



AURUM PACIFIC
奧 栢 中 國 集 團
STOCK CODE 8148.HK

Aurum Pacific (China) Group Limited 奧栢中國集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 8148

ANNUAL REPORT

2017 年報

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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This report, for which the directors (the “Directors”) of Aurum Pacific (China) Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement herein or this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.

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本報告乃遵照聯交所GEM證券上市規則(「GEM上市規則」)而刊載，旨在提供有關奧栢中國集團有限公司(「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：(1)本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分；(2)且並無遺漏任何事項，足以令致本報告或其所載任何陳述產生誤導；及(3)本報告所表達之一切意見乃經審慎周詳考慮後達致，並建基於公平合理之基準及假設為依據。



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CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Chan Wai Kit (Deputy Chairman)
Mr. Chan Kwun Chung
Mr. Lee Cheung Yuet Horace

Independent Non-executive Directors

Mr. Leung Man Chun
Mr. Fok Kin Fung, Eric
Mr. Pang Siu Yin

COMPANY SECRETARY

Ms. Leung Ching Man

AUDIT COMMITTEE

Mr. Leung Man Chun (Chairman)
Mr. Fok Kin Fung, Eric
Mr. Pang Siu Yin

REMUNERATION COMMITTEE

Mr. Leung Man Chun (Chairman)
Mr. Fok Kin Fung, Eric
Mr. Chan Wai Kit
Mr. Pang Siu Yin

NOMINATION COMMITTEE

Mr. Leung Man Chun (Chairman)
Mr. Fok Kin Fung, Eric
Mr. Chan Wai Kit
Mr. Pang Siu Yin

AUTHORISED REPRESENTATIVES

Mr. Chan Wai Kit
Ms. Leung Ching Man

REGISTERED OFFICE

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

董事

執行董事

陳偉傑先生(副主席)
陳冠忠先生
李暢悅先生

獨立非執行董事

梁文俊先生
霍健烽先生
彭兆賢先生

公司秘書

梁靜雯女士

審核委員會

梁文俊先生(主席)
霍健烽先生
彭兆賢先生

薪酬委員會

梁文俊先生(主席)
霍健烽先生
陳偉傑先生
彭兆賢先生

提名委員會

梁文俊先生(主席)
霍健烽先生
陳偉傑先生
彭兆賢先生

授權代表

陳偉傑先生
梁靜雯女士

註冊辦事處

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

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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COMPLIANCE OFFICER

Mr. Chan Wai Kit

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITOR

Baker Tilly Hong Kong Limited

LEGAL ADVISER

Tang Tso & Lau Solicitors

PRINCIPAL BANKS

Bank of China (Hong Kong) Limited
The Hong Kong and Shanghai Banking Corporation Limited
Nanyang Commercial Bank, Limited
OCBC Wing Hang Bank Limited

STOCK CODE

8148

COMPANY WEBSITE

www.aurumpacific.com.hk

香港總辦事處及主要營業地點

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謝斐道90號
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法規主任

陳偉傑先生

開曼群島股份過戶登記總處

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Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記分處

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合和中心22樓

核數師

天職香港會計師事務所有限公司

法律顧問

鄧曹劉律師行

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
南洋商業銀行有限公司
華僑永亨銀行有限公司

股份代號

8148

公司網站

www.aurumpacific.com.hk

BOARD OF DIRECTORS' STATEMENT

董事會總結

Dear Shareholders

On behalf of the board (the "Board") of directors (the "Directors") of Aurum Pacific (China) Group Limited (the "Company") and its subsidiaries (collectively known as the "Group"), it is my great pleasure to report to the shareholders the annual report for the year ended 31 December 2017.

BUSINESS REVIEW

For the year ended 31 December 2017, the Group continued to focus on the development and innovation of our software platform products and services including patented sever based technology, the provision of communications software platform and software related services. The Group tapped into the mobile gaming industry by the acquisition of 60% equity interest in First Surplus Investments Ltd. and its subsidiaries in late 2016. The mobile gaming business made positive progress and led to increase in the Group's revenue in 2017. Meanwhile, the money lending business had steady development and became one of main sources for the Group's revenue for the year ended 31 December 2017.

Driven by growth of revenue from mobile gaming business acquired on 25 October 2016, our annual revenue increased from HK\$33,938,000 in 2016 to HK\$64,464,000 in 2017. The Group will continue to strengthen our mobile game related products and services in order to deliver an outstanding performance in the mobile gaming business. Revenue of the money lending business in 2017 had remained flat over that of 2016. The Group will continue to develop and expand its money lending business with sound and flexible business strategies to maintain our market competitiveness. Affected by slight competition in the market, our revenue from provision of software platform recorded a certain level of year-on-year decrease compared to the last year.

PROSPECT

The Group strives to build on its strength in developing information technology related products and digital innovations to local and untapped markets worldwide. In 2018, the Group will continue to devote its resources on emerging technologies and proactively expand our digital and innovation solution services to capitalise future opportunities in the market.

Looking ahead, the group will continue to seek potential investment opportunities that can create synergies to our existing business segments, at the same time bringing growth and additional value to the shareholders of the company.

致各股東

本人謹代表奧栢中國集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)董事(「董事」)會(「董事會」)，欣然向股東提呈截至二零一七年十二月三十一日止年度之年報。

業務回顧

截至二零一七年十二月三十一日，本集團持續專注軟件平台產品及服務(包括專利伺服器為基礎之技術以及提供通訊軟件平台及軟件相關服務)的開發及創新。本集團透過於二零一六年底收購First Surplus Investments Ltd.及其附屬公司60%股權，開發手機遊戲業。手機遊戲業務進展良好，並使本集團於二零一七年之收益增加。同時，放債業務的發展穩定及於截至二零一七年十二月三十一日止年度成為本集團主要收益來源之一。

受二零一六年十月二十五日收購的手機遊戲業務的收益增長帶動，我們的年度收益由二零一六年的33,938,000港元增加至二零一七年的64,464,000港元。本集團將持續加強手機遊戲相關產品及服務以於手機遊戲業務發揮出色的表現。二零一七年放債業務收益與二零一六年相比持平。本集團將以良好及靈活的業務策略繼續發展及擴充其放債業務以維持我們的市場策略競爭力。受市場輕微競爭的影響，提供軟件平台帶來的收益較去年錄得若干程度的按年跌幅。

展望

本集團致力增強實力開發資訊科技產品及於本地及全世界未經開發的市場帶來數碼革新。於二零一八年，本集團將持續投放資源於新科技以及積極擴充數碼及創新方案服務，以把握未來市場機會。

展望將來，本集團將繼續尋求可為我們的現存業務分部創造協同效益，並同時為本公司股東帶來增長及新增價值的潛在投資機會。



BOARD OF DIRECTORS' STATEMENT

董事會總結

APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to give my sincere gratitude to my fellow Directors and all the staff who have contributed their time, efforts and supports to the Group.

Chan Wai Kit
Deputy Chairman

23 March 2018

致謝

最後，本人謹代表董事會借此機會衷心感謝董事同寅及全體員工，投入時間及努力，支持本集團。

副主席
陳偉傑

二零一八年三月二十三日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

RESULTS

During the year under review, the Group recorded a total revenue from continuing operations of approximately HK\$64,464,000 as compared to that of approximately HK\$33,938,000 for the same financial year in 2016. The increase in revenue was mainly due to the growth of the Mobile Gaming Business which commenced on 25 October 2016 by the acquisition of 60% equity interest in First Surplus Investments Ltd. (“Acquisition of FS”) and its subsidiaries (together, “FS Group”). The mobile gaming income had grown from approximately HK\$111,000 in 2016 to approximately HK\$35,144,000 in 2017.

Loss attributable to owners of the Company amounted to approximately HK\$48,823,000 as compared with that of approximately HK\$37,986,000 in 2016. The increase in loss was mainly attributable to the net effect of (i) an increase of approximately HK\$3,764,000 in the recognition of changes in fair value of consideration payable for business combination relating to the acquisition of 60% equity interest in First Surplus Investments Ltd. and its subsidiaries (the “Acquisition of FS Group”) as compared to the previous year; (ii) an increase of approximately HK\$16,578,000 in the recognition of changes in fair value of contingent consideration assets for business combination relating to the Acquisition of FS Group as compared to the previous year; (iii) an increase of approximately HK\$2,007,000 in finance costs as a result of interest expenses on the interest-bearing borrowings of HK\$28,000,000 granted in November 2016; (iv) the absence of the loss of approximately HK\$8,237,000 from the discontinued operation relating to a disposal of the entire equity interest of Native Hope Limited and its subsidiaries completed on 30 June 2016; and (v) the improvement of the operation resulted from the favourable performance of the Mobile Gaming Business acquired on 25 October 2016.

DIVIDEND

The Directors do not recommend the payment of any final dividend for the year ended 31 December 2017 (2016: HK\$Nil).

業績

本回顧年內，本集團自持續經營業務錄得總收益約64,464,000港元，二零一六年同一財政年度總收益則約33,938,000港元。營業額上升主要由於手機遊戲業務收益。收益上升主要源於手機遊戲業務的增長。透過收購First Surplus Investments Ltd.（「收購FS」）60%股權及其附屬公司（合稱「FS Group」），手機遊戲業務於二零一六年十月二十五日開展。手機遊戲收入由二零一六年約111,000港元上升至二零一七年約35,144,000港元。

本公司擁有人應佔虧損為約48,823,000港元，二零一六年則約37,986,000港元。虧損上升主要由於以下各項淨影響所致：(i) 確認收購First Surplus Investments Ltd. 60%股權及其附屬公司（「收購FS集團」）的應付業務合併代價公平值的變動，較去年增加約3,764,000港元；(ii) 確認收購FS集團的業務合併或然代價資產公平值的變動並較去年增加約16,578,000港元；(iii) 於二零一六年十一月授出的28,000,000港元附息借款的利息開支而導致融資成本增加約2,007,000港元；(iv) 並無錄得與於二零一六年六月三十日，完成出售然望有限公司及其附屬公司的所有股權有關的來自己終止經營業務之虧損約8,237,000港元；及(v) 於二零一六年十月二十五日所收購的手機遊戲業務的利好表現令經營改善。

股息

董事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（二零一六年：零港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

BUSINESS REVIEW AND PROSPECT

For the year ended 31 December 2017, the Group engaged in (i) developing and marketing of the patented server based technology and the provision of communications software platform, software related services and the custom-made software development services, (the “Software Platform”); (ii) money lending business (the “Money Lending Business”) and (iii) the mobile data solutions and mobile game related services (the “Mobile Gaming Business”).

Software Platform

The segment revenue for the year ended 31 December 2017 amounted to approximately HK\$14,561,000 (2016: the segment revenue of approximately HK\$19,689,000). To keep up with the ever-changing IT environment, the Group closely monitors the industry trend and continuously upgrades its products.

Money Lending Business

On 22 October 2015, the Group commenced its Money Lending Business through Aurum Pacific Finance Limited (“APF”), an indirect wholly-owned subsidiary of the Company, which was granted a money lenders license by the licensing court in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

The Group adopted the revised money lending policy and procedure manual which provide guidelines on the handling and/or monitoring of money lending procedures according to the Money Lenders Ordinance (Chapter 163 of the Laws of the Hong Kong). The Money Lending Business had steady development and became one of the sources for the Group’s revenue for the year ended 31 December 2017. The interest income for the year ended 31 December 2017 amounted to approximately HK\$14,759,000 (2016: the interest income of approximately HK\$14,138,000).

As disclosed in the Company’s announcements dated 21 October 2016, 25 October 2016 and 23 October 2017, APF has advanced a loan of HK\$35 million (“Loan”) to Honghu Capital Co. Limited (“Borrower”) which together with interest thereon shall be repaid on 20 October 2017. As at the close of business on 20 October 2017, the final interest component payment of HK\$1,750,000 was paid. On 29 December 2017, the Group entered into the supplemental agreement with the Borrower to which (i) the Borrower had repaid part of the Loan in sum of HK\$8,000,000 to the Lender; and (ii) APF agreed to extend the repayment date for the balance of the Loan to 19 October 2018. For details, please refer to the announcements of the Company dated 21 October 2016, 25 October 2016, 23 October 2017 and 29 December 2017.

業務回顧及展望

截至二零一七年十二月三十一日止年度，本集團從事(i)開發及營銷專利伺服器為基礎之技術及提供通訊軟件平台、軟件相關服務及定制軟件開發服務(「軟件平台」)；(ii)放債業務(「放債業務」)及(iii)手機數據方案及手機遊戲相關服務(「手機遊戲業務」)。

軟件平台

截至二零一七年十二月三十一日止年度之分部收益合共約14,561,000港元(二零一六年：分部收益約19,689,000港元)。本集團為配合瞬息萬變的資訊科技環境，密切監察行業的趨勢，並不斷提升其產品。

放債業務

於二零一五年十月二十二日，本集團透過本公司之間接全資附屬公司奧栢財務有限公司(「奧栢財務」)(其根據香港法例第163章放債人條例獲香港牌照法庭授予放債人牌照)開展其放債業務。

本集團採納經修訂借貸政策及程序手冊，其訂明符合香港法例第163章放債人條例有關處理及／或監管放債程序的指引。放債業務的發展穩定，並已成為本集團截至二零一七年十二月三十一日止年度的收益來源之一。截至二零一七年十二月三十一日止年度利息收入約14,759,000港元(二零一六年：利息收入約14,138,000港元)。

如日期為二零一六年十月二十一日、二零一六年十月二十五日及二零一七年十月二十三日日本公司的公佈所披露，奧栢財務提供35,000,000港元貸款(「貸款」)予鴻鵠資本有限公司(「借款人」)，有關貸款須於二零一七年十月二十日連同累計利息償還。於二零一七年十月二十日營業時間結束前，為數1,750,000港元之最終利息部份已支付。於二零一七年十二月二十九日，本集團與借方訂立補充協議，據此(i)借款人已向放債人償還部分貸款8,000,000港元；及(ii)奧栢財務同意將貸款結欠的還款日期延遲至二零一八年十月十九日。有關詳情，請參閱本公司日期為二零一六年十月二十一日、二零一六年十月二十五日、二零一七年十月二十三日及二零一七年十二月二十九日的公佈。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Mobile Gaming Business

Benefiting from the Acquisition of FS Group in late 2016, the Group could tap into the mobile online game industry and capture the opportunities in the mobile online game and related solution industry.

As a mobile game developer with strong self-developed capabilities in games, the FS Group is engaged in the development of mobile games to players around the world. The FS Group has also licensed our games or related intellectual properties to various well-established game operators as our licensed operations with the exclusive and/or non-exclusive right to operate, publish and distribute specific games within an agreed period and designated territories. To further enhance the competitiveness, apart from mobile games, the FS Group has also provided the innovative solution services to the customers. The mobile gaming income for the year ended 31 December 2017 amounted to approximately HK\$35,144,000 (2016: the mobile gaming income of approximately HK\$111,000).

OUTLOOK

We intend to continue taking efforts in developing and upgrading our products and services with a generic growth of the business in order to broaden our income sources. The Group will continue to seek potential investment opportunities that can create synergies to our existing business segments, at the same time bringing growth and additional value to the shareholders of the Company.

Financial Resource and Liquidity

The Group's main business operations and investments are in Hong Kong and the Netherlands. At 31 December 2017, the Group had cash and bank balances of approximately HK\$42,389,000 (31 December 2016: HK\$11,500,000). Most of the cash and bank balances are denominated in Hong Kong dollars. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

手機遊戲業務

受惠於二零一六年底收購FS集團，本集團得以打入手機遊戲業，並從手機遊戲及相關解決方案行業獲得商機。

FS集團為擁有強大自主研發遊戲能力之手機遊戲研發商，從事開發針對全球玩家之手機遊戲。FS集團亦向不同信譽卓著之遊戲營運商授出我們之遊戲或相關知識產權，以作我們之持牌營運，並向彼等授出獨家及／或非獨家權利，於指定期間及指定地區營運，發佈及分銷指定遊戲。除手機遊戲外，FS集團亦向客戶提供創新解決方案服務，進一步提高競爭力。截至二零一七年十二月三十一日止年度的手機遊戲收入約為35,144,000港元(二零一六年：手機遊戲收入約111,000港元)。

展望

我們擬繼續努力發展及提升我們的產品及服務，以帶動業務整體增長，擴大收入來源。本集團將繼續尋求可為我們的現存業務分部創造協同效益，並同時為本公司股東帶來增長及新增價值的潛在投資機會。

財務資源及流動資金

本集團之主要業務經營及投資均於香港及荷蘭進行。於二零一七年十二月三十一日，本集團之現金及銀行結餘約為42,389,000港元(二零一六年十二月三十一日：11,500,000港元)。大部份現金及銀行結餘均以港元計值。本集團將密切監察匯率變動及採取適當措施降低外匯風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Gearing Ratio

At 31 December 2017, total assets of the Group were approximately HK\$405,730,000 (31 December 2016: HK\$451,871,000) whereas total liabilities were approximately HK\$123,350,000 (31 December 2016: HK\$153,427,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was 30.4% (31 December 2016: 34.0%) and the current ratio, calculated as current assets over current liabilities, was 1.32 (31 December 2016: 25.1). The Directors will continue to take measures to further improve the liquidity and gearing position of the Group.

Capital Structure

As at 31 December 2017, the authorised share capital of the Company was HK\$120,000,000 divided into 3,000,000,000 shares of HK\$0.04 each, of which 1,088,640,000 ordinary shares were in issue and fully paid.

Placing of new shares under refreshed general mandate

On 16 December 2016, the Company entered into a placing agreement with KGI Asia Limited as placing agent ("KGI"), pursuant to which KGI would place, on a best effort basis, to independent placees up to 181,440,000 ordinary shares of HK\$0.04 each of the Company (the "Placing Shares") at a price of HK\$0.16 per Placing Share (the "Placing").

The completion of the Placing took place on 10 January 2017. An aggregate of 181,440,000 Placing Shares were allotted and issued pursuant to the general mandate granted to the Directors at the extraordinary general meeting held on 12 October 2016. The aggregate nominal value of the Placing Shares was HK\$7,257,600. The net proceeds from the Placing were approximately HK\$28,270,000 and the net issue price was approximately HK\$0.1558 per Placing Share. The net proceeds of approximately HK\$11,500,000 were used for Money Lending Business and the remaining proceeds were used for general working capital. Details of the Placing are set out in the Company's announcements dated 16 December 2016 and 10 January 2017.

Foreign Exchange Exposure

The Directors consider that the Group had no material foreign exchange exposure.

負債比率

於二零一七年十二月三十一日，本集團總資產約為405,730,000港元(二零一六年十二月三十一日：451,871,000港元)，而總負債則約為123,350,000港元(二零一六年十二月三十一日：153,427,000港元)。本集團之負債比率(按總負債除以總資產計算)為30.4%(二零一六年十二月三十一日：34.0%)，流動比率(按流動資產除以流動負債計算)為1.32(二零一六年十二月三十一日：25.1)。董事將繼續採取多項措施以進一步改善本集團之流動資金及負債狀況。

資本架構

於二零一七年十二月三十一日，本公司法定股本為120,000,000港元，分為3,000,000,000股每股面值0.04港元之股份，其中1,088,640,000股普通股為已發行及繳足。

根據更新一般授權配售新股份

於二零一六年十二月十六日，本公司與凱基證券亞洲有限公司(作為配售代理)(「凱基」)訂立配售協議，據此，凱基將盡最大努力向獨立承配人配售最多181,440,000股本公司每股面值0.04港元的普通股份(「配售股份」)，價格為每股配售股份0.16港元(「配售」)。

配售於二零一七年一月十日完成。根據於二零一六年十月十二日舉行之股東特別大會上授予董事之一般授權，配發及發行合共181,440,000股配售股份。配售股份的總面值7,257,600港元。配售所得款項淨額約28,270,000港元，而淨發行價約每股配售股份0.1558港元。所得款項淨額約11,500,000港元已用於放債業務，而剩餘款項則用於一般營運資金。有關配售詳情載於本公司日期為二零一六年十二月十六日及二零一七年一月十日的公告內。

外匯風險

董事認為，本集團並無重大外匯風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Material Risk Factors

Details of the Group's financial risk and analysis are set out in note 28(a) to 28(d) to the consolidated financial statements.

Pledge of Assets

At 31 December 2017, the land and buildings of the Group at carrying amount of approximately HK\$42,955,000 (31 December 2016: HK\$47,079,000) was pledged to secure interest-bearing borrowings of a subsidiary of the Company.

Contingent Liabilities

As at 31 December 2017 and 31 December 2016, the Company has issued a corporate guarantee in respect of a loan made by a finance company to a subsidiary.

During the year ended 31 December 2017, two subsidiaries of the Company leased two motor vehicles under finance leases at 3.5% – 4.8% per annum for a term of three to five years. The Company has issued corporate guarantee in respect of the finance leases with the carrying amount of approximately HK\$4,170,000 as at 31 December 2017 (31 December 2016: HK\$Nil). Details of the corporate guarantee are setting out in note 36(c) to the consolidated financial statements.

Upon the completion of acquisition of FS Group on 25 October, 2016, the Company has issued a corporate guarantee in respect of the promissory note issued by a subsidiary of the Company. Details of the acquisition are setting out in note 29(a) to the consolidated financial statements.

Material Acquisition, Disposal and Significant Investment

On 30 March 2017, the Group entered into an agreement with the vendor pursuant to which a subsidiary of the Company as a purchaser has conditionally agreed to acquire from the vendor the entire issued share capital of Stars Ventures Limited ("Stars Ventures") at the consideration of HK\$32,400,000. The principal activities of Stars Ventures and its subsidiaries are investment holding while its associates are principally engaged in construction and management of fibre optic internet networks in the Netherlands. The acquisition was completed on 13 April 2017. Details of the completion of acquisition are set out in the announcements of the Company dated 30 March 2017 and 13 April 2017.

重大風險因素

本集團之財務風險及分析詳情載於綜合財務報表附註28(a)至28(d)。

資產抵押

於二零一七年十二月三十一日，本集團土地及樓宇賬面值約42,955,000港元(二零一六年十二月三十一日：47,079,000港元)作為本公司附屬公司付息借款之抵押。

或然負債

於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，本公司就財務公司向附屬公司提供之貸款發出公司擔保。

截至二零一七年十二月三十一日止年度，本公司的兩間附屬公司根據融資租賃按每年3.5%-4.8%租賃兩輛汽車，為期三至五年。本公司已於就二零一七年十二月三十一日賬面值約4,170,000港元(二零一六年十二月三十日：零港元)之融資租賃提供公司擔保。公司擔保詳情載於綜合財務報表附註36(c)。

於二零一六年十月二十五日於完成收購FS集團後，本公司就本公司附屬公司發行之承兌票據發出公司擔保。收購詳情載於綜合財務報表附註29(a)。

重大收購、出售及重大投資

二零一七年三月三十日，本集團與賣方訂立協議，據此，本公司附屬公司為買方，有條件同意從賣方收購Stars Ventures Limited (「Stars Ventures」)全部已發行股本，代價為32,400,000港元。Stars Ventures及其附屬公司之主要活動為投資控股，而其聯營公司主要於荷蘭從事建設及管理光纖互聯網網絡。收購於二零一七年四月十三日完成。完成收購詳情載於本公司日期為二零一七年三月三十日及二零一七年四月十三日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Apart from those disclosed in the sections headed “Material Acquisition, Disposal and Significant Investment” in this report, the Group did not have any other material acquisition, disposal and significant investment during the year ended 31 December 2017.

Profit Guarantee Fulfilment

Pursuant to the sale and purchase agreement dated on 8 August 2016 in respect of the Acquisition of FS Group, the profit guarantee is granted to the Group that the audited consolidated profit after taxation of FS Group of not less than HK\$14,200,000 for twelve full months immediately following completion of the Acquisition of FS Group has been achieved.

Employees and Remuneration Policies

As at 31 December 2017, the Group had approximately 95 employees (as at 31 December 2016: 108 employees) in Hong Kong and the PRC. The staff costs (including directors’ remuneration) were approximately HK\$29,947,000 (2016: approximately HK\$25,265,000) for the year ended 31 December 2017. The Group’s remuneration policy is revised periodically and determined by reference to market terms, company performance, individual qualifications and performance, and in accordance with the statutory requirements of the respective jurisdiction where the employees are employed.

On 8 May 2013, the Company passed an ordinary resolution at the annual general meeting to adopt a new share option scheme (the “Share Option Scheme”) whereby the Board may grant share options to employees, directors, suppliers, consultants, agents and advisers or any person, at its discretion, for the primary purpose to recognize and motivate their contributions to the Group. The Share Option Scheme is valid for a period of 10 years commencing from 8 May 2013. Details of the Share Option Scheme were set out in the circular of the Company dated 27 March 2013.

除本報告「重大收購、出售及重大投資」一節所披露者外，本集團截至二零一七年十二月三十一日止年度並無任何其他重大收購、出售及重大投資。

溢利保證履行

根據於二零一六年八月八日就收購FS集團訂立的買賣協議，本集團獲授予溢利保證，保證緊隨收購FS集團完成後整十二個月FS集團的經審核綜合除稅後溢利不少於14,200,000港元。

僱員及薪酬制度

於二零一七年十二月三十一日，本集團在香港及中國僱用約95名員工（二零一六年十二月三十一日：108名）。截至二零一七年十二月三十一日止年度之員工成本（包括董事酬金）約29,947,000港元（二零一六年：約25,265,000港元）。本集團之薪酬制度定期修訂及參考市場情況、公司表現及個人資歷及表現釐定，並符合僱員受僱地之各自司法管轄區之法定要求。

於二零一三年五月八日，本公司於股東週年大會通過有關採納新購股權計劃（「購股權計劃」）之普通決議案，據此，董事會可酌情向僱員、董事、供應商、諮詢顧問、代理及顧問或任何人士授出購股權，旨在肯定及鼓勵彼等對本集團作出貢獻。該購股權計劃自二零一三年五月八日起計十年內有效。與購股權計劃相關的詳情載列於本公司日期為二零一三年三月二十七日的通函。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

On 29 April 2016, the Company passed an ordinary resolution at the extraordinary general meeting to amend the definition of “Eligible Participant” of the Share Option Scheme and the definition of “Invested Entity” be added to the Share Option Scheme (“Amendments to the Share Option Scheme”). Details of the Amendments to the Share Option Scheme are set out in the Company’s announcement dated 29 April 2016 and the Company’s circular dated 13 April 2016.

As at 31 December 2017 and up to date of this report, the Company had not granted any options and no outstanding options under the Share Option Scheme. Details please refer to the section headed “Share Option Scheme” in the Report of the Directors in this report.

Events after the Reporting Period

Save as disclosed elsewhere in this report, the Group does not have other significant events after the reporting period.

於二零一六年四月二十九日，本公司於股東特別大會上通過普通決議案，對購股權計劃下「合資格參與者」進行修訂並於購股權計劃加入「投資實體」的定義（「購股權計劃修訂」）。購股權計劃修訂詳情載列於本公司日期為二零一六年四月二十九日之公告及日期為二零一六年四月十三日之通函。

於二零一七年十二月三十一日至本報告日期止，本公司概無授出任何購股權及持有購股權計劃項下之未行使購股權。詳情請參考本報告內董事會報告「購股權計劃」一節。

報告期後事項

除於本報告其他部分之披露者外，本集團並無於報告期後發生其他重大事項。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintain corporate governance of high standards and quality procedures. The Company has put in place governance practices with emphasis on the integrity to shareholders and quality of disclosure, transparency and accountability to shareholders for the sake of maximizing returns to shareholders.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the Corporate Governance Code (the “CG Code”) as contained in Appendix 15 of the Rules (the “GEM Listing Rules”) Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year ended 31 December 2017 except the CG Code provision A2.1 and A6.7.

Under the CG Code provision A2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have any officer with the title of Chief Executive Officer (“CEO”) since the resignation of the former CEO, Mr. Mo Wai Ming, Lawrence of the Company on 8 October 2015. Mr. Chan Wai Kit, the deputy chairman of the Company, also assumes the duties of the CEO during the year under review. The Board believes that vesting the roles of chairman and chief executive officer in the same individual provided the Group with strong and consistent leadership in the development and execution of long-term business strategies.

Under the CG Code provision A6.7, independent directors should attend general meetings and develop a balanced understanding of the views of shareholders. Dr. Lee Nim Wai, who resigned on 15 January 2018, did not attend the annual general meeting of the Company due to other work commitments. The Company will strengthen its general meeting planning process, by giving all directors sufficient time to arrange their work in advance and providing any necessary support for their presence and participation in the meeting, so as to facilitate all directors attending the Company’s future general meetings.

Below are the major corporate governance practices adopted by the Company with specific reference to the CG Code.

本公司致力維持高水準及具質素程序之企業管治。本公司已推行企業管治措施，著重對股東之誠信、資料披露之質素、透明度及對股東之間責性，藉以盡量提高股東回報。

企業管治守則

本公司於截至二零一七年十二月三十一日止年度一直遵守香港聯合交易所有限公司（「聯交所」）GEM證券上市規則（「GEM上市規則」）附錄十五所載企業管治守則（「企業管治守則」）之企業管治守則條文，惟企業管治守則條文A2.1及A6.7除外。

根據企業管治守則條文A2.1，主席與行政總裁之角色應有區別，並不應由一人同時兼任。自二零一五年十月八日本公司前行政總裁（「行政總裁」）巫偉明先生辭任後，本公司並無人員擔任行政總裁之職位。本公司副主席陳偉傑先生於回顧年度同時擔任行政總裁之職務。董事會相信同一人兼任主席及行政總裁之角色，有助本集團在長遠業務策略的發展及執行上，為本集團提供強大而貫徹之領導。

根據企業管治守則條文A6.7，獨立董事必須出席股東大會，並對股東的意見有公正的了解。李念緯醫生（於二零一八年一月十五日辭任）由於履行其他職務，並無出席本公司週年股東大會。本公司將透過給予所有董事充裕的時間提早安排工作，並為彼等出席及參與大會提供任何必要的支持，以便所有董事出席本公司日後的股東大會，從而改善股東大會的決策過程。

以下為本公司特別參照企業管治守則採納之主要企業管治常規。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD OF DIRECTORS

The Board of Directors (“Board”) is responsible for leading and controlling the Company, overseeing as well as the supervision of its business, approval of strategic plans and monitoring the Company’s performance. The Board delegates the day-to-day operations to the executive directors and senior management, while reserving certain key matters for its approval.

