時差額的稅務 影響	37,816	—
Tax effect of utilisation of tax losses not previously recognised	尚未確認利用稅項虧損 的稅務影響	(7,504)	(37,410)
Tax effect of tax losses not recognised	尚未確認稅項虧損的 稅務影響	1,620,708	—
Over-provision in prior years	過往年度超額撥備	(20,000)	(20,000)
Income tax expense	所得稅開支	11,270,017	7,127,652

15. EMPLOYEE BENEFITS EXPENSE

15. 僱員福利開支

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Employee benefits expense (excluding directors' emoluments):	僱員福利開支(不包括 董事酬金):		
Salaries, bonuses and allowances	薪金、花紅及津貼	16,554,354	9,643,098
Pension scheme contributions	退休金計劃供款	689,918	528,483
		17,244,272	10,171,581

(A) PENSION SCHEME CONTRIBUTIONS

(A) 退休金計劃供款

No forfeited contributions were utilised during the year (2016: HK\$41,743). No balance (2016: Nil) of forfeited contributions were available at the year-end to reduce future contributions.

年內概無動用已沒收供款(二零一六年: 41,743港元)。於年結日, 概無已沒收供款的結餘(二零一六年: 無)可用於抵銷未來供款。

(B) FIVE HIGHEST PAID INDIVIDUALS

(B) 五名最高薪僱員

The five highest paid individuals in the Group during the year included one (2016: four) director and one (2016: N/A) ex-director whose emoluments are reflected in the analysis presented in note 16. The emoluments of the remaining two (2016: one) individuals and the portion of emoluments of an ex-director after his resignation as a director are set out below:

年內, 本集團五名最高薪僱員包括一名(二零一六年: 四名)董事及一名(二零一六年: 不適用)前任董事, 其酬金於附註16分析中呈列。餘下兩名(二零一六年: 一名)僱員以及一名辭任董事一職之前董事之酬金詳情載列如下:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	4,365,894	1,196,107
Pension scheme contributions	退休金計劃供款	59,150	18,000
		4,425,044	1,214,107

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15. EMPLOYEE BENEFITS EXPENSE (Cont'd)

(B) FIVE HIGHEST PAID INDIVIDUALS (Cont'd)

The emolument of the remaining two individuals and an ex-director fell within the following band:

		Number of individuals 僱員人數	
		2017 二零一七年	2016 二零一六年
HK\$1,000,000 to HK\$1,500,000	1,000,000港元至 1,500,000港元	1	1
HK\$1,500,000 to HK\$2,000,000	1,500,000港元至 2,000,000港元	2	—

15. 僱員福利開支(續)

(B) 五名最高薪僱員(續)

其餘兩名僱員及一名前董事的酬金介乎下列範圍的人數如下：

16. BENEFITS AND INTERESTS OF DIRECTORS

(A) DIRECTORS' EMOLUMENTS

The remuneration of every director for the year ended 31 December 2017 is set out below:

16. 董事福利及利益

(A) 董事酬金

各董事截至二零一七年十二月三十一日止年度的酬金載列如下：

		Emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就任何人士以董事身份(不論為本公司或其附屬公司)所提供服務已付或應付的酬金						
		Fees	Salaries	Allowance and benefits in kind (Note) 津貼及實物福利(附註)	Performance related bonuses 表現相關花紅	Pension scheme contribution 退休金計劃供款	Share-based payments 以股份為基礎的付款	Total 總額
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Executive directors:	執行董事：							
Sin Kwok Lam (note (a))	冼國林(附註(a))	—	1,700,000	—	11,250,000	212,500	—	13,162,500
Tsang Yan Kwong (note (b))	曾仁光(附註(b))	—	1,044,273	(41,250)	—	118,360	—	1,121,383
Leung Wai Hung (note (b))	梁偉雄(附註(b))	—	677,762	(41,516)	—	61,486	—	697,732
Ho Siu Man (note (b))	何筱敏(附註(b))	—	626,980	(34,065)	—	56,756	—	649,671
Cao Huifang (note (c))	曹慧芳(附註(c))	—	70,667	—	—	—	—	70,667
Xie Si (note (c))	謝絲(附註(c))	—	70,667	—	—	—	—	70,667
Independent non-executive directors:	獨立非執行董事：							
Yu Wan Hei (note (d))	余連喜(附註(d))	59,333	—	—	—	—	—	59,333
Fung Kam Man (note (j))	馮錦文(附註(j))	120,000	—	—	—	—	—	120,000
Wang Zhiwei (note (k))	王志維(附註(k))	120,000	—	—	—	—	—	120,000
Chan Kin Keung Eugene (note (e))	陳建強(附註(e))	11,645	—	—	—	—	—	11,645
Ng Ting Chi (note (f))	吳廷智(附註(f))	33,903	—	—	—	—	—	33,903
Chan Tung Tak Alain (note (g))	陳通德(附註(g))	42,581	—	—	—	—	—	42,581
Li Long (note (c))	李龍(附註(c))	40,667	—	—	—	—	—	40,667
Choy Sze Chung Jojo (note (h))	蔡思聰(附註(h))	15,667	—	—	—	—	—	15,667
Total for 2017	二零一七年總額	443,796	4,190,349	(116,831)	11,250,000	449,102	—	16,216,416

16. BENEFITS AND INTERESTS OF DIRECTORS (Cont'd) 16. 董事福利及利益(續)

(A) DIRECTORS' EMOLUMENTS (Cont'd)

(A) 董事酬金(續)

The remuneration of every director for the year ended 31 December 2016 is set out below:

各董事截至二零一六年十二月三十一日止年度的酬金載列如下：

		Emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就任何人士以董事身份(不論為本公司或其附屬公司)所提供服務已付或應付的酬金						
		Fees	Salaries	Allowance and benefits in kind (Note)	Performance related bonuses	Pension scheme contribution	Share-based payments	Total
		袍金	薪金	津貼及實物福利(附註)	花紅	供款	基礎的付款	總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
Executive directors:	執行董事：							
Sin Kwok Lam (note (a))	冼國林(附註(a))	—	1,200,000	—	—	150,000	—	1,350,000
Tsang Yan Kwong (note (b))	曾仁光(附註(b))	—	1,072,500	31,573	100,100	134,063	—	1,338,236
Leung Wai Hung (note (b))	梁偉雄(附註(b))	—	643,500	20,468	65,000	64,350	—	793,318
Ho Siu Man (note (b))	何筱敏(附註(b))	—	572,000	28,258	60,000	57,200	—	717,458
Non-executive director:	非執行董事：							
Chan Lai Yee (note (i))	陳麗兒(附註(i))	59,333	—	—	—	—	—	59,333
Independent non-executive directors:	獨立非執行董事：							
Yu Wan Hei (note (d))	余運喜(附註(d))	120,000	—	—	—	—	—	120,000
Fung Kam Man (note (j))	馮錦文(附註(j))	54,516	—	—	—	—	—	54,516
Wang Zhiwei (note (k))	王志維(附註(k))	22,581	—	—	—	—	—	22,581
Lee Kin Fai (note (l))	李健輝(附註(l))	65,806	—	—	—	—	—	65,806
Tai Man Hin, Tony (note (m))	戴文軒(附註(m))	97,742	—	—	—	—	—	97,742
Total for 2016	二零一六年總額	419,978	3,488,000	80,299	225,100	405,613	—	4,618,990

Note: The allowance and benefits in kind refers to untaken leave provision for director(s).

附註：津貼及實物福利指董事之未放取假期撥備。

(a) Resigned on 7 February 2018

(a) 於二零一八年二月七日辭任

(b) Resigned on 22 September 2017

(b) 於二零一七年九月二十二日辭任

(c) Appointed on 15 September 2017

(c) 於二零一七年九月十五日獲委任

(d) Retired on 28 June 2017

(d) 於二零一七年六月二十八日退任

(e) Appointed on 28 June 2017 and resigned on 2 August 2017

(e) 於二零一七年六月二十八日獲委任並於二零一七年八月二日辭任

16. BENEFITS AND INTERESTS OF DIRECTORS (Cont'd)

(A) DIRECTORS' EMOLUMENTS (Cont'd)

Note: (Cont'd)

- (f) Appointed on 28 June 2017 and resigned on 9 October 2017
- (g) Appointed on 24 August 2017
- (h) Appointed on 14 November 2017
- (i) Retired on 28 June 2016
- (j) Appointed on 18 July 2016
- (k) Appointed on 24 October 2016
- (l) Resigned on 18 July 2016
- (m) Resigned on 24 October 2016

There was no arrangement under which a director waived or agreed to waive any emoluments during the year (2016: Nil).

(B) DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

16. 董事福利及利益 (續)

(A) 董事酬金 (續)

附註：(續)

- (f) 於二零一七年六月二十八日獲委任並於二零一七年十月九日辭任
- (g) 於二零一七年八月二十四日獲委任
- (h) 於二零一七年十一月十四日獲委任
- (i) 於二零一六年六月二十八日退任
- (j) 於二零一六年七月十八日獲委任
- (k) 於二零一六年十月二十四日獲委任
- (l) 於二零一六年七月十八日辭任
- (m) 於二零一六年十月二十四日辭任

年內並無董事放棄或同意放棄任何酬金的安排(二零一六年：無)。

(B) 董事於交易、安排或合約的重大利益

本公司董事及董事的關連方概無於年終或年內任何時間仍然存續以本公司作為訂約方且與本集團業務有關的重大交易、安排及合約中擁有直接或間接的重大利益。

17. DIVIDENDS

The declaration of final dividend for the year ended 31 December 2016 of HK0.2 cents per ordinary share was approved by the shareholders at the annual general meeting of the Company held on 28 June 2017. The dividend payable of HK\$7,257,600 was settled on 28 July 2017.

The directors did not recommend the payment of any dividend to shareholders for the year ended 31 December 2017.

18. EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the year attributable to owners of the Company of HK\$53,177,690 (2016: HK\$33,646,492), and the weighted average number of ordinary shares of 3,628,800,000 (2016: 2,831,968,021) in issue during the year.