COMPOSITION

As at the date of this report, the Board comprise six Directors, of which three are executive Directors, Mr. Chan Wai Kit, Mr. Chan Kwun Chung and Mr. Lee Cheung Yuet Horace; and three are independent non-executive Directors (the “INED(s)”), Mr. Lenug Man Chun, Mr. Fok Kin Fung, Eric and Mr. Pang Siu Yin. There is no financial, business, family or other material/relevant relationship amongst the Directors. The Directors’ biographical information is set out in pages 60 to 63 under the section headed “Biographies of Directors and Senior Management”.

The Board includes a balanced composition of executive Directors and INEDs so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

The Board has the necessary skills and experience appropriate for discharging their duties as Directors in the best interests of the Company and that the current board size is adequate for its present operations. Each Director keeps abreast of his/her responsibility as the Director and of the conduct, business activities and development of the Company.

BOARD MEETINGS

Code provision A.1.1 of the CG Code states that at least four regular Board meetings should be held each year at approximately quarterly intervals with active anticipation of a majority of Directors, either in person or through other electronic means of communication.

Members of the Board met on a regular basis and on ad hoc basis to discuss the overall strategy as well as the operation and financial performance of the Group. There were 23 board meetings held during the year ended 31 December 2017.

董事會

董事會(「董事會」)負責領導及監控本公司、監察及監督其業務營運、批核策略性計劃及監管本公司之績效。董事會將日常營運工作轉授由執行董事及高級管理層負責，並保留若干主要事宜由董事會批准。

組成

於本報告日期，董事會由六名董事組成，包括三名執行董事陳偉傑先生、陳冠忠先生及李暢悅先生；及三名獨立非執行董事(「獨立非執行董事」)，分別為梁文俊先生、霍健烽先生及彭兆賢先生。董事之間並無財政、業務、家族或其他重大／相關關係。董事履歷資料載於第60至63頁「董事及高級管理人員簡歷」一節。

董事會中執行董事及獨立非執行董事之均衡組合，使董事會具備強大獨立元素足以有效作出獨立判斷。

董事會各董事均具備所需之技能及經驗，以符合本公司最佳利益為前提，適當地履行彼等作為董事之責任，而董事會現有規模亦足以應付本公司目前營運所需。各董事均瞭解擔任董事所須承擔責任，亦瞭解本公司運作方式、業務活動及發展之最新情況。

董事會會議

企業管治守則守則條文第A.1.1條規定，每年應最少舉行四次定期董事會會議，大約每季舉行一次，並由大多數董事親身出席或透過其他電子通訊方式積極參與。

董事會成員定期舉行會議並在有需要時舉行特別會議，以討論本集團整體策略以及營運及財務表現。截至二零一七年十二月三十一日止年度內共舉行23次董事會會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Attendance of individual Directors at Board meetings held during the year ended 31 December 2017:

個別董事出席截至二零一七年十二月三十一日止年度舉行之董事會會議情況：

	Attendance/eligible to attend	
	出席次數／合資格出席次數	
	Board meeting	General meeting
	董事會會議	股東大會
Executive Directors		
執行董事		
Mr. Chan Wai Kit ¹	22/23	1/1
陳偉傑先生 ¹		
Ms. Wong Chi Yan ²	16/17	1/1
黃志恩女士 ²		
Mr. Mui Yuk Wah ³	4/4	N/A 不適用
梅育華先生 ³		
Mr. Hung Tat Chi, Alan ⁴	3/4	N/A 不適用
洪達智先生 ⁴		
Mr. Chan Kwun Chung ⁵	19/19	1/1
陳冠忠先生 ⁵		
Independent Non-Executive Directors		
獨立非執行董事		
Mr. Leung Man Chun ⁶	22/23	1/1
梁文俊先生 ⁶		
Mr. Fok Kin Fung, Eric ⁷	21/23	1/1
霍健烽先生 ⁷		
Dr. Lee Nim Wai ⁸	12/23	0/1
李念緯醫生 ⁸		

CORPORATE GOVERNANCE REPORT

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Notes:

1. Mr. Chan Wai Kit has been appointed as a Co-Chairman on 7 May 2015 and he has been re-designated from Co-Chairman to Chairman and Chairman to deputy Chairman with effect from 8 October 2015 and 16 October 2015 respectively.
2. Ms. Wong Chi Yan has been appointed as an executive Director on 27 May 2015 and resigned as company secretary and executive Director on 18 January 2016 and 12 October 2017 respectively.
3. Mr. Mui Yuk Wah has been appointed as an executive Director and company secretary on 23 February 2016 and resigned as company secretary and executive Director on 3 August 2016 and 20 March 2017 respectively.
4. Mr. Hung Tat Chi, Alan has been appointed as an executive Director on 2 March 2016 and resigned on 20 March 2017.
5. Mr. Chan Kwun Chung has been appointed as an executive Director on 20 March 2017.
6. Mr. Leung Man Chun has been appointed as an independent non-executive Director on 23 February 2016.
7. Mr. Fok Kin Fung, Eric has been appointed as an independent non-executive Director on 2 March 2016.
8. Dr. Lee Nim Wai has been appointed as an independent non-executive Director on 16 March 2016 and resigned on 15 January 2018.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman (“Chairman”) is responsible for the leadership of the Board, ensuring its effectiveness in all aspects of its role for setting its agenda and taking into account any matters proposed by other directors for inclusion in the agenda while the CEO is responsible for the day-to-day management of the Group’s business.

Mr. Chan Wai Kit (“Mr. Chan”) has been appointed as the Co-Chairman on 7 May 2015 and subsequent became a sole Chairman from 8 October 2015 to 15 October 2015 after the resignation of Dr. Lan Hong Tsung, David on 8 October 2015. Mr. Chan has been re-designated as a deputy Chairman on 16 October 2015.

附註：

1. 陳偉傑先生於二零一五年五月七日獲委任為聯席主席，並分別於二零一五年十月八日及二零一五年十月十六日由聯席主席調任為主席及由主席調任為副主席。
2. 黃志恩女士於二零一五年五月二十七日獲委任為執行董事及分別於二零一六年一月十八日及二零一七年十月十二日辭任公司秘書及執行董事。
3. 梅育華先生於二零一六年二月二十三日獲委任為執行董事及公司秘書，並分別於二零一六年八月三日及二零一七年三月二十日辭任公司秘書及執行董事。
4. 洪達智先生於二零一六年三月二日獲委任為執行董事及於二零一七年三月二十日辭任。
5. 陳冠忠先生於二零一七年三月二十日獲委任為執行董事。
6. 梁文俊先生於二零一六年二月二十三日獲委任為獨立非執行董事。
7. 霍健烽先生於二零一六年三月二日獲委任為獨立非執行董事。
8. 李念緯醫生於二零一六年三月十六日獲委任為獨立非執行董事及於二零一八年一月十五日辭任。

主席及行政總裁

主席(「主席」)負責領導董事會，以確保董事會於制訂議程的角色之所有方面具之效率，並考慮其他董事所提呈以納入議程之任何事項，而行政總裁負責本集團業務之日常管理。

陳偉傑先生(「陳先生」)於二零一五年五月七日已獲委任為聯席主席，並在藍鴻震博士於二零一五年十月八日辭任後，於二零一五年十月八日至二零一五年十月十五日成為唯一主席。陳先生於二零一五年十月十六日獲調任為副主席。

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There is no CEO of the Company after the resignation of Mr. Mo Wai Ming, Lawrence on 8 October 2015. The deputy Chairman temporarily took up the role as CEO of the Company for a transitional period with a view to identifying a suitable candidate.

NON-EXECUTIVE DIRECTOR

There is currently no non-executive director (“NED”) during the year ended 31 December 2017.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has complied at all times with rules 5.05(1) and (2), and 5.05A of the GEM Listing Rules that at least three INEDs sit in the Board (more than half of the Board members) and at least one of them has appropriate professional accounting or related financial management expertise.

Each INED has made an annual confirmation of independence pursuant to rule 5.09 of the GEM Listing Rules. The Company is of the view that all INEDs meet the independence guidelines set out in rule 5.09 of the GEM Listing Rules and are independent in accordance with the terms of the guidelines.

For the year ended 31 December 2017, all the INEDs have entered into a service contract with the Company for an initial term of three years, unless terminated by not less than one month’s notice in writing served by either party on the other. The CG Code provision A.4.1 has been complied.

CORPORATE GOVERNANCE STRUCTURE

The Board is entrusted with the duty to put in place a proper corporate governance structure of the Company. It is primarily responsible for setting directions, formulating strategies, monitoring performance and managing the risks of the Group. Under the Board, there are currently three committees, namely Audit Committee, Remuneration Committee and Nomination Committee. Audit Committee and Remuneration Committee perform their distinct roles in accordance with their respective terms of reference and assist the Board in supervising certain functions of the senior management. Nomination Committee assists the Board in nominating candidates for directorship, reviewing the size and composition of the Board and making recommendation to the Board on appointment of directors. Each of the Committees is established with defined written terms of reference which are available on the Company’s website and the GEM website.

巫偉明先生於二零一五年十月八日辭任後，本公司並無行政總裁。副主席於過渡期間暫時接任本公司行政總裁，以便物色適當人選。

非執行董事

截至二零一七年十二月三十一日止年度並無非執行董事（「非執行董事」）。

獨立非執行董事

本公司任何時候均遵守GEM上市規則第5.05(1)及(2)及5.05A條有關至少三名獨立非執行董事加入董事會（多於半數董事會成員）及至少其中一名成員擁有合適專業會計或相關財務管理專業知識之規定。

各獨立非執行董事已根據GEM上市規則第5.09條作出年度獨立性確認。本公司認為全體獨立非執行董事符合GEM上市規則第5.09條所載之獨立性指引及根據指引條款誠屬獨立。

截至二零一七年十二月三十一日止年度，所有獨立非執行董事已與本公司訂立服務合約，初步任期為三年，除任何一方向另一方發出不少於一個月之書面通知終止合約，則另作別論。本公司已符合企業管治守則條文A.4.1條。

企業管治架構

董事會有責任為本公司實施妥善的企業管治架構，其主要負責為本集團訂立方針、制訂策略、監控績效及管理風險。董事會轄下設有三個委員會，分別為審核委員會、薪酬委員會及提名委員會。審核委員會及薪酬委員會根據各自之職權範圍履行各自之職能，並協助董事會監督高級管理層若干職能。提名委員會協助董事會提名董事人選，審視董事會人數及組成並向董事會提出有關委任董事之建議。本公司已成立各委員會，並書面訂明其明確職權範圍，文本刊載於本公司及GEM網站，以供查閱。

CORPORATE GOVERNANCE REPORT

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REMUNERATION COMMITTEE

The Remuneration Committee is responsible for making recommendations to the Board regarding the Group's policy and structure for remuneration of Directors and senior management and determining the specific remuneration packages of Directors and senior management of the Company.

REMUNERATION POLICY

The remuneration policy of the Directors is recommended by the Remuneration Committee, having regard to the market terms, individual experience, duties and responsibilities.

Directors' emoluments comprise payments to Directors by the Company and its subsidiaries in connection with the management of the affairs of the Company and its subsidiaries. The amounts paid to each Director for the year ended 31 December 2017 are set out in note 8 to the consolidated financial statements.

Pursuant to code provision B.1.5 of the CG Code, the annual remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Biographies of Directors and Senior Management" in this annual report for the year ended 31 December 2017 by band is set out as follows:

Remuneration band (in HK\$)	薪金範圍(港元)	Number of individuals 人數
Nil to 1,000,000	零至1,000,000	4

As at the date of this report, the Remuneration Committee comprises three INEDs and one executive Director, namely Mr. Leung Man Chun, Mr. Pang Siu Yin, Mr. Fok Kin Fung, Eric and Mr. Chan Wai Kit. The Remuneration Committee is chaired by Mr. Leung Man Chun.

薪酬委員會

薪酬委員會負責就本集團有關董事及高級管理層之薪酬政策及架構向董事會提供意見，並釐定本公司董事及高級管理層之具體薪酬。

薪酬政策

董事之薪酬政策乃經薪酬委員會考慮市場情況、個人經驗、職責及責任後建議。

董事薪酬包括本公司及其附屬公司就本公司及其附屬公司之管理事宜，向董事發放之付款。截至二零一七年十二月三十一日止年度向各董事支付之款項，載於綜合財務報表附註8。

根據企業管治守則第B.1.5條，本年度截至二零一七年十二月三十一日止年度高級管理人員之詳情載於本年報「董事及高級管理人員簡歷」一節，高級管理人員(董事除外)的年度薪酬按範圍載列於下文：

於本報告日期，薪酬委員會由三名獨立非執行董事及一名執行董事組成，成員分別為梁文俊先生、彭兆賢先生、霍健烽先生及陳偉傑先生。梁文俊先生擔任薪酬委員會主席。

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The Remuneration Committee is scheduled to meet at least once a year. One meeting was held during the year ended 31 December 2017. The attendance of each member is set out as follows:

薪酬委員會計劃每年最少舉行一次會議。薪酬委員會於截至二零一七年十二月三十一日止年度內舉行一次會議。各成員之出席情況載列如下：

	Attendance/ eligible to attend 出席次數/ 合資格出席次數
Independent Non-Executive Directors 獨立非執行董事	
Mr. Leung Man Chun (<i>Chairman</i>) ¹ 梁文俊先生(主席) ¹	1/1
Mr. Fok Kin Fung, Eric ² 霍健烽先生 ²	1/1
Dr. Lee Nim Wai ³ 李念緯醫生 ³	0/1
Executive Director 執行董事	
Mr. Chan Wai Kit 陳偉傑先生	1/1

Notes:

- Mr. Leung Man Chun has been appointed as an independent non-executive Director on 23 February 2016.
- Mr. Fok Kin Fung, Eric has been appointed as an independent non-executive Director on 2 March 2016.
- Dr. Lee Nim Wai has been appointed as an independent non-executive Director on 16 March 2016 and resigned on 15 January 2018.

附註：

- 梁文俊先生於二零一六年二月二十三日獲委任為獨立非執行董事。
- 霍健烽先生於二零一六年三月二日獲委任為獨立非執行董事。
- 李念緯醫生於二零一六年三月十六日獲委任為獨立非執行董事及於二零一八年一月十五日辭任。

Summary of works

During the year 2017, the Remuneration Committee reviewed the remuneration packages of the all the Directors and the senior management and made recommendations to the Board on the remuneration of the newly appointed executive Directors in accordance with the Remuneration Committee's written terms of reference.

工作概況

於二零一七年度，薪酬委員會已根據薪酬委員會之書面職權範圍，審閱全體董事及高級管理層之薪酬組合，以及就新委任之執行董事之薪酬向董事會提出建議。

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NOMINATION COMMITTEE

The Nomination Committee is responsible for nominating potential candidates for directorship, reviewing the nomination of directors and making recommendations to the Board on such appointments.

As at the date of this report, the Nomination Committee comprises three INEDs and one executive Director, namely Mr. Leung Man Chun, Mr. Pang Siu Yin, Mr. Fok Kin Fung, Eric and Mr. Chan Wai Kit. The Nomination Committee is chaired by the INED, Mr. Leung Man Chun.

The Nomination Committee is scheduled to meet at least once a year for the review of the structure, size and composition (including skills, knowledge and experience) of the Board. In addition, the Nomination Committee also meets as it is required to consider nomination related matters. One meeting was held during the year ended 31 December 2017. The attendance of each member is set out as follows:

提名委員會

提名委員會負責提名可能出任董事之人士、檢討董事提名名單，並就有關委任向董事會提供推薦意見。

於本報告日期，提名委員會由三名獨立非執行董事及一名執行董事組成，成員分別為梁文俊先生、彭兆賢先生、霍健烽先生及陳偉傑先生。獨立非執行董事梁文俊先生擔任提名委員會主席。

提名委員會計劃每年最少舉行一次會議，以檢討董事會之結構、規模及組成(包括技能、知識及經驗方面)。此外，提名委員會亦於需要時舉行會議，以考慮提名相關事宜。提名委員會於截至二零一七年十二月三十一日止年度舉行一次會議。各成員之出席情況載列如下：

**Attendance/
eligible to attend**
出席次數/
合資格出席次數

Independent Non-Executive Directors

獨立非執行董事

Mr. Leung Man Chun (<i>Chairman</i>) ¹ 梁文俊先生(主席) ¹	1/1
Mr. Fok Kin Fung, Eric ² 霍健烽先生 ²	1/1
Dr. Lee Nim Wai ³ 李念緯醫生 ³	0/1

Executive Director

執行董事

Mr. Chan Wai Kit 陳偉傑先生	1/1
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Notes:

1. Mr. Leung Man Chun has been appointed as an independent non-executive Director on 23 February 2016.
2. Mr. Fok Kin Fung, Eric has been appointed as an independent non-executive Director on 2 March 2016.
3. Dr. Lee Nim Wai has been appointed as an independent non-executive Director on 16 March 2016 and resigned on 15 January 2018.

Summary of works

During the year 2017, the Nomination Committee reviewed the Board diversity policy, the structure, size and composition of the Board and made recommendations on any proposed changes to the Board to complement the Company's strategy and also reviewed and made recommendations to the Board on the appointment of the newly appointed executive Director in accordance with the Nomination Committee's written terms of reference.

Board Diversity Policy

The Group adopted a board diversity policy (the "Board Diversity Policy") on 1 September 2013. A summary of this policy, together with the measurable objectives set for implementing this policy, and the progress made towards achieving those objectives are disclosed as below.

Summary of the Board Diversity Policy

The Company recognized and embraced the benefits of having a diverse Board to the quality of its performance. The Board Diversity Policy aimed to set out the approach to achieve diversity on the Board. In designing the Board's composition, Board diversity has been considered from a numbers of measurable aspects including but not limited to gender, age, ethnicity, knowledge and length of services. All Board appointments will be based on meritocracy, and candidates will be considered with the objective criteria, having due regards for the benefits of diversity on the Board.

附註：

1. 梁文俊先生於二零一六年二月二十三日獲委任為獨立非執行董事。
2. 霍健烽先生於二零一六年三月二日獲委任為獨立非執行董事。
3. 李念緯醫生於二零一六年三月十六日獲委任為獨立非執行董事及於二零一八年一月十五日辭任。

工作概況

於二零一七年度，提名委員會已根據提名委員會之書面職權範圍，審視董事會成員多元化政策、董事會之架構、規模及組成，並就董事會為配合本公司策略而作出之任何建議變動，提出建議，以及就新委任之執行董事作出審視及就此向董事會提出推薦建議。

董事會成員多元化政策

本集團於二零一三年九月一日採納董事會成員多元化政策（「董事會成員多元化政策」）。本政策之概要連同為執行本政策而制定之可計量目標及達標進度於下文披露。

董事會成員多元化政策概要

本公司明白並深信董事會成員多元化對提升公司之表現素質裨益良多。董事會成員多元化政策旨在列載為達致董事會成員多元化而採取之方針。本公司在設定董事會成員組合時，會從多個可計量方面考慮董事會成員多元化，包括但不限制於性別、年齡、種族、知識及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。

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Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Implementation and Monitoring

The Nomination Committee reviewed the Board's composition under diversified perspectives, and monitored the implementation of the Board Diversity Policy annually.

As at the date of this report, the Nomination Committee comprises three INEDs and one executive Director, and thereby to promote critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of age, length of services, professional background and skills.

The Nomination Committee has reviewed the Board Diversity Policy to ensure its effectiveness and considered that the Group achieved the Board Diversity Policy.

AUDIT COMMITTEE

The Audit Committee is responsible to make recommendation to the Board on the appointment and removal of external auditor, to evaluate the overall effectiveness of the internal control and risk management frameworks, to review the accounting principles and practices adopted by the Group and other financial reporting matters and ensure the completeness, accuracy and fairness of the financial statements, to monitor compliance with statutory and listing requirements and to oversee the relationship with the external auditors.

The Audit Committee reviews the quarterly, interim and annual reports before submission to the Board. At least one member has an appropriate professional qualification or accounting or related financial management expertise. The Audit Committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the GEM Listing Rules and the legal requirements in the review of the Company's quarterly, interim and annual reports.

Senior representatives of the external auditor, executive Directors and senior executives are invited to attend the meetings, if required. Each of the Audit Committee members has unrestricted access to the Group's external auditor and the management.

可計量目標

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選之長處及可為董事會提供之貢獻而作決定。

執行及監察

提名委員會每年檢討董事會在多元化層面之組成，並監察董事會成員多元化政策之執行。

於本報告日期，提名委員會由三名獨立非執行董事及一名執行董事組成，並據此促進嚴格檢視及監控管理過程。董事會不論年齡、服務年期、專業背景及技能，均有豐富的多元性。

提名委員會已審閱董事會成員多元化政策，確保其有效，認為本集團已達成董事會成員多元化政策。

審核委員會

審核委員會負責就委任及罷免外聘核數師向董事會提出建議、評審內部監控及風險管理架構之整體效用，及檢討本集團所採納之會計原則及常規以及其他財務申報事宜，以確保財務報表之完備性、準確性及公平程度，並監察本集團遵守法定及上市規定以及監督與外聘核數師之關係。

審核委員會審核季度、中期及年度報告後，方提交予董事會。至少一名成員擁有合適專業資格或會計或相關財務管理專業知識。審核委員會於審核本公司季度、中期及年度報告時不僅注意會計政策及常規變動之影響，亦關注是否遵守會計準則、GEM上市規則及法例規定。

如有需要，外聘核數師之高級代表、執行董事與高級行政人員會獲邀出席會議。審核委員會各名成員在接觸本集團外聘核數師及管理層方面並無限制。

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As at the date of this report, the Audit Committee comprises three INEDs, namely Mr. Leung Man Chun, Mr. Fok Kin Fung, Eric and Mr. Pang Siu Yin. The Audit Committee is chaired by the Mr. Leung Man Chun.

於本報告日期，審核委員會由三名獨立非執行董事組成，成員分別為梁文俊先生、霍健烽先生及彭兆賢先生。梁文俊先生擔任審核委員會主席。

The Audit Committee is scheduled to meet at least four times a year. Five meetings were held during the year ended 31 December 2017. The attendance of each member is set out as follows:

審核委員會計劃每年最少舉行四次會議。截至二零一七年十二月三十一日止年度內已舉行五次會議。各成員之出席情況載列如下：

	Attendance/ eligible to attend
	出席次數/ 合資格出席次數
Independent Non-Executive Directors	
獨立非執行董事	
Mr. Leung Man Chun (<i>Chairman</i>) ¹ 梁文俊先生(主席) ¹	5/5
Mr. Fok Kin Fung, Eric ² 霍健烽先生 ²	5/5
Dr. Lee Nim Wai ³ 李念緯醫生 ³	4/5

Notes:

1. Mr. Leung Man Chun has been appointed as an independent non-executive Director on 23 February 2016.
2. Mr. Fok Kin Fung, Eric has been appointed as an independent non-executive Director on 2 March 2016.
3. Dr. Lee Nim Wai has been appointed as an independent non-executive Director on 16 March 2016 and resigned on 15 January 2018.

附註：

1. 梁文俊先生於二零一六年二月二十三日獲委任為獨立非執行董事。
2. 霍健烽先生於二零一六年三月二日獲委任為獨立非執行董事。
3. 李念緯醫生於二零一六年三月十六日獲委任為獨立非執行董事及於二零一八年一月十五日辭任。

CORPORATE GOVERNANCE REPORT

企業管治報告

Summary of works

During the year ended 31 December 2017, the Audit Committee reviewed the quarterly, interim and annual results; made recommendations to the Board on the terms of engagement of the external auditors; and reviewed the system of risk management and internal control on an ongoing basis, and its other duties in accordance with the Audit Committee's written terms of reference.

The terms of reference of the Audit Committee are in line with the CG Code and are posted on the websites of the Company and the Stock Exchange. Under its amended terms of reference, dated 7 January 2016, the Audit Committee is required, amongst other things, to oversee the relationship with the external auditors, to review the Group's preliminary quarterly results, interim results and annual financial statements and to monitor the integrity of the financial statements of the Group, to review the scope, extent and effectiveness of the Group's internal control system, internal audit and risk management matters and to review the Group's financial and accounting policies.

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties as set out in the terms of reference equivalent to code provision D.3.1 of the CG Code. During the year ended 31 December 2017, the policies of the corporate governance of the Company were reviewed by the Board.

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities for Financial Reporting

The Directors acknowledged their responsibility for preparing the financial statements for each financial period to give a true and fair view of the state of affairs of the Company. In preparing the financial statements for the year ended 31 December 2017, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis.

The statement of the external auditors of the Company regarding their reporting responsibilities on the financial statement of the Company is set out in the section "Independent Auditor's Report" of this annual report.

External Auditor's Remuneration

The Company reviews the appointment of an external auditor on an annual basis including a review of the audit scope and approval of the audit fee. The remuneration in respect of audit service and non-audit service (including professional advice on financing activities, taxation and acquisition) for the year ended 31 December 2017 provided by Baker Tilly Hong Kong Limited was HK\$966,000 and HK\$283,000 respectively.

工作概況

截至二零一七年十二月三十一日止年度，審核委員會已根據審核委員會之書面職權範圍審閱季度、中期及年度業績、就外聘核數師之委聘條款向董事會作出推薦建議，以及持續審視風險管理及內部監控制度及其具備之其他職能。

審核委員會之職權範圍符合企業管治守則，並刊載於本公司及聯交所網站。根據於二零一六年一月七日修訂的職權範圍，審核委員會須(其中包括)監察其與外聘核數師的關係；檢討本集團之初步季度業績、中期業績及年度財務報表；監察本集團財務報表之完整性；檢討本集團內部監控系統之範圍、程度及成效、內部審核及風險管理事宜及檢討本集團之財務及會計政策。

企業管治職能

董事會負責履行職權範圍所載相當於企業管治守則第D.3.1條守則條文之企業管治職務。截至二零一七年十二月三十一日止年度，本公司之企業管治政策已經董事會審閱。

問責及核數

董事對財務報告之責任

董事知悉彼等有責任就各財務期間編製能公平真實反映本公司財務狀況之財務報表。編製截至二零一七年十二月三十一日止年度之財務報表時，董事已挑選合適的會計政策並貫徹應用，作出審慎、公平及合理的判斷及估計，以及編製可持續經營之財務報表。

本公司外聘核數師就彼等對本公司財務報表之申報責任作出之聲明載於本年報「獨立核數師報告書」一節。

外聘核數師之酬金

本公司每年審閱外聘核數師之委聘，包括審閱審核範圍及批准核數費用。截至二零一七年十二月三十一日止年度，天職香港會計師事務所有限公司就提供審核服務及非審核服務(包括就融資活動、稅務及收購提供專業意見)而收取的酬金分別為966,000港元及283,000港元。

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk Management and Internal Control

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems. The internal control system includes safeguard of the interest of shareholders and the Group's assets. It has been an important duty of the Board to conduct a review of internal control to ensure the effectiveness and adequacy of the system of the Group annually or at any time necessary. The review covers all material controls, including financial, operational and compliance controls, as well as risk management functions.

The Group has engaged ALE Global Services Limited as an independent internal control review advisor to conduct the annual review on the effectiveness of the internal control system. Review of the Group's internal controls covering major operational, financial and compliance controls, as well as risk management functions of different systems has been performed on a systematic rotational basis on the risk assessments of the operations and controls. No major issues on the internal control system have been identified during the year ended 31 December 2017.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Every newly appointed director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the GEM Listing Rules and relevant statutory requirements. Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for directors will be arranged at the expenses of the Company where necessary. For the year 2017, each of the Directors has participated in continuous professional development by attending seminars and/or studying materials relevant to director's duties and responsibility. Their training records have been provided to the Company.

風險管理及內部監控

董事會負責評估及界定為達成本公司策略目標而願意承擔的風險性質及程度，並確保本公司設立及維持合適及有效的風險管理及內部監控系統。內部監控制度包括保障股東之利益及本集團之資產。董事會須承擔就此進行檢討之重要責任。董事會每年或按需要檢討本集團之內部監控制度，以確保該制度有效及完善。審閱範圍覆蓋所有重大監控，包括財務、營運及合規監控，以及風險管理職能。

本集團已委聘奧利環球服務有限公司為獨立內部監控審閱顧問，以就內部監控制度之效用進行年度檢討。本集團已根據各業務及監控的風險評估，對不同系統的內部監控(包括主要營運、財務與合規監控以及風險管理職能)有系統地輪流進行審閱。截至二零一七年十二月三十一日止年度，概無識別有關內部監控制度的重大問題。

董事之持續專業發展

每位新任董事將於首次獲委任時接受正式、全面及為其而設的就職指引，確保董事對本公司業務及營運有恰當了解，並完全明白彼於GEM上市規則及相關監管規定項下之責任及義務。董事持續獲得有關法定及監管政策與業務環境的最新發展資訊，以便彼等履行職責。如有需要，董事獲安排提供持續簡報及專業發展，費用由本公司承擔。於二零一七年度，各董事均已參與持續專業發展，包括出席講座及／或研習與董事職務及職責有關之資料。本公司已獲提供彼等之培訓記錄。

CORPORATE GOVERNANCE REPORT

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During the year ended 31 December 2017, all Directors have received the following trainings:

截至二零一七年十二月三十一日止年度，董事已完成訓練如下：

Training on corporate governance, regulatory development and other relevant topics

企業管治、監管發展及其他相關課題的培訓

Studying materials	Attending Seminar
研習資料	出席講座

Executive Directors

執行董事

Mr. Chan Wai Kit ¹	✓	✓
陳偉傑先生 ¹		
Ms. Wong Chi Yan ²	✓	✓
黃志恩女士 ²		
Mr. Mui Yuk Wah ³	✓	–
梅育華先生 ³		
Mr. Hung Tat Chi, Alan ⁴	✓	–
洪達智先生 ⁴		
Mr. Chan Kwun Chung ⁵	✓	✓
陳冠忠先生 ⁵		

Independent Non-Executive Directors

獨立非執行董事

Mr. Leung Man Chun ⁶	✓	–
梁文俊先生 ⁶		
Mr. Fok Kin Fung, Eric ⁷	✓	–
霍健烽先生 ⁷		
Dr. Lee Nim Wai ⁸	✓	–
李念緯醫生 ⁸		

CORPORATE GOVERNANCE REPORT

企業管治報告

Notes:

1. Mr. Chan Wai Kit has been appointed as a Co-Chairman on 7 May 2015 and he has been re-designated from Co-Chairman to Chairman and Chairman to deputy Chairman with effect from 8 October 2015 and 16 October 2015 respectively.
2. Ms. Wong Chi Yan has been appointed as an executive Director on 27 May 2015 and resigned as company secretary and executive Director on 18 January 2016 and 12 October 2017 respectively.
3. Mr. Mui Yuk Wah has been appointed as an executive Director and company secretary on 23 February 2016 and resigned as company secretary and executive Director on 3 August 2016 and 20 March 2017 respectively.
4. Mr. Hung Tat Chi, Alan has been appointed as an executive Director on 2 March 2016 and resigned on 20 March 2017.
5. Mr. Chan Kwun Chung has been appointed as an executive Director on 20 March 2017.
6. Mr. Leung Man Chun has been appointed as an independent non-executive Director on 23 February 2016.
7. Mr. Fok Kin Fung, Eric has been appointed as an independent non-executive Director on 2 March 2016.
8. Dr. Lee Nim Wai has been appointed as an independent non-executive Director on 16 March 2016 and resigned on 15 January 2018.

附註：

1. 陳偉傑先生於二零一五年五月七日獲委任為聯席主席，並分別於二零一五年十月八日及二零一五年十月十六日由聯席主席調任為主席及由主席調任為副主席。
2. 黃志恩女士於二零一五年五月二十七日獲委任為執行董事及分別於二零一六年一月十八日及二零一七年十月十二日辭任公司秘書及執行董事。
3. 梅育華先生於二零一六年二月二十三日獲委任為執行董事及公司秘書，並分別於二零一六年八月三日及二零一七年三月二十日辭任公司秘書及執行董事。
4. 洪達智先生於二零一六年三月二日獲委任為執行董事及於二零一七年三月二十日辭任。
5. 陳冠忠先生於二零一七年三月二十日獲委任為執行董事。
6. 梁文俊先生於二零一六年二月二十三日獲委任為獨立非執行董事。
7. 霍健烽先生於二零一六年三月二日獲委任為獨立非執行董事。
8. 李念緯醫生於二零一六年三月十六日獲委任為獨立非執行董事及於二零一八年一月十五日辭任。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY

The Company Secretary, Ms. Leung Ching Man (“Ms. Leung”), is responsible to the Board for ensuring that the Board procedures are followed and the Board activities are efficiently and effectively conducted. She is also responsible for ensuring that the Board is fully apprised of the relevant legislative, regulatory and corporate governance developments relating to the Group and facilitating the induction and professional development of directors. During the year under review, Ms. Leung has attended relevant professional seminars to update her skills and knowledge. She met the training requirement set out in rule 5.15 of the GEM Listing Rules.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 31 December 2017, the Company had 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. The Company had also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors.

DIRECTORS’ AND OFFICERS’ LIABILITIES

The Company has arranged for appropriate insurance covering the liabilities of the Directors that may arise out of the corporate activities, which has been complied with the CG Code. The insurance coverage is reviewed on an annual basis.

RELATED PARTY TRANSACTIONS POLICY

During the year ended 31 December 2017, the related party transactions, if any, are periodically reviewed and approved by the Audit Committee.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company uses two-way communication channels to account to shareholders and investors for the performance of the Company. All the shareholders have received not less than 20 clear business days’ notice of annual general meeting at which Directors are available to answer questions on the business. Extensive information about the Group’s activities is provided in its annual report, interim report and quarterly reports which are sent to shareholders and investors. The Company’s announcements, press releases and publications are published and are also available on the GEM website and on the Company’s website at www.aurumpacific.com.hk.

公司秘書

公司秘書梁靜雯女士（「梁女士」）向董事會負責，確保遵從董事會程序及董事會之活動得以有效及實際地進行。彼亦負責確保董事會全面知悉與本集團有關之相關法例、監管及企業管治發展情況，同時協助董事履職及專業發展。於回顧年度，梁女士曾出席相關專業講座，獲得最新技能及專業知識。彼已符合GEM上市規則第5.15條之培訓規定。

董事進行證券交易的行為守則

截至二零一七年十二月三十一日止年度，本公司已採納有關董事進行證券交易之操守準則，其條款之嚴謹度不遜於GEM上市規則第5.48至5.67條所規定之交易準則。本公司亦已向全體董事作出具體查詢，而本公司並不知悉有任何違反規定交易準則及有關董事進行證券交易之操守準則之情況。

董事及高級職員之責任

本公司已安排適當保險，為董事因企業事務而可能產生之責任提供保障，以符合企業管治守則的規定。投保範圍乃按年進行檢討。

關連方交易政策

截至二零一七年十二月三十一日止年度，審核委員會定期審閱及批准關連方交易（如有）。

投資者關係及與股東通訊

本公司採用雙向通訊渠道向股東及投資者匯報本公司業績。所有股東均可於舉行股東週年大會前不少於20個完整營業日獲發通告，會上董事將回答有關業務之提問。寄交股東及投資者之年報、中期報告及季度報告內載有本集團業務之詳盡資料。本公司之公告、新聞稿及出版物亦會公開發佈，並於GEM網站及本公司網站www.aurumpacific.com.hk刊載。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year ended 31 December 2017, there has not been any change in the Company's constitutional documents. A consolidated version of the Company's constitutional documents is available on the Company's website and the GEM website.

SHAREHOLDERS' RIGHT

(i) Convene an Extraordinary General Meeting

The Directors may, whenever they think fit, convene an extraordinary general meeting of the Company (the "Extraordinary General Meeting"). The Extraordinary General Meeting shall also be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Directors or the secretary for the purpose of requiring an Extraordinary General Meeting to be called by the Directors 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 within twenty-one (21) days of such deposit the Directors fail to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Directors shall be reimbursed to the requisitioner(s) by the Company.

(ii) Send Enquiries to the Board

Enquiries of shareholders can be sent to the Company either by email at administrator@aurumpacific.com.hk or by post to the Company's Hong Kong head office at 21/F., Henan Building, 90 Jaffe Road, Wanchai, Hong Kong. Shareholders can also make enquiries with the Board directly at the general meetings.

(iii) Make proposals at general meetings

Procedures for putting forward proposals at a Shareholders' meeting

Pursuant to the articles of association of the Company (the "Articles") (as amended from time to time), the Shareholders who wish to move a resolution may by means of requisition convene an Extraordinary General Meeting follow the procedures as set out above.

截至二零一七年十二月三十一日止年度，本公司憲法文件並無任何變動。本公司憲法文件的綜合版本可於本公司網站及GEM網站查閱。

股東權利

(i) 召開股東特別大會

董事可於其認為恰當的情況下召開本公司股東特別大會（「股東特別大會」）。股東特別大會亦可於一名或多名股東要求下召開，彼等須於遞交要求日期持有不少於本公司十分之一之繳足資本，並有權於股東大會投票。該項要求須以書面向董事或秘書提呈，以供董事會就該要求下任何指定業務交易要求召開股東特別大會。該大會須於該項要求寄存後兩個月內舉行。倘董事於寄存該項要求後二十一(21)日內未能召開該大會，提出要求者本人(彼等)可以相同方式召開大會，而本公司須向提出要求人士償付所有由提出要求人士因董事會未能召開大會而產生之合理開支。

(ii) 向董事會作出查詢

股東查詢可透過發送電子郵件至 administrator@aurumpacific.com.hk 或郵寄至本公司之香港總辦事處，地址為香港灣仔謝斐道90號豫港大廈21樓。股東亦可於股東大會直接向董事會提出查詢。

(iii) 於股東大會上提出建議

於股東大會議呈建議之程序

根據本公司之組織章程細則（「細則」）（經不時修訂），有意動議決議案之股東可於依循上述程序後向本公司提交要求書召開股東特別大會。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

I. PREAMBLE

Aurum Pacific (China) Group Limited (the “Company”) and its subsidiaries (collectively, the “Group”) stringently adhere to their environmental and social responsibilities.

The Group developed its sustainability strategy with aims to create sustainable values to its stakeholders, and to continue to lower the Group’s impact on the environment. To carry out the Group’s sustainability strategy from top to bottom, the Board of Directors (the “Board”) of the Company has ultimate responsibility for ensuring the effectiveness of the Group’s environmental, social and governance (“ESG”) policies. The Board established dedicated teams to manage ESG issues within each business division of the Group. Designated staff was assigned to enforce and supervise the implementation of the relevant ESG policies. The Group is also committed to constantly reviewing and adjusting the Group’s sustainability policies to satisfy the ever-changing needs of its stakeholders. Details of its management approach in both the environmental and social aspect can be found throughout different sections of this ESG report. The Group believes sustainability is essential to the development of the Group’s overall long-term success.

The Group is pleased to present this ESG report to demonstrate the Group’s approach and performance in terms of sustainable development for the year ended 31 December 2017. This ESG report is prepared in compliance with the ESG Reporting Guide as set out in Appendix 20 to the GEM of The Stock Exchange of Hong Kong Limited’s website.

II. REPORTING PERIOD AND SCOPE OF THE REPORT

This ESG report covers the environmental and social performance within the operational boundaries of the Group that include the software platform business in Hong Kong and Guangzhou of the People’s Republic of China (“PRC”), money lending business in Hong Kong, and mobile gaming business in Hong Kong. The reporting period of this ESG report is the financial year from 1 January 2017 to 31 December 2017 (“FY2017”), unless specifically stated otherwise. This ESG report will be issued on an annual basis. For corporate governance section, please refer to the page 14 to 30 of this annual report.

I. 緒言

奧栢中國集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)嚴格遵守環境及社會責任。

本集團已制定可持續發展策略，旨在為持份者帶來可持續發展價值及減低對環境的影響。為自上而下執行可持續發展策略，本公司董事會(「董事會」)有最終責任監督本集團確保其環境、社會及管治(「環境、社會及管治」)政策的效益。董事會於本集團各個業務分部成立專責小組管理事宜。所指定的員工被指派執行及監督有關環境、社會及管理政策的實施。本集團亦承諾持續檢討及調整可持續政策，以滿足持份者不斷與時改變的需求。有關環境及社會方面的管理方法詳情，請參閱本環境、社會及管治報告的各個不同章節。本集團相信可持續性對本集團整體長遠成功的發展尤為關鍵。

本集團欣然公佈本環境、社會及管治報告，以展示本集團就截至二零一七年十二月三十一日止年度可持續發展方面的方法及表現。本環境、社會及管治報告根據載於香港聯合交易所有限公司GEM網站附錄20的《環境、社會及管治報告指引》所編製。

II. 報告期間及報告範圍

本環境、社會及管治報告涵蓋本集團營運範圍的環境及社會表現，包括於中華人民共和國(「中國」)香港及廣州的軟件平台業務、於香港的放債業務及於香港的手機遊戲業務。如無特別說明，本環境、社會及管治報告的報告期間為二零一七年財政年度(從二零一七年一月一日至二零一七年十二月三十一日(「二零一七年財政年度」))。本環境、社會及管治報告將每年定期編製發出。有關企業管治，請參閱本年報第14頁至30頁。

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III. INFORMATION DISCLOSURE

The information in this ESG report was gathered from the official documents and statistics of the Group, the integrated information of supervision, management and operation in accordance with the relevant policy, the internal quantitative and qualitative questionnaires based on the reporting framework, and sustainability practices provided by the subsidiaries of the Group. A complete content index is available at the end of the ESG report for readers' convenience to check efficiently. This ESG report is prepared in Chinese and English and has been uploaded to the Company's website at www.aurumpacific.com.hk. For any conflict or inconsistency, the English version shall prevail.

IV. STAKEHOLDER ENGAGEMENT

With the goal to strengthen the sustainability approach and performance of the Group, the Group put tremendous efforts into listening to both its internal and external stakeholders. The Group actively collects feedback from its stakeholders to maintain a high standard of sustainability within the Group, while also building a trustful and supporting relationship with them. The Group connects with its stakeholders through their preferred communication channels as listed in the table below.

Stakeholders 持份者	Expectations and concerns 期望及關注	Communication Channels 溝通渠道
Government and regulatory authorities 政府及立法機關	<ul style="list-style-type: none"> - Compliance with laws and regulations - 符合法律及法規 - Support economic development - 支持經濟發展 	<ul style="list-style-type: none"> - Supervision on complying with local laws and regulations - 監督以遵守本地法律及法規 - Routing reports and taxes paid - 常規報告及已付稅項
Shareholders 股東	<ul style="list-style-type: none"> - Return on investments - 投資回報 - Corporate governance - 企業管治 - Business compliance - 合規營運 	<ul style="list-style-type: none"> - Regular reports and announcements - 定期報告及公佈 - Regular general meetings - 定期股東大會 - Official website - 官方網站

III. 資料披露

本環境、社會及管治報告資料收集自本集團的官方文件及統計、監管的綜合信息、根據相關政策進行的管理和運營、基於報告框架的內部定量和定性調查問卷，以及本集團附屬公司所提供的可持續性慣例。完整內容索引載於本環境、社會及管治報告末，方便讀者參閱。本環境、社會及管治報告以中文及英文編製，及已上載至本公司網站：www.aurumpacific.com.hk。倘出現任何衝突或不一致之處，概以英文版本為準。

IV. 持份者之參與

為達成本集團提升可持續性方針及表現的目標，本集團致力聆聽外部及內部持份者。本集團主動收集來自持份者的回饋，以維持本集團內高標準可持續性，同時亦與持份者建立信賴及支援關係。本集團透過下表載列持份者優先選取的溝通渠道與持份者聯繫。

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IV. STAKEHOLDER ENGAGEMENT (CONTINUED) IV. 持份者之參與(續)

Stakeholders 持份者	Expectations and concerns 期望及關注	Communication Channels 溝通渠道
Employees 僱員	<ul style="list-style-type: none"> - Employees' compensation and benefits - 僱員之薪酬和福利 - Career development - 職業發展 - Health and safety working environment - 健康、安全工作環境 	<ul style="list-style-type: none"> - Performance reviews - 業務回顧 - Regular meetings and trainings - 定期會議及培訓 - Emails, notice boards, hotline, caring activities with management - 電郵、告示板、熱線、與管理層進行關懷活動
Customers 客戶	<ul style="list-style-type: none"> - High quality products and services - 高質素產品及服務 - Protect the rights of customers - 保障客戶權益 	<ul style="list-style-type: none"> - Customer satisfaction survey - 客戶滿意程度調查 - Face-to-face meetings and on-site visits - 面對面會議及實地考察 - Customer service hotline and email - 客戶服務熱線及電郵
Suppliers 供應商	<ul style="list-style-type: none"> - Fair and open procurement - 公平及公開採購 - Win-win cooperation - 雙贏合作 	<ul style="list-style-type: none"> - Open tendering - 公開招標 - Face-to-face meetings and on-site visits - 面對面會議及實地考察 - Industry seminars - 行業講座
General public 一般公眾	<ul style="list-style-type: none"> - Involvement in communities - 投入社區 - Business compliance - 合規經營 - Environmental protection awareness - 關注環境保護 	<ul style="list-style-type: none"> - Media conferences - 傳媒會議 - Public welfare activities - 公益活動 - Face-to face interview - 面對面訪問

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IV. STAKEHOLDER ENGAGEMENT (CONTINUED)

Materiality Assessment

The Group undertakes annual review in identifying and understanding its stakeholders' main concerns and material interests for the ESG report. In FY2017, the Group engaged its stakeholders to conduct a materiality assessment survey. Specifically, internal and external stakeholders were selected based on their influence and dependence on the Group. Stakeholders were then invited to express their views and concerns on a list of sustainability issues via an online survey. As a result, the Group is able to prioritise the issues for discussion.

With respect to this ESG report, the Group identified employee benefits & pay system and protecting intellectual property rights as issues of high importance to both the Group and its stakeholders. This review helped the Group in prioritising its sustainability issues, highlighting the material and relevant aspects, and aligning them with stakeholders' expectations.

V. ENVIRONMENTAL SUSTAINABILITY

The Group is committed to ensuring long-term sustainability to the environment and community where the Group operates. The Group stringently controlled its emissions and consumption of resources, and complied with all relevant environmental laws and regulations in its daily operations during the year under review. All offices and business units of the Group implemented effective energy conservation measures to reduce emissions and resource consumption.

This section primarily discloses the Group's policies, practices, and quantitative data on emissions, use of resources, the environment and natural resources in FY2017.

IV. 持份者之參與(續)

重要性評估調查

本集團進行年度檢討，以找出及理解持份者對本環境、社會及管治報告的主要關注事項及實際性利益。於二零一七年財政年度，本集團讓其持份者進行重要性評估調查。具體而言，內部及外部持份者按其對本集團的影響及依賴程度挑選。持份者繼而被邀請透過網上調查對一系列可持續性事項表達意見及關注問題。因此，本集團能夠優先討論該等事項。

就本環境、社會及管治報告，本集團已將僱員福利及薪金系統以及保障知識產權視為對本集團及其持份者高度重要的事項。檢討有助本集團優先處理其持續性事項、關注重大有關方面及使該等方面與持份者期望一致。

V. 環境可持續性

本集團致力在經營所在地確保當地環境和社區的長期可持續發展。於回顧年度，本集團嚴格控制排放物及資源消耗，並且在日常營運中遵守所有相關環境法例及法規。本集團所有辦公室和業務單位均實施有效的節能措施，以減少排放物及資源消耗。

本節主要披露本集團於二零一七年財政年度有關排放物、資源使用、環境及天然資源的政策、常規及量化數據。

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V. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A.1. Emissions

The Group complies with all relevant local environmental laws as set out in the country where the Group operates. In FY2017, the Group found no disregard to influential laws relevant to waste gas or greenhouse gas (“GHG”) emissions, water or land discharging, and hazardous or non-hazardous wastes.

Since the Group’s businesses are mostly operated in offices, the air emissions of sulfur oxides (“SOx”), nitrogen oxides (“NOx”) and particulate matter (“PM”) are relatively insignificant and can be negligible. In FY2017, the Group’s total GHG emissions amounted to 102.19 tonnes CO₂e, with an intensity of 1.09 tonnes CO₂e/employee. Other than GHG emissions, the Group also generated 1.83 tonnes of non-hazardous solid wastes (with an intensity of 0.02 tonnes/employee), and 12.05 tonnes of non-hazardous wastewater (with an intensity of 0.13 tonnes/employee) in its operations. Given the nature of business, the Group did not generate any hazardous waste in FY2017. The Group’s total emissions are summarised in Table 1 below.

Table 1 Group’s Total Emissions by Category in FY2017

Emissions 排放物	Key Performance Indicator (KPI) 主要表現指標	Unit 單位	Amount 數量	Intensity* (Per employee) 密度*(每名僱員)
GHG emissions 溫室氣體排放	Scope 1 (Direct Emission) 範疇1(直接排放)	tonnes CO ₂ e 噸二氧化碳當量	12.11	0.13
	Scope 2 (Energy Indirect Emission) 範疇2(間接排放)	tonnes CO ₂ e 噸二氧化碳當量	90.08	0.96
	Total (Scope 1 & 2) 總計(範疇1和2)	tonnes CO ₂ e 噸二氧化碳當量	102.19	1.09
Non-hazardous waste 非有害廢物	Solid Waste 固體廢物	tonnes 噸	1.83	0.02
	Wastewater 廢水	tonnes 噸	12.05	0.13

*Intensity = amount ÷ annual average workforce of the Group

*密度 = 數量 ÷ 本集團年度平均人手

V. 環境可持續性(續)

A.1. 排放物

本集團遵守經營所在國家訂立的一切當地相關環境法律。於二零一七年財政年度，本集團並無違反對環境有重大影響的有關廢氣或溫室氣體(「溫室氣體」)排放、水陸排污及有害或無害廢物的法律。

由於本集團基本在辦公室內進行業務，在空氣中排放相對少量的硫化物(「硫化物」)、氮化物(「氮化物」)及懸浮粒子(「懸浮粒子」)，數量微不足道。於二零一七年財政年度，本集團的溫室氣體總排放量為102.19噸二氧化碳當量，密度為每名僱員1.09噸二氧化碳當量。除了排放溫室氣體外，本集團亦在營運期間產生1.83噸非有害固體廢物(密度為每名僱員0.02噸)和12.05噸非有害廢水(密度為每名僱員0.13噸)。由於業務性質，本集團於二零一七年財政年度並無產生有害廢物。本集團的總排放量概述於下文表一。

表一：本集團於二零一七年財政年度按類別劃分的總排放量

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V. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A.1. Emissions (Continued)

Software platform business

Emissions for the Group's software platform business include GHG emissions from the use of electricity, and municipal solid waste and wastewater generated by the staff in the office. No hazardous waste was generated in this business segment in FY2017.

As GHG emissions mainly come from the use of electricity, the Group has taken effective steps to reduce the amount of electricity usage. Specific measures taken in the office are further described in **A.2. Use of Resources**.

The Group is committed to environmental protection in its daily operations in the office. To reduce the amount of municipal solid waste generated every day, the Group has implemented the following practices:

- Recycle as many solid waste as possible;
- Encourage all employees to reduce the use of disposable items such as plastic tableware; and
- Advocate reusing of office stationeries.

Since the amount of wastewater generated highly depends on the amount of water used, the Group adopts specific measures, further described in the **A.2. Use of Resources**, to reduce water consumption. Municipal wastewater is directly discharged into the property wastewater handling system.

Money lending business

In this business segment, the Group is very prudent in controlling all discharges as well. GHG emissions in the Group's money lending business also come from the electricity consumption during its daily operations, and the internal policies established to control electricity usage would be further described in **A.2. Use of Resources**.

V. 環境可持續性(續)

A.1. 排放物(續)

軟件平台業務

本集團軟件平台業務的排放物包括使用電力所排放的溫室氣體，以及辦公室員工產生的都市固體廢物和廢水。此業務分部於二零一七年財政年度並無產生有害廢物。

溫室氣體排放主要是因使用電力所致，因此本集團已採取有效步驟以減低用電量。辦公室已實施具體措施，進一步詳情載於**A.2. 資源使用**一節。

本集團致力在辦公室日常運作中保護環境。為減少每日產生的都市固體廢物數量，本集團已實施以下常規：

- 盡量循環再用固體廢物；
- 鼓勵全體僱員減少使用塑膠餐具等即棄物品；及
- 提倡重用辦公室文具。

業務產生的廢水量與用水量關係相當密切，故本集團採取具體措施以減少用水，進一步詳情載於**A.2. 資源使用**一節。都市廢水直接排放至物業廢水處理系統。

放債業務

在此業務分部，本集團亦非常審慎控制所有排污情況。本集團的放債業務同樣因日常運作使用電力而排放溫室氣體，為控制用電而制訂的內部政策進一步詳情載於**A.2. 資源使用**一節。

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V. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A.1. Emissions (Continued)

Money lending business (Continued)

The wastewater generated in this business segment only includes domestic wastewater, while the solid waste generated is non-toxic domestic garbage. The Group proactively collects, categorises and reuses the recyclable paper, before delivering them to the municipal sanitation department or qualified recycle company for further disposal.

Mobile gaming business

To reduce both the direct and indirect emissions, the Group continuously performs the separate collection method on the daily domestic garbage to ensure the reuse of the recyclable waste, such as plastic bags, plastic lunch boxes, paper and so on. Besides, the Group provides microwave in the office to encourage staff to bring their own lunch boxes instead of ordering foods, thereby to some extent minimising the impact of packaging materials on the environment. The Group also chooses glass cups instead of disposable cups for the guests, which reflects that the Group focuses on every trivial aspect in its operation to protect environment.

The GHG emissions from the Group are mainly generated from its purchased electricity consumed by the daily operation. To reduce the amount of carbon emissions, the Group has implemented several practical measures on saving energy as further described in **A.2. Use of Resources**.

V. 環境可持續性(續)

A.1. 排放物(續)

放債業務(續)

此業務分部產生的廢水只包括日常廢水，所產生的固體廢物則是非有毒的日常垃圾。本集團積極把可循環再用的紙張收集、分類及重用，之後才會把廢物送往都市衛生部門或合資格回收商以作進一步處置。

手機遊戲業務

為同時減少直接及間接排放物，本集團持續以分類收集法處理每日的日常垃圾，確保能重用可循環再用的廢物，例如膠袋、膠飯盒及紙張等。此外，本集團於辦公室內設有微波爐，鼓勵員工自備飯盒以代替訂餐，藉此在某程度上盡量減輕包裝物料對環境的影響。本集團亦選擇以玻璃杯而非即棄杯招待賓客，反映本集團在經營業務時注重每個保護環境的細節。

本集團溫室氣體排放主要來自日常營運所需而消耗的外購電力。本集團為減少碳排放，已實施多項節能實用措施，進一步詳情載於**A.2. 資源使用**一節。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

V. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A.2. Use of Resources

The Group complied with relevant laws and regulations in relation to the Group's use of resources during the year under review. In FY2017, resources consumed by the Group were electricity, gasoline, water and paper. The Group did not consume any packaging materials for its products during the year under review.

Table 2 The Group's Total Use of Resources in FY2017

Use of Resources 資源使用	Key Performance Indicator (KPI) 關鍵績效指標	Unit 單位	Amount 數量	Intensity* (Per Employee) 密度*(每名僱員)
Energy 能源	Electricity 電力	kWh'000 千個千瓦小時	124.2	1.32
	Gasoline 汽油	L 公斤	4,472	47.57
Water 水	Water 水	m ³ 立方米	13.37	0.14
Paper 紙張	Paper 紙張	kg 千克	336.5	3.58

*Intensity = amount ÷ annual average workforce of the Group

*密度 = 數量 ÷ 本集團年度平均人手

V. 環境可持續性(續)

A.2. 資源使用

於回顧年度，本集團遵守有關資源使用的相關法例及法規。於二零一七年財政年度，本集團消耗的資源為電力、汽油、水及紙張。於回顧年度，本集團並無就產品消耗任何包裝物料。

表二：本集團於二零一七年財政年度的總資源用量

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

V. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

Electricity

The Group strives to save electricity through implementation of internal policies and use of advanced technologies. The Group's electricity consumption mainly comes from regular operation of the offices. All subsidiaries of the Group stringently complied with the Group's policy of saving energy during the year under review.

In FY2017, the Group started to replace traditional light bulbs with electricity-saving light bulbs in the office area and strengthen the education about the importance and approach of energy conservation and emission reduction. To ensure the most effective use of electricity, the Group also conducts following practices:

- Turn office lights off whenever and wherever not necessary;
- Turn office cooling air-conditioners down or off whenever not necessary;
- Place posters "Save Electricity, Turn off Lights when Leaving" in prominent places;
- Clean office equipment such as refrigerator, air-conditioner regularly to maintain high operating efficiency;
- Perform regular inspection and maintenance of the equipment; and
- Encourage the use of staircase instead of taking the lift for inter-floor traffic.

V. 環境可持續性(續)

電力

透過實施內部政策及使用先進科技，本集團致力節約電力。本集團的用電量主要來自辦公室的固定運作。於回顧年度，本集團所有附屬公司均嚴格遵守本集團的節能政策。

於二零一七年財政年度，本集團開始在辦公室範圍以慳電膽代替傳統燈泡，並加強教育節能及減排的重要性和有關方法。為確保以最有效的方式使用電力，本集團亦採取以下常規：

- 於無需使用的情況下關掉辦公室電燈；
- 於無需使用的情況下調低或關掉辦公室空調；
- 於顯眼位置張貼「節約電力，離開時請關燈」海報；
- 定期清潔辦公室設備(例如冰箱和空調)，確保設備能夠高效運作；
- 定期檢查及保養設備；及
- 鼓勵上落樓梯，代替乘搭升降機來往不同樓層。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

V. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

Energy

During the FY2017, the Group consumed gasoline for transportation purposes. The Group encourages energy saving through simple measures, such as making the best use of room to avoid unnecessary transportation, encouraging its employees to take public transportation for commuting and replacing highly polluting vehicles with more environmentally-friendly ones.

Water

Water is one of the most precious resources on the planet and the Group keeps educating its employees that lifting a finger on water conservation can make a huge difference. To improve the utilisation efficiency of water resources, the Group adopts the following practices:

- Place posters “Saving Water Resource” in prominent places to encourage water conservation; and
- Fix dripping taps immediately.

V. 環境可持續性(續)

能源

於二零一七年財政年度，本集團消耗汽油作交通用途。透過簡單措施如善用空間避免不必要的交通，本集團鼓勵僱員搭乘公共交通工具通勤，以及以較環保的汽車代替會造成嚴重污染的汽車，藉此提倡節能。

水

水是地球最珍貴的資源之一。本集團一直教育僱員，舉手之勞亦可大大節省用水。為更有效使用水資源，本集團採取以下常規：

- 張貼「節約水資源」海報於顯眼位置，鼓勵僱員節約用水；及
- 即時維修滴水的水龍頭。

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V. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

Paper

Paper is mainly consumed by the Group in its offices. The Group strives to reduce paper produced at source by adopting the following practices:

- Use more environmentally-friendly paper;
- Disseminate information by electronic means (i.e. email or e-bulletin boards);
- Set duplex printing as the default mode for most network printers;
- Think before print: use posters and stickers as reminder for office staff to avoid unnecessary printings;
- Place boxes and trays next to photocopiers to collect single-sided paper for reuse and recycling;
- Promote the concept of 'Give a second chance': encourage staff to use used paper for draft documents or as scratch paper;
- E-mail tips: remind staff to consider the environment before printing the email.