DILUTED EARNINGS PER SHARE

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the two years ended 31 December 2017 and 2016.

17. 股息

截至二零一六年十二月三十一日止年度宣派末期股息每股普通股0.2港仙已獲股東於本公司在二零一七年六月二十八日舉行的股東週年大會上批准。應付股息7,257,600港元已於二零一七年七月二十八日結付。

董事不建議就截至二零一七年十二月三十一日止年度向股東派付任何股息。

18. 每股盈利

每股基本盈利

每股基本盈利乃基於本公司擁有人應佔年內溢利53,177,690港元(二零一六年: 33,646,492港元)及年內已發行普通股加權平均股數3,628,800,000股(二零一六年: 2,831,968,021股)計算。

每股攤薄盈利

由於本公司於截至二零一七年及二零一六年十二月三十一日止兩個年度並無任何潛在攤薄普通股，故並無呈列每股攤薄盈利。

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19. PROPERTY, PLANT AND EQUIPMENT

19. 物業、廠房及設備

		Buildings	Leasehold improvements	Furniture and fixture and fixture 傢俱及固定 裝置	Office equipment	Computer	Total
		樓宇	租賃物業裝修	裝置	辦公室設備	電腦	總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Cost	成本						
At 1 January 2016	於二零一六年一月一日	1,632,336	1,506,442	448,664	862,422	956,353	5,406,217
Additions	添置	—	1,515,460	331,903	472,259	456,474	2,776,096
Transfer from investment properties	轉撥至投資物業	655,000	—	—	—	—	655,000
Disposals	出售	—	(497,892)	(69,953)	(180,179)	(72,239)	(820,263)
Transfer to assets classified as held for sale (note 29)	轉撥至分類為持作出售資產(附註29)	(2,099,775)	(540,080)	(77,000)	—	—	(2,716,855)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	187,561	1,983,930	633,614	1,154,502	1,340,588	5,300,195
Additions	添置	—	5,089,670	570,498	753,697	1,496,090	7,909,955
Acquisition of a subsidiary (note 38(a))	收購一間附屬公司(附註38(a))	—	—	8,118	24,022	273,935	306,075
Disposals	出售	—	(1,463,520)	(253,330)	(679,443)	(116,908)	2,513,201
At 31 December 2017	於二零一七年十二月三十一日	187,561	5,610,080	958,900	1,252,778	2,993,705	11,003,024
Accumulated depreciation	累計折舊						
At 1 January 2016	於二零一六年一月一日	1,039,271	1,506,442	439,582	838,763	887,309	4,711,367
Charge for the year	年內支出	205,777	482,650	112,795	168,372	173,959	1,143,553
Disposals	出售	—	(497,892)	(69,953)	(179,468)	(72,239)	(819,552)
Transfer to assets classified as held for sale (note 29)	轉撥至分類為持作出售資產(附註29)	(1,120,386)	(157,524)	(22,458)	—	—	(1,300,368)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	124,662	1,333,676	459,966	827,667	989,029	3,735,000
Charge for the year	年內支出	18,756	1,253,768	206,116	332,509	852,750	2,663,899
Disposals	出售	—	(1,138,392)	(205,835)	(537,513)	(92,687)	(1,974,427)
At 31 December 2017	於二零一七年十二月三十一日	143,418	1,449,052	460,247	622,663	1,749,092	4,424,472
Carrying amount	賬面值						
At 31 December 2017	於二零一七年十二月三十一日	44,143	4,161,028	498,653	630,115	1,244,613	6,578,552
At 31 December 2016	於二零一六年十二月三十一日	62,899	650,254	173,648	326,835	351,559	1,565,195

20. LEASEHOLD LAND UNDER FINANCE LEASES 20. 融資租約下租賃土地

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
At 1 January	於一月一日	1,328,694	15,425,168
Transfer from investment properties	轉撥自投資物業	—	13,645,000
Amortisation during the year	年內攤銷	(43,533)	(70,876)
Transfer to assets classified as held for sale (note 29)	轉撥至分類為持作出售 資產(附註29)	—	(27,670,598)
At 31 December	於十二月三十一日	1,285,161	1,328,694

The Group's leasehold land is analysed as follows:

本集團的租賃土地分析如下：

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
In Hong Kong Medium-term leases	於香港 中期租約	1,285,161	1,328,694

21. GOODWILL

21. 商譽

		HK\$ 港元
Cost	成本	
At 1 January 2016, 31 December 2016 and 1 January 2017	於二零一六年一月一日、二零一六年十二月三十一日及二零一七年一月一日	—
Arising on acquisition of a subsidiary (note 38(A))	源於收購一間附屬公司(附註38(A))	1,423,124
At 31 December 2017	於二零一七年十二月三十一日	1,423,124
Accumulated impairment losses	累計減值虧損	
At 1 January 2016, 31 December 2016 and 1 January 2017	於二零一六年一月一日、二零一六年十二月三十一日及二零一七年一月一日	—
Impairment loss recognised in the current year	於本年度確認的減值虧損	(1,423,124)
At 31 December 2017	於二零一七年十二月三十一日	(1,423,124)
Carrying amount	賬面值	
At 31 December 2017	於二零一七年十二月三十一日	—
At 31 December 2016	於二零一六年十二月三十一日	—

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating unit ("CGU") that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated into the securities trading segment.

The recoverable amounts of the CGU have been determined on the basis of their value in use using discounted cash flow method. The key assumptions for the discounted cash flow method are those regarding the discount rates and budgeted gross margin and revenue during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Budgeted gross margin and turnover are based on past practices and expectations on market development.

Due to the tense competition in the securities trading market, the Group expected that there would not be sufficient trading activities to cover all relevant costs and expenses for this CGU in the near term. Consequently, the directors determined to impair the goodwill amounting to HK\$1,423,124 during the year.

因業務合併中所取得商譽，於收購時分配至預期從該項業務合併中受益之現金產生單位(「現金產生單位」)。商譽之賬面值分配至證券買賣分部。

現金產生單位之可收回金額根據其使用價值使用貼現現金流量法釐定。貼現現金流量法之主要假設為期內關於折現率、預算毛利率及營業額之假設。本集團利用反映貨幣之時間價值之目前市場評估及現金產生單位所特有風險之稅前利率估計折現率。預算毛利率及營業額則根據過往慣例及對市場發展的預期進行估計。

基於證券買賣市場競爭激烈，本集團預期，短期將缺乏買賣活動足以抵償該現金產生單位的所有相關成本及開支。最終，董事決定年內作出商譽減值，為數達到1,423,124港元。

22. INTANGIBLE ASSET — TRADING RIGHT

22. 無形資產 — 貿易權

		HK\$ 港元
Cost and carrying amount	成本及賬面值	
At 1 January 2016, 31 December 2016 and 1 January 2017	於二零一六年一月一日、二零一六年十二月三十一日及二零一七年一月一日	—
Acquisition of a subsidiary (note 38(A))	收購一間附屬公司(附註38(A))	3,100,000
At 31 December 2017	於二零一七年十二月三十一日	3,100,000

The Group's eligibility right to trade on or through the Stock Exchange is considered to have indefinite life, which is not amortised but is reviewed annually for impairment and is reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

本集團於或透過聯交所貿易的資格權利具有無限可使用年期，並毋須攤銷但須每年進行減值審閱及當發生顯示賬面值可能無法收回的事件或情況變動即進行減值審閱。

The Group carried out reviews of the recoverable amount of its trading right in 2017. The recoverable amount has been determined on the basis of fair values less costs of disposal using replacement cost method. No impairment loss was recognised during the year ended 31 December 2017.

於二零一七年，本集團就貿易權的可收回金額進行審閱。可收回金額乃使用取代成本法基於公平值減出售成本釐定。於截至二零一七年十二月三十一日止年度並無確認減值虧損。

23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

23. 可供出售金融資產

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Unlisted equity securities, at cost less impairment loss	按成本減減值虧損列賬的非上市股本證券	—	900,000

The unlisted equity investments are carried at cost less impairment loss because the directors are of the opinion that the range of reasonable fair value estimates is so significant that their fair values cannot be measured reliably. Such investments represent investments in shares of Asia Wealth upon completion of step acquisition on 1 April 2017, Asia Wealth become a non-wholly owned subsidiary of the Company. Further details of the step acquisition are set out in note 38(A) to the consolidated financial statements.

由於公平值之合理估計範圍甚廣，董事認為非上市權益投資的公平值不能可靠計量，故非上市權益投資乃按成本減減值虧損列賬。有關投資代表於二零一七年四月一日完成分階段收購後，投資於Asia Wealth的股份，Asia Wealth成為本公司之非全資附屬公司。有關分階段收購之進一步詳情載於綜合財務報表附註38(A)。

The available-for-sale financial assets were denominated in Hong Kong dollars.

可供出售之金融資產以港元計值。

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

24. INVESTMENTS IN SUBSIDIARIES

24. 於附屬公司的投資

Particulars of the subsidiaries of the Company as at 31 December 2017 are as follows:

於二零一七年十二月三十一日，本公司附屬公司的詳情如下：

Name 名稱	Place of incorporation/ registration and operation 註冊成立／註冊及 經營地點	Issued/registered share capital 已發行／註冊股本	Percentage of ownership attributable to the Company 本公司應佔擁有權 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
First Holdings Consortium Limited First Holdings Consortium Limited	British Virgin Islands 英屬處女群島	HK\$150,000,000 150,000,000港元	100	—	Investment holding 投資控股
First Credit (China) Limited 第一信用財務(中國)有限公司	Hong Kong 香港	HK\$1 1港元	100	—	Inactive 暫無營業
Asia Wealth Financial Holdings Limited Asia Wealth Financial Holdings Limited	British Virgin Islands 英屬處女群島	US\$90 90美元	100	—	Investment holding 投資控股
Capital First Holdings Limited 資本第一控股有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100	—	Investment holding 投資控股
Gorgeous Rise Limited Gorgeous Rise Limited	British Virgin Islands 英屬處女群島	US\$100 100美元	100	—	Investment holding 投資控股
First Credit Limited 第一信用財務有限公司	Hong Kong 香港	HK\$153,550,000 153,550,000港元	—	100	Provision and arrangement of credit facilities 提供及安排信貸融資
Honour Event Limited Honour Event Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	—	100	Investment holding 投資控股
Asia Wealth Securities Limited 亞洲創富證券有限公司	Hong Kong 香港	HK\$90,000,000 90,000,000港元	—	100	Securities Dealing 證券買賣
First Asia Securities Limited 第一亞洲證券有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Inactive 暫無營業
First Credit (HK) Limited 第一信用財務(香港)有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Inactive 暫無營業
First Credit Holdings Limited 第一信用控股有限公司	Hong Kong 香港	HK\$1 1港元	—	100	Investment holding 投資控股
Credit Speed Limited 迅貸有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Inactive 暫無營業

Note: All the above subsidiaries are limited liability companies.