A.3. The Environment and Natural Resources

In FY2017, given the nature of business, the main impact of the Group's operations on the environment was the indirect GHG emissions from the purchase of electricity and consumption of gasoline for transportation. To minimise GHG emissions, which are always connected with the precursor of global climate change, the Group strictly monitors, manages and improves its business model and is committed to relying on the efficient usage and control of natural resources to ultimately implement its sustainability strategy and values. Through a series of measures on saving electricity, water, gasoline and paper products that have been introduced above, the Group has made a significant change towards the building of a reliable, resilient and sustainable corporation that pioneers in the industry of IT hardware.

V. 環境可持續性(續)

紙張

紙張主要於本集團辦公室內使用。本集團透過採取以下常規，致力從源頭減少紙張生產：

- 使用環保紙張；
- 以電子方式發布資訊(即電郵或電子公佈欄)；
- 設置雙面影印為大部分網絡影印機的預設模式；
- 「影印前想一想」：以海報及貼紙提示辦公室員工，避免不必要列印；
- 將箱子及盤子放置於影印機旁收集收集單面影印紙張以供重用及循環再用；
- 推廣「二次機會」概念：鼓勵員工使用廢紙草擬文件或用作草稿紙；
- 電郵提示：提醒員工列印電郵前考慮對環境的影響。

A.3. 環境及天然資源

由於業務性質，本集團營運於二零一七年財政年度對環境造成的影響主要是外購電力及消耗汽油作交通用途而間接排放的溫室氣體。溫室氣體往往與全球氣候變化先兆息息相關，為盡量減少排放溫室氣體，本集團嚴格監察、管理及改善業務模式，致力有效使用及控制天然資源，最終落實可持續發展策略及價值。透過採取上述一連串節省電力、水、汽油及紙品的措施，本集團已作出重大轉變，以建立可靠、靈活變通及可持續發展的企業，成為資訊科技硬件業內的先驅。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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VI. SOCIAL SUSTAINABILITY

EMPLOYMENT AND LABOUR PRACTICES

B.1. Employment

The Group treasures employee's talent and sees it as the key in driving the success and maintaining the sustainability of the Group. The Group strives to provide its employees with a safe and suitable platform for professionalism development and advancement.

Law compliance

The human resources policies of the Group strictly adhere to the applicable employment laws and regulations in Hong Kong and the PRC, including but not limited to the Employment Ordinance, Labour Contract Law of the PRC (中華人民共和國勞動合同法), and Labour Law of the PRC (中華人民共和國勞動法). The Group has also complied with the laws and regulations in respect to the employees' social security schemes that are enforced by the local governments, such as the legal social security (endowment insurance, medical insurance, employment injury insurance, unemployment insurance and maternity) and housing accumulation funds (五險一金) in the PRC, and Mandatory Provident Fund Scheme and Medical Insurance Scheme in Hong Kong. The human resources department of the Group review and update the relevant company policies regularly in accordance with the latest laws and regulations.

Recruitment and promotion

Talent acquisition is vital to the Group's business future development. The Group prepares the "Year Recruitment Plan". To attract high-calibre candidates, the Group offers fair, competitive remuneration and benefits based on the individuals' past performance, personal attributes, job experiences and career aspiration. The Group also references market benchmarks in determining its remuneration and benefit policies. As talent retention is vital to the future business development of the Group, the Group constantly reviews its compensation packages, and performs probationary and regular evaluations according to the overall market environment, profitability of the Group and employee's performance in the past. This ensures that employees can be recognised by the Group appropriately with respect to their efforts and contributions.

VI. 社會可持續性

僱傭及勞工常規

B.1. 僱傭

本集團重視人才，認為人才是本集團賴以成功及維持可持續發展的關鍵。本集團致力向僱員提供專業發展及晉升的安全及適合平台。

遵守法例

本集團的人力資源政策嚴格遵守香港及中國適用法例及法規，包括但不限於僱傭條例、中華人民共和國勞動合同法及中華人民共和國勞動法。本集團亦遵守當地政府執行的僱員社會保障計劃相關法例及法規，例如中國的法定社會保障(養老保險、醫療保險、工傷保險、失業保險及生育保險)及住房公積金(五險一金)，以及香港的強制性公積金計劃及醫療保險計劃。本集團的人力資源部門根據最新法例及法規，定期審視及更新相關公司政策。

招聘及晉升

人才招聘對本集團未來業務發展至關重要，本集團因此制訂「年度招聘計劃」。為吸引優秀的求職者，本集團根據個別員工的過往表現、個人能力、工作經驗及事業抱負，提供具競爭力的薪酬及福利。本集團於制訂薪酬及福利政策時，亦會參考市場指標。由於挽留人才對本集團的未來業務發展尤為關鍵，本集團根據整體市場環境、本集團盈利狀況及僱員過去表現持續檢討其薪酬組合，並於試用期及往後進行定期評估，有助確保本集團適當嘉許僱員的努力和貢獻。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

EMPLOYMENT AND LABOUR PRACTICES (Continued)

B.1. Employment (Continued)

Compensation and dismissal

Any appointment, promotion or termination of recruitment contract should be based on reasonable, lawful grounds and internal policies. The Group strictly prohibits any kind of unfair or unreasonable dismissals.

Working hours and rest periods

The Group has formulated its policies based on local employment laws, for determining working hours and rest period for employees. The Group monitors its employee's working hours, and those who work overtime are compensated with overtime pay or additional days off. In addition to basic paid annual leave and statutory holidays stipulated by the employment laws of the local governments, employees may also be entitled to additional leave benefits such as marriage leave, maternity leave and compassionate leave.

Equal opportunity and anti-discrimination

As an equal opportunity employer, the Group is committed to creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all its human resources and employment decisions. For instance, training and promotion opportunities, dismissals and retirement policies are based on factors irrespective of the employees' age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion or any other non-job related factors in all business units of the Group. Also, in terms of internal coaching and communication, effective two-way communication between general staff and managerial staff is highly encouraged. Employees maintain timely and smooth communication with the management and colleagues within the Group through the emails, trainings and meetings. The interactive communication not only benefits the Group's decision-making process, but makes for a barrier-free employer-employee relationship as well.

VI. 社會可持續性(續)

僱傭及勞工常規(續)

B.1. 僱傭(續)

補償及解僱

任何聘任、晉升或終止僱傭合約均須依據合理且合法的理由及內部政策。本集團嚴禁任何不公或無理解僱。

工時及假期

本集團已根據當地僱傭法例制訂政策，以釐定僱員的工時及假期。本集團監察僱員工時，凡逾時工作，僱員均會獲得加班費或補假。除了當地政府僱傭法例訂明的基本有薪年假及法定假期外，僱員亦可享有婚假、產假及恩恤假等額外休假福利。

平等機會及反歧視

本集團是平等機會僱主，致力透過於所有人力資源及僱傭決策中推廣反歧視及平等機會，締造平等、相互尊重及多元工作環境。例如，在考慮培訓及晉升機會和解僱及退休政策時，不會基於僱員的年齡、性別、婚姻狀況、懷孕狀況、家庭狀況、殘疾、種族、膚色、宗族、原國籍或族裔、國籍、宗教或於本集團所有業務單位的任何其他與工作無關因素。另外，在內部輔導及溝通方面，本集團極為鼓勵一般員工與管理層互相有效溝通。僱員透過電郵、培訓及會議維持與本集團內管理層及同事適時及順暢溝通。互動的溝通不但有利於本集團的決策程序，亦建立無障礙的勞資關係。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

EMPLOYMENT AND LABOUR PRACTICES (Continued)

B.1. Employment (Continued)

Equal opportunity and anti-discrimination (Continued)

The equal opportunity policy allows zero tolerance in relation to any workplace discrimination, harassment or vilification in accordance with local ordinances and regulations, such as Disability Discrimination Ordinance and Sex Discrimination Ordinance. Employees are encouraged to report any incidents involving discrimination to the human resources department of the Group. The Group will take responsibility for assessing, dealing with, recording and taking any necessary disciplinary actions on such incidents.

Other benefits and welfare

As for employee welfare, to cultivate employees' sense of belonging, the Group hosted a series of activities for the employees in FY2017 such as annual dinner, BBQ, and so on. These events have helped the employees to relieve stress, and served to strengthen the Group's corporate culture of the spirit of solidarity and cohesion among its employees.

During the year under review, the Group was in compliance with relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

VI. 社會可持續性(續)

僱傭及勞工常規(續)

B.1. 僱傭(續)

平等機會及反歧視(續)

根據香港殘疾歧視條例及性別歧視條例等當地條例及法規，平等機會政策絕不容忍任何職場歧視、騷擾及誣衊。本集團鼓勵僱員向人力資源部門報告任何涉及歧視的事件，本集團會負責評估、處理、記錄有關事件，並就此採取必要紀律行動。

其他待遇及福利

至於僱員福利，為培養僱員歸屬感，本集團於二零一七年財政年度為僱員舉辦一系列活動，例如周年晚宴及燒烤會等。該等活動有助僱員舒緩壓力，加強本集團團隊精神及僱員間凝聚力的企業文化。

於回顧年度，本集團遵守有關補償及解僱、招聘及晉升、工時、休息時段、平等機會、僱員多元化、反歧視和福利及其他待遇等對本集團有重大影響的法律法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

EMPLOYMENT AND LABOUR PRACTICES (Continued)

B.2. Health and Safety

To provide and maintain good working conditions and a safe and healthy working environment, the Group's safety and health policies are in line with various laws and regulations stipulated by the local government, including the Occupational Safety and Health Ordinance, and Occupational Disease Prevention Law in the PRC (中華人民共和國職業病防治法).

The Group has established a comprehensive mechanism to ensure the workplace safety. The Group has taken a range of occupational health and safety measures for all of its employees in the office. Specifically, in FY2017, the Group prohibited smoking and drinking liquor in the workplace, built up safety warning signs, carried out the disinfection treatment of carpets and set up first aid boxes with an aim to maintain a clean, tidy, smoke-free, non-hazardous, healthy and safe working environment in the office. Besides, the Group held regular occupational health and safety training, tips and briefings to its staff to minimise the risk of accidents and enhance the employees' health and safety awareness. The Group is committed to achieving an accident-free work environment. In FY2017, the Group had no work-related fatalities.

During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group.

VI. 社會可持續性(續)

僱傭及勞工常規(續)

B.2. 健康與安全

本集團為提供並維持良好工作條件及一個安全健康的工作環境，已制訂符合當地政府所訂明的多項法例及法規(包括職業安全及健康條例及中華人民共和國職業病防治法)的安全及健康政策。

本集團已建立一套全面機制，以確保工作間安全。本集團為所有辦公室僱員實施一系列職業健康及安全措施。具體而言，本集團於二零一七年財政年度禁止於工作間抽煙及喝酒、豎立安全警示標誌、為地氈消毒並放置急救箱，維持乾淨、整齊、無煙、無毒、不危險的辦公室健康及安全工作間。此外，本集團亦為員工舉辦定期職業健康及安全培訓、提示及簡報，減少意外風險及加強僱員的健康及安全意識。本集團致力實現無意外工作間環境。於二零一七年財政年度，概無錄得任何傷亡意外。

於回顧年度，本集團並無違反有關提供安全工作環境及保障僱員免受職業傷害，而且會對本集團構成重大影響的相關法例及法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

EMPLOYMENT AND LABOUR PRACTICES (Continued)

B.3. Development and Training

The Group draws up training plans in accordance with the Group's training needs. Specifically, the Group offers comprehensive training and development programmes to its staff in order to strengthen their work-related skills and knowledge. The purpose is to equip employee with the necessary skills, knowledge and attitudes to meet the Group's need. The internal trainings initiated by the Group target all employees of different levels in various departments, including company overview training, health and safety training, and anti-bribery and corruption, and new regulatory updates. The Group also provides professional trainings for specific employees, including professional and technical training and qualifications training.

Moreover, the Group encourages employees to attend external trainings and take professional qualification examinations for enhancing their competitiveness and expanding their capacity through continuous learning. The Group arranges external organisations and experts to provide job-related seminars and trainings to its employees, so as to make its employees achieve better working performance after receiving appropriate training.

VI. 社會可持續性(續)

僱傭及勞工常規(續)

B.3. 發展及培訓

本集團根據培訓需要擬訂培訓計劃。具體而言，本集團向員工提供全面的培訓及發展計劃，加強彼等與工作相關的技能及知識，目的在於讓僱員具備所需的技能、知識和態度，以應付本集團的需要。本集團舉辦的內部培訓針對各部門不同階層的全體僱員，涵蓋公司整體培訓、健康及安全培訓、反賄賂和貪污，以及最新法規。本集團亦為特定僱員提供專業培訓，包括專業及技術培訓和資格訓練。

此外，本集團鼓勵僱員參加外間培訓及報考專業資格，透過持續進修加強競爭力及提升工作能力。本集團安排外間機構和專家為僱員提供工作相關的研討會及培訓，讓僱員在接受適當訓練後達到更佳的工作表現。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

EMPLOYMENT AND LABOUR PRACTICES (Continued)

B.4. Labour Standards

The Group strictly abides by the Employment Ordinance, Labour Law of the PRC (中華人民共和國勞動法), Prohibition of Child Labour of the PRC (中華人民共和國禁止使用童工規定), Protection of Minors Law of the PRC (中華人民共和國未成年人保護法) and other related labour laws and regulations in Hong Kong and the PRC to prohibit any child and/or forced labour employment.

To combat against illegal employment on child labour, underage workers and forced labour, the Group's human resources staff requires job applicants to provide valid identity documents before confirmation of employment to ensure that the applicants are lawfully employable. In situations where the hired staff is found to provide false identity during the recruitment process, the Group will terminate the staff's employment immediately as it is a serious breach of the Group's rules and regulations. The human resources department of the Group is responsible to monitor and ensure the compliance by the Group with the latest relevant laws and regulations that prohibit any child labour and forced labour.

During the year under review, the Group was not in violation of any of the relevant laws and regulations, in relation to the prevention of child and forced labour that have a significant impact on the Group.

VI. 社會可持續性(續)

僱傭及勞工常規(續)

B.4. 勞工準則

本集團嚴格遵守僱傭條例、中華人民共和國勞動法、中華人民共和國禁止使用童工規定、中華人民共和國未成年人保護法，以及香港及中國的其他相關勞工法例及法規，禁止僱用任何童工及／或強迫勞工。

為打擊非法僱用童工、未成年勞工及強迫勞工，本集團人力資源部門員工會於確認僱用前要求應徵者提供有效身份證明文件，確保應徵者可合法受聘。如發現受僱員工於招聘過程中提供虛假身份，因為此舉嚴重違反本集團的規則及規例，本集團會即時終止僱用有關員工。本集團人力資源部門負責監察並確保本集團遵守禁止童工及強迫勞工的最新相關法例及法規。

於回顧年度，本集團並無違反有關防止童工及強迫勞動，而且會對本集團構成重大影響的相關法例及法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

OPERATING PRACTICES

B.5. Supply Chain Management

As an enterprise with a keen sense of social responsibility, it is critical and vital for the Group to maintain and manage a sustainable and reliable supply chain that takes environmental and societal impact into considerations. The Group monitors the quality of its suppliers and supply chain practices on a regular basis.

The Group's supply chain management is consistent to its sustainability strategy in establishing a mutual trust and understanding with its business partners. Since the business of mobile data and game related services does not require suppliers, the Group's main suppliers come from the business of software platform. In selecting suppliers, comprehensive assessment is performed over different criteria including but not limited to reputation, price, technical capabilities, business size and product quality. To filter and select the best supplier in terms of the above criteria, the Group normally conducts the on-site visit. The staff of Procurement Department gathers the related information and data from the suppliers through various channels, including internet, advertisement, exhibition, and other social media. Moreover, the factory can also directly contact suppliers to improve the working efficient in some cases. The qualified suppliers that have passed our investigation will be put in the 'Qualified Supplier List'. To mitigate, or even eliminate the financial and market risk in supply chain management, the Group normally maintains a close dialogue with at least two suppliers for each of supplied services. Meetings are held periodically with the suppliers to share market information and product updates. Given the stable and reliable relationship, the suppliers of our Group have never made any serious mistakes in terms of the delay of goods and service supplies. Should there be any severe problem on the quality or delivery of our suppliers, the Group would undoubtedly put them on the Blacklist, the companies on which would never be able to cooperate with the Group.

VI. 社會可持續性(續)

營運慣例

B.5. 供應鏈管理

本集團作為一間積極承擔社會責任的企業，維持及管理已顧及環境和社會影響且可持續發展及可靠的供應鏈至關重要。本集團定期監察供應商和供應鏈常規的質素。

本集團的供應鏈管理與其與業務夥伴建立互信互諒的可持續發展策略一致。由於手機數據及遊戲相關服務的業務無需供應商，本集團的主要供應商來自軟件平台業務。於選擇供應商時，本集團就不同範疇進行全面評估，包括但不限於：聲譽、價錢、技術能力、業務規模及產品品質。為按照上述標準篩選最佳供應商，本集團一般會進行實地視察。採購部門的員工透過不同渠道(包括互聯網、廣告、展覽及其他社交媒體)，向供應商收集相關資料及數據。此外，工廠亦可在某些情況下直接聯絡供應商，以改善工作效率。通過本集團調查的合資格供應商會加入「合資格供應商名單」。為減輕或甚至消弭供應鏈管理的財務及市場風險，本集團一般就每項服務供應與至少兩間供應商保持密切對話，並且定期與供應商會面以分享市場資訊及產品最新發展。由於本集團與供應商關係穩定可靠，本集團的供應商在延誤交付貨品及服務供應方面未曾出現嚴重失誤。倘供應商的品質或交付情況出現重大問題，本集團毫無疑問會將有關供應商加入黑名單，永不與黑名單上的公司合作。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

OPERATING PRACTICES (Continued)

B.5. Supply Chain Management (Continued)

To promote a better cooperation and communication with suppliers, a number of advanced tools are used, including social media and telephone, in order to update the price, stock and other information of the product. The Group maintains close liaison with its suppliers to ensure that they comply with local laws and regulations in their country and stick to their corporate ethics during operations.

B.6. Product Responsibility

Mobile Game

The Group is engaged to develop its own mobile games in Hong Kong. To reduce the risk of over reliance upon a single geographical market whilst increasing the marketability of the games, the Group has sub-licensed the games to operators in designed territories as well as third party internet platforms such as Apple's App Store and Google Play, subject to the contractual terms agreed upon with them. The Group provides technical support to the licensed operators/customers on an as-needed basis to enhance game optimisation. This typically comes in the form of in-game maintenance, updates, upgrades as well as debugging exercises. The game development team will generate the demo version of the game for further testing, internal review and optimisation. The Group typically chooses one of a pool of out-sourced service suppliers with which it engaged previously or of which the work quality meets our standard.

VI. 社會可持續性(續)

營運慣例(續)

B.5. 供應鏈管理(續)

為與供應商更有效合作及溝通，本集團採用多種先進工具(包括社交媒體及電話)以更新產品的價格、存量及其他資料。本集團與供應商保持密切聯繫，以確保他們遵守有關國家的當地法例及法規，並在營運期間恪守企業道德。

B.6. 產品責任

手機遊戲

本集團於香港積極開發自家手機遊戲。為減少對單一地理市場的過度依賴及增加遊戲的可銷售性，本集團根據簽約各方所同意的合約條款，將遊戲再授權予指定地區的營運商及第三方互聯網平台(例如Apple's App Store及Google Play)。本集團於需要情況下會向授權營運商/客戶提供技術支援，加強優化遊戲。技術支援一般為遊戲內部維修、更新、升級及偵錯演練。遊戲開發團隊將製作演示版遊戲作進一步測試、內部審核及優化。本集團一般會從以前曾經委聘或其產品質素符合本集團標準的眾多外包服務供應商中挑選其中一間。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

OPERATING PRACTICES (Continued)

B.6. Product Responsibility (Continued)

Mobile Game (Continued)

The Group provides services to the customers through emails and 24-hour hotline. The advice or complaints from customers will be collected by the customer services team through Apple's App Store and Google Play Store. Complaints are then handled by the managers and relevant departments, who consequently carry out data analysis in an accurate, attentive and timely manner under standard procedures. The substantiated complaints from customers are mainly about the bug in the game. To reduce the number of bugs and offer a better gaming experience for our customers, we update and maintain the product on a weekly basis. We believe that such practice will help us strengthen product offerings and service quality, and ultimately enable the Group to stay competitive in the market.

Software Platform

With regard to the Group's product safety, advertising and labelling practice, the Group is strictly in compliance with the related rules and regulations in Hong Kong and the PRC such as Trade Description Ordinance. The Group is committed to offering high-quality communications software platform, electronic learning products and software related services. The Group provides IT solutions which aim to facilitate government departments and corporations to communicate with their customers by using websites, telephones, advanced mobile phones (e.g. IVR Interactive Voice Response System) and data (e.g. Mobile Apps) channels. The project team keeps a smooth communication with customers to assess and review the progress and to identify and resolve any problems which may arise during the course of the services. In order to precisely ensure product safety to the public, engineers conduct quality control tests in different stages and the department of technical support performs acceptance inspection for final check before delivery to the customers.

VI. 社會可持續性(續)

營運慣例(續)

B.6. 產品責任(續)

手機遊戲(續)

本集團透過電郵及24小時熱線為客戶提供服務。客戶服務團隊會經 Apple's App Store 及 Google Play Store 收集客戶的意見或投訴，經理及相關部門之後會處理有關投訴，再經正常程序，準確、認真並及時地進行數據分析。成立的客戶投訴多數是關於遊戲出現漏洞，為減少漏洞及為客戶提供更佳的遊戲經驗，本集團每周均會更新產品及對產品進行維護。我們相信，有關做法有助我們加強產品及服務質素，從而讓本集團維持市場競爭力。

軟件平台

至於本集團產品安全、廣告及標籤常規，本集團嚴格遵守香港及中國的相關規則及法規，例如商品說明條例。本集團致力提供高質素通訊軟件平台、電子學習產品及軟件相關服務。本集團提供資訊科技方案，以促進政府部門及企業使用網站、電話、先進手提電話(例如音頻互動系統)及數據(例如手機應用程式)等渠道與其客戶進行溝通。項目隊伍與客戶保持溝通暢順，以評估及檢視進度及確定及解決任何可能於服務過程中產生的問題及事宜。為了準確地確保向大眾提供的產品安全，工程師於不同階段進行品質控制測試，而技術支援部門於產品交付客戶前進行最後檢測的驗收檢查。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

OPERATING PRACTICES (Continued)

B.6. Product Responsibility (Continued)

Software Platform (Continued)

The complaints from customers in this business segment are mainly delivery delay and poor quality of product. Once related complaints are received, the project manager will patiently communicate with customers and efficiently solve the problem.

Money Lending Business

The Group has been granted a money lenders licence by the licensing court in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group adopts the money lending policy and procedure manual which provides guidelines on handling and/or monitoring of money lending procedures according to the Money Lenders Ordinance.

The Group is committed to provide clear and balanced information to customers. Service features, terms and conditions, and any associated risks, particularly the terms in relation to repayment, are clearly demonstrated to the intending borrowers by the Group's employees through letters and telephones. Meanwhile, the Group allows customers to review and consult the terms of contract and relevant documents with their legal advisers. Relevant employees are required by the Group to hold proper professional certification. In addition, the Group performs "Know Your Customer" procedures and obtains information from customers in assessing their financial background and risk tolerant level to provide suitable services. Customers who are interested in the Group's services will sign the acknowledgment on the terms and conditions including the associated risks.

The Group strives to provide a prompt response to customers' complaints and opinions. Customers can fax and email to the Board if they have any complaint. The audit committee members are responsible to handle the complaints. After internal discussion, a formal written reply will be issued to customers if necessary.

VI. 社會可持續性(續)

營運慣例(續)

B.6. 產品責任(續)

軟件平台(續)

此業務分部的客戶投訴主要為產品延誤交付產品質量問題。一旦接獲有關投訴，項目經理會耐心與客戶溝通，以有效解決有關問題。

放債業務

本集團根據放債人條例(香港法例第163章)獲香港牌照法庭授予放債人牌照。本集團採納借貸政策及程序手冊，其訂明符合放債人條例有關處理及／或監管放債程序的指引。

本集團致力向客戶提供清晰及平衡資訊。本集團僱員會透過信件及電話清楚解釋服務特色、條款及條件及任何有關風險，尤其是有關還款的條款。同時，本集團容許客戶檢閱並向其法律顧問諮詢合約條款及相關文件。本集團亦要求相關僱員持有適當的專業證書。此外，本集團進行「認識你的客戶」程序並從客戶獲得資料，從而評估彼等財務背景及風險承受水平以提供合適服務。對本集團服務有興趣的客戶須就其條款及條件(包括相關風險)簽署確認書。

本集團致力就客戶投訴及意見提供迅速回應。客戶如有投訴，可傳真及電郵至董事會提出。審核委員會委員負責處理投訴。經內部討論後，會於需要時向客戶發出正式書面回應。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

OPERATING PRACTICES (Continued)

The Group

Consumer data protection

The Group is committed to abiding by the laws in relation to customer privacy, such as the Consumer Protection Law of the PRC (中華人民共和國消費者權益保護法) and the Personal Data (Privacy) Ordinance, and so on, to ensure that customers' privacy are strictly protected. Information collected by the Group from its customers would only be used for the same purpose as it was collected. The Group has established a safe and thorough customer data system, which can only be accessed by the designated staff. The staff who is not out of the need for job duties should not check customer's information. The Group also puts efforts to raising the awareness of its employees about the data release risks and necessitates them to sign the confidentiality agreement. The Group prohibits the provision of customer information to a third party without authorisation of the customer. All collected personal data of customers during the course of business is treated as confidential, and accessible by designated personnel only. Besides, the IT department strictly controls the installation of relevant software, and adopts a stringent network behaviour management mechanism in the office network to prevent data loss and data leakage. For example, the IT department sets obstructions between office and commercial net to prevent unauthorized data use, exportation and copy.

Advertising & Labelling

As for the advertising principle, the Group ensures that any exaggeration or deception of offerings in the marketing materials is strictly prohibited. Prior to public release of advertisement, the materials are reviewed by senior management for final approval to make sure that no erroneous statements would be made public. Information that has been disclosed by the Group is required to be true, accurate and unbiased, which should strictly comply with the relevant laws and regulations such as Hong Kong's Trade Description Ordinance as well. For the advertisement in relation to the money lending business, the Group is strictly in compliance with the requirements under the additional licensing conditions of Money Lenders License, which regulates that the advertisement should contain the licensee's telephone hotline for handling complaints and a risk warning statement.

VI. 社會可持續性(續)

營運慣例(續)

本集團

客戶資料保障

本集團致力遵守有關客戶私隱的法例，例如中華人民共和國消費者權益保護法及個人資料(私隱)條例等，以確保嚴密保護客戶的私隱。本集團向客戶收集的資料只會用於其收集目的。本集團已建立一套安全周全的客戶資料系統，只有指定員工才可登入有關系統，而沒有職責需要的員工亦不應查閱客戶的資料。本集團亦加強提高僱員對洩漏資料風險的認識，要求彼等簽署保密協議。本集團禁止未經客戶授權向第三方提供客戶的資料。所有於業務過程中收集所得的客戶個人資料均會被視為保密資料，只有指定人員才可取閱。此外，資訊科技部門嚴格監控僱員安裝相關軟件，並且為辦公室網絡採取嚴密的網絡行為管理機制，以防遺失及洩漏資料。例如，資訊科技部門在辦公室及商業網絡之間設置障礙，以防有人未經授權使用、輸出及複製資料。

廣告及標籤

至於廣告原則，本集團確保嚴禁市場推廣資料的內容有任何誇大或欺騙成份。廣告公開前，該等資料由高級管理層審核作最終批准，確保不會對外發出任何錯誤陳述。本集團披露的資料必須真實正確，毫不偏頗，而且應符合香港商品說明條例等相關法例及法規。就有關放債業務的廣告而言，本集團嚴格遵守放債人牌照額外發牌條件的要求，放債人牌照規定該等廣告應載有持牌人處理投訴的電話熱線及風險警告聲明。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

OPERATING PRACTICES (Continued)

The Group (Continued)

Intellectual property

The Group is dedicated to protecting and enforcing its intellectual property rights because intellectual property rights are crucial to the Group's sustainable business growth and its ability to differentiate itself from competitors. Apart from encryption, the Group also makes sure that the protection of its intellectual property rights through registration, maintenance and enforcement measures is effective. The Group has established the following internal measures for data confidentiality in its daily operation:

- Classify and define the scope of commercial secret, and keep the related documents in designated security area;
- Hire counsel to offer legal advice in terms of intellectual property;
- Arrange internal legal personnel to scrutinise and prevent the infringement of intellectual property;
- Strictly implement the Group's internal confidential rules and regulations by signing confidentiality agreements with internal and external parties; and
- Educate employees and enhance their awareness in relation to the confidential maintenance of trade secrets and other proprietary intellectual properties.

VI. 社會可持續性(續)

營運慣例(續)

本集團(續)

知識產權

對於本集團能否持續發展業務，以及能否與競爭對手有所區別，知識產權擔當著重要角色，因此本集團盡力保護及行使其知識產權。除了加密外，本集團亦確保透過登記、續期及執行措施，有效保護其知識產權。本集團已在日常運作中就資料保密制訂以下內部措施：

- 將商業秘密加以分類及定義有關範疇，並且保存相關文件於指定保案範圍；
- 委聘律師就知識產權提供意見；
- 安排內部法律人員審查及防止知識產權受到侵犯；
- 與內部及外部人士簽署保密協議，以嚴格執行本集團的內部保密規則及規例；及
- 教導僱員對商業秘密及其他知識產權保密及提升彼等於有關方面的意識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

OPERATING PRACTICES (Continued)

B.7. Anti-corruption

To maintain a fair, ethical and efficient business and working environment, the Group strictly adheres to the local laws and regulations relating to anti-corruption and bribery, irrespective of the area or country where the Group conducts its business, such as the Hong Kong's Prevention of Bribery Ordinance, Law of the PRC on Anti-money Laundering (中華人民共和國反洗錢法).

The Group prohibits all forms of bribery and corruption. The Group has stipulated the Anti-Fraud Management Policy (反舞弊與舉報制度), and requires all employees to strictly abide by professional ethics and eliminate any corruption and bribery. All employees are expected to discharge their duties with integrity, to act fairly and professionally, and to abstain from engaging in bribery activities or any activities, which might exploit their positions against the Group's interests. No concluded legal cases regarding corrupt practices were brought against the Group or its employees during FY2017.

Whistle-blowers can report verbally or in writing to the senior management of the Group for any suspected misconduct with full details and supporting evidence. The management will conduct investigations against any suspicious or illegal behaviour to protect the Group's interests. The Group advocates a confidentiality mechanism to protect the whistle-blowers against unfair dismissal or victimisation. When criminality is suspected, a report will be made to the relevant regulators or law enforcement authorities when the management considers necessary.

During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

VI. 社會可持續性(續)

營運慣例(續)

B.7. 反貪污

為維持公平、道德及有效業務及工作環境，不論本集團於任何地區或國家經營業務，本集團均嚴格遵守香港防止賄賂條例及中華人民共和國反洗錢法等有關反貪污及賄賂的當地法例及法規。

本集團禁止所有形式的賄賂及貪污。本集團已制訂反舞弊與舉報制度，要求全體僱員嚴格遵守專業操守及消除一切貪污及賄賂。全體僱員均須以合乎誠信的態度履行職責，行事公平專業，不得參與賄賂活動或任何利用職權有損本集團利益的活動。於二零一七年財政年度，本集團或其僱員並無在貪污案中被告起訴。

舉報者可就任何懷疑不當行為向本集團高級管理層進行口頭或書面報告，提供相關詳情和證據。管理層會調查任何可疑或非法行為，以保障本集團的利益。本集團倡導保密機制，以免舉報者被不公平解僱或因此受害。如懷疑涉及刑事罪行，則會在管理層認為適當時向有關監管當局或執法機構作出舉報。

於回顧年度，本集團並無違反任何有關賄賂、敲詐、詐騙及洗錢，而且會對本集團構成重大影響的相關法例及法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. SOCIAL SUSTAINABILITY (CONTINUED)

COMMUNITY

B.8. Community Investment

As a corporate citizen, the Group deeply realises the importance of making a positive contribution to the communities where the Group operates, and sees the interests of the communities as one of its social responsibilities. The Group is committed to promoting the economic development and living environment of the community, and insists on helping individuals and organizations within the community. The Group is also keen to support social welfare activities and community care projects, and encourages its own employees to participate in these activities and projects.

Specifically, the Group delegated employees to attend the 'Blind Travel' event held by Orbis Hong Kong in 2017, aiming to develop empathy with blind people.

The Group believes that enterprise and the communities, where the Group operates, are inseparable. To better fulfil its social responsibilities, the Group will never stop its footsteps to pursue the harmonious and symbiotic prosperity with communities.

VI. 社會可持續性(續)

社區

B.8. 社區投資

作為企業公民，本集團深明對經營所在社區作出貢獻的重要性，而且視社區的利益為社會責任之一。本集團致力推動社區的經濟發展及改善生活環境，堅持援助社區內的個人和機構。本集團亦大力支持社會福利活動和社區關懷項目，並且鼓勵僱員參與該等活動和項目。

本集團亦派員參加香港奧比斯於二零一七年舉行的Blind Travel活動，旨在了解失明人士的感受。

本集團相信企業與經營所在的社區關係密不可分。為了更有效履行社會責任，本集團將會持續追求與社區和諧共處，互惠互利。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VII. ESG REPORT DISCLOSURE INDEX

VII. 環境、社會及管治報告披露索引

Aspects 範疇	ESG Indicators 環境、社會及管治指標	Description 描述	Page 頁數
A. Environmental			
A. 環境			
A1: Emissions A1: 排放物	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer 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、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	35
	KPI A1.1 關鍵績效指標A1.1	The types of emissions and respective emission data. 排放物種類及相關排放數據。	35
	KPI A1.2 關鍵績效指標A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	35
	KPI A1.3 關鍵績效指標A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	35
	KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	35
	KPI A1.5 關鍵績效指標A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	36
	KPI A1.6 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	36

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VII. ESG REPORT DISCLOSURE INDEX (CONTINUED) VII. 環境、社會及管治報告披露索引(續)

Aspects 範疇	ESG Indicators 環境、社會及管治指標	Description 描述	Page 頁數
A2: Use of Resources A2: 資源使用	General Disclosure 一般披露	Policies on the 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。	38
	KPI A2.1 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	38
	KPI A2.2 關鍵績效指標A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	38
	KPI A2.3 關鍵績效指標A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	39
	KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題, 以及提升用水效益計劃及所得成果。	40
A3: The Environment and Natural Resources A3: 環境及天然資源	KPI A2.5 關鍵績效指標A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	38
	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。	41
	KPI A3.1 關鍵績效指標A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	41

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VII. ESG REPORT DISCLOSURE INDEX (CONTINUED) VII. 環境、社會及管治報告披露索引(續)

Aspects 範疇	ESG Indicators 環境、社會及管治指標	Description 描述	Page 頁數
B. Social			
B. 社會			
Employment and Labour Practices			
僱傭及勞工常規			
B1: Employment B1 : 僱傭	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	42
B2: Health and Safety B2 : 健康與安全	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer 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的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	45
B3: Development and Training 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。	46
B4: Labour Standards B4 : 勞工準則	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	47

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VII. ESG REPORT DISCLOSURE INDEX (CONTINUED) VII. 環境、社會及管治報告披露索引(續)

Aspects 範疇	ESG Indicators 環境、社會及管治指標	Description 描述	Page 頁數
Operating Practices 營運慣例			
B5: Supply Chain Management 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。	48
B6: Product Responsibility B6 : 產品責任	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer 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的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	49
B7: Anti-corruption B7 : 反貪污	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	54
Community 社區			
B8: Community Investment 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 take into consideration the 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會考慮社區利益的政策。	55

BIographies OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

As at date of report, the biographies of Directors and senior management are set out as below:

EXECUTIVE DIRECTORS

Mr. Chan Wai Kit (“Mr. Chan”), aged 34, has been appointed as an executive Director, authorised representative and compliance officer of the Company since 13 October 2014 and a deputy Chairman with effect from 16 October 2015. He holds a Bachelor Degree in Information Systems and a Master Degree of Accounting from Curtin University of Technology, Australia. Mr. Chan has been appointed as a committee member of the 9th Committee of Maoming City of The Chinese People’s Political Consultative Conference since January 2017. Mr. Chan has extensive experience in information technology, accounting, finance, corporate governance, strategic planning, as well as merger and acquisition.

Mr. Chan is currently an executive director of Elegance Optical International Holdings Limited (stock code: 907), a company listed on the Main Board of the Stock Exchange. He is currently a non-executive director of Evershine Group Holdings Limited (stock code: 8022), a company listed on the GEM of the Stock Exchange. He is currently an independent non-executive director of Huiyin Holdings Group Limited (stock code: 1178) and Ding He Mining Holdings Limited (stock code: 705), which both companies shares are listed on the Main Board of the Stock Exchange.

Mr. Chan was the chairman, executive director, authorised representative and compliance officer of PPS International (Holdings) Limited (stock code: 8201), a company listed on the GEM of the Stock Exchange from June 2015 to July 2016. He was also an executive director of China Taifeng Beddings Holdings Limited (stock code: 873), a company listed on the Main Board of the Stock Exchange from July 2016 to August 2016. He was also an executive director of Green Energy Group Limited (stock code: 979), a company listed on the Main Board of the Stock Exchange from February 2017 to July 2017.

Mr. Chan Kwun Chung (“Mr. Chan”), aged 37, has been appointed as an executive Director with effect from 20 March 2017. Mr. Chan obtained his Bachelor of Science in Business Administration and Master of Arts in Applied Economics from the University at Buffalo, The State University of New York in 2002 and 2004 respectively. Mr. Chan has been working in the field of financial advisory, insurance, healthcare and he has extensive experiences in customer relationship management, project management, business advisory and risk management. Mr. Chan was an independent non-executive director of Evershine Group Holdings Limited (stock code: 8022) from 1 January 2017 to 1 March 2017, shares of which are listed on the GEM of the Stock Exchange.

於本報告日期，董事及高級管理人員之簡歷列載如下：

執行董事

陳偉傑先生(「陳先生」)，34歲，自二零一四年十月十三日起獲委任為本公司執行董事、授權代表及法規主任，及自二零一五年十月十六日起獲委任為副主席。彼持有澳洲科廷科技大學的訊息系統學士學位及會計碩士學位。陳先生自二零一七年一月起獲委任為中國人民政治協商會議第九屆茂名市委員會委員。陳先生於資訊科技、會計、金融、企業管治、策略規劃以及併購方面擁有豐富經驗。

陳先生現為任高雅光學國際集團有限公司(股份代號：907)(一間於聯交所主板上市的公司)之執行董事、永耀集團控股有限公司(股份代號：8022)(一間於聯交所GEM上市的公司)之非執行董事及匯銀控股集團有限公司(股份代號：1178)和鼎和礦業控股有限公司(股份代號：705)(兩間均於聯交所主板上市的公司)之獨立非執行董事。

於二零一五年六月至二零一六年七月，陳先生曾擔任寶聯控股有限公司(股份代號：8201)(一間於聯交所GEM上市的公司)主席、執行董事、授權代表及監察主任。於二零一六年七月至二零一六年八月，彼亦曾擔任中國泰豐床品控股有限公司(股份代號：873)(一間於聯交所主板上市的公司)之執行董事。於二零一七年二月至二零一七年七月，彼亦曾擔任綠色能源科技集團有限公司(股份代號：979)(一間於聯交所主板上市的公司)之執行董事。

陳冠忠先生(「陳先生」)，37歲，自二零一七年三月二十日獲委任為執行董事。陳先生，分別於二零零二年及二零零四年獲紐約州立大學水牛城分校工商管理學士學位及應用經濟學文學碩士學位。陳先生曾於財務顧問、保險及醫護行業工作，並於客戶關係管理、項目管理、業務顧問及風險管理方面具備廣泛經驗。陳先生自二零一七年一月一日至二零一七年三月一日擔任永耀集團控股有限公司(其股份於聯交所GEM上市)(股份代號：8022)之獨立非執行董事。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

Mr. Lee Cheung Yuet Horace (“Mr. Lee”), aged 36, has been appointed as an executive Director with effect from 5 February 2018. Mr. Lee obtained his Bachelor Degree of Commerce (Accounting) from The University of Queensland, Australia in 2004. Mr. Lee has been a member of the Association of Chartered Certified Accountants since 2009 and became a fellow member since 2014. Mr. Lee has over 13 years of experience in financial reporting, investment analysis, mergers and acquisition exercises and business development. Mr. Lee has been taking up various senior positions in the financial and business sectors for over 7 years and he also has extensive experience in terms of Hong Kong listed companies. Mr. Lee is currently an independent non-executive director of Hybrid Kinetic Group Limited (stock code: 1188) and an independent non-executive director of Chuan Holdings Limited (stock code: 1420) which both companies’ shares are listed on the Main Board of the Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Man Chun (“Mr. Leung”), aged 30, has been appointed as an independent non-executive Director with effect from 23 February 2016. He has been engaging in financial services sector for over 6 years, along with ample experience in an international accounting firm and an international bank. He currently serves as a corporate finance principal for a professional firm. He obtained a Bachelor’s Degree in Social Sciences from Hong Kong Baptist University in 2009. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and joined the Council of the Hong Kong Institute of Certified Public Accountants in 2018. Mr. Leung is currently an independent non-executive director of Evershine Group Holdings Limited (stock code: 8022) whose shares are listed on the GEM of the Stock Exchange.

Mr. Fok Kin Fung, Eric (“Mr. Fok”), aged 34, has been appointed as an independent non-executive Director with effect from 2 March 2016. Mr. Fok has over 10 years’ experience in financial advisory industry, with ample experience in asset management and risk management. Mr. Fok obtained a bachelor degree of banking and finance from the University of London and currently serves as a senior financial advisor at an international insurance corporation.

李暢悅先生(「李先生」)，36歲，已獲委任為執行董事，自二零一八年二月五日生效。於二零零四年，李先生於澳洲昆士蘭大學取得商學士(會計)學位。自二零零九年，李先生成為英國特許公認會計師公會之會員及自二零一四年起成為資深會員。李先生擁有逾十三年財務報告、投資分析、併購活動以及業務發展的經驗。李先生於金融業及商界擔任多個高級職位逾七年，並於香港上市公司方面擁有深厚經驗。李先生目前為正道集團有限公司(股份代號：1188)獨立非執行董事及川控股有限公司(股份代號：1420)獨立非執行董事。兩間公司均於聯交所主板上市。

獨立非執行董事

梁文俊先生(「梁先生」)，30歲，已獲委任為獨立非執行董事，自二零一六年二月二十三日起生效，彼已於國際會計師行及國際銀行等金融服務機構從事逾六年，並擁有豐富相關經驗。彼現時為一間專業機構擔任企業融資部總監。彼於二零零九年在香港浸會大學取得社會科學學士學位。梁先生為香港會計師公會會員及於二零一八年加入香港會計師公會理事會。梁先生現時擔任永耀集團控股有限公司(股份代號：8022)(一間股份於聯交所GEM上市的公司)獨立非執行董事。

霍健烽先生(「霍先生」)，34歲，已獲委任為獨立非執行董事，自二零一六年三月二日起生效。霍先生已於財務顧問業擁有逾10年經驗，並於資產管理及風險管理擁有豐富經驗。霍先生於倫敦大學取得銀行及金融學士學位，而現時於一間國際保險公司出任高級財務顧問。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

Mr. Pang Siu Yin (“Mr. Pang”), aged 58, has been appointed as an independent non-executive Director with effect from 15 January 2018. He graduated from the University of Leeds with a bachelor of laws degree in 1984 and obtained a master of business administration degree from the University of Aston in Birmingham in 1985. Mr. Pang also obtained a postgraduate certificate in laws from the University of Hong Kong in 1988. Mr. Pang has been a practising solicitor of the High Court of Hong Kong since 1990 and was also admitted as a solicitor in England and Wales in 1997. He is currently a partner of LCP, a firm of solicitors in Hong Kong, with his practice focusing on commercial and litigation. Mr. Pang is currently an independent non-executive director of Affluent Partners Holdings Limited (stock code: 1466), a company listed on the Main Board of the Stock Exchange and Beijing Gas Blue Sky Holdings Limited (stock code: 6828), a company listed on the Main Board of the Stock Exchange and Singapore Stock Exchange (stock code: UQ7). Mr. Pang was an independent non-executive director of Winto Group (Holdings) Limited (stock code: 8238), a company listed on the GEM of the Stock Exchange from July 2015 to March 2018.

SENIOR MANAGEMENT

Mr. Kwong Wing Heen, Gabriel (“Mr. Kwong”), aged 37, is the executive director of First Surplus Investments Ltd. and its subsidiaries, responsible for business management, development, and creative direction. He graduated from University of California Berkeley, Bachelor of Electrical Engineering and Computer Science, and he was deeply influenced by and exposed to the tech startup culture of the Silicon Valley. In 2004, Mr. Kwong founded his first tech startup in Hong Kong, specialized in tech innovation and digital entertainment. In 2005, Mr. Kwong developed Asia’s first web based virtual world social platform, Sooff.com, in which he, as the Producer and System Architect, made the earliest attempt to implement concepts like micro-transaction, freemium, gamification, and advertising through social network, which are all game industry norms nowadays. From 2006 to 2009, Mr. Kwong worked with various 4As advertising agencies, such as TBWA, Ogilvy & Mather, and McCann, as the Digital Creative Director to design and develop game projects and award-winning digital advertising campaigns for brands like Intel, Cartoon Network, Levi’s, VTech, and Nokia. In 2010, Mr. Kwong switched his focus from web game to mobile game and founded Mooff Games Limited, a mobile game company that currently has accumulated a total game downloads of 6 million worldwide and has games featured by Apple App Store and Google Play featured multiple times. From 2010 to 2016, Mr. Kwong also took the role of Game Producer for clients such as Disney, TVB, MTR, Culturecom, and Mission Hills, to develop mobile game titles. Mr. Kwong has 20 years of experience in technology development and creative production, and over 15 years of experience in tech startup, game development, social community, gamified advertising, and project management.

彭兆賢先生(「彭先生」)，58歲，自二零一八年一月十五日起獲委任為獨立非執行董事。彼於一九八四年自利茲大學畢業並取得法律學士學位，並於一九八五年自伯明翰阿斯顿大學取得工商管理碩士學位。彭先生亦於一九八八年自香港大學取得法學專業證書。自一九九零年起，彭先生一直於香港高等法院擔任執業律師，並於一九九七年獲准擔任英格蘭及威爾斯律師。彼現為梁陳彭律師行(為香港律師行)之合夥人，專職於商業及訴訟事務。彭先生目前為錢唐控股有限公司(股份代號：1466)(該公司於聯交所主板上市)的獨立非執行董事以及為北京燃氣藍天控股有限公司(股份代號：6828)(該公司於聯交所主板以及新加坡證券交易所上市(股份代號：UQ7))的獨立非執行董事。由二零一五年七月至二零一八年三月，彭先生曾為惠陶集團(控股)有限公司(股份代號：8238)的獨立非執行董事(該公司於聯交所GEM上市)。

高級管理人員

鄭穎軒先生(「鄭先生」)，37歲，為First Surplus Investments Ltd.及其附屬公司執行董事，負責業務管理、發展及創意指導。彼畢業於柏克萊加利福尼亞大學，持有電子工程及計算機科學學士學位及他深受矽谷科技初創企業文化熏陶及影響。鄭先生於二零零四年在香港創立個人首家科技初創企業，聚焦科技創新及數碼娛樂領域。鄭先生於二零零五年建立亞洲首個網上虛擬世界社交平台Sooff.com，而彼擔任策劃人及系統工程師。此舉乃透過社交網絡實行微交易，免費增值，遊戲化和廣告推銷之創舉，現皆成為遊戲行業慣例。從二零零六年至二零零九年，鄭先生效力李岱艾、奧美及麥肯等多個香港廣告商會之廣告公司，擔任數碼創意總監及為英特爾、卡通頻道、Levi’s、偉易達和諾基亞等多個品牌設計建立遊戲項目以至獲獎數碼廣告宣傳活動。鄭先生於二零一零年從網上遊戲轉至手機遊戲領域發展，創辦手機遊戲公司Mooff Games Limited。發展至今，Mooff Games Limited遊戲下載次數全球已累計逾6,000,000次，其遊戲產品亦多次被Apple App Store及Google Play Store列為特色遊戲。從二零一零至二零一六年，鄭先生亦為迪士尼、電視廣播有限公司、香港地鐵、文化傳信及觀瀾湖等客戶擔任遊戲策劃人，建立手機遊戲。鄭先生具備20年科技發展及創意製作經驗，並於科技初創企業、遊戲發展、社交群組、遊戲化廣告及項目管理等領域具備逾15年經驗。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

Mr. Mo Wai Ming, Lawrence (“Mr. Mo”), aged 58, was an executive Director and the CEO from 31 December 2012 to 8 October 2015, and currently the director of various subsidiaries of the Company. Mr. Mo founded his first company CompuFont Limited in 1989 to develop Asian language technologies for display and printing, which were later licensed by Microsoft for use in its nascent Chinese version of Windows 3.0 product for personal computers. CompuFont Limited was in 1991 acquired by a Taiwan based software technology company, DynaLab Inc. which was engaged in the development and sales of solutions on local language computing for Chinese, Japanese and Korean (CJK) for electronic and internet publishing, where Mr. Mo continued his service as the managing director of Hong Kong branch of DynaLab Inc. and various management roles until 1999 when he left to found KanHan Technologies Limited (“KHT”), a wholly-owned subsidiary of the Company. Mr. Mo is an expert in CJK language font technology for PC and professional publishing market. Mr. Mo holds a degree in computer science from the University of Toronto, Canada and has over 30 years experience in technology development, selling and business startup in the information technology industry and over 10 years experience in the development and sales of solutions on local language computing for Asian languages and for electronic and internet publishing.

Mr. Mak Ka Ming (“Mr. Mak”), aged 39, is the project director of KHT. He graduated from Hong Kong Polytechnic University, Bachelor of Manufacturing Engineering. Mr. Mak joined KHT in Oct 2013 having over 10 years’ IT and Project Management experience, and now responsible for product development and service delivery.

Ms. Leung Ching Man (“Ms. Leung”), aged 31, has been appointed as company secretary of the Company with effect from 3 August 2016. Ms. Leung joined the Company in March 2016 and she obtained a Bachelor of Business Administration from Lingnan University in 2009 and is a member of the Hong Kong Institute of Certified Public Accountants. She has over 7 years of experience in auditing, accounting and financial management.

巫偉明先生(「巫先生」)，58歲，於二零一二年十二月三十一日至二零一五年十月八日為執行董事兼行政總裁，現為本公司多間附屬公司之董事。巫先生於一九八九年成立其首家公司CompuFont Limited，以開發亞洲語言顯示及印刷技術，後獲微軟授權應用於其個人電腦之視窗3.0產品的初期中文版。CompuFont Limited於一九九一年獲一家台灣軟件技術公司華康科技公司收購。華康科技公司從事開發及銷售電子及互聯網出版業務所需之中、日、韓語言計算解決方案。巫先生繼續於華康科技公司香港分行出任董事總經理，並擔任多個管理職務，直至於一九九九年離職，並創立本公司之全資附屬公司看漢科技有限公司(「看漢科技」)。巫先生為個人電腦及專業出版市場之中、日、韓語言字體技術專家。巫先生持有加拿大多倫多大學電腦科學學士學位，於資訊科技業之技術開發、銷售及創業方面擁有逾三十年經驗，並於開發及銷售亞洲語言計算解決方案以及電子及互聯網出版業務方面擁有逾十年經驗。

麥家明(「麥先生」)，39歲，為看漢科技項目總監。彼畢業於香港理工大學，持有製造工程學學士學位。彼自二零一三年十月加入看漢科技，具備超過十年資訊科技及項目管理經驗，現負責產品開發及服務傳送。

梁靜雯女士(「梁女士」)，31歲，自二零一六年八月三日起獲委任為本公司公司秘書。梁女士於二零一六年三月加入本公司。彼於二零零九年自嶺南大學取得工商管理學士學位，並為香港會計師公會之會員。彼於審計、會計及財務管理方面擁有逾七年經驗。

REPORT OF THE DIRECTORS

董事會報告

The Directors hereby present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2017.

PRINCIPAL PLACE OF BUSINESS

The Company is a company incorporated in the Cayman Islands and has its principal place of business in Hong Kong at 21/F, Henan Building, 90 Jaffe Road, Wanchai, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries are set out in note 35 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group for the year and a discussion on the Group's future business development are provided in the Board of Directors' statement on pages 5 to 6 and the Management Discussion and Analysis on pages 7 to 13. The principal risks and uncertainties facing the Group are provided in the Management Discussion and Analysis on page 11 and disclosed in the section headed "Financial risk management and fair values of financial instruments" in note 28 to the consolidated financial statements.

Important events affecting the Group is provided in the Management Discussion and Analysis on pages 7 to 13.

An analysis of the Group's performance during the year using financial key performance indicators is provided in the Five-years Financial Summary on page 216. The Group is committed to supporting the environmental sustainability. The Group has complied with laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources and energy saving. Green initiatives and measures have been adopted in the Group's operation. More details are disclosed in the Environmental, Social and Governance Report on pages 31 to 59.

The Group has complied with the relevant laws and regulations that have significant impact on the operations of the Group. The Group recognizes that our employees, customers and business partners are the keys to our sustainable development. The Group is committed to establishing a close and caring relationship with our employees, providing quality services to our customers and enhancing cooperation with our business partners.

董事謹此提呈本集團截至二零一七年十二月三十一日止年度之年報及經審核綜合財務報表。

主要營業地點

本公司於開曼群島註冊成立，其於香港的主要營業地點為香港灣仔謝斐道90號豫港大廈21樓。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務載於綜合財務報表附註35。

業務回顧

本集團本年度之業務回顧及本集團未來業務發展之討論載於第5頁至第6頁董事會總結以及第7頁至第13頁管理層討論及分析。本集團主要面對的風險和不確定因素載於第11頁管理層論述及分析並於綜合財務報表附註28「財務風險管理及金融工具公平值」一節披露。

於回顧財政年度結束後，影響本集團的重大事項載於第7頁至第13頁管理層論述及分析。

採用財務表現關鍵指標對本集團年內表現之分析載於本年報第216頁「五年財務摘要」。本集團致力支持環境的可持續性。本集團已遵守與環境保護相關的法律及法規，並採取有效措施以高效利用資源及節約能源。本集團之營運已採用綠色舉措和措施。更多詳情披露於第31至59頁環境、社會及管治報告。

本集團已遵守對本集團營運產生重大影響之相關法律及法規。本集團深知員工、客戶及業務夥伴為業務持續發展的關鍵。本集團致力與員工建立密切的關係，向客戶提供高質素服務及提升與業務夥伴的合作關係。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

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

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

During the year ended 31 December 2017, none of the Directors, their associates or any shareholder of the Company (who to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in these major customers and suppliers.

CONSOLIDATED FINANCIAL STATEMENTS

The results of the Group and the state of the Group's and the Company's affairs for the year ended 31 December 2017 are set out in the consolidated financial statements on pages 86 to 215.

DIVIDEND

The Board do not recommend the payment of a final dividend for the year ended 31 December 2017.

RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on the consolidated financial statements.

DISTRIBUTABLE RESERVES

As 31 December 2017, the aggregate amount of reserves available for distribution to owners of the Company was HK\$233,998,000 (2016: HK\$222,862,000).

主要客戶及供應商

有關本集團於回顧財政年度分別源自主要客戶及供應商之持續經營業務之銷售及採購資料載列如下：

Percentage of the Group's total 佔本集團總額之百分比

	Sales 銷售	Purchases 採購
The largest customer	11%	
Five largest customers in aggregate	42%	
The largest supplier		11%
Five largest suppliers in aggregate		43%

於截至二零一七年十二月三十一日止年度，董事、彼等之聯繫人或據董事所知擁有本公司已發行股本5%以上之本公司任何股東概無於此等主要客戶及供應商中擁有任何權益。

綜合財務報表

本集團截至二零一七年十二月三十一日止年度之業績，以及本集團及本公司之事務狀況載於第86至215頁之綜合財務報表。

股息

董事會不建議派付截至二零一七年十二月三十一日止年度之末期股息。

儲備

本集團年內儲備變動詳情載於綜合財務報表之綜合股東權益變動表。

可供分派儲備

於二零一七年十二月三十一日，可用作分派予本公司股權持有人之可使用儲備總額為233,998,000港元(二零一六年：222,862,000港元)。

REPORT OF THE DIRECTORS

董事會報告

PROPERTY, PLANT AND EQUIPMENT

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

OTHER BORROWINGS

Details of the interest-bearing borrowings of the Group are set out in note 22 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital during the financial year are set out in note 27(a) to the consolidated financial statements.

DIRECTORS

The changes of Directors during the financial year and up to the date of this report are as follows:

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於綜合財務報表附註11。

其他借款

本集團的附息借款詳情載於綜合財務報表附註22。

股本

本財政年度之股本變動詳情載於綜合財務報表附註27(a)。

董事

於本財政年度及直至本報告日期之董事變動如下：

		Appointed on 委任	Resigned/ Retired on 辭任/退任
Executive Directors	執行董事		
Mr. Chan Wai Kit	陳偉傑先生	13/10/2014	N/A不適用
Ms. Wong Chi Yan	黃志恩女士	27/5/2015	12/10/2017
Mr. Mui Yuk Wah	梅育華先生	23/2/2016	20/3/2017
Mr. Hung Tat Chi, Alan	洪達智先生	2/3/2016	20/3/2017
Mr. Chan Kwun Chung	陳冠忠先生	20/3/2017	N/A不適用
Mr. Lee Cheung Yuet Horace	李暢悅先生	5/2/2018	N/A不適用
Independent non-executive Directors	獨立非執行董事		
Mr. Leung Man Chun	梁文俊先生	23/2/2016	N/A不適用
Mr. Fok Kin Fung, Eric	霍健烽先生	2/3/2016	N/A不適用
Dr. Lee Nim Wai	李念緯醫生	16/3/2016	15/1/2018
Mr. Pang Siu Yin	彭兆賢先生	15/1/2018	N/A不適用

REPORT OF THE DIRECTORS

董事會報告

In accordance with Article 108(A), one-third of the Directors shall retire at each annual general meeting from office by rotation. Further, according to Article 112, any director appointed by the Directors to fill a casual vacancy in the Company under that article shall hold office only until the next following annual general meeting and shall then be eligible for re-election at the meeting.

Biographical details of the Directors are set in the section “Biographies of Directors and Senior Management” of this annual report.

All of the Directors are subject to retirement by rotation and re-election at the AGM in accordance with the Articles and the GEM Listing Rules.

DIRECTORS' CONTRACTS

Neither the existing executive Directors has entered into service contract with the Company nor appointed for a fixed term for the year ended 31 December 2017. Each of the INEDs has entered into a service contract with the Company for a term of three years unless terminated by not less than one month's notice in writing served by either party on the other.

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than normal statutory compensation.

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

As at 31 December 2017, none of the Directors and the chief executives of the Company, had, was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), (Chapter 571 under the laws of Hong Kong)) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules.