附註：上述所有附屬公司皆為有限責任公司。

25. LOANS RECEIVABLE

25. 應收貸款

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Loans to customers	客戶貸款	878,068,879	883,564,878
Accrued interest receivables	應收應計利息	8,637,346	8,920,396
		886,706,225	892,485,274
Impairment allowance on individual assessment	獨立評估的減值撥備	(1,548,077)	(5,003,285)
Impairment allowance on collective assessment	集體評估的減值撥備	(5,289,384)	(5,489,384)
		879,868,764	881,992,605
Analysed as:	列為：		
Non-current assets	非流動資產	346,022,026	439,202,306
Current assets	流動資產	533,846,738	442,790,299
		879,868,764	881,992,605

The Group seeks to maintain strict control over its outstanding loans receivable to minimise credit risk. Overdue balances are reviewed regularly by management.

The loans receivable above were denominated in Hong Kong dollars.

本集團一直嚴格控制未收回的應收貸款，務求將信貸風險減至最低。管理層定期檢查逾期結餘。

上述應收貸款以港元計值。

25. LOANS RECEIVABLE (Cont'd)

The credit quality analysis of the loans receivable is as follows:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Neither past due nor impaired	未逾期或減值		
— Unsecured	— 無抵押	545,075,972	636,003,288
— Secured	— 有抵押	269,159,667	228,478,133
Less than 1 month past due	逾期不足一個月	45,176,745	3,905,863
1 to 3 months past due	逾期一至三個月	22,025,427	185,396
Over 3 months past due	逾期超過三個月	3,500,000	946,937
		884,937,811	869,519,617
Impaired (note)	減值(附註)	1,768,414	22,965,657
		886,706,225	892,485,274

Note: Represents the gross amount of individually impaired loans receivable for which impairment loss has been provided partially or in full as at year end date.

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of individual customers that have a good track record with the Group. Based on past experience, the directors were of the opinion that no provision for impairment on these individual loans was necessary as these loans receivable were substantially/fully settled subsequent to the reporting period or there had not been a significant change in credit quality that these balances were still considered fully recoverable.

應收貸款的信貨質量分析如下：

附註：指於年結日已就減值虧損作出部分或全數撥備的個別減值應收貸款總額。

並無逾期亦無減值的應收款項與眾多近期並無拖欠記錄的不同類型客戶有關。

已逾期但並無減值的應收款項與多名於本集團有良好往績記錄的個人客戶有關。根據過往經驗，由於該等應收貸款已於報告期後大部分／悉數收回或信貸質量並無重大改變，且該等結餘仍被視為可全數收回，故董事認為毋須就此等個別貸款作出減值撥備。

25. LOANS RECEIVABLE (Cont'd)

Amongst all past due but not impaired loans, the secured fixed loans of HK\$20,000,000 (2016: Nil) were secured by the collaterals with fair value (based on the quoted market price on the Stock Exchange) amounted to HK\$17,205,279 (2016: N/A). The first mortgage loan of HK\$3,500,000 and second mortgage loan of HK\$1,992,826 (2016: second mortgage loan of HK\$1,262,288) were secured by the collaterals with fair value (based on its prevailing market price) amounted to HK\$5,200,000 and HK\$11,800,000 respectively (2016: second mortgage loan of HK\$12,000,000) as at 31 December 2017. The Group did not hold any collateral in respect of the remaining individually impaired loans receivable. Over 90% of the loans receivable were subsequently settled after the end of the reporting period.

The individually impaired loans receivable relate to clients that were in financial difficulties and only a portion of the receivable was expected to be recovered. As at 31 December 2017, no collateral was held by the Group for the impaired loans receivable. As at 31 December 2016, the impaired loan of HK\$17,440,510 was secured by collateral with fair value (based on its prevailing market price) amounted to HK\$16,700,000. The Group did not hold any collateral in respect of the remaining individually impaired loans receivable for the year ended 31 December 2016.

25. 應收貸款 (續)

在所有已逾期但並無減值的貸款中，有抵押定期貸款20,000,000港元(二零一六年：無)乃以公平值(基於聯交所所報市價)為17,205,279港元(二零一六年：不適用)的抵押品作為抵押。首次按揭貸款3,500,000港元及第二次按揭貸款1,992,826港元(二零一六年：第二次按揭貸款1,262,288港元)乃以於二零一七年十二月三十一日公平值(按其當時市價計量)分別為5,200,000港元及11,800,000港元(二零一六年：第二次按揭貸款12,000,000港元)的抵押品作為抵押。本集團並無就餘下個別減值的應收貸款持有任何抵押品。逾90%的應收貸款其後於報告期末後結付。

個別減值應收貸款與陷入財政困境的客戶有關，預期僅有一部分應收款項可收回。於二零一七年十二月三十一日，本集團並無就已減值應收貸款持有任何抵押品。於二零一六年十二月三十一日，減值貸款17,440,510港元乃以公平值(按其當時市價計量)達16,700,000港元的抵押品作為抵押。截至二零一六年十二月三十一日止年度，本集團並無持有任何有關餘下個別減值應收貸款的抵押品。

26. ACCOUNTS RECEIVABLE

26. 應收賬款

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Accounts receivable arising from business of dealing in securities:	證券買賣業務產生的應收賬款：		
— Clients	— 客戶	4,252,258	—

The aging analysis of the accounts receivable is as follows:

以下為應收賬款的賬齡分析：

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Past due	已逾期		
— 1 to 3 months	— 一至三個月	4,252,258	—

The settlement terms of accounts receivable arising from the business of dealing in securities are two days after trade date or at specific terms agreed with clients.

證券買賣業務產生的應收賬款之結算期為交易日後兩天或按與客戶之具體協議條款而定。

The past due accounts receivable from clients in the amount of HK\$4,252,258 bear an interest of 8% per annum and relate to a wide range of clients who had no recent history of default. The Group has a right to off-set the accounts receivable from these clients by the securities held by the Group on behalf of such clients. At 31 December 2017, the total market value of their portfolios of securities was approximately HK\$7,700,000 (2016: N/A).

來自客戶的逾期應收賬款4,252,258港元以年利率8%計息，涉及多名並無近期拖欠記錄的客戶。本集團有權以本集團代該等客戶持有的證券抵銷對該等客戶之應收賬款。於二零一七年十二月三十一日，其證券組合的總市值約為7,700,000港元（二零一六年：不適用）。

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

27. 以公平值計入損益的金融資產

	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Equity securities listed in Hong Kong, at fair value 於香港上市的股本證券，按公平值	21,925,350	—

The fair values of listed securities are based on current bid prices.

上市證券的公平值乃基於現行買入價。

The carrying amounts of the above financial assets are classified as held for trading.

上述金融資產的賬面值乃分類為持作買賣。

The above financial assets represent investments in listed equity securities that offer the Company the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate.

上述金融資產指於上市股本證券的投資，乃透過股息收入及公平值收益為本公司提供回報機會。其並無固定到期日或票面息率。

28. BANK BALANCES — TRUST AND SEGREGATED ACCOUNTS

28. 銀行結餘 — 信託及獨立賬戶

The Group maintains segregated trust accounts with licensed banks or authorised institutions to hold clients' monies arising from its normal course of business. The Group classified the clients' monies as cash held on behalf of clients under the current assets section of the consolidated statement of financial position and recognised the corresponding accounts payable to respective clients.

本集團於持牌銀行或授權機構設有獨立信託賬戶，以持有其於日常業務產生的客戶款項。本集團已將此等客戶款項分類為綜合財務狀況表的流動資產項下的代表客戶持有的現金，並確認應付予相關客戶的相關賬款。

29. ASSETS CLASSIFIED AS HELD FOR SALE

Pursuant to a provisional sale and purchase agreement dated 29 November 2016 entered into between the Group and an independent third party (“**Purchaser**”), the Group agreed to sell its entire equity interest in Techlink Investments Limited (“**Techlink**”) and all the debts owing by Techlink to the Group as at completion to the Purchaser at an aggregate cash consideration of HK\$91,000,000 subject to adjustments at completion (“**Disposal**”). The Disposal was completed on 20 February 2017. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal, are discussed in note 39(A).

Techlink held certain investment properties (“**Properties**”) for rental income purpose. In view of the capital gain which was expected to be derived from the Disposal, the management of the Company considered that it was in the interest of the Company and its shareholders to dispose of Techlink in order to realise the Group’s investment in the Properties and to utilise the proceeds from the Disposal for further development of the Group’s money lending business.

29. 分類為持作出售資產

根據本集團與獨立第三方(「**買方**」)訂立日期為二零一六年十一月二十九日的一項臨時買賣協議，本集團同意向買方出售其於迪協投資有限公司(「**迪協**」)之全部股權及截至完成交易時迪協結欠本集團之所有債務，總現金代價91,000,000港元(可於完成交易時調整)(「**出售事項**」)。出售事項於二零一七年二月二十日完成。已出售資產及負債以及出售的溢利或虧損的計算詳情於附註39(A)討論。

迪協持有若干投資物業(「**物業**」)作賺取租金收入。鑑於預期自出售事項產生資本收益，本公司管理層認為出售迪協以變現本集團於物業的投資及動用出售事項所得款項進一步發展本集團的放債業務，乃符合本公司及其股東的利益。

29. ASSETS CLASSIFIED AS HELD FOR SALE (Cont'd)

29. 分類為持作出售資產 (續)

The major classes of assets and liabilities of Techlink at 31 December 2016 are as follows:

迪協於二零一六年十二月三十一日之資產及負債主要類別如下：

		2016 二零一六年 HK\$ 港元
Property, plant and equipment (note 19)	物業、廠房及設備(附註19)	1,416,487
Investment properties	投資物業	47,700,000
Leasehold land under finance leases (note 20)	融資租約下租賃土地(附註20)	27,670,598
Other receivables	其他應收款項	13,500
Assets classified as held for sale	分類為持作出售資產	76,800,585
Deferred tax liabilities (note 33)	遞延稅項負債(附註33)	179,289
Liabilities directly associated with assets classified as held for sale	與分類為持作出售資產直接相關的負債	179,289
Net assets classified as held for sale	分類為持作出售資產淨值	76,621,296
Amounts recognised in other comprehensive income and accumulated in equity relating to assets classified as held for sale	有關分類為持作出售資產於其他全面收入及累計權益確認之金額	5,203,775

The investment properties classified as held for sale were revalued on 31 December 2016 by RHL Appraisal Limited, an independent professional qualified valuer, on direct comparison of price of properties of similar size, character and location (level 2 measurement). The key input used in the valuation was the price per square feet.

分類為持作出售之投資物業於二零一六年十二月三十一日由獨立專業合資格估值師永利行評值顧問有限公司直接比較相近規模、性質及地段物業之價格重新估值(等級二計量)。估值使用之主要輸入數據為每平方呎價格。

At 31 December 2016, the investment properties classified as held for sale with a fair value of HK\$34,000,000 was pledged as security for the Group's bank loan.

於二零一六年十二月三十一日，(公平值為34,000,000港元)分類為持作出售之投資物業被抵押，作為本集團取得銀行貸款之抵押品。

30. ACCOUNTS PAYABLE

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Accounts payable arising from business of dealing in securities:	證券買賣業務產生的應付賬款：		
— Clients	— 客戶	793,623	—

The settlement terms of accounts payable arising from the business of dealing in securities are two days after trade date or at specific terms agreed with clients. No aging analysis is disclosed as in the opinion of the directors of the Company, the aging analysis does not give additional value in view of the nature of the securities trading business.

證券買賣業務產生的應付賬款之結算期為交易日後兩天或按與客戶之具體協議條款而定。概無披露賬齡分析，因為本公司董事認為考慮到證券買賣業務的性質，賬齡分析並無額外意義。

31. INTEREST-BEARING LOANS

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Bank loans	銀行貸款	—	8,537,056
Loan from independent third party	獨立第三方貸款	150,000,000	50,000,000
		150,000,000	58,537,056

31. 計息貸款

31. INTEREST-BEARING LOANS (Cont'd)

31. 計息貸款 (續)

The borrowings are repayable as follows:

借貸的應償還金額如下：

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
On demand or within one year	按要求或一年內	150,000,000	50,665,908
In the second year	第二年	—	694,767
In the third to fifth year	第三年至第五年	—	2,269,441
After five years	五年後	—	4,906,940
		150,000,000	58,537,056
Portion of bank loans that are due for repayment after one year but contain a repayment on demand clause (shown under current liabilities)	一年後到期償還但包含 按要求償還條款 (列入流動負債)的 銀行貸款部分	—	(7,871,148)
Amount due for settlement within 12 months (shown under current liabilities)	十二個月內到期之款項 (列入流動負債)	150,000,000	50,665,908

The carrying amounts of the Group's borrowings are denominated in Hong Kong dollars.

本集團借貸的賬面值以港元計值。

At 31 December 2016, the bank loan of HK\$8,537,056 was secured by charge over the Group's investment properties classified as held for sale (note 29).

於二零一六年十二月三十一日，8,537,056 港元的銀行貸款以本集團分類為持作出售的投資物業(附註29)作為抵押。

At 31 December 2017, the Group had no available undrawn borrowing facilities (2016: Nil).

於二零一七年十二月三十一日，本集團並無可供動用未提取借貸融資(二零一六年：無)。

The average interest rates at the end of the reporting period were as follows:

於報告期末的平均利率如下：

		2017 二零一七年	2016 二零一六年
Bank loans	銀行貸款	N/A 不適用	4.25%
Loan from independent third party	獨立第三方貸款	5%	5%

32. LOAN NOTES

32. 貸款票據

	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
On demand 按要求償還	—	32,873,178

Pursuant to the placing agreements (“**Placing Agreements**”) entered into between the Company and two placing agents, namely Convoy Asset Management Limited (“**Convoy**”) and Jun Yang Securities Company Limited (“**Jun Yang**”) (collectively as the “**Placing Agents**”) on 11 May 2016 and 27 June 2016 respectively, each of the Placing Agents agreed to act on behalf of the Company to procure placees, who are independent third parties, to subscribe for the 4.5% per annum (payable quarterly in arrears) loan notes (“**Loan Notes**”) to be issued by the Company with principal amount of up to HK\$100,000,000 respectively at the placing price equal to 100% of the principal amount of the Loan Notes. The Loan Notes will be matured on the day immediately preceding the second anniversary of the relevant date of issue. The placing period will last for a period of one year commencing from the day after the respective date of the Placing Agreements. The Company has right to early redeem, and the holders of the Loan Notes have right to request the Company to redeem, all/part of the outstanding principal amount of the Loan Notes on a day after the third month of the date of issue of the Loan Notes and before the maturity date at an amount equal to 100% of the redeemed principal amount.

On 27 June 2016 and 27 July 2016, the Company issued the Loan Notes in the principal amount of HK\$25,000,000 and HK\$8,000,000 respectively to placees who were independent third parties procured by Convoy.

On 29 June 2017 and 28 November 2017, the holders of the Loan Notes exercised their right to request the Company for redemption of the Loan Notes. On 29 July 2017 and 28 December 2017, HK\$25,000,000 and HK\$8,000,000, being 100% of the principal amount of the Loan Notes issued were redeemed from the respective holders of the Loan Notes accordingly.

As at 31 December 2016, the principal amount of Loan Notes in issue, less transaction costs, is measured at amortised cost using the effective interest rate method after initial recognition. The effective interest rate of the Loan Notes is 4.764%.

根據本公司與兩名配售代理(即康宏資產管理有限公司(「康宏」)及君陽證券有限公司(「君陽」),統稱「配售代理」)分別於二零一六年五月十一日及二零一六年六月二十七日所訂立之配售協議(「配售協議」),各配售代理同意代表本公司分別促使承配人(獨立第三方)認購將由本公司發行的年利率為4.5厘(須每季到期後支付)的貸款票據(「貸款票據」),本金額最高分別為100,000,000港元,配售價相等於貸款票據本金額的100%。貸款票據將於緊接相關發行日期第二週年前一日到期。配售期將由配售協議各自日期起為期一年。本公司有權提早贖回,而貸款票據持有人有權要求本公司於貸款票據發行日期後第三個月及到期日前的日子贖回貸款票據之全部/部分本金額,金額相當於已贖回本金額之100%。

於二零一六年六月二十七日及二零一六年七月二十七日,本公司向康宏促使的承配人(為獨立第三方)發行本金額分別為25,000,000港元及8,000,000港元之貸款票據。

於二零一七年六月二十九日及二零一七年十一月二十八日,貸款票據持有人行使權利要求本公司贖回貸款票據。於二零一七年七月二十九日及二零一七年十二月二十八日,本公司據此向相關貸款票據持有人贖回25,000,000港元及8,000,000港元(即已發行貸款票據100%本金額)。

於二零一六年十二月三十一日,已發行貸款票據之本金額(扣除交易成本),於初步確認後使用實際利息方法按攤銷成本計量。貸款票據之實際利率為4.764%。

33. DEFERRED TAX

The following are deferred tax liabilities and assets recognised by the Group:

33. 遞延稅項

以下為本集團確認之遞延稅項負債及資產：

		Accelerated tax depreciation 加速稅項 折舊 HK\$ 港元	Depreciation allowance in excess of related depreciation 超過相關折舊 的折舊撥備 HK\$ 港元	Provision for impairment on loans and receivables 貸款及應收 款項減值撥備 HK\$ 港元	Total 總額 HK\$ 港元
At 1 January 2016	於二零一六年一月一日	154,156	(118,835)	(416,635)	(381,314)
Charged/(credited) to profit or loss for the year (note 14)	年內在損益表中扣除/ (計入)(附註14)	25,253	118,835	(489,113)	(345,025)
Transfer to liabilities directly associated with assets classified as held for sale (note 29)	轉撥至與分類為持作出售 資產直接相關的負債 (附註29)	(179,289)	—	—	(179,289)
At 31 December 2016 and 1 January 2017	於二零一六年十二月 三十一日及二零一七 年一月一日	120	—	(905,748)	(905,628)
Charged to profit or loss for the year (note 14)	年內在損益表中扣除(附 註14)	269,074	—	33,000	302,074
At 31 December 2017	於二零一七年十二月 三十一日	269,194	—	(872,748)	(603,554)

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

33. DEFERRED TAX (Cont'd)

The following is the analysis of the deferred tax balances (after offset) for statement of financial position purposes:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Deferred tax liabilities	遞延稅項負債	269,194	120
Deferred tax assets	遞延稅項資產	(872,748)	(905,748)
		(603,554)	(905,628)

At the end of the reporting period, no deferred tax asset has been recognised in respect of the tax losses amounted to HK\$21,075,088 (2016: HK\$2,100,955) due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