根據細則第108(A)條，三分之一董事須於每屆股東週年大會輪值告退。此外，根據第112條，獲董事根據該細則委任以填補本公司臨時空缺之任何董事之任期僅至下屆股東週年大會為止，屆時彼將合資格於會上重選連任。

董事之詳細履歷載於本年報「董事及高級管理人員簡歷」一節。

全體董事均須根據細則及GEM上市規則於股東週年大會上輪值退任及重選連任。

董事合約

截至二零一七年十二月三十一日止年度，概無現任執行董事與本公司訂立任何服務合約，亦無按固定年期獲委任。各獨立非執行董事已與本公司訂立服務合約，為期三年，直至其中一方向另一方發出不少於一個月的書面通知終止合約為止。

擬於應屆股東週年大會重選連任之董事，概無訂有本集團不得於一年內免付補償（一般法定補償除外）而終止之服務合約。

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一七年十二月三十一日，概無董事及本公司主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）（香港法例第571章）第XV部）之股份、相關股份或債券中，擁有或被視為擁有任何(i)須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例該等條文被當作或視為擁有之權益或淡倉）；或(ii)須記錄於根據證券及期貨條例第352條存置的登記冊內之權益及淡倉；或(iii)須根據GEM上市規則第5.46至5.67條知會本公司及聯交所之權益及淡倉。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS WHO ARE REQUIRED TO DISCLOSE THEIR INTERESTS IN SECURITIES OF THE COMPANY

Substantial Shareholders

To the best knowledge of Directors, as at 31 December 2017, the following persons, other than the Directors or chief executive of the Company, had, or was deemed or taken to have, an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were expected to be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of substantial shareholders 主要股東姓名／名稱	Capacity 身份	Number of shares 股份數目 (Note 1) (附註1)	Approximate percentage of shareholding 概約股權百分比
Mr. Chiu Ngai Hung 趙毅雄先生	Beneficial owner 實益擁有人	648,377,955 (L)	59.56%

Notes:

- The letter "L" denotes a long position in the shares of the Company.

Save as disclosed above, the Company has not been notified of other interests or short positions of any other person (other than the Directors and chief executives and the substantial shareholders of the Company) in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 31 December 2017.

主要股東及其他人士須披露其於本公司證券之權益

主要股東

據董事所深知，於二零一七年十二月三十一日，下列人士（董事或本公司主要行政人員除外）於股份或相關股份中擁有，被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司及聯交所披露之權益或淡倉；或預期將直接或間接擁有附帶權利可於任何情況下在本集團任何成員公司之股東大會上投票之任何類別股本面值5%或以上之權益：

附註：

- 「L」指該於本公司股份的好倉。

除上文所披露者外，於二零一七年十二月三十一日，本公司並不知悉有任何其他人士（董事及本公司主要行政人員及主要股東除外）於本公司股份或相關股份中擁有記錄於本公司須根據證券及期貨條例第336條存置之登記冊之其他權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME

On 8 May 2013, the Company passed an ordinary resolution at the annual general meeting to adopt a new share option scheme (the “Share Option Scheme”) whereby the Board may grant share options to employees, directors, suppliers, consultants, agents and advisers or any person, at its discretion, for the primary purpose to recognize and motivate their contributions to the Group. The Share Option Scheme is valid for a period of 10 years commencing from 8 May 2013. Details of the Share Option Scheme were set out in the circular of the Company dated 27 March 2013 and note 26 to the consolidated financial statements.

On 29 April 2016, the Company passed an ordinary resolution at the extraordinary general meeting to amend the definition of “Eligible Participant” of the Share Option Scheme and the definition of “Invested Entity” be added to the Share Option Scheme (“Amendments to the Share Option Scheme”). Details of the Amendments to the Share Option Scheme are set out in the Company’s announcement dated 29 April 2016 and the Company’s circular dated 13 April 2016.

The total number of share option that could be granted was 108,864,000 shares at par value of HK\$0.04 each, representing approximately 10% of the total issued shares of the Company on the date of passing the resolution to refresh the Share Option Scheme limit at the annual general meeting on 4 May 2017.

For the year ended 31 December 2017 and up to date of this report, the Company had not granted any options and no outstanding options under the Share Option Scheme.

DIRECTORS’ INTERESTS IN TRANSACTION, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this annual report, 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 the Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year under review.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year under review.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under Articles, or law of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

購股權計劃

於二零一三年五月八日，本公司於股東週年大會通過採納新購股權計劃（「購股權計劃」）之普通決議案，據此，董事會可酌情向僱員、董事、供應商、諮詢人、代理及顧問或任何人士授出購股權，其主要目的為認同及鼓勵彼等對本集團的貢獻。購股權計劃之有效期由二零一三年五月八日起計為期十年。購股權計劃之詳情載於本公司日期為二零一三年三月二十七日之通函及綜合財務報表附註26。

二零一六年四月二十九日，本公司於股東特別大會通過普通決議案，修改「合資格參與者」之定義及將「投資實體」之定義加入至購股權計劃（「購股權計劃修訂」）。購股權計劃修訂詳情載於本公司日期為二零一六年四月二十九日之公告及本公司日期為二零一六年四月十三日之通函。

可授出之購股權總數為108,864,000股每股面值0.04港元之股份，佔於二零一七年五月四日股東週年大會通過更新購股權計劃限額之決議案當日本公司之已發行股份總額約10%。

截至二零一七年十二月三十一日止年度及截至本報告日期，本公司概無授出購股權及持有購股權計劃下之未行使購股權。

董事於交易、安排或合約之權益

除於本年報披露者外，董事概無於本公司、其任何控股公司、附屬公司或同系附屬公司所訂立且於年終或回顧年度內任何時間仍然生效之交易、安排或重大合約中，直接或間接擁有任何重大權益。

管理合約

於回顧年度內並無訂立或存在涉及本集團全部或任何重要部分業務的管理及行政有關的合約。

優先購買權

細則或開曼群島法例並無有關優先購買權之條文規定本公司須按比例向現有股東提呈發售新股份。

REPORT OF THE DIRECTORS

董事會報告

FIVE-YEARS FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on page 216 of this annual report.

RETIREMENT SCHEMES

Particulars of the retirement schemes of the Group are set out in note 25 to the consolidated financial statements.

COMPETING INTERESTS

None of the Directors and management and shareholders of the Company (within the meaning of the GEM Listing Rules) has an interest in any business which competes or may compete with the business in which the Group is engaged.

CORPORATE GOVERNANCE CODE

The Company has complied with the CG Code contained in Appendix 15 of the GEM Listing Rules throughout the year ended 31 December 2017. Details of the CG Code adopted by the Company are set out in the section "Corporate Governance Report" of this annual report. The Company considers that sufficient measures have been taken to ensure that the Company has good corporate governance practices.

AUDIT COMMITTEE

The Company has established audit committee with written terms of reference which was amended on 7 January 2016. The primary duties of the audit committee are to review, in draft form, the Company's annual report and accounts, half-year report, quarterly reports and to provide advice and comments thereon to the Board. The audit committee is also responsible for reviewing and supervising the financial reporting process, risk management and internal control of the Group. As at the date of this report, the audit committee comprises three INEDs, namely Mr. Leung Man Chun, Mr. Pang Siu Yin and Mr. Fok Kin Fung, Eric. Mr. Leung Man Chun is the chairman of the audit committee.

The audit committee has reviewed the accounting principles and practices adopted by the Company and discussed with the Board the internal controls and financial reporting matters, including a review of the financial statements for the year ended 31 December 2017.

五年財務摘要

本集團於過去五年之業績及資產與負債概要載於本年報第216頁。

退休計劃

本集團之退休計劃詳情載於綜合財務報表附註25。

競爭權益

董事、本公司管理層及股東(定義見GEM上市規則)概無於對本集團所從事業務構成或可能構成競爭之任何業務中擁有權益。

企業管治守則

本公司於截至二零一七年十二月三十一日止年度一直遵守GEM上市規則附錄十五所載企業管治守則。本公司所採納企業管治守則之詳情載於本年報「企業管治報告」一節。本公司認為已採取足夠措施，以確保本公司具備良好企業管治常規。

審核委員會

本公司已成立審核委員會，並書面訂明其職權範圍(於二零一六年一月七日修訂)。審核委員會之主要職責為審閱本公司之年報與賬目、半年報告及季度報告之初稿，並就此向董事會提供建議及意見。審核委員會亦負責審閱及監督本集團之財務申報程序、風險管理及內部監控。於本報告日期，審核委員會由三名獨立非執行董事梁文俊先生、彭兆賢先生及霍健烽先生組成，梁文俊先生為審核委員會主席。

審核委員會已檢討本公司所採納之會計原則及常規，並與董事會討論內部監控及財務申報事宜，包括審閱截至二零一七年十二月三十一日止年度之財務報表。

REPORT OF THE DIRECTORS

董事會報告

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the INEDs a written confirmation of his independence pursuant to rule 5.09 of the GEM Listing Rules. Based on such confirmation, the Board considers all of the INEDs are independent.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, the Company has complied with the public float requirement under rule 11.23 of the GEM Listing Rules.

獨立非執行董事之獨立性

本公司已獲各獨立非執行董事根據GEM上市規則第5.09條發出有關其獨立性之確認書。根據有關確認書，董事會認為全體獨立非執行董事均為獨立人士。

購買、出售或贖回本公司上市證券

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並無購買、出售或贖回本公司任何上市證券。

充足公眾持股量

於本報告日期，本公司已遵守GEM上市規則第11.23條項下之公眾持股量規定。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISION

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

AUDITOR

Baker Tilly Hong Kong Limited retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Baker Tilly Hong Kong Limited as auditor of the Company is to be proposed at the forthcoming annual general meeting.

EVENTS AFTER END OF REPORTING PERIOD

Save as disclosed elsewhere in this report, the Group does not have other significant events after the reporting period.

On behalf of the Board

Chan Wai Kit
Deputy Chairman

23 March 2018

獲准許彌償條文

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

核數師

天職香港會計師事務所有限公司退任後符合資格獲續聘。有關續聘天職香港會計師事務所有限公司為本公司核數師之決議案將於即將召開的股東週年大會上提呈。

報告期後事項

除於本報告其他部分之披露者外，本集團並無於報告期後發生其他重大事項。

代表董事會

副主席
陳偉傑

二零一八年三月二十三日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



**Independent auditor's report to the shareholders of
Aurum Pacific (China) Group Limited**
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Aurum Pacific (China) Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 86 to 215, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of 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.

獨立核數師報告
致奧栢中國集團有限公司股東
(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第86至215頁奧栢中國集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「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報表、截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合股東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。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)所頒佈的《香港財務報告準則》(「香港財務報告準則」)真實公平地反映 貴集團於二零一七年十二月三十一日之綜合財務狀況以及 貴集團於截至該日止年度之綜合財務表現及其綜合現金流量，並已根據香港《公司條例》之披露規定妥為編製。

意見的基礎

我們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。我們報告中「核數師對綜合財務報表的審計責任」一節進一步描述我們在該等標準下的責任。我們根據香港會計師公會的專業會計師職業道德守則(簡稱「守則」)獨立於 貴集團，而我們亦根據守則履行其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS

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

The Key Audit Matter 主要審計事項

Business combination 企業合併

Refer to Notes 2(d), 2(e), 2(f) and 29 of the audited consolidated financial statements
請參閱經審核綜合財務報表附註2(d)、2(e)、2(f)及29

On 13 April 2017, the Group acquired 100% equity interest in Stars Ventures Limited and its subsidiaries and associates. The fair value of interests in associates held by Stars Ventures Limited as at the acquisition-date was assessed by using discounted cash flow method.

於二零一七年四月十三日，貴集團收購Stars Ventures Limited及其附屬公司及聯營公司100%股權。由Stars Ventures所持有的聯營公司股權在收購日之公平值是通過使用貼現現金流量法進行估值。

主要審計事項

根據我們的專業判斷，主要審計事項為該等對本期綜合財務報表審計最重要的事項。該等事項是在我們對綜合財務報表進行審計的整體情況下處理，並就此得出意見，而我們並不就該等事項獨立提出意見。

How the matter was addressed in our audit 我們處理審計事項的方法

Our audit procedures in this area included, amongst others:

我們在此方面的審計程序包括(其中包括)：

- assessing the independency and competency of the external valuation specialist appointed by the Group to calculate the acquisition-date fair value of the associates;
- 評估 貴集團所委任的外部估值專家於計算聯營公司於收購日的公平值時的獨立性及能力；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (CONTINUED)

主要審計事項(續)

The Key Audit Matter (Continued)

主要審計事項(續)

How the matter was addressed in our audit (Continued)

我們處理審計事項的方法(續)

Business combination (Continued)

企業合併(續)

Refer to Notes 2(d), 2(e), 2(f) and 29 of the audited consolidated financial statements (Continued)

請參閱經審核綜合財務報表附註2(d)、2(e)、2(f)及29(續)

In applying such methodology, the Group made a number of key assumptions and estimates relating to the associates, including growth and attrition rates discount rates and product life cycles. The valuation of the associates requires judgement and is sensitive to the assumptions used.

在應用該方法時，貴集團就聯營公司(包括增長率及損耗率、貼現率及產品生命週期)作出若干主要假設及估計。對聯營公司的估值須作判斷，並對所使用的假設具敏感性。

- assessing the accuracy and relevance of the input data used by management to the external experts by challenging and corroborating the market data and information from similar transactions;
- 通過挑戰及證實類似交易的市場數據及資料，評估管理層對外部專家使用的輸入數據的準確性及相關性；
- assessing the robustness of the cash flow forecasts to changes in assumptions, including sales growth beyond the 2018 detailed forecast, long-term growth rates and discount rates in the model to assess the appropriateness of the value of interests in associates recognised at the acquisition date;
- 評估現金流量預測對假設變化的穩健性，包括於模型中的二零一八年後詳細預測的銷售增長、長期增長率及貼現率，以評估聯營公司股權於收購日期所確認的價值是否適當；
- reviewing the agreements relating to the business combination;
- 回顧有關業務合併的協議；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (CONTINUED)

The Key Audit Matter (Continued)

主要審計事項 (續)

Business combination (Continued)

企業合併 (續)

Refer to Notes 2(d), 2(e), 2(f) and 29 of the audited consolidated financial statements (Continued)

請參閱經審核綜合財務報表附註2(d)、2(e)、2(f)及29(續)

主要審計事項 (續)

How the matter was addressed in our audit (Continued)

我們處理審計事項的方法 (續)

- examining the accounting entries for the business combination prepared by management and determine whether they were in accordance with HKFRS 3 (Revised) "Business Combinations"; and
- 檢查管理層所編製的業務合併會計記錄，並確定其是否符合香港財務報告準則第3號（經修訂）「業務合併」；及
- assessing the adequacy of the disclosures about business combination in accordance with HKFRS 3 (Revised).
- 根據香港財務報告準則第3號（經修訂）評估有關業務合併的披露是否充足。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (CONTINUED)

主要審計事項(續)

The Key Audit Matter (Continued)

主要審計事項(續)

How the matter was addressed in our audit (Continued)

我們處理審計事項的方法(續)

Key judgements relating to the impairment testing on goodwill

與商譽的減值測試有關的主要判斷

Refer to Notes 2(g), 2(m)(ii) and 13 of the audited consolidated financial statements

請參閱經審核綜合財務報表附註2(g)、2(m)(ii)及13

As at 31 December 2017, the Group's carrying amount of goodwill was allocated to two cash-generating units ("CGUs"), namely, software platform and mobile gaming business, which arose from the acquisition of KanHan Technologies Limited and its subsidiaries (the "KH Group") and First Surplus Investments Ltd., and its subsidiaries (the "FS Group") respectively.

於二零一七年十二月三十一日，貴集團商譽的賬面值分配至兩個現金產生單位(「現金產生單位」)，即軟件平台及手機遊戲業務，其分別來自收購看漢科技有限公司及其附屬公司(「看漢集團」)及First Surplus Investments Ltd.及其附屬公司(「FS集團」)。

The assessment of the recoverability of goodwill is based on the future business prospects and forecast business performance of these businesses.

商譽的可回收性評估乃基於該等企業的未來業務前景及預期業績表現。

Due to its inherent uncertainty involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability, this is one of the key judgemental areas that our audit concentrated on. There is the risk that the key assumptions, estimates and judgements on which the calculations are based are inappropriate and that goodwill is overstated as a result.

由於其在預測及貼現未來現金流量方面涉及內在的不確定性(其為評估可回收性的基準)，此為我們審計所關注的主要判斷領域之一。倘根據此基準所計算的主要假設、估計及判斷屬不適當，則會存有誇大商譽的風險。

Our audit procedures in this area included, amongst others:

我們在此方面的審計程序包括(其中包括)：

- evaluating the assumptions and methodologies used by the management, in particular those relating to the sales growth rate and pre-tax discount rate;
- 評估管理層所使用的假設及方法，特別是與銷售增長率及稅前貼現率有關的假設及方法；
- assessing and challenging the cash flow projections prepared by the management, including an assessment of the historical accuracy of management's estimates and comparing historic actual results to those budgeted to assess the quality of management's forecasting;
- 評估及挑戰管理層所編製的現金流量預測，包括評估管理層估計的過往準確性，並將過往實際結果與該等預算進行比較以評估管理層預測的質量；
- assessing the robustness of the forecasts to changes in assumptions, including sales growth beyond the 2018 detailed forecast, long-term growth rates and discount rates in the model to assess the appropriateness of the carrying amount of the goodwill; and
- 評估預測對假設變化的穩健性，包括於模型中的二零一八年後詳細預測的銷售增長、長期增長率及貼現率，以評估商譽的賬面值是否適當；及

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (CONTINUED)

主要審計事項(續)

The Key Audit Matter (Continued)

主要審計事項(續)

How the matter was addressed in our audit (Continued)

我們處理審計事項的方法(續)

Key judgements relating to the impairment testing on goodwill (Continued)

與商譽的減值測試有關的主要判斷(續)

Refer to Notes 2(g), 2(m)(ii) and 13 of the audited consolidated financial statements (Continued)

請參閱經審核綜合財務報表附註2(g)、2(m)(ii)及13(續)

- assessing the adequacy of the disclosures in relating to those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of goodwill.
- 評估該等與減值測試結果最敏感的假設有關於披露是否充分，即該等對確定商譽可收回金額具有最顯著影響的假設。

Key judgements relating to the impairment testing on intangible assets

與無形資產的減值測試有關的主要判斷

Refer to Notes 2(k), 2(m)(ii) and 12 of the audited consolidated financial statements

請參閱經審核綜合財務報表附註2(k)、2(m)(ii)及12

The Group has generated significant intangible assets of mobile games from acquisitions, whose recoverability is dependent on the ability of the businesses to which it relates to generate sufficient future economic benefits. There is a risk that this will not be the case which would result in an impairment being required. The most significant risks of impairment in this category relate to mobile games within the Group balance of HK\$56,947,000.

貴集團自收購中產生了大量手機遊戲的無形資產，其可回收性取決於其相關業務產生充足的未來經濟效益的能力。因此將存有導致未能產生充足的未來經濟效益的情況因須作減值情況的風險。此類別中最重大的減值風險涉及 貴集團結餘為56,947,000港元之內的手機遊戲。

Our audit procedures in this area included, amongst others:

我們在此方面的審計程序包括(其中包括)：

- evaluating the assumptions and methodologies used by the management, in particular those relating to the sales growth rate and pre-tax discount rate;
- 評估管理層所使用的假設及方法，特別是與銷售增長率及稅前貼現率有關的假設及方法；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (CONTINUED)

主要審計事項(續)

The Key Audit Matter (Continued)

主要審計事項(續)

How the matter was addressed in our audit (Continued)

我們處理審計事項的方法(續)

Key judgements relating to the impairment testing on intangible assets (Continued)

與無形資產的減值測試有關的主要判斷(續)

Refer to Notes 2(k), 2(m)(ii) and 12 of the audited consolidated financial statements (Continued)

請參閱經審核綜合財務報表附註2(k)、2(m)(ii)及12(續)

The carrying amount of the mobile games, which has not been impaired in the year, is dependent on the business being able to generate revenue from the paying players and platform owners for the games developed by FS Group.

於年內未減值的手機遊戲的賬面值取決於該業務能否自FS集團開發的遊戲付費玩家及平台所有者產生收益。

Impairment reviews are performed by the Group when there is an indication that the carrying amount may not be supported. The impairment reviews are based on discounted cash flow projections reflecting a number of assumptions and estimates which require judgement and are inherently uncertain.

當出現賬面值未能支持的情況，貴集團將進行減值審閱。減值審閱乃基於貼現現金流量預測，反映了多次需作判斷的假設及估計，存在固有的不確定性。

- assessing and challenging the cash flow projections prepared by the management, including an assessment of the historical accuracy of management's estimates and comparing historic actual results to those budgeted to assess the quality of management's forecasting;
- 評估及挑戰管理層所編製的現金流量預測，包括評估管理層估計的過往準確性，並將過往實際結果與該等預算進行比較以評估管理層預測的質量；
- assessing the robustness of the forecasts to changes in assumptions, including sales growth beyond the 2018 detailed forecast, long-term growth rates and discount rates in the model to assess the appropriateness of the carrying amount of the mobile games; and
- 評估預測對假設變化的穩健性，包括於模型中的二零一八年後詳細預測的銷售增長、長期增長率及貼現率，以評估手機遊戲的賬面值是否適當；及
- assessing the adequacy of the disclosures in relating to those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of the mobile games.
- 評估該等與減值測試結果最敏感的假設有關的披露是否充分，即該等對確定手機遊戲可收回金額具有最顯著影響的假設。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (CONTINUED)

The Key Audit Matter (Continued)

主要審計事項 (續)

Valuation and existence of loan and interest receivables

應收貸款及利息的估值及存在

Refer to Notes 2(m)(i), 2(o), 2(p), 18 and 28(a) of the audited consolidated financial statements

請參閱經審核綜合財務報表附註2(m)(i)、2(o)、2(p)、18及28(a)

The Group recognised loan and interest receivables recorded initially at fair value and subsequently at amortised cost in the consolidated statement of financial position. As at 31 December 2017, the carrying amount of the loans receivable and interest receivables were HK\$96,948,000 and HK\$1,925,000 respectively.

貴集團於綜合財務狀況表中確認初步以公平值記錄之應收貸款及利息，並其後按攤銷成本確認。於二零一七年十二月三十一日，應收貸款及應收利息的賬面值分別為96,948,000港元及1,925,000港元。

The impairment assessment on the loans receivable and interest receivables require estimates and significant judgements to be applied by the management such that changes to key inputs to the estimates and/or the judgements made can result, either on an individual loan or in aggregate, in a material change to the valuation.

對應收貸款及應收利息的減值評估需要由管理層作出估計及重大判斷，而該等對估計及／或判斷的主要輸入數據所出現的變動可能導致個別貸款或整體估值出現重大變動。

主要審計事項 (續)

How the matter was addressed in our audit (Continued)

我們處理審計事項的方法 (續)

Our audit procedures in this area included, amongst others:

我們在此方面的審計程序包括(其中包括)：

- obtaining and reviewing a sample of loan agreements (including supplemental agreements and loan extension agreements, if any) and agreeing to the principal amounts, interest rates, maturity dates and other information to the Group's accounting records;
- 獲取及審查貸款協議樣本(包括補充協議及延期貸款協議，如有)並確認 貴集團的會計記錄中的本金、利率、到期日及其他資料；
- testing of controls designed and applied in the process of approving and granting of loans, subsequent monitoring of repayment status and loan extension, if any;
- 對批准及授出貸款的過程中所設計及應用的控制進行測試，其後監察還款狀態及延期貸款(如有)；
- recalculation of loan interest income recognised on a sample basis;
- 抽樣重新計算確認的貸款利息收入；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (CONTINUED)

主要審計事項(續)

The Key Audit Matter (Continued)

主要審計事項(續)

How the matter was addressed in our audit (Continued)

我們處理審計事項的方法(續)

Valuation and existence of loan and interest receivables (Continued)

應收貸款及利息的估值及存在(續)

Refer to Notes 2(m)(i), 2(o), 2(p), 18 and 28(a) of the audited consolidated financial statements (Continued)

請參閱經審核綜合財務報表附註2(m)(i)、2(o)、2(p)、18及28(a)(續)

Further, as the loan and interest receivables comprised a significant number of individual loan balances, there is a risk that net assets could be misstated should the loans not exist.

此外，由於應收貸款及利息包含大量個人貸款餘欠，倘貸款不存在，資產淨值可能存有被錯誤陳述的風險。

- obtaining direct confirmation of loan balances from the borrowers; and
- 直接獲取借款人的貸款結欠確認信；及
- reviewing subsequent settlement records and corroborating enquiring with the management about the reasons for not considering a provision against any unsettled past-due balances.
- 審查其後的結算記錄，並向管理層詢問確認不就任何未結算逾期餘額考慮提撥撥備的原因。

OTHER INFORMATION

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

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

其他資料

董事負責其他資料。其他資料包括年報內的所有資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見不包括其他資料，而我們並不就此表示任何形式的保證結論。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

OTHER INFORMATION (CONTINUED)

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 this other information, we are required to report that fact. We have nothing to report in this regard.

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

The directors are responsible for the preparation of 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料(續)

有關我們對綜合財務報表的審計，我們的責任是閱讀上述其他資料，並在此過程中考慮其他資料是否與綜合財務報表或我們在審計中所獲得的知識具有重大不一致的情況，或可能以其他方式被重大錯誤陳述。

倘根據我們所進行的工作，我們認為此等其他資料存有重大錯誤陳述，則我們須報告該事實。我們於這方面並無任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》的披露規定編製真實而公平反映財務狀況的綜合財務報表，及落實其認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事有責任評估 貴集團持續經營能力、披露(如適用)與持續經營有關的事項及使用按持續經營基準的會計政策，除非董事擬將 貴集團清盤或終止經營業務，或須強迫進行清盤或終止經營業務或並無合理的替代方法。

該等治理層負責監察 貴集團財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

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

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

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

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

核數師對審計綜合財務報表的責任

我們的目標是就綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述獲得合理保證以及出具包括我們意見的核數師報告。本報告僅供閣下(作為一個團體)參考，除此之外不得用於其他用途。我們並不會就本報告的內容向任何人士承擔或負上任何責任。

合理的保證是一種高水平的保證，但概不保證根據香港會計準則所進行的審計能發現存在的重大錯誤陳述。錯誤陳述可能是由於欺詐或錯誤而導致，並且若其(個別或共同地)可合理預期會影響用戶根據該等綜合財務報表所作出的經濟決定，則被視為重大錯誤陳述。

作為根據香港會計準則進行審計的一部分，我們在審計期間行使專業判斷及秉持專業的懷疑態度。我們亦：

- 察悉及評估綜合財務報表的重大錯誤陳述風險(無論是由於欺詐或錯誤而導致)，設計及執行審計程序以回應該等風險，並獲得充足及適當的審計證據，為我們的意見提供基礎。未能檢測因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險，這是由於欺詐可能涉及舞弊、偽造、故意遺漏、錯誤陳述或僭越內部監控。
- 瞭解與審計相關的內部監控，以設計適合該情況的審計程式，但目的並非對 貴集團內部監控的有效性發表意見。
- 評估董事採用的會計政策、會計估計的合理性及相關披露是否適當。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- 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.

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

We also provide those charged with governance 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.

核數師對審計綜合財務報表的責任(續)

- 就董事使用持續經營會計基礎的適當性作出總結，並根據所獲得的審計證據，確定是否存在與可能對貴集團持續經營的能力產生重大疑慮的有關事件或情況的重大不確定性。倘我們斷定存在重大不確定性，我們須在核數師報告中對綜合財務報表相關披露提呈報告使用者垂注，或倘該等披露不充分，我們須修改我們的意見。我們的結論乃基於截至核數師報告日期止獲得的審計證據。然而，未來事件或情況可能導致貴集團終止持續經營。
- 評估綜合財務報表的整體呈列、結構及內容(包括披露)，以及綜合財務報表是否公允呈列反映相關交易及事項。
- 獲取有關貴集團內部實體或業務活動的財務資料的充足適當的審計證據，以對綜合財務報表發表意見。我們負責貴集團審核的指導、監督及履行。我們對審計意見承擔全部責任。

我們與治理層就有關(其中包括)計劃的審計範圍及時間安排以及重大審計發現(包括我們在審計期間於內部監控確認的任何重大偏差)進行溝通。

我們還就遵守關於獨立性的相關職業道德要求向治理層提供聲明，並就可能被合理認為影響我們獨立性的所有關係和其他事項，以及相關的防範措施(如適用)與治理層進行溝通。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

From the matters communicated with those charged with governance, 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 director on the audit resulting in this independent auditor's report is Tong Wai Hang.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 23 March 2018

Tong Wai Hang

Practising certificate number P06231

核數師對審計綜合財務報表的責任(續)

從與治理層溝通的事項中，我們確定該等對當期綜合財務報表審計最為重要的事項，因而構成關鍵審計事項。我們在審計報告中描述該等事項，除非法律法規不允許公開披露這些事項，或在極其罕見的情形下，倘合理預期在審計報告中溝通某事項造成的負面後果超過產生的公眾利益方面的益處，我們確定不應在審計報告中溝通該事項。

此獨立核數師報告的審計項目總監為湯偉行。

天職香港會計師事務所有限公司

執業會計師

香港，二零一八年三月二十三日

湯偉行

執業證書編號P06231

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務			
Revenue	收益	3	64,464	33,938
Cost of sales	銷售成本		(9,134)	(7,179)
Gross profit	毛利		55,330	26,759
Other income, net	其他收入(淨額)	4	336	613
Changes in fair value of:	公平值變動:			
– contingent consideration assets for business combination	– 業務合併或然代價資產		(17,971)	(1,393)
– prepayment option embedded in promissory note issued	– 已發行承兌票據附帶之提前還款權		(721)	(107)
– consideration payable for business combination	– 業務合併應付代價		(6,396)	(2,632)
Administrative expenses	行政開支		(56,457)	(43,556)
Research and development expenses	研發開支		(12,474)	(8,460)
Selling and distribution expenses	銷售及分銷開支		(4,124)	(3,305)
Loss from operations	經營虧損		(42,477)	(32,081)
Finance costs	融資成本	5(a)	(2,412)	(405)
Share of profits of associates	應佔聯營公司溢利		1,040	–
Share of profits of a joint venture	應佔合營企業溢利		3	–
Loss before taxation	除稅前虧損	5	(43,846)	(32,486)
Income tax (expense)/credit	所得稅(開支)/抵免	6	(1,889)	428
Loss for the year from continuing operations	持續經營業務年度虧損		(45,735)	(32,058)
Discontinued operation	已終止經營業務			
Loss for the year from discontinued operation	已終止經營業務之年度虧損	7	–	(8,237)
Loss for the year	年度虧損		(45,735)	(40,295)
Attributable to:	以下人士應佔:			
– owners of the Company	– 本公司擁有人		(48,823)	(37,986)
– non-controlling interests	– 非控股權益		3,088	(2,309)
			(45,735)	(40,295)
			HK cents	HK cents
			港仙	港仙
Loss per share	每股虧損			
From continuing and discontinued operations	持續及已終止經營業務			
– Basic and diluted	– 基本及攤薄	10	(4.50)	(5.22)
From continuing operations	持續經營業務			
– Basic and diluted	– 基本及攤薄	10	(4.50)	(4.29)
From discontinued operation	已終止經營業務			
– Basic and diluted	– 基本及攤薄	10	–	(0.93)

The notes on pages 93 to 215 form part of the consolidated financial statements.