下列為就財務狀況表而言的遞延稅項結餘(抵銷後)的分析：

報告期末，由於不可預計未來溢利來源，概無就稅項虧損21,075,088港元(二零一六年：2,100,955港元)確認遞延稅項資產。稅項虧損可無限期結轉。

34. SHARE CAPITAL

34. 股本

		Authorised 法定		Issued and fully paid 已發行及全數繳足	
		Number of shares 股份數目	Amount 金額 HK\$ 港元	Number of shares 股份數目	Amount 金額 HK\$ 港元
Ordinary shares of HK\$0.02 each at 1 January 2016	於二零一六年一月一日 每股面值0.02港元 之普通股	250,000,000,000	5,000,000,000	302,400,000	6,048,000
Issue of shares on placing (note (a))	配售時發行股份 (附註(a))	—	—	60,480,000	1,209,600
Issue of shares under rights issue (note (b))	根據供股發行股份 (附註(b))	—	—	3,265,920,000	65,318,400
Ordinary shares of HK\$0.02 each at 31 December 2016, 1 January 2017 and 31 December 2017	於二零一六年十二月三十一日、二零一七年一月一日及二零一七年十二月三十一日每股面值0.02港元之普通股	250,000,000,000	5,000,000,000	3,628,800,000	72,576,000

34. SHARE CAPITAL (Cont'd)

Notes:

- (a) On 17 December 2015, the Company and Jun Yang entered into a placing agreement in respect of the placing of a maximum of 60,480,000 ordinary shares of HK\$0.02 each to independent investors at a price of HK\$0.174 per share. The placing was completed on 8 January 2016 and an aggregate of 60,480,000 ordinary shares of HK\$0.02 each were allotted and issued. The premium on the placing of shares amounting to HK\$9,313,920, net of share issue expenses amounting to HK\$402,518, was credited to the Company's share premium account.
- (b) Pursuant to a resolution passed at the special general meeting of the Company held on 19 February 2016, the issue by way of rights issue on the basis of nine rights shares of HK\$0.02 each for every share in issue and held on the record date ("2nd Rights Issue") at the subscription price of HK\$0.127 per rights share was approved.

On 31 March 2016, the 2nd Rights Issue was completed and 3,265,920,000 rights shares of HK\$0.02 each were allotted and issued. On the same day, the premium on the issue of rights shares of HK\$0.02 each amounting to HK\$349,453,440, net of share issue expenses amounting to HK\$9,293,748, was credited to the Company's share premium account.

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adopt various means such as payment of dividends, issuance of new shares, raising new debts or redemption of existing debts as may be appropriate in the circumstances.

34. 股本(續)

附註：

- (a) 於二零一五年十二月十七日，本公司與君陽訂立一份配售協議，內容有關以每股0.174港元的價格配售最多60,480,000股每股面值0.02港元的普通股予獨立投資者。配售事項已於二零一六年一月八日完成，合共60,480,000股每股面值0.02港元之普通股獲配發及發行。配售股份溢價為9,313,920港元，在扣除股份發行開支402,518港元後，已計入本公司的股份溢價賬。
- (b) 根據本公司於二零一六年二月十九日舉行的股東特別大會上通過的一項決議案，批准透過按於記錄日期每持有一股已發行獲配發九股每股面值0.02港元的供股股份的基準，按每股供股股份0.127港元的認購價以供股方式發行股份(「第二次供股」)。

於二零一六年三月三十一日，第二次供股已完成，而3,265,920,000股每股面值0.02港元之供股股份已獲配發及發行。同日，每股面值0.02港元之供股股份發行溢價為349,453,440港元，在扣除股份發行開支9,293,748港元後，已計入本公司的股份溢價賬。

本集團資本管理的主要目標為保證本集團繼續持續經營的能力及維持良好的資本負債比率，以支持其業務及盡力提升股東價值。

本集團管理資本結構以及根據經濟狀況之轉變及相關資產之風險特性而作出調整。本集團可以通過採納多種方法例如股息派付、發行新股、發行新債務或贖回現有債務(如適用)以保持或調整資本結構。

34. SHARE CAPITAL (Cont'd)

The Group monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by adjusted capital plus net debt. Net debt comprises borrowings and obligations under finance lease less bank and cash balance. Adjusted capital comprises all components of equity (i.e. share capital, retained profits and other reserves).

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2017 and 31 December 2016.

The externally imposed capital requirements for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares; and (ii) to meet financial covenants attached to the interest-bearing borrowings.

The Group receives a report from the share registrars on a monthly basis on substantial share interests showing the non-public float and it demonstrates continuing compliance with the minimum 25% public float requirement throughout the year. As at 31 December 2017, 31.43% (2016: 34.15%) of the shares were in public hands.

Any breach of the financial covenants by the Group may result in the banks demanding for repayment of the loan. There had been no breach of the financial covenants in respect of any interest-bearing borrowings of the Group for the years ended 31 December 2017 and 2016.

34. 股本(續)

本集團根據資產負債比率監察資本。此比率乃按債務淨額除以經調整資本與債務淨額的總和計算所得。債務淨額包括借貸及融資租賃責任減銀行及現金結餘。經調整資本包括所有權益部分(即股本、保留溢利及其他儲備)。

截至二零一七年十二月三十一日及二零一六年十二月三十一日止年度，本集團管理資本的目標、政策或程序並無變動。

本集團受限於以下外來資本規定：(i)為了維持於聯交所的上市地位，其至少25%的股份須由公眾持有；及(ii)遵循計息借貸附有的財務契諾。

本集團每月接獲股份過戶登記處發出列示非公眾持股量的重大股份權益的報告，該報告顯示本集團於整個年度內一直符合最低25%的公眾持股量要求。於二零一七年十二月三十一日，公眾持股量為股份的31.43%(二零一六年：34.15%)。

本集團一旦違反財務契諾，銀行可能要求償還借貸。截至二零一七年及二零一六年十二月三十一日止年度，本集團概無違反任何計息借貸方面的財務契諾。

35. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

35. 本公司財務狀況表及儲備變動

(A) STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(A) 本公司財務狀況表

	Note 附註	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Non-current assets			
Investments in subsidiaries		245,000,789	150,000,789
Available-for-sale financial assets		—	900,000
Total non-current assets		245,000,789	150,900,789
Current assets			
Prepayments, deposits and other receivables		715,265	409,602
Due from subsidiaries		496,528,248	627,162,880
Bank and cash balances		81,708	93,055
Total current assets		497,325,221	627,665,537
Current liabilities			
Accruals and other payables		10,096,715	528,634
Due to subsidiaries		20,241	20,241
Loan notes		—	32,873,178
Total current liabilities		10,116,956	33,422,053
Net current assets		487,208,265	594,243,484
NET ASSETS		732,209,054	745,144,273
Capital and reserves			
Share capital		72,576,000	72,576,000
Reserves	36(b)	659,633,054	672,568,273
TOTAL EQUITY		732,209,054	745,144,273

Approved by the Board of Directors on 23 March 2018 and are signed on its behalf by:

於二零一八年三月二十三日經董事會批准，並由下列董事代表簽署：

Li Sin Hung Maxim
李錄洪
Director
董事

Wong Kai Lun
黃啟倫
Director
董事

Notes to the Consolidated Financial Statements 綜合財務報表附註 (continued 續)
For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

35. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY
(Cont'd)

35. 本公司財務狀況表及儲備變動 (續)

(B) RESERVE MOVEMENT OF THE COMPANY

(B) 本公司儲備變動

	Note	Share premium	Capital reserve	Contributed surplus	Accumulated losses	Proposed final dividend	Total
	附註	股份溢價	資本儲備	繳入盈餘	累計虧損	建議末期股息	總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
At 1 January 2016	於二零一六年一月一日	7,590,768	138,279,615	220,718,070	(42,872,210)	—	323,716,243
Loss for the year	年內虧損	—	—	—	(219,064)	—	(219,064)
Issue of shares on placing	配售時發行股份	34(a) 9,313,920	—	—	—	—	9,313,920
Issue of shares under rights issue	根據供股發行股份	34(b) 349,453,440	—	—	—	—	349,453,440
Share issue expenses	股份發行開支	34(b) (9,696,266)	—	—	—	—	(9,696,266)
2016 proposed final dividend	二零一六年擬派末期股息	17	—	(7,257,600)	—	7,257,600	—
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	356,661,862	138,279,615	213,460,470	(43,091,274)	7,257,600	672,568,273
Loss for the year	年內虧損	—	—	—	(5,677,619)	—	(5,677,619)
Dividend paid	已付股息	—	—	—	—	(7,257,600)	(7,257,600)
At 31 December 2017	於二零一七年十二月三十一日	356,661,862	138,279,615	213,460,470	(48,768,893)	—	659,633,054

36. RESERVES

(A) GROUP

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity on pages 84 and 87 of this annual report respectively.

(B) NATURE AND PURPOSE OF RESERVES

(i) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

Pursuant to an extraordinary general meeting passed on 24 December 2014, the change of the domicile of the Company from the Cayman Islands to Bermuda was approved by the shareholders. The change of domicile of the Company was completed on 5 February 2015. Under the Companies Act 1981 of Bermuda, the funds in the share premium account of the Company may be distributed in the form of fully paid bonus shares.

(ii) Capital reserve

The capital reserve of the Group arose as a result of the Group's reorganisation implemented in preparation for the listing of the Company's shares in 2009 and represented the difference between the nominal value of the aggregate share capital of the subsidiaries acquired under the reorganisation scheme, over the nominal value of the share capital of the Company issued in exchange therefore.

The capital reserve of the Company arose as a result of the Group reorganisation implemented in preparation for the listing of the Company's shares in 2009 and represented the excess of the consolidated net assets of the subsidiaries acquired, over the nominal value of the share capital of the Company issued in exchange therefore.

36. 儲備

(A) 本集團

本集團儲備金額及其變動分別載列於本年報的第84頁及第87頁的綜合損益及其他全面收入表及綜合權益變動表。

(B) 儲備性質及目的

(i) 股份溢價

根據開曼群島公司法，本公司股份溢價賬的資金可分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中已到期之債務。

根據於二零一四年十二月二十四日通過的特別決議案，本公司由開曼群島遷冊至百慕達已獲股東批准。本公司遷冊於二零一五年二月五日完成。根據百慕達一九八一年公司法，本公司股份溢價賬的資金可以繳足紅股方式分派。

(ii) 資本儲備

本集團的資本儲備乃因本集團預備本公司股份於二零零九年上市而進行重組所產生，指根據重組計劃收購的附屬公司的總股本面值與本公司作為交換而發行的股本面值之差額。

本公司的資本儲備乃因本集團預備本公司股份於二零零九年上市而進行重組所產生，指已收購附屬公司當時的綜合資產淨值超出本公司作為交換而發行的股本面值之金額。

36. RESERVES (Cont'd)

(B) NATURE AND PURPOSE OF RESERVES (Cont'd)

(iii) Contributed surplus

The contributed surplus of the Group and the Company arose as a result of the Group's cancellation of the share premium account of the Company.

Under the Companies Act 1981 of Bermuda, contributed surplus account is available for distribution to shareholders. However, the Company cannot declare or pay dividend, or make a distribution out of contributed surplus if:

- the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- the realisable value of the Company's assets would thereby be less than its liabilities.

(iv) Property revaluation reserve

The property revaluation reserve of the Group represents the difference between the carrying amount and the fair value of an owner-occupied property, which became an investment property because its use had changed, at the date of transfer. The revaluation reserve will be transferred directly to retained profits upon subsequent sale or retirement of assets.

36. 儲備(續)

(A) 本集團(續)

(iii) 繳入盈餘

本集團及本公司的繳入盈餘乃因本集團註銷本公司股份溢價賬所產生。

根據百慕達一九八一年公司法，繳入盈餘賬可供分派予股東。然而，倘發生以下情況，則本公司不得宣派或派付股息，或自繳入盈餘中作出分派：

- 本公司現時或在派付後將無法償還其到期負債；或
- 本公司資產的可變現價值在派付後將會少於其負債。

(iv) 物業重估儲備

本集團物業重估儲備指一幢自置樓宇於轉讓日期的賬面值與公平值間差額，其因用途更改而成為投資物業。資產於其後出售或報廢時，該重估儲備將直接轉撥至保留溢利。

37. SHARE-BASED PAYMENTS

SHARE OPTION SCHEME

The Company operates a share option scheme (“**Share Option Scheme**”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations and providing the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the eligible participants. Eligible participants include full-time or part-time employees, directors (including executive, non-executive or independent non-executive directors) and any consultants or advisers (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any of its subsidiaries, who, at the sole determination of the board of directors of the Company, have contributed to the Company and/or any of its subsidiaries (“**Eligible Participants**”). The Share Option Scheme was adopted on 24 November 2011 and, unless otherwise terminated by the shareholders or the board of directors of the Company, will remain in force for 10 years from the adoption date.

The maximum aggregate number of ordinary shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group must not exceed 30% of the issued ordinary shares of the Company from time to time. The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group must not, in aggregate, exceed 10% of the issued ordinary shares of the Company as at the listing date of the Company or the date of shareholders’ approval of a refreshment of such limit in a general meeting of the Company (“**Scheme Limit**”). The Scheme Limit was refreshed pursuant to an ordinary resolution passed by the shareholders at the annual general meeting of the Company held on 28 June 2017 and the Scheme Limit as refreshed is 362,880,000 ordinary shares, which represents 10% of the issued ordinary shares of the Company as at the date of this report.

Unless approved by the shareholders of the Company, the total number of shares issued and to be issued upon exercise of the options granted to each Eligible Participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the issued ordinary shares of the Company.

37. 以股份為基礎的付款

購股權計劃

本公司實施購股權計劃(「**購股權計劃**」)，旨在為對本集團成功營運作出貢獻的合資格參與者提供獎勵及回報，並為本集團提供更彈性靈活的方式，向合資格參與者提供獎勵、酬勞、補償及／或福利。合資格參與者包括本公司及／或其任何附屬公司的全職或兼職僱員、董事(包括執行、非執行或獨立非執行董事)及任何諮詢人或顧問(無論為專業或其他，並無論以聘請或合約制或義務性質或其他方式，且無論為受薪或無薪)、包銷商、承包商、供應商、服務提供者、代理、客戶及業務夥伴，彼等須由本公司董事會全權釐定為對本公司及／或其任何附屬公司有貢獻(「**合資格參與者**」)。購股權計劃已於二零一一年十一月二十四日獲採納，除非本公司股東或董事會另行終止，購股權計劃將接納日期起十年內仍然有效。

按購股權計劃或本集團任何其他購股權計劃所授出且未獲行使的所有尚未行使購股權獲行使下發行的普通股總數不得超過本公司不時已發行普通股的30%。按購股權計劃或本集團任何其他購股權計劃所授出所有購股權獲行使下可能發行的股份總數合共不得超過本公司於其上市日期或股東於本公司股東大會批准更新有關限制(「**計劃限制**」)當日10%。計劃限制根據股東於二零一七年六月二十八日舉行的本公司股東週年大會上通過的一項普通決議案予以更新，而經更新計劃限制為362,880,000股普通股，即本公司於本報告日期已發行普通股10%。

除非獲本公司股東批准，按於十二個月的期間內向各合資格參與者授予的購股權獲行使下發行及將予發行(包括已行使及尚未行使的購股權)的股份總數不得超過本公司已發行普通股的1%。

37. SHARE-BASED PAYMENTS (Cont'd)

SHARE OPTION SCHEME (Cont'd)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval by all the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the total issued share capital of the Company on the date of offer and having an aggregate value (based on the price of the Company's shares on the date of the grant) in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in a general meeting.

The offer of grant of an option shall remain open for acceptance for such period as determined by the board of directors of the Company, which period shall not be more than 14 days from the date of the offer. Upon acceptance of the offer, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant.

An option may be exercised in whole or in part at any time during a period as may be specified by the board of directors of the Company, the expiry date of such period shall not exceed 10 years from the date of grant of the option. Unless otherwise determined by the board of directors of the Company, there is no general requirement on the minimum period for which an option must be held or any performance targets which must be achieved before an option can be exercised.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the closing price of the Company's shares on GEM as stated in the Stock Exchange's daily quotation sheet on the date of the offer of the share options; (ii) the average closing price of the Company's shares on GEM as stated in the Stock Exchange's daily quotation sheet for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares on the date of the offer.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

No options have been granted under the Share Option Scheme since its inception.

37. 以股份為基礎的付款 (續)

購股權計劃 (續)

向本公司董事、最高行政人員或主要股東或彼等之任何聯繫人授出購股權，須獲全體獨立非執行董事（不包括為購股權承配人之任何獨立非執行董事）事先批准。此外，於任何十二個月期間內，向本公司主要股東或獨立非執行董事或彼等之任何聯繫人授出任何超出本公司於要約日期的已發行股本總額0.1%及總值（按本公司股份於授出日期的價格計算）超過5,000,000港元的購股權須獲股東於股東大會上批准。

授出購股權之要約須於本公司董事會決定的有關時期仍可供接納，而期間須為要約當日起計不超過14日。於接納要約後，承配人須向本公司支付1.00港元作為授出的代價。

購股權可於本公司董事會可能指定的期間內任何時候悉數或作部分行使，有關期間的屆滿日期不得超過購股權授出當日起計的10年。除非本公司董事會另有其他決定，否則不會對持有購股權的最少期間設下一般規定，或須達成任何表現目標後方可行使購股權。

購股權的行使價可經董事釐定，惟不可低於下列中的最高者：(i)本公司股份於提呈購股權日期聯交所日報表所載於在GEM的收市價；(ii)本公司股份緊接提呈日期前五個交易日聯交所日報表所載於在GEM的平均收市價；及(iii)本公司股份於提呈日期的面值。

購股權並無賦予持有人收取股息或於股東大會上投票的權利。

自本公司成立以來，並無根據購股權計劃授出購股權。

38. ACQUISITION OF SUBSIDIARIES

(A) STEP ACQUISITION FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS TO A SUBSIDIARY OF THE GROUP

On 1 April 2017, the Company completed its subscription for 79 shares of Asia Wealth at a cash consideration of HK\$79,100,000 (“**Acquisition**”). The Acquisition was for the purpose of diversifying the Group’s business and the risk thereof.

Immediately upon the completion of the Acquisition, the Company held approximately 88.89% of the issued share capital of Asia Wealth as enlarged by the allotment and issue of the additional shares under the Acquisition. Asia Wealth became a non-wholly owned subsidiary of the Company. Through the Acquisition in Asia Wealth, the Company has acquired an indirect equity interest in Asia Wealth Securities Limited, a wholly-owned subsidiary of Asia Wealth, which holds the licence to carry on Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and is principally engaged in dealing in securities.

Prior to the Acquisition, the Company held approximately 9.09% equity interest in Asia Wealth (or approximately 1.11% of the issued share capital of Asia Wealth as enlarged by the allotment and issue of the additional shares under the Acquisition) and the investment was recognised as available-for-sale financial assets. The fair value has been re-measured at HK\$983,252 and the fair value gain of HK\$83,252 has been recognised in the other comprehensive income, which was then released to the profit or loss upon completion of the Acquisition.