第93至215頁的附註為本綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss for the year		(45,735)	(40,295)
Other comprehensive income/ (expense) for the year, net of nil tax	其他年度全面收入／(開支)， 經扣除零稅項		
Items that may be classified subsequently to profit or loss:	其後可能分類至損益之項目：		
Exchange differences:	兌換差額：		
– on translation of financial statements of foreign operations	– 換算外國業務財務報表之兌換 差額	4	(1,089)
– released upon disposal of discontinued operation	– 因出售已終止經營業務之兌換 差額轉撥	31(e) –	7,410
– released upon deregistration of a subsidiary	– 因撤銷註冊一家附屬公司之兌 換差額轉撥	4 –	(46)
Share of exchange differences of associates	應佔聯營公司兌換差額	1,397	–
		1,401	6,275
Total comprehensive expense for the year	年度全面開支總額	(44,334)	(34,020)
Attributable to:	以下人士應佔：		
– owners of the Company	– 本公司擁有人	(47,422)	(31,679)
– non-controlling interests	– 非控股權益	3,088	(2,341)
		(44,334)	(34,020)
Total comprehensive expense attributable to owners of the Company arises from:	本公司擁有人應佔全面開支總額 來自：		
Continuing operations	持續經營業務	(47,422)	(31,273)
Discontinued operation	已終止經營業務	–	(406)
		(47,422)	(31,679)

The notes on pages 93 to 215 form part of the consolidated financial statements.

第93至215頁的附註為本綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

As at 31 December 2017 於二零一七年十二月三十一日

(Expressed in Hong Kong dollars) (以港元列示)

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	11	物業、廠房及設備	53,234	51,141
Intangible assets	12	無形資產	56,947	67,370
Goodwill	13	商譽	109,669	109,669
Interests in associates	14	於聯營公司之權益	34,901	–
Interest in a joint venture	15	於合營公司之權益	13	–
Investment in available-for-sale equity securities	16	待售股本證券之投資	500	–
Contingent consideration assets for business combination	28(f)	業務合併或然代價資產	–	17,971
Deposits paid for purchase of property, plant and equipment		購置物業、廠房及設備應付按金	3,000	3,000
Loans receivable	18	應收貸款	–	5,000
Deferred tax assets	24(b)	遞延稅項資產	1,196	4,793
			259,460	258,944
Current assets		流動資產		
Inventories		存貨	44	44
Trade and other receivables	17	應收賬款及其他應收款	4,847	11,231
Loans receivable	18	應收貸款	96,948	165,320
Interest receivables	18	應收利息	1,925	3,995
Prepayment option embedded in promissory note issued	28(f)	已發行承兌票據所附帶的提前還款權	116	837
Current tax recoverable	24(a)	可收回即期稅項	1	–
Cash and cash equivalents	19	現金及現金等值物	42,389	11,500
			146,270	192,927
Current liabilities		流動負債		
Trade and other payables	20	應付賬款及其他應付款	2,948	3,269
Financial assistance from government	21	政府財政援助	–	114
Deferred income		遞延收入	7,174	4,201
Interest-bearing borrowings	22	付息借款	28,000	–
Obligations under finance leases	23	融資租賃承擔	982	–
Consideration payable for business combination	28(f)	業務合併應付代價	71,651	–
Current tax payable	24(a)	應付即期稅項	–	89
			110,755	7,673
Net current assets		流動資產淨值	35,515	185,254
Total assets less current liabilities		資產總值減流動負債	294,975	444,198

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

As at 31 December 2017 於二零一七年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Interest-bearing borrowings	付息借款	22	–	28,000
Obligations under finance leases	融資租賃承擔	23	3,188	–
Deferred tax liabilities	遞延稅項負債	24(b)	9,407	11,131
Consideration payable for business combination	業務合併應付代價	28(f)	–	106,623
			12,595	145,754
NET ASSETS	資產淨值		282,380	298,444
Capital and reserves	資本及儲備			
Share capital	股本	27(a)	43,546	36,288
Reserves	撥備		213,561	239,971
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		257,107	276,259
Non-controlling interests	非控股權益		25,273	22,185
TOTAL EQUITY	權益總額		282,380	298,444

Approved and authorised for issue by the board of directors on 23 March 2018.

董事會於二零一八年三月二十三日批准及授權刊發。

Chan Kwun Chung

陳冠忠
Director
董事

Chan Wai Kit

陳偉傑
Director
董事

The notes on pages 93 to 215 form part of the consolidated financial statements.

第93至215頁的附註為本綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合股東權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Attributable to owners of the Company 本公司擁有人應佔						Non-controlling interests	Total	
		Share capital	Share premium	Capital reserve	Capital surplus	Exchange reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	股份溢價	資本儲備	資本盈餘	兌換撥備	累計虧損	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(note 27(b)(i))	(note 27(b)(ii))	(note 27(b)(iii))	(note 27(b)(iv))				
			(附註 27(b)(i))	(附註 27(b)(ii))	(附註 27(b)(iii))	(附註 27(b)(iv))				
At 1 January 2016	於二零一六年一月一日	20,160	274,640	2,427	16,699	(6,450)	(76,527)	230,949	4,618	235,567
Loss for the year	年度虧損	-	-	-	-	-	(37,986)	(37,986)	(2,309)	(40,295)
Exchange differences:	兌換差額：									
- on translation of financial statements of foreign operations	- 換算外國業務財務報表之兌換差額	-	-	-	-	(1,057)	-	(1,057)	(32)	(1,089)
- released upon disposal of discontinued operation	- 因出售已終止經營業務之兌換差額	-	-	-	-	7,410	-	7,410	-	7,410
- released upon deregistration of a subsidiary	- 因撤銷註冊一間附屬公司之兌換差額轉撥	-	-	-	-	(46)	-	(46)	-	(46)
Total comprehensive income/(expense) for the year, net of nil tax	年度全面收入/(開支)總額，經扣除零稅項	-	-	-	-	6,307	(37,986)	(31,679)	(2,341)	(34,020)
Issue of shares (note 27(a)(iv))	股份發行(附註27(a)(iv))	16,128	60,861	-	-	-	-	76,989	-	76,989
Derecognition of non-controlling interest upon disposal of discontinued operation (note 31)	於出售已終止經營業務後終止確認非控股股權(附註31)	-	-	-	-	-	-	-	(3,108)	(3,108)
Non-controlling interest arising on business combination (note 29(a))	來自業務合併的非控股權益(附註29(a))	-	-	-	-	-	-	-	23,016	23,016
		16,128	60,861	-	-	6,307	(37,986)	45,310	17,567	62,877
At 31 December 2016	於二零一六年十二月三十一日	36,288	335,501	2,427	16,699	(143)	(114,513)	276,259	22,185	298,444
At 1 January 2017	於二零一七年一月一日	36,288	335,501	2,427	16,699	(143)	(114,513)	276,259	22,185	298,444
Loss for the year	年度虧損	-	-	-	-	-	(48,823)	(48,823)	3,088	(45,735)
Exchange differences on translation of financial statements of foreign operations	換算外國業務財務報表之兌換差額	-	-	-	-	4	-	4	-	4
Share of exchange differences of associates	應佔聯營公司兌換差額	-	-	-	-	1,397	-	1,397	-	1,397
Total comprehensive income/(expense) for the year, net of nil tax	年度全面收入/(開支)，經扣除零稅項	-	-	-	-	1,401	(48,823)	(47,422)	3,088	(44,334)
Issue of shares (note 27(a)(v))	股份發行(附註27(a)(v))	7,258	21,012	-	-	-	-	28,270	-	28,270
		7,258	21,012	-	-	1,401	(48,823)	(19,152)	3,088	(16,064)
At 31 December 2017	於二零一七年十二月三十一日	43,546	356,513	2,427	16,699	1,258	(163,336)	257,107	25,273	282,380

The notes on pages 93 to 215 form part of the consolidated financial statements.

第93至215頁的附註為本綜合財務報表之組成部分。

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
(Expressed in Hong Kong dollars) (以港元列示)

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Operating activities	經營活動		
Loss before taxation:	除稅前虧損		
– From continuing operations	– 持續經營業務	(43,846)	(32,486)
– From discontinued operation	– 已終止經營業務	–	(7,865)
Adjustments for:	調整：		
– Changes in fair value of contingent consideration assets for business combination	– 業務合併或然代價資產之公平值變動	17,971	1,393
– Changes in fair value of prepayment option embedded in promissory note issued	– 已發行承兌票據附帶之提前還款權公平值變動	721	107
– Changes in fair value of consideration payable for business combinations	– 業務合併應付代價之公平值變動	6,396	2,632
– Interest income from money lending	– 放債業務利息收入	(14,759)	(14,138)
– Bank interest income	– 銀行利息收入	–	(3)
– Cumulative exchange gain reclassified from equity to profit or loss upon deregistration of a subsidiary	– 撤銷註冊一家附屬公司後從權益重新分類至損益之累計外匯收益	–	(46)
– Gain on disposal of a subsidiary	– 出售附屬公司收益	–	(545)
– Finance costs	– 融資成本	2,412	405
– Amortisation of intangible assets	– 無形資產攤銷	13,438	2,591
– Depreciation of property, plant and equipment	– 物業、廠房及設備折舊	7,069	3,312
– Impairment of goodwill	– 商譽減值	–	1,430
– Loss on disposal of discontinued operation	– 出售已終止經營業務虧損	–	3,867
– Loss on disposal of property, plant and equipment	– 出售物業、廠房及設備虧損	–	–
– Write-off of intangible assets	– 撤銷無形資產	41	2,225
– Share of profits of associates	– 應佔聯營公司溢利	–	1,097
– Share of profits of a joint venture	– 應佔合營公司溢利	(1,040)	–
– Effect of foreign exchange rate changes, net	– 匯率變動影響淨額	(3)	–
		4	67
Operating loss before working capital changes	營運資金變動前之經營虧損	(11,596)	(35,957)
Increase in inventories	存貨增加	–	(7)
Decrease/(increase) in trade and other receivables	應收賬款及其他應收款減少/(增加)	6,374	(8,134)
Decrease/(increase) in loans receivable	應收貸款減少/(增加)	43,372	(58,520)
Decrease in trade and other payables	應付賬款及其他應付款減少	(385)	(1,248)
Increase in deferred income	遞延收入增加	2,973	980
Net cash generated from/(used in) operation	營運所產生/(所用)現金淨額	40,738	(102,886)
Interest received from money lending	放債業務所得利息收入	14,503	11,525
Income tax paid:	已付所得稅：		
– Hong Kong Profits Tax paid	– 已付香港利得稅	(106)	–
– PRC Enterprise Income Tax paid	– 已付中國企業所得稅	–	(509)
Net cash generated from/(used in) operating activities	經營活動所產生/(所用)現金淨額	55,135	(91,870)

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
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investing activities	投資活動			
Interest received	已收利息		-	3
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		-	2,300
Payment for purchase of property, plant and equipment	購買物業、廠房及設備支付款項		(4,261)	(3,453)
Deposits paid for purchase of property, plant and equipment	購置物業、廠房及設備已付按金		-	(3,000)
Expenditure on projects development	項目開發支出		(3,015)	(24)
Net cash inflow from disposal of subsidiaries	出售附屬公司之現金流入淨額	31	-	52,465
Net cash outflow from asset acquisition	收購資產之現金流出淨額	30	-	(26,672)
Net cash outflow from acquisition of subsidiaries	收購附屬公司之現金流出淨額	29	(41,442)	(39,236)
Payment for purchase of available-for-sale equity securities	購買待售股權證券支付款項		(500)	-
Net cash used in investing activities	投資活動所用現金淨額		(49,218)	(17,617)
Financing activities	融資活動			
Capital element of finance lease rentals paid	已付融資租賃租金資本部分		(772)	-
Interest element of finance lease rentals paid	已付融資租賃租金利息部分		(172)	-
Interest paid	已付利息		(2,240)	(405)
Proceeds from issue of shares	發行股份所得款項	27(a)	28,270	76,989
Repayment of financial assistance from government	償還政府財政援助		(114)	(257)
New loans from a third party	來自一名第三方的新貸款		-	28,000
Repayment of loans to a third party	償還予一名第三方的貸款		-	(22,000)
Net cash generated from financing activities	融資活動所得現金淨額		24,972	82,327
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物增加/(減少)淨額		30,889	(27,160)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值物		11,500	38,725
Effect of foreign exchange rate changes	匯率變動影響		-	(65)
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值物	19(a)	42,389	11,500

The notes on pages 93 to 215 form part of the consolidated financial statements.

第93至215頁的附註為本綜合財務報表之組成部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

1 COMPANY INFORMATION

Aurum Pacific (China) Group Limited (the “Company”) is an exempted company with limited liability incorporated in the Cayman Islands. Its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company has its registered office and principal place of business at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands and 21st Floor, Henan Building, 90 Jaffe Road, Wanchai, Hong Kong respectively.

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 35.

The consolidated financial statements for the year ended 31 December 2017 comprise the Company and its subsidiaries (together the “Group”) and the Group’s interest in associates and a joint venture.

The consolidated financial statements are presented in thousands of units of Hong Kong dollars (“HK\$’000”) unless otherwise stated. Hong Kong dollars (“HK\$”) is the Company’s functional currency and the Group’s presentation currency.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

1 公司資料

奧栢中國集團有限公司(「本公司」)為於開曼群島註冊成立之獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)GEM上市。本公司之註冊辦事處及主要營地點之地址分別是Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands及香港灣仔謝斐道90號豫港大廈21樓。

本公司為投資控股公司。其附屬公司之主要業務列載於附註35。

截至二零一七年十二月三十一日止年度綜合財務報表涵蓋本公司及其附屬公司(統稱為「本集團」)以及本集團於聯營公司及合營公司之權益。

除另有註明外，綜合財務報表以千港元(「千港元」)呈報。港元(「港元」)為本公司之功能貨幣及本集團之呈報貨幣。

2 主要會計政策

(a) 遵例聲明

此等綜合財務報表已根據由香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)(包括所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)、香港普遍採納的會計原則及香港公司條例之披露規定而編製。該等綜合財務報表亦遵守聯交所GEM證券上市規則(「GEM上市規則」)規定之適用披露條文。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of compliance (Continued)

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 2(c) 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.

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

(b) Basis of preparation of the consolidated financial statements

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that the following assets and liabilities are stated at fair values as explained in the accounting policies set out below:

- Contingent consideration assets or liabilities arising from a business combination (see note 2(f)); and
- Derivative financial instruments (see note 2(i)).

The preparation of the consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2 主要會計政策(續)

(a) 遵例聲明(續)

香港會計師公會已頒佈若干首次生效或本集團可於本會計期間提前採用的新訂及經修訂香港財務報告準則。附註2(c)提供有關上述發展的首次應用，與本集團反映於該等綜合財務報表的本會計期間及上一個會計期間有關而導致任何會計政策變動的資料。

本集團的主要會計政策概述如下。

(b) 編製綜合財務報表基準

編製綜合財務報表之計量基準為歷史成本基準，惟以下資產及負債按下列會計政策提述之公平值呈列：

- 業務合併或然代價資產或負債(見附註2(f))；及
- 衍生金融工具(見附註2(i))。

編製符合香港財務報告準則的綜合財務報表，需要管理層作出判斷、估計及假設，而此等判斷、估計及假設會影響會計政策的採用，以及資產、負債、收入與開支的呈報金額。此等估計及相關假設乃以過往經驗及認為在有關情況下屬合理的多個其他因素為基礎，有關結果會成為就無法從其他來源明確得知的資產及負債賬面值作出判斷時的基礎。實際結果可能有別於該等估計。

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(Expressed in Hong Kong dollars)

(以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the consolidated financial statements (Continued)

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

Judgements made by management in the application of HKFRSs that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 37.

(c) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, additional disclosure has been included in note 19(b) to satisfy the new disclosure requirements introduced by the amendments to HKAS 7, Statement of cash flows: Disclosure initiative, which require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 38).

2 主要會計政策(續)

(b) 編製綜合財務報表基準(續)

估計及相關假設會持續檢討。倘會計估計修訂只會影響作出有關修訂的會計期間，則會計估計修訂會在有關期間內確認；但倘修訂對當期及未來會計期間均有影響，則會在作出有關修訂之期間及未來期間確認。

管理層採用香港財務報告準則時所作對綜合財務報表有重大影響之判斷，以及估計不明朗因素的主要來源，會在附註37內討論。

(c) 更改會計政策

香港會計師公會已頒佈若干香港財務報告準則之修訂，其於本集團之目前會計期間首次生效。概無修訂影響本集團會計政策。然而，就經修訂香港會計準則第7號「現金流量表：披露動議」的新披露規定而言，已於附註19(b)作出額外披露，以符合實體需作出披露以使財務報表的使用者可評估因融資活動所產生的負債變動(包括現金流量的變動及非現金的變動)的要求。

本集團並無採用於當前會計期間尚未生效的新訂準則或詮釋(見附註38)。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

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

2 主要會計政策(續)

(d) 附屬公司及非控股權益

附屬公司指本集團控制之實體。倘本集團因參與某實體的營運而獲得或有權享有其可變回報，並能夠運用其對實體之權力影響該等回報，則本集團控制該實體。在評估本集團是否擁有控制權時，僅考慮實質權利(由本集團及其他人士持有)。

於附屬公司之投資自控制權開始之日直至控制權終止之日計入綜合財務報表內。集團內公司間之結存及交易，以及集團內公司間交易所產生之任何未變現溢利，在編製綜合財務報表時均全數對銷。集團內公司間交易所產生之未變現虧損則僅在無出現減值證據之情況下，以與對銷未變現收益相同之方法對銷。

非控股權益指並非本公司直接或間接所佔附屬公司之權益，而本集團並無就此與該等權益持有人協定任何額外條款，而可能導致本集團整體須就符合金融負債定義之權益承擔訂約責任。

非控股權益呈列於綜合財務狀況報表中之權益內，與本公司擁有人應佔股權分開呈列。本集團業績中之非控股權益乃呈列於綜合損益表及綜合損益及其他全面收益表，作為年度溢利或虧損總額及全面收益總額在非控股權益及本公司擁有人之間之分配。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries and non-controlling interests (Continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(h)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 2(e)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(m)(ii)).

(e) Associates and joint ventures

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

2 主要會計政策(續)

(d) 附屬公司及非控股權益(續)

當本集團喪失對一間附屬公司之控股權，將按出售該附屬公司之所有權益入賬，而所產生之盈虧將確認於損益表內。任何在喪失控股權日仍保留該前度附屬公司之權益按公平價值確認，而此金額被視為初始確認一金融資產的公平價值(見附註2(h))，或(如適用)按成本初始確認一聯營公司或合營公司(見附註2(e))投資。

於附屬公司的投資是按成本扣除減值虧損後，列入本公司的財務狀況表(見附註2(m)(ii))。

(e) 聯營公司及合營公司

聯營公司是指本集團可以對其發揮重大影響力，但不是控制或聯合控制其管理層的實體；所謂發揮重大影響力包括參與其財務及經營決策。

合營公司為本集團及其他方按合約同意下分配控制權及淨資產擁有權之安排。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Associates and joint ventures (Continued)

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes 2(g) and 2(m)(i)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

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

2 主要會計政策(續)

(e) 聯營公司及合營公司(續)

於聯營公司或合營企業之投資按權益法計入綜合財務報表。根據權益法，投資初始按成本入賬，並按本集團應佔投資對象於收購當日可識別資產淨值的公平值超逾投資成本的部分(如有)作出調整。此後，該投資因應本集團於收購後應佔該投資對象資產淨值的變動及與投資有關的任何減值虧損(見附註2(g)及2(m)(i))作出調整。收購當日超出成本的任何部分、本集團於年內應佔該投資對象收購後的稅後業績以及任何減值虧損於綜合損益表確認，而本集團應佔該投資對象其他全面收入的收購後除稅後項目乃於綜合損益及全面收入表內確認。

當本集團應佔聯營公司或合營企業虧損超逾其於該聯營公司或合營公司的權益，本集團的權益將削減至零，且不再確認其他虧損，惟倘本集團須承擔法定或推定責任，或代該投資對象付款則除外。就此而言，本集團的權益為按照權益法計算的投資賬面值，連同實質上構成本集團於該聯營公司或合營企業投資淨額一部分的本集團長期權益。

本集團與其聯營公司及合營公司進行交易所產生未變現溢利及虧損，均以本集團於投資對象之權益抵銷，惟可證實已轉讓資產減值之未變現虧損則不在此限，在此情況下，該未變現虧損即時於損益確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Business combinations

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

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

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12, Income taxes, and HKAS 19, Employee benefits, respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with HKFRS 2, Share-based payment; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5, Non-current assets held for sale and discontinued operations, are measured in accordance with that standard.

2 主要會計政策(續)

(f) 業務合併

收購業務採用收購法入賬。業務合併所轉撥之代價按公平值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原股東產生之負債及本集團於交換被收購方之控制權發行之權益於收購日之公平值之總額。收購相關成本於產生時確認於損益中。

於收購日期，已收購之可識別資產及所承擔之負債乃按其公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 被本集團重置之被收購方以股份支付之報酬有關之負債或股本工具根據香港財務報告準則第2號以股份支付計量；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止業務」分類為持作出售之資產(或出售組別)根據該項準則計量。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Business combinations (Continued)

Goodwill represents the excess of:

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured at the acquisition date.

When (ii) is greater than (i), then its excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

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

2 主要會計政策(續)

(f) 業務合併(續)

商譽指以下兩者的差額：

- (i) 所轉讓代價的公平值於被收購方的任何非控股權益金額及本集團先前於被收購方所持權益的公平值的總和；與
- (ii) 被收購方於收購日期計量的可識別資產及負債的公平淨值。

倘(ii)高於(i)，則差額即時於損益內確認為議價收購收益。

非控股權益初步可按公平值或非控股權益佔被收購方可識別資產淨值之公平值計量。計量基準視乎個別交易作出選擇。

倘本集團於業務合併中轉移之代價包括或然代價安排所產生之資產或負債，則或然代價乃按收購日期之公平值計算，並被視為一項業務合併轉移之部份代價。合資格作計量期間調整之或然代價之公平值變動乃追溯調整，並對商譽作出相應調整。計量期間調整為於計量期間因取得於收購日期已存在之事件及環境之額外資訊而作出之調整，有關計量期間自收購日期起計不得超過一年。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Business combinations (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration arising from a business combination for which the acquisition date is before 1 July 2014 and that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, Financial instruments: Recognition and measurement, or HKAS 37, Provisions, contingent liabilities and contingent assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss. Contingent consideration arising from a business combination for which the acquisition date is on or after 1 July 2014 and that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with the corresponding changes in fair value being recognised in profit or loss.

(g) Goodwill

Goodwill arising on an acquisition of a business is carried at cost established at the date of acquisition of the business (see note 2(d)) less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash-generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(k)).

On disposal of a cash-generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

2 主要會計政策(續)

(f) 業務合併(續)

就不合資格作為計量期間調整的或然代價公平值變動之其後會計處理方法視乎該或然代價如何分類而定。分類為權益之或然代價不會於其後報告日期重新計量，而其後之結算則於權益內列賬。產生於收購日期為二零一四年七月一日以前的企業合併中且分類為資產或負債之或然代價乃按照香港會計準則第39號「金融工具：確認及計量」或香港會計準則第37號「撥備、或然負債及或然資產」(如適用)於其後報告日期重新計量，相應收益或虧損於損益內確認。產生於收購日期為二零一四年七月一日以後的企業合併中，且分類為資產或負債之或然代價，於其後報告日期按公平值重新計量，公平值之相應變動於損益內確認。

(g) 商譽

收購業務產生之商譽乃按收購業務當日所確定的成本(見附註2(d))減累計減值虧損列值。業務合併產生的商譽分配至預期從合併的協同效益中得益的各現金產生單位或現金產生單位群組，並於每年進行減值測試(見附註2(k))。

於年內出售現金產生單位時，購置商譽之任何應佔金額會於出售時計入損益。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments.

Investments in equity securities that do not have a quoted market price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see note 2(m)(i)).

When the investments are derecognised or impaired (see note 2(m)(i)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

2 主要會計政策(續)

(h) 其他股本證券投資

除於附屬公司、聯營公司及合營企業之投資外，本集團及本公司有關股本證券投資之政策如下：

股本證券投資初步按公平值（亦即其交易價格）入賬，惟確定初步確認之公平值與成交價有別，且公平值以相同資產或負債在活躍市場報價為依據，或根據僅使用從可觀察市場數據之估值技術計算得出則作別論。成本包括應佔交易成本（惟下文另行指出之成本除外）。該等投資其後視乎彼等之分類列賬如下：

持作交易的證券投資被分類為流動資產。任何相關交易費用會於發生時在收益表確認。此等證券之公允價值會在各報告期末重新估量，由此而得到的任何收益或虧損會在收益表確認。於收益表確認之收益或虧損淨額不包括任何股息或於該投資賺取之利息。

該股本證券投資若沒有相同的工具於活躍市場的市場報價及該股本證券投資之公平值不能可靠地計量，該股本證券投資則於綜合財務狀況表中以成本減值確認（見附註2(m)(i)）。

當投資終止確認或減值，已於權益確認之累計溢利或虧損會被重新分類至損益。投資於本集團承諾購買／出售投資或投資屆滿當日確認／終止確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

(j) Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(m)(ii)).

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Land and buildings	12 years
Leasehold improvements	3 to 5 years
Furniture and fixtures	5 years
Computers and other equipment	3 to 5 years
Motor vehicles	2 to 5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

2 主要會計政策(續)

(i) 衍生金融工具

衍生金融工具於初步確認時，乃按公平值計量。於各報告期末，公平值會再被計量。重新計算公平值的收益或虧損立即於損益中獲得確認。然而，如該衍生工具符合現金流量的對沖會計處理方法或對沖外國業務投資淨額，則所產生之任何收益或虧損須依據對沖項目的性質確認。

(j) 物業、廠房及設備

物業、廠房及設備之項目乃按成本減累計折舊及減值虧損列賬(見附註2(m)(ii))。

物業、廠房及設備之項目之折舊按成本減預計殘值(如有)以直線法在其預計可用年期撇銷其成本如下：

土地及建築物	十二年
租賃改良	三至五年
傢俬及裝置	五年
電腦及其他設備	三至五年
汽車	二至五年

倘物業、廠房及設備項目的各部份擁有不同的可使用年期時，則該項目的成本將按合理基準在不同部份之間分配，且各部份將作單獨折舊。

取締或出售物業、廠房及設備之項目所產生之損益乃出售所得款項淨額與賬面值之差額，並於取締或出售日期在損益內確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Intangible assets (other than goodwill)

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see note 2(m)(ii)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(m)(ii)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the estimated useful lives. The following intangible assets with finite useful lives are amortised from the date when they are available for use and their estimated useful lives are as follows:

Development costs	3 years
Technical know-how	5 years
Programming codes	5 years
Online platforms	5 years
Software systems	5 years
Mobile games	2 to 5 years

Both the period and method of amortisation are reviewed annually.