38. 收購附屬公司

(A) 分階段收購一間由可供出售金融資產轉至本集團附屬公司

於二零一七年四月一日，本公司完成認購Asia Wealth 79股股份，現金代價為79,100,000港元（「**收購事項**」）。收購事項乃旨在多元化發展本集團之業務及分散其風險。

緊隨完成收購事項後，本公司持有Asia Wealth根據收購事項配發及發行額外股份而擴大的已發行股本約88.89%。Asia Wealth成為本公司之非全資附屬公司。透過收購Asia Wealth，本公司收購於亞洲創富證券有限公司（為Asia Wealth之全資附屬公司）之間接股權，該公司根據香港法例第571章證券及期貨條例持有牌照可從事第一類（證券交易）受規管活動，主要從事證券買賣。

收購事項前，本公司持有Asia Wealth約9.09%股權（或根據收購事項配發及發行額外股份後經擴大的Asia Wealth已發行股本約1.11%），有關投資乃確認為可供出售金融資產。公平值經重新計量後為983,252港元及公平值收益83,252港元於其他全面收入內確認，其後於收購事項完成後解除至損益。

38. ACQUISITION OF SUBSIDIARIES (Cont'd)

(A) STEP ACQUISITION FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS TO A SUBSIDIARY OF THE GROUP
(Cont'd)

The following table summarises the consideration paid for the Acquisition, and the fair value of the assets acquired, liabilities assumed and the non-controlling interests at the acquisition date.

		1 April 2017 二零一七年 四月一日 HK\$ 港元
Purchase consideration	購買代價	
— Cash paid	— 已付現金	79,100,000
— Fair value of previously held interest in Asia Wealth	— 先前於Asia Wealth所持權益之公平值	983,252
		80,083,252

The fair value of identifiable assets acquired and liabilities assumed:

		1 April 2017 二零一七年 四月一日 HK\$ 港元
Property, plant and equipment	物業、廠房及設備	306,075
Trading right	貿易權	3,100,000
Other assets	其他資產	200,000
Bank and cash balances	銀行及現金結餘	84,050,107
Bank balances — trust and segregated accounts	銀行結餘 — 信託及獨立賬戶	3,429,962
Accounts receivable	應收賬款	7,682,715
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,009,682
Accounts payable	應付賬款	(11,133,722)
Accruals and other payables	應計費用及其他應付款項	(152,175)
Total identifiable net assets		88,492,644
Non-controlling interests	非控股權益	(9,832,516)
Goodwill	商譽	1,423,124
		80,083,252

38. 收購附屬公司(續)

(A) 分階段收購一間由可供出售金融資產轉至本集團附屬公司(續)

下表概述就收購事項已支付的代價及於收購日期所收購資產、所承擔負債及非控股權益之公平值。

可識別所收購資產及所承擔負債之公平值：

38. ACQUISITION OF SUBSIDIARIES (Cont'd)

(A) STEP ACQUISITION FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS TO A SUBSIDIARY OF THE GROUP (Cont'd)

Net cash inflows arising on acquisition:

		HK\$ 港元
Cash consideration	現金代價	(79,100,000)
Cash and cash equivalents acquired	已收購現金及現金等價物	84,050,107
		4,950,107

Acquisition-related costs of HK\$72,000 have been charged to other operating expenses in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2017.

The goodwill arising from the Acquisition is attributable to the synergies expected to arise from the business combination and future growth of Asia Wealth.

The gross contractual amounts of accounts and other receivables were HK\$8,692,397. None of these receivables had been impaired nor expected to be uncollectible.

Asia Wealth contributed a revenue of HK\$302,913 and incurred a loss of HK\$3,090,338 in the period between the date of Acquisition and the end of the reporting period.

If the Acquisition had been completed on 1 January 2017, the total revenue of the Group for the period would have been HK\$116,228,395, and profit for the period would have been HK\$51,405,781. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that would actually have been achieved had the Acquisition been completed on 1 January 2017, and is not intended to be a projection of future results.

The Group has chosen to recognise the non-controlling interests at their proportionate share of Asia Wealth's total identifiable net assets for this Acquisition.

38. 收購附屬公司(續)

(A) 分階段收購一間由可供出售金融資產轉至本集團附屬公司(續)

就收購事項產生之現金流入淨額：

收購相關成本72,000港元已於截至二零一七年十二月三十一日止年度的綜合損益及其他全面收入表的其他經營開支內扣除。

收購事項產生的商譽源於預期將自業務合併及Asia Wealth未來增長而產生的協同效應。

賬款及其他應收款項的總合約金額為8,692,397港元。該等應收款項概無減值，或預期末可收回。

於收購事項日期至本報告期末期間，Asia Wealth貢獻收益302,913港元及產生虧損3,090,338港元。

倘收購事項於二零一七年一月一日已完成，則本集團期內總收益將為116,228,395港元及期內溢利將為51,405,781港元。備考資料僅供說明用途，未必反映本集團在收購事項於二零一七年一月一日完成的情況下實際可取得的收益及經營業績，其亦非對未來業績的預測。

本集團已選擇就此收購事項按其於Asia Wealth可識別淨資產總值所佔股權比例確認非控股權益。

38. ACQUISITION OF SUBSIDIARIES (Cont'd)

(B) ACQUISITION OF NON-CONTROLLING INTERESTS WITHOUT CHANGE IN CONTROL

On 24 October 2017, the Group acquired the remaining approximately 11.11% of the issued shares of Asia Wealth held by the non-controlling interests for a cash consideration of HK\$15,000,000. Immediately prior to the purchase, the carrying amount of the approximately 11.11% non-controlling interests in Asia Wealth was HK\$9,561,256. The Group recognised the same amount in non-controlling interests and a decrease in equity attributable to the owners of the parent of HK\$5,438,744. The effect on the equity attributable to the owners of the Company during the year is summarised as follows:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Carrying amount of non-controlling interests acquired	所收購非控股權益之賬面值	9,561,256	—
Consideration paid to non-controlling interests	已付非控股權益代價	(15,000,000)	—
		(5,438,744)	—

There were no transactions with non-controlling interests in 2016.

38. 收購附屬公司(續)

(B) 在控制權不變下收購非控股權益

於二零一七年十月二十四日，本集團收購非控股權益所持Asia Wealth餘下約11.11%已發行股份，現金代價為15,000,000港元。緊接收購前，Asia Wealth約11.11%的非控股權益之賬面值為9,561,256港元。本集團確認相同金額的非控股權益及母公司擁有人應佔權益減少5,438,744港元。年內本公司擁有人應佔權益的影響概述如下：

於二零一六年概無與非控股權益進行任何交易。

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS 39. 綜合現金流量表附註

(A) DISPOSAL OF A SUBSIDIARY

As referred to note 29 to the consolidated financial statements, the Group completed the disposal of Techlink on 20 February 2017.

Net assets of Techlink at the date of disposal were as follows:

(A) 出售一間附屬公司

誠如綜合財務報表附註29所載述，本集團於二零一七年二月二十日完成收購迪協。

迪協於出售日期的資產淨值如下：

		HK\$ 港元
Property, plant and equipment	物業、廠房及設備	1,416,487
Investment properties	投資物業	47,700,000
Leasehold land under finance lease	融資租約下租賃土地	27,670,598
Other receivables	其他應收款項	9,643
Tax payable	應付稅項	(40,000)
Deferred tax liabilities	遞延稅項負債	(172,722)
Net assets disposed of	已出售資產淨值	76,584,006
Gain on disposal of a subsidiary (note 11)	出售一間附屬公司收益(附註11)	13,212,189
Total consideration	代價總額	89,796,195
Consideration satisfied by	藉以下方式支付代價：	
Cash	現金	91,000,000
Less: Direct cost associated with the disposal	減：與出售相關的直接成本	(1,203,805)
Net cash inflow arising on disposal	出售產生的現金流入淨額	89,796,195

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

(B) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

(B) 融資活動所產生負債之對賬

下表載列本集團融資活動所產生負債之變動詳情，包括現金及非現金變動。融資活動所產生的負債為現金流量已經或其未來現金流量將會於本集團綜合現金流量表分類為融資活動的現金流量的負債。

		Interest-bearing loans (note 31) 計息貸款 (附註31) HK\$ 港元	Loan notes (note 32) 貸款票據 (附註32) HK\$ 港元	Total 總額 HK\$ 港元
At 1 January 2017	於二零一七年一月一日	58,577,594	32,933,178	91,510,772
Interest-bearing loans raised	新借計息貸款	150,000,000	—	150,000,000
Repayment	還款	(58,537,056)	(33,000,000)	(91,537,056)
Interest paid	已付利息	(1,995,767)	(922,500)	(2,918,267)
Interest expenses (note 12)	利息開支(附註12)	8,401,807	989,322	9,391,129
At 31 December 2017	於二零一七年十二月三十一日	156,446,578	—	156,446,578
Analysed by:	分析為：			
At 31 December 2017	於二零一七年十二月三十一日			
— Principal	— 本金	150,000,000	—	150,000,000
— Accrued interest (grouped in other payables)	— 應計利息 (歸入其他應付款項)	6,446,578	—	6,446,578
		156,446,578	—	156,446,578
At 1 January 2017	於二零一七年一月一日			
— Principal	— 本金	58,537,056	32,873,178	91,410,234
— Accrued interest (grouped in other payables)	— 應計利息 (歸入其他應付款項)	40,538	60,000	100,538
		58,577,594	32,933,178	91,510,772

40. CONTINGENT LIABILITIES

At 31 December 2017, the Group had the following significant contingent liabilities:

The Group's external legal counsel advised that the Group's loan agreements which involve charging an interest rate at a rate more than 48%, but less than 60% per annum shall be presumed to be extortionate and such portion of extortionate interest is potentially unenforceable as determined by the court. Subject to the court's consideration of facts relevant to individual borrowers, this presumption may be rebutted if the court, having regard to all circumstances is satisfied that such rate is not unreasonable or unfair. As at 31 December 2017, the Group's maximum exposure to such legal risk comprised its aggregate loans receivable of approximately HK\$14.77 million (2016: approximately HK\$16.36 million).

41. OPERATING LEASE ARRANGEMENTS

(A) AS LESSOR:

At 31 December 2017, the Group did not lease out any premises to third parties under operating lease arrangements.

During the year ended 31 December 2016, one subsidiary of the Company leased out office premises to third parties under operating lease arrangements with negotiable lease terms ranging from one to two years. At 31 December 2016, the Group had total future minimum lease payments receivable under a non-cancellable operating lease as follows:

	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Within one year 一年內	—	262,500

40. 或然負債

於二零一七年十二月三十一日，本集團擁有以下重大或然負債：

本集團的外部法律顧問提出，本集團涉及收取超過48%但低於60%的年利率的貸款協議應推定為欺詐性，屬於欺詐性利率的部分可能由法庭認定為不可強制執行。然而，倘法庭在考慮與個別借款人相關的事實及所有情況之後信納上述利率並非不合理或不公平，則此推定可予駁回。於二零一七年十二月三十一日，本集團面臨該法律風險的最高金額為其授予借款人的應收貸款總額約14,770,000港元(二零一六年：約16,360,000港元)。

41. 經營租約安排

(A) 作為出租人：

於二零一七年十二月三十一日，本集團並無根據經營融資租約安排向第三方出租任何物業。

截至二零一六年十二月三十一日止年度，根據經營租約安排，本公司一間附屬公司向第三方出租辦公室，可協商的租賃期為一至兩年。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於未來應收最低租金總額的情況如下：

41. OPERATING LEASE ARRANGEMENTS (Cont'd) 41. 經營租約安排(續)

(B) AS LESSEE:

During the year ended 31 December 2017, the Group leased office premises under operating lease arrangements with negotiable lease terms ranging from two to three years. The rentals were fixed over the lease terms and did not include contingent rentals.

At 31 December 2017, the Group had total future minimum lease payments payable under non-cancellable operating leases as follows:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Within one year	一年內	5,725,754	921,683
In the second to fifth year, inclusive	第二至五年 (包括首尾兩年)	6,898,581	267,653
		12,624,335	1,189,336

(B) 作為承租人：

截至二零一七年十二月三十一日止年度，根據經營租約安排，本集團租賃辦公室，可協商的租賃期為兩至三年。租賃期內之租金固定不變，且不包括或然租金。

於二零一七年十二月三十一日，本集團根據不可撤銷經營租約於未來應付最低租金總額的情況如下：

42. RELATED PARTY TRANSACTIONS

(a) In addition to those related party transactions and balances disclosed elsewhere in these financial statements, the Group had the following material transactions with its related parties during the year:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Interest income from a related company (note i)	來自一間關連公司利息收入(附註i)	674,320	—
Interest income from a related company (note ii)	來自一間關連公司利息收入(附註ii)	—	371,312
Commission expenses relating to loan notes paid to a related company (note iii)	向一間關連公司支付有關貸款票據的佣金開支(附註iii)	126,822	23,953
Advertising expenses to a related company (note ii)	向一間關連公司的廣告開支(附註ii)	—	80,000

42. 關連方交易

(a) 除此等財務報表中其他部分所披露列出的關連方交易及結餘之外，本集團年內與其關連方有以下重大交易：

42. RELATED PARTY TRANSACTIONS (Cont'd)

(a) (Cont'd)

Notes:

- (i) The related company is Surplus Huge Limited, of which the former director of the Company, Mr. Tsang Yan Kwong, is a director. Mr. Tsang ceased to be a director of the Company on 22 September 2017.
- (ii) The related company is National Arts Entertainment Limited, which is indirectly wholly-owned by a company of which Mr. Sin Kwok Lam ("Mr. Sin"), the former chairman and director of the Company, is a substantial shareholder, chairman and director. Mr. Sin resigned as the chairman and director of the Company with effect from 7 February 2018.
- (iii) The related company is Convoy Asset Management Limited, which is indirectly wholly-owned by Convoy Global Holdings Limited, a substantial shareholder of the Company.

(b) The Group had paid compensation to key management personnel during the year as follows:

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Short term employee benefits including salaries, bonuses, paid annual leaves and sick leaves	短期僱員福利(包括薪金、花紅、有薪年假及病假)	15,767,314	4,213,377
Post-employment benefits	僱員退休福利	449,102	405,613
		16,216,416	4,618,990

42. 關連方交易 (續)

(a) (續)

附註：

- (i) 該關連公司為Surplus Huge Limited，而本公司前任董事曾仁光先生於該公司擔任董事。曾先生於二零一七年九月二十二日不再擔任本公司董事。
- (ii) 該關連公司為國藝娛樂有限公司，由本公司前任主席兼董事冼國林先生(「冼先生」)擔任主要股東、主席及董事的一間公司間接全資擁有。冼先生由二零一八年二月七日起辭任本公司主席兼董事。
- (iii) 該關連公司為康宏資產管理有限公司，由本公司主要股東康宏環球控股有限公司間接全資擁有。

(b) 年內本集團向主要管理人員支付的薪酬如下：

43. EVENTS AFTER THE REPORTING PERIOD

- (a) On 7 February 2018, Mr. Sin resigned as the chairman and director of the Company. Following his resignation, Mr. Sin will remain as a consultant to the Group providing advisory services on the Group's business.

Pursuant to the director's service agreement dated 29 November 2012 entered into between Mr. Sin and the Company, Mr. Sin had compensated the Company with such amount in cash of approximately HK\$5,200,000 upon the early termination of the employment as a director of the Company.

- (b) On 2 March 2018, the Company announced that First Credit Limited ("FCL"), a wholly-owned subsidiary of the Company, had breached the repayment terms of an interest-bearing loan in the principal amount of HK\$50,000,000 ("1st Loan") obtained from an independent third party ("Lender"). The 1st Loan together with the interest accrued thereon in the aggregate amount of approximately HK\$52,500,000 was due and repayable on 27 February 2018. FCL made a partial repayment of approximately HK\$22,500,000 on the due date and the remaining principal amount of HK\$30,000,000 became past due on the same date.

As the breach of repayment term constituted an event of default, the Lender requested FCL and the Company, which served as the guarantor of FCL under the loan agreement, for immediate repayment for all amounts owing by FCL to it by 13 March 2018 and including the overdue principal of HK\$30,000,000 as mentioned above, loan principal in the amount of HK\$50,000,000 ("2nd Loan") which was originally due and payable on 30 March 2018, the interests accrued on the overdue portion of the 1st Loan and on the 2nd Loan. The Group subsequently repaid HK\$5,000,000 to the Lender and is under negotiation with the Lender for a settlement arrangement on the remaining balance.

The management has reviewed the Group's financial position and is of the view that the Group will have sufficient cash resources to satisfy its working capital requirements and to meet its obligations, including the overdue borrowings.

As at the date of these consolidated financial statements, the total outstanding principal of the 1st Loan and the 2nd Loan and the interest accrued thereon amounted to approximately HK\$77,500,000.

43. 報告期後事項

- (a) 於二零一八年二月七日，冼先生辭任本公司主席兼董事。冼先生辭任後將留任本集團的顧問，就本集團的業務提供顧問服務。

根據冼先生與本公司於二零一二年十一月二十九日訂立的董事服務協議，冼先生提前終止僱用為本公司董事，已向本公司賠償約5,200,000港元之現金金額。

- (b) 於二零一八年三月二日，本公司宣佈第一信用財務有限公司(本公司之全資附屬公司)(「FCL」)違反向獨立第三方(「放貸人」)取得本金額為50,000,000港元的計息貸款(「第一筆貸款」)的償還條款。第一筆貸款連同累計利息合共約52,500,000港元應於二零一八年二月二十七日到期償還。FCL於到期日已作出部分還款約22,500,000港元，而餘下本金額30,000,000港元於同日逾期。

由於違反償還條款構成違約事件，放貸人要求FCL及本公司(擔任FCL於貸款協議下的擔保人)於二零一八年三月十三日前即時償還FCL所結欠的全部款項，包括上述逾期本金額30,000,000港元、原本於二零一八年三月三十日到期應付的貸款本金額50,000,000港元(「第二筆貸款」)以及就第一筆貸款及第二筆貸款逾期部分的累計利息。本集團隨後償還5,000,000港元予放貸人並正與放貸人磋商剩餘欠款的結付安排。

管理層已審閱本集團之財務狀況並認為本集團將有充足現金資源滿足其營運資金需要及履行責任，包括逾期借貸。

於該等綜合財務報表日期，第一筆貸款及第二筆貸款的未償還本金及其累計利息合共約為77,500,000港元。

Financial Summary 財務摘要

A summary of the financial results and the assets, liabilities and equity of the Group for the last five financial years, as extracted from the Group's audited financial statements and restated as appropriate, is set out below. This summary does not form part of the audited financial statements.

摘自本集團已經審核財務報表關於過去五個財政年度本集團的財務業績以及資產、負債及權益並作適當重列的概要如下。本摘要並不構成經審核財務報表的一部分。

FINANCIAL RESULTS

財務業績

		2017 二零一七年 HK\$ 港元	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
Revenue, other income and other gains and losses	收益、其他收入以及其他收益及虧損	133,660,098	81,191,777	68,404,224	59,839,009	60,736,968
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	64,176,447	40,774,144	29,498,918	29,099,577	17,127,669
Income tax expense	所得稅開支	11,270,017	(7,127,652)	(4,626,212)	(4,101,899)	(2,126,369)
Profit/(loss) for the year	年內溢利/(虧損)	52,906,430	33,646,492	24,872,706	24,997,678	15,001,300
Profit/(loss) and total comprehensive income attributable to:	以下人士應佔溢利/(虧損)及全面收入總額:					
Owners of the Company	本公司擁有人	53,177,690	33,646,492	24,872,706	24,997,678	15,001,300
Non-controlling interests	非控股權益	(271,260)	—	—	—	—

ASSETS, LIABILITIES AND EQUITY

資產、負債及權益

		2017 二零一七年 HK\$ 港元	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
Total assets	資產總額	1,140,494,151	1,023,527,303	488,912,017	423,479,509	367,809,693
Total liabilities	負債總額	174,601,381	(98,115,879)	(12,746,179)	(84,481,353)	(71,765,763)
		965,892,770	925,411,424	476,165,838	338,998,156	296,043,930
Equity attributable to owners of the Company	本公司擁有人應佔權益	965,892,770	925,411,424	476,165,838	338,998,156	296,043,930

FIRST CREDIT FINANCE GROUP LIMITED

第一信用金融集團有限公司

www.firstcredit.com.hk