2 主要會計政策(續)

(k) 無形資產(商譽除外)

研究活動支出於產生期間確認為開支。倘產品或過程於技術上及商業上可行，且本集團有足夠資源及意向完成開發工作，則開發活動之支出將予以資本化。資本化之支出包括原料成本、直接勞工成本及適當比例之經常費用及借貸成本(倘適用)。資本化發展成本按成本減累計攤銷及減值虧損列賬(見附註2(m)(ii))。其他發展支出於其產生期間確認為開支。

本集團購買的其他無形資產乃按成本減累計攤銷(預計有限可用年期)及減值虧損列賬(見附註2(m)(ii))。內部產生商譽及品牌支出乃於產生期間確認為支出。

具有有限可用年期之無形資產攤銷，乃以直線法在其預計可用年期計入損益。以下具有有限可用年期之無形資產自其可供使用當日起攤銷，其估計可用年期如下：

發展成本	三年
技術知識	五年
程式編碼	五年
網上平台	五年
軟件系統	五年
手機遊戲	二至五年

每年均會檢討攤銷之期間及方法。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased assets, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(j). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(m)(ii). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2 主要會計政策(續)

(I) 租賃資產

倘本集團斷定一項安排(包括一項交易或多項交易)賦予權利於協定時限內使用一項或多項特定資產以換取一筆或多筆款項，則該項安排屬於或包含一項租賃。該判斷乃根據對該項安排的內容進行評估而作出，而不論有關安排的法定形式是否屬租賃。

(i) 本集團租用的資產分類

本集團根據租賃所持有而其所有權的絕大部分風險及回報轉移至本集團的資產均分類為根據融資租賃持有。所有權的絕大部分風險及回報並無轉移至本集團的租賃均分類為經營租賃。

(ii) 根據融資租賃收購的資產

如屬本集團以融資租賃購入資產，便會將相當於租賃資產公平值或最低租賃付款額的現值(如為較低的數額)確認為物業、廠房及設施，而相應負債(不計融資費用)則列為融資租賃承擔。折舊是在相關的租賃期或資產的可用年限(如本公司或本集團很可能取得資產的所有權)內，以每年等額沖銷其成本或估值計提，有關詳情見下文附註2(j)。減值虧損按附註2(m)(ii)所述會計政策入賬。租賃付款內含融資費用會按租賃年期計入租賃期內損益表，使每個會計期間的融資費用與負債餘額的比率大致相同。或然租金於發生期間在損益中扣除。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Leased assets (Continued)

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

(m) Impairment of assets

(i) Impairment of financial assets, including investments in equity securities, trade and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor or borrower;
- a breach of contract, such as a default or delinquency in interest or principal payments;

2 主要會計政策(續)

(l) 租賃資產(續)

(iii) 經營租賃費用

當本集團使用持有經營租賃之資產時，根據租賃作出之付款會於租賃條款涵蓋之會計期間分期計入損益，除非出現其他更能反映租賃資產所產生之利益模式之基準，則作別論。收到之租賃激勵款會作為總租金開支之整體部分在租約期內確認。或然租金會於會計期間在產生時計入損益。

收購經營租賃項下土地的成本在租期內按直線法攤銷。

(m) 資產減值

(i) 金融資產減值(包括股權證券投資以及貿易及其他應收款項)

本集團於各報告期末檢討按成本或攤銷成本列賬之股權證券投資以及其他即期及非即期應收款項，以確定是否存在任何減值之客觀憑證。減值之客觀憑證包括本集團注意到以下一項或多項虧損事件之顯著數據：

- 債務人或借款人有嚴重財務困難；
- 違反合約，如未能繳付或拖欠利息或本金；

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(i) Impairment of financial assets, including investments in equity securities, trade and other receivables (Continued)

- the Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becoming probable that the debtor or borrower will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor or borrower;
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - (1) adverse changes in the payment status of borrowers in the portfolio; and
 - (2) national or local economic conditions that correlate with defaults on the assets in the portfolio.

2 主要會計政策(續)

(m) 資產減值(續)

(i) 金融資產減值(包括股權證券投資以及貿易及其他應收款項)(續)

- 本集團出於經濟或法律等方面因素的考慮，對發生財務困難的借款人作出貸款人原不會授出之特惠條件；
- 債務人或借款人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人或借款人有不利影響；
- 股本工具投資之公平值大幅或長期下跌至低於其成本；或
- 可觀察之數據顯示一組金融資產自首次確認後，其估計之未來現金流出現可計量之跌幅，儘管無法識別有關跌幅是與組合內之何項個別金融資產相關，包括：
 - (1) 組合內借款人之付款狀況出現逆轉；及
 - (2) 組合內資產拖欠情況與相關的國家或當地經濟狀況。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(i) Impairment of financial assets, including investments in equity securities, trade and other receivables (Continued)

If any such evidence exists, the impairment loss is determined and recognised as follows:

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (see note 2(e)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2(m)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2(m)(ii).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

2 主要會計政策(續)

(m) 資產減值(續)

(i) 金融資產減值(包括股權證券投資以及貿易及其他應收款項)(續)

倘有任何該等憑證存在，減值虧損將按以下方式釐定及確認：

- 在綜合財務報表按權益法確認之聯營公司及合資公司(見附註2(e))投資而言，按附註2(m)(ii)所述以其投資可收回金額與其賬面值作比較而計算其減值虧損。倘用以釐定可收回金額(按附註2(m)(ii)所述)的估計出現利好變化時，可撥回已確認的減值虧損。
- 按成本列賬的非掛牌股本證券而言，以該金融資產的賬面值與其估計的未來現金流的差額作為其減值虧損，若貼現具有重大影響，未來現金流需按近似的金融資產現時市場回報率貼現。按成本列值之股本證券的減值虧損不予撥回。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(i) Impairment of financial assets, including investments in equity securities, trade and other receivables (Continued)

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2 主要會計政策(續)

(m) 資產減值(續)

(i) 金融資產減值(包括股權證券投資以及貿易及其他應收款項)(續)

- 按攤銷成本列賬之貿易及其他流動應收賬款及其他金融資產，倘貼現之影響重大，其減值虧損按資產賬面值與按金融資產之原有實際利率（即在資產始初確認時採用的實際利率）貼現之估計未來現金流量之現值兩者之差額計算。倘金融資產之風險特性相近，如類似之逾期情況，並不曾個別地被評估為已減值，則此等金融資產應進行集體評估。進行集體評估之金融資產之未來現金流量應按類似該集體組別的信貸風險特性根據歷史虧損經驗計算。

倘於其後期間減值虧損金額有所減少，而金額減少客觀上與確認減值虧損後發生之事件有關，有關減值虧損會透過損益撥回。減值虧損之撥回不應導致資產之賬面值超過其在以往年度並無確認任何減值虧損而應已釐定之金額。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(i) Impairment of financial assets, including investments in equity securities, trade and other receivables (Continued)

減值虧損應從相應的資產中直接撇銷，但包含在應收賬款中、可收回性被視為可疑而並非微乎其微的應收賬款的已確認減值虧損則例外，應以撥備賬記錄呆壞賬的減值虧損。倘本集團確認能收回應收賬款的機會微乎其微，則視為不可收回金額會從應收賬款中直接撇銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益中確認。

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

2 主要會計政策(續)

(m) 資產減值(續)

(i) 金融資產減值(包括股權證券投資以及貿易及其他應收款項)(續)

減值虧損應從相應的資產中直接撇銷，但包含在應收賬款中、可收回性被視為可疑而並非微乎其微的應收賬款的已確認減值虧損則例外，應以撥備賬記錄呆壞賬的減值虧損。倘本集團確認能收回應收賬款的機會微乎其微，則視為不可收回金額會從應收賬款中直接撇銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益中確認。

(ii) 其他資產減值

於各報告期末審閱內部及外間資料來源，以識別是否有跡象顯示以下資產(商譽除外)可能出現減值，或之前確認的減值虧損不再存在或可能已減少：

- 物業、廠房及設備；
- 無形資產；
- 商譽；及
- 本公司財務狀況表內之於附屬公司之投資。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill and intangible assets that are not yet available for use, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- *Calculation of recoverable amount*
The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).
- *Recognition of impairment losses*
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

2 主要會計政策(續)

(m) 資產減值(續)

(ii) 其他資產減值(續)

倘有任何該等跡象存在，資產的可收回金額會被評估。此外，就商譽及尚未可供使用的無形資產而言，不論是否有任何減值跡象存在，亦於每年估計其可收回數額。

- *計算可收回數額*
資產可收回金額為公平值減出售成本以及使用價值兩者間之較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產特定風險評估之稅前貼現率，將估計未來現金流量貼現至其現值。倘資產並無產生基本上獨立於其他資產之現金流入，則以能獨立產生現金流入之最小資產組別(即現金產生單位)釐定可收回金額。
- *確認減值虧損*
倘資產或其所屬現金產生單位的賬面值超過其可收回金額時，則於損益中確認減值虧損。就現金產生單位確認的減值虧損會予以分配，首先減少已分配至該現金產生單位(或該組單位)的任何商譽的賬面金額，然後按比例減少該單位(或該組單位)內其它資產的賬面金額，惟某資產的賬面值不會減至低於其個別公平值減去出售成本(如能計值)或使用價值(如能釐定)則除外。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(n) Inventories

Inventories, which represent merchandises for resale, are stated at the lower of cost and net realisable value.

Cost is calculated using the first-in-first-out formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2 主要會計政策(續)

(m) 資產減值(續)

(ii) 其他資產減值(續)

– 減值虧損撥回

就資產(商譽除外)而言,倘用作釐定可收回金額的估算出現正面的變化,則會撥回減值虧損。商譽的減值虧損不會轉回。

所撥回的減值虧損僅限於在過往年度並未確認減值虧損時原應釐定的資產賬面值。所撥回的減值虧損在確認撥回的年度計入損益。

(n) 存貨

存貨指商品轉售,乃按成本值與可變現淨值兩者中之較低者列賬。

成本值以先進先出法計算,並包括所有採購成本、兌換成本及將存貨運至現址和變成現狀的其他成本。

可變現淨值乃日常業務過程中的估計售價減去估計完成生產及銷售所需的成本。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Inventories (Continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(o) Loans receivable

Loans receivable are loans granted to customers in the ordinary course of business. If collection of loans receivable is expected in one year or less, they are classified as current assets, or if not, they are presented as non-current assets.

Loans receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (see note 2(m)(i)).

(p) Interest receivables

Interest receivables are interests derived from loans granted to borrowers in the ordinary course of business. If collection of interest receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Interest receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (see note 2(m)(i)).

2 主要會計政策(續)

(n) 存貨(續)

存貨出售時，該等存貨的賬面值於確認有關收益的期間確認為開支。存貨撇減至可變現淨值的減幅及所有存貨虧損一概在撇減或虧損產生期間確認為開支。任何存貨撇減或撥回的金額，在作出撥回期間確認為減少已確認為開支的存貨金額。

(o) 應收貸款

應收貸款為於日常業務過程中授予客戶之貸款。倘應收貸款預計於一年或以內收回，則分類為流動資產。反之則呈列為非流動資產。

應收貸款乃以公平值進行初始確認，隨後以實際利率法計算的攤銷成本扣除減值撥備計量(見附註2(m)(i))。

(p) 應收利息

應收利息為於日常業務過程中授予借款人之貸款之利息。倘應收利息預計於一年或以內收回，則分類為流動資產。反之則呈列為非流動資產。

應收利息乃以公平值進行初始確認，隨後以實際利率法計算的攤銷成本扣除減值撥備計量(見附註2(m)(i))。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2(m)(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(r) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(s) Trade and other payables

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

(t) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

2 主要會計政策(續)

(q) 應收賬款及其他應收款

應收賬款及其他應收款初步按公平值確認，其後則按使用實際利率法的經攤銷成本扣除呆壞賬減值準備入賬(見附註2(m)(i))，惟倘應收款乃向關連方所提供並無固定還款期或貼現影響輕微之免息貸款則除外。於該等情況，應收款乃按成本值減呆賬減值撥備列賬。

(r) 附息借款

附息借款於起始時以公平值減應佔交易成本確認。於初始確認後，附息借款以攤銷成本列賬，而初始確認金額與贖回價值之間之任何差額，連同任何應付利息及費用，採用實際利率計算法於借款期內於損益表中確認。

(s) 應付賬款及其他應付款

應付賬款及其他應付款初步按公平值確認，且其後按攤銷成本列賬，惟貼現影響輕微時則除外，於此情況乃按成本值列賬。

(t) 現金及現金等值物

現金及現金等值物包括可隨時兌換為已知金額之現金及毋須承受重大價值變動風險，且於購入後三個月內到期的銀行及手頭現金。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Deferred income

Deferred income represents contractual billings/amount due in excess of recognised revenue resulting from services yet to be rendered or in respect of the unexpired terms of the relevant contracts/arrangements, or for which the applicable revenue recognition criteria are not yet satisfied. Revenue is recognised and deferred income is released to profit or loss when the relevant services are rendered or on a time proportion basis over the terms of the relevant contracts/arrangements, or when the applicable revenue recognition criteria are satisfied.

(v) Employee benefits

Short term employee benefits and contributions to defined contribution retirement plans.

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(w) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

2 主要會計政策(續)

(u) 遞延收入

遞延收入指超過尚未提供服務或相關合約／安排之未屆滿期限所產生，或未達到適用收益確認準則之應收合約票據／款項。當提供相關服務時或在合約／安排期間(按時間比例基準)，或當達到適用收益確認準則時於損益內確認收益及撥回遞延收入至損益。

(v) 僱員福利

短期僱員福利及定額供款退休計劃

薪金、年終花紅、有薪年假、定額供款退休計劃之供款及非貨幣性福利之成本會在僱員提供相關服務之年度內計提。如延遲付款或清償會產生重大影響，有關數額則按現值列賬。

(w) 所得稅

本年度所得稅包括即期所得稅和遞延所得稅資產與負債的變動。即期稅項及遞延稅項資產和負債的變動均在損益內確認，惟與其他全面收益或直接於權益內確認之項目有關者除外，在此情況下，相關稅項金額分別於其他全面收益或直接於權益內確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Income tax (Continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2 主要會計政策(續)

(w) 所得稅(續)

即期稅項乃根據年內應課稅收入，乃採用於報告期末已頒佈或實質頒佈之稅率計算，並就過往年度應付之稅項作出調整。

遞延稅項資產和負債分別由可扣稅和應課稅暫時差異產生，暫時差異是指資產和負債在財務報告上的賬面值與這些資產和負債的稅基的差異。遞延稅項資產亦可以由未使用的稅損及未動用稅項抵免產生。

除若干例外情況外，所有遞延稅項負債及所有遞延稅項資產均於日後產生應課稅溢利並將可動用資產予以抵銷時確認。可引證確認源自可扣稅暫時差額之遞延稅項資產之日後應課稅溢利，包括該等源自撥回現有應課稅暫時差額，惟差額與同一稅務機關及同一應課稅實體有關，並預期於撥回可扣稅暫時差額之同一期間或源自遞延稅項資產之稅項虧損可撥回或結轉之期間撥回。在決定現有的應課稅暫時差異是否足以支持確認由未使用稅項虧損及稅項抵免所產生的遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應課稅實體有關，並是否預期在能夠使用稅損或稅項抵免的一段或多段期間內轉回。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2 主要會計政策(續)

(w) 所得稅(續)

不確認為遞延稅項資產和負債的暫時差額產生自以下有限的例外情況：不可扣稅的商譽，不影響會計或應課稅溢利的資產或負債的初次確認(如屬業務合併的一部分則除外)，以及於附屬公司投資的相關暫時差額(如屬應課稅差額，限於本集團可控制撥回時間且於可預見將來不大可能獲撥回的暫時差額；或如屬可扣減差額，則限於可能於未來撥回的差額)。

已確認遞延稅項的金額按照資產及負債賬面值的預期變現或償還方式，使用於報告期末已生效或實質上已生效的稅率計算。遞延稅項資產及負債均不予貼現。

遞延稅項資產的賬面值會在各報告期末予以審閱，若日後不再可能有足夠應課稅溢利用以抵扣相關稅項溢利，則扣減遞延稅項資產的賬面值。若日後可能有足夠應課稅溢利用以抵扣，則撥回所扣減的數額。

股息分派產生的額外所得稅於支付相關股息的負債獲確認時予以確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2 主要會計政策(續)

(w) 所得稅(續)

即期稅項結餘及遞延稅項結餘以及相關變動，乃分別呈列且不會互相抵銷。僅於本公司或本集團有可合法強制執行的權利以將即期稅項資產抵銷即期稅項負債，而且符合以下額外條件時，即期及遞延稅項資產和負債才可予對銷：

- 就即期稅項資產及負債而言，本公司或本集團擬按照淨額基準結算，或同時變現資產及清償負債；或
- 就遞延稅項資產及負債而言，該等遞延稅項資產及負債與同一稅務當局所徵收的所得稅有關，且有關所得稅乃向：
 - 同一應課稅實體徵收；或
 - 不同的應課稅實體徵收，而該等實體計劃在未來各個預期有大額遞延稅項負債需要結算或大額遞延稅項資產可以收回的期間內，按照淨額基準變現即期稅項資產及結算即期稅項負債，或同時變現該資產及結算該負債。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm’s length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group’s policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

2 主要會計政策(續)

(x) 已發出財務擔保、撥備及或然負債

(i) 已發出財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債務工具的條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。

當本集團提供財務擔保時，該擔保的公平值乃初步確認為應付賬款及其他應付款內的遞延收入。已發出財務擔保的公平值在發出時參照類似服務在公平磋商交易的過程中所收取的費用(如可獲得該等資料)而確定，或參照息差作出估計，方法是以貸方在接受擔保的情況下實際收取的利率與不接受擔保的情況下貸方將會收取的估計利率作比較(如該等資料能可靠地估計)。當就發出擔保已收或應收代價時，代價乃根據本集團適用於該資產類別的政策確認。倘並無有關代價屬已收或應收，則於初步確認任何遞延收入時於損益確認即時開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Financial guarantees issued, provisions and contingent liabilities (Continued)

(i) Financial guarantees issued (Continued)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(x)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a 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 expenditure 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 of economic benefits 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 of economic benefits is remote.

2 主要會計政策(續)

(x) 已發出財務擔保、撥備及或然負債(續)

(i) 已發出財務擔保(續)

最初以遞延收入確認之擔保金額按擔保期限於損益內攤銷，作為發出財務擔保之收入。此外，倘若(i)擔保合約持有人很可能要求本集團履行擔保合約，及(ii)向本集團索償之款項預期超過現時列於應收賬款及其他應付款內有關擔保之金額(即最初確認之金額減累計攤銷)，則須按附註2(x)(ii)方法計提撥備。

(ii) 撥備及或然負債

因過去某一事件以致本集團或本公司出現法律或推定責任，而清償該等責任可能導致經濟利益流出且能作出可靠估計，即就時間或金額不明確之其他負債計提撥備。倘金錢的時間值為重大，則按預期清償責任開支現值計提撥備。

倘不大可能需要流出經濟利益，或倘有關金額不能可靠估計時，則有關責任將披露為或然負債，除非經濟利益流出之可能性極微。有可能之責任(其存在僅可由一項或多項未來事件之出現與否確定)亦披露為或然負債，除非經濟利益流出之可能性極微。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Provision of software platform includes:

- (1) Sales of licensed software, which are recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and titles has been passed, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (2) Software maintenance service income received or receivable from customers when the maintenance service contracts are entered into, which is recognised on a straight-line basis over the term of the maintenance service contract;
- (3) Software rental and subscription income from software application and website development, which are recognised when the relevant services are rendered; and
- (4) Income from mobile application development, website conversion, website development deriving from providing software application and electronic learning platform to customers, which is recognised when services are rendered. Revenue is also recognised in profit or loss in respect of the deferred income over the term of the service contract.

2 主要會計政策(續)

(y) 收益確認

收益按已收或應收代價之公平值計量。倘經濟利益可能流入本集團，且收益及成本(如適用)能可靠地計量，收入乃按以下方式於損益確認：

(i) 提供軟件平台包括：

- (1) 銷售註冊軟件於擁有權之風險及報酬轉移至買方時確認，一般於貨品付運予客戶及交付擁有權時同時發生，惟本集團須確保其不牽涉有關之管理(通常指擁有權而言)，亦無擁有所售貨品的實際控制權；
- (2) 已收或應收客戶軟件維護服務收入於訂立維護服務合約時按維護服務合約期限以直線基準確認；
- (3) 軟件應用、網站開發之軟件租賃及訂購收入於提供相關服務時確認；及
- (4) 移動應用、網站轉換及網站開發之收入來自向客戶提供軟件應用及電子學習平台。收入於提供服務時確認。有關遞延收入之收益亦在服務合約期間於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Revenue recognition (Continued)

(ii) Interest income

Interest income is recognised as it accrues using the effective interest method. When a loan and interest receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

(iii) Income from mobile gaming includes:

- (1) Income from online game platform owners, which is recognised on net basis from platform owners when the paying players purchase the game credits for the mobile games after deducting pre-determined commissions;
- (2) Service income from the provision of mobile games development and related services are recognised when the services are rendered; and
- (3) Revenue of licensing income is recognised in accordance with the terms of agreements.

(z) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

2 主要會計政策(續)

(y) 收益確認(續)

(ii) 利息收入

利息收入於其應計時按實際利率法確認。倘貸款及應收利息減值，本集團將其賬面值撇減至可收回金額，即按該工具原有實際利率貼現估計未來現金流量，然後逐步確認折扣額為利息收入。減值貸款及應收賬款的利息收入按原定實際利率確認。

(iii) 手機遊戲收入包括：

- (1) 來自網上遊戲平台擁有人的收入乃遊戲用家為購買手機遊戲點數所繳交費用(扣除預定佣金)，並由平台擁有人按淨額確認；
- (2) 來自手機遊戲開發及相關服務的服務收入於提供服務後確認；及
- (3) 授權收入收益按協議條款確認。

(z) 外幣換算

年內之外幣交易均按交易日期之匯率換算，以外幣結算之貨幣資產與負債均按報告期末之匯率換算，而兌換盈虧於損益確認。以外幣按歷史成本計量之非貨幣資產及負債乃按交易日期適用之外匯匯率換算。以公平值呈列及外幣以計值之非貨幣資產及負債及按照以公平值計量當日之外幣匯率進行換算。

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(Expressed in Hong Kong dollars)

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Translation of foreign currencies (Continued)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(aa) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantive period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(ab) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

2 主要會計政策(續)

(z) 外幣換算(續)

外國業務之業績乃按與交易日期之適用外匯匯率相若之匯率換算為港元。財務狀況表項目(包括收購日期為二零零五年一月一日之後收購外國業務所產生的商譽以及就資產及負債賬面值作出任何的公平值調整)乃按報告期末適用之收市外匯匯率換算為港元。因而所得之兌換差額乃於其他全面收益確認及獨立於兌換儲備的權益累算。

出售外國業務後，有關外國業務的累計兌換差額將於出售損益獲確認時從權益重新分類至損益。

(aa) 借貸成本

因收購、建造或生產資產(需於一段長時間方能達到其原定之用途或作出售用途之資產)而產生之借貸成本，資本化為該資產成本之一部分。所有其他借貸成本於發生期間列賬。

(ab) 已終止經營業務

已終止經營業務是本集團業務之一部分，其營運及現金流可與本集團其他業務清楚區分，且代表一項按業務或地區劃分之獨立主要業務，或作為出售一項按業務或地區劃分之獨立主要業務之單一統籌計劃一部分，或為一間純粹為轉售而收購之附屬公司。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ab) Discontinued operation (Continued)

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the consolidated statement of profit or loss, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

(ac) Related parties

- (i) A person, or a close member of that person's family, is related to the Group if that person:
- (1) has control or joint control of the Group;
 - (2) has significant influence over the Group; or
 - (3) is a member of the key management personnel of the Group or the Group's parent.

2 主要會計政策(續)

(ab) 已終止經營業務(續)

倘業務被出售或符合列為待出售項目之準則(如較早)，則分類為已終止經營業務。撤出業務時，有關業務亦會分類為已終止經營業務。

倘若業務分類為已終止經營，則會於綜合損益表按單一數額呈列，當中包含：

- 已終止經營業務之除稅後溢利或虧損；及
- 就構成已終止經營業務之資產或出售組合，計量公平值減銷售成本或於出售時確認之除稅後損益。

(ac) 關連方

- (i) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：
- (1) 能夠控制或共同控制本集團；
 - (2) 能夠對本集團施加重大影響；或
 - (3) 為本集團或本集團母公司的主要管理層成員。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ac) Related parties (Continued)

- (ii) An entity is related to the Group if any of the following conditions applies:
- (1) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (2) 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).
 - (3) Both entities are joint ventures of the same third party.
 - (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (5) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (6) The entity is controlled or jointly controlled by a person identified in (i).
 - (7) A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (8) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 主要會計政策(續)

(ac) 關連方(續)

- (ii) 倘符合下列任何條件，即實體與本集團有關聯：
- (1) 該實體與本集團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聯)。
 - (2) 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旗下成員公司之聯營公司或合營企業)。
 - (3) 兩間實體均為同一第三方的合營企業。
 - (4) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (5) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。
 - (6) 實體受(i)所識別人士控制或受共同控制。
 - (7) 於(i)(1)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
 - (8) 實體其為成員公司之集團之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

任何人士之近親是指與該實體交易時預期可影響該名人士或受該人士影響之家庭成員。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ad) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

Revenue represents the sales value of goods and services supplied to customers from the provision of software platform, interest income earned from the money lending business and income generated from mobile games development, as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務		
Provision of software platform	提供軟件平台	14,561	19,689
Interest income from money lending	放債業務所得利息收入	14,759	14,138
Mobile gaming income	手機遊戲收入	35,144	111
		64,464	33,938

2 主要會計政策(續)

(ad) 分部報告

經營分部及綜合財務報表內報告各分部項目之金額，乃取自向本集團主要高級行政管理層定期提供之用作向本集團各項業務及地點分配資源，並評估其表現之財務資料。

個別重大之經營分部不會為財務報告目的而合計，除非有關分部具有類似經濟特性，並且具有類似之產品及服務性質、客戶類型或類別、分銷產品或提供服務方法，以及監管環境性質。個別非重大之經營分部倘符合上述大多數準則可予合計。

3 收益及分部報告

(a) 收益

收益指透過提供軟件平台供應予客戶的貨品及服務的銷售價值、放債業務所得利息收入及來自開發手機遊戲收入如下：

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(Expressed in Hong Kong dollars)

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3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker, which are used to make strategic decisions.

The Group has three (2016: three) reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. No operating segments identified by the chief operating decision-maker have been aggregated in arriving at the reportable segments of the Group. The following summary describes the operations in each of the Group's reportable segments:

Continuing operations

- Software platform – developing and marketing of patented server based technology and the provision of communications software platform and software related services.
- Money lending – provision of money lending business through a wholly-owned subsidiary of the Company which is a money lender licensed in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).
- Mobile gaming – game publishing, development of mobile game, application, related intellectual property and platform, and provision of related solutions.

Discontinued operation

- Software platform – the custom-made software development services including urban grid management system, internet marketing of online peer-to-peer (“P2P”) lending system and other projects.

3 收益及分部報告(續)

(b) 分部報告

本集團根據主要營運決策人用作制定決策之審閱報告釐定其營運分部。

本集團有三個(二零一六年：三個)可報告分部。由於各業務提供不同產品及服務，所需業務策略有所差別，故分部乃個別管理。在設定本集團的可報告分部時，主要營運決策者並無將所識別的營運分部彙合。本集團各可報告分部之業務概述如下：

持續經營業務

- 軟件平台－開發及營銷專利伺服器為基礎之技術及提供通訊軟件平台及軟件相關服務。
- 放債－透過本公司為放債人條例(香港法例第163章)項下之香港持牌放債人的全資附屬公司提供放債服務。
- 手機遊戲－發行遊戲、開發手機遊戲、應用程式、相關知識產權及平台並提供相關方案。

已終止經營業務

- 軟件平台－軟件訂製化開發服務，包括城市網絡化管理系統、點對點(「點對點」)借貸系統互聯網營銷及其他項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(i) Business segment

3 收益及分部報告(續)

(b) 分部報告(續)

(i) 業務分部

		2017 二零一七年				
		Continuing operations 持續經營業務			Discontinued operation 已終止 經營業務	Total 總計
		Software platform 軟件平台 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Mobile gaming 手機遊戲 HK\$'000 千港元	Software platform 軟件平台 HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	來自外界客戶之收益	14,561	14,759	35,144	-	64,464
Reportable segment (loss)/profit ("adjusted EBITDA") (note)	可報告分部(虧損)/溢利 (「經調整EBITDA」) (附錄)	(5,526)	13,211	21,616	-	29,301
Depreciation and amortisation	折舊和攤薄	771	468	12,950	-	14,189
Income tax (credit)/expense	所得稅(抵免)/開支	(99)	16	1,972	-	1,889
Reportable segment assets	可報告分部資產	4,044	124,799	59,626	-	188,469
Additions to non-current assets	非流動資產增加	72	312	3,103	-	3,487
Reportable segment liabilities	可報告分部負債	(7,197)	(416)	(11,489)	-	(19,102)

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(Expressed in Hong Kong dollars)

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3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(i) Business segment (Continued)

3 收益及分部報告(續)

(b) 分部報告(續)

(i) 業務分部(續)

		2016 二零一六年				
		Continuing operations 持續經營業務			Discontinued operation 已終止 經營業務	Total 總計
		Software platform 軟件平台 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Mobile gaming 手機遊戲 HK\$'000 千港元	Software platform 軟件平台 HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	來自外界客戶之收益	19,689	14,138	111	521	34,459
Reportable segment (loss)/profit ("adjusted EBITDA") (note)	可報告分部(虧損)/溢利 (「經調整EBITDA」) (附錄)	(1,503)	718	(2,249)	(7,251)	(10,285)
Depreciation and amortisation	折舊及攤薄	2,332	42	21	614	3,009
Write-off of intangible assets	撇銷無形資產	1,097	-	-	-	1,097
Income tax (credit)/expense	所得稅(抵免)/開支	(150)	59	(337)	372	(56)
Reportable segment assets	可報告分部資產	7,527	183,068	72,766	-	263,361
Additions to non-current assets	非流動資產增加	169	1,306	34	11	1,520
Reportable segment liabilities	可報告分部負債	(4,483)	(475)	(12,877)	-	(17,835)

Note: The measure used for reporting segment profit/loss is "adjusted EBITDA", i.e., "adjusted earnings before interest, taxes, depreciation and amortisation", where "depreciation and amortisation" is regarded as including impairment losses in non-current assets.

The comparative figures for 2016 are amended to conform to current year's measurement and presentation.

附註：匯報分部溢利/虧損而採用之計量為「經調整EBITDA」即「除利息、稅項、折舊及攤薄前溢利」。其中「折舊及攤銷」被視為包括非流動資產之減值虧損。

二零一六年比較數字已經修訂，以符合本年度之計量及呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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(以港元列示)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(ii) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

3 收益及分部報告(續)

(b) 分部報告(續)

(ii) 可報告分部收益、損益、資產及負債之對賬

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue from continuing operations	持續經營業務之收益		
Reportable segment revenue	可報告分部收益	64,464	34,459
Segment revenue from discontinued operation	已終止經營業務分部收益	–	(521)
		64,464	33,938
Loss for the year	年度虧損		
Reportable segment profit/(loss) from continuing operations	可報告分部內持續經營業務溢利/(虧損)	29,301	(3,034)
Segment loss from discontinued operation	已終止經營業務之分部虧損	–	(7,251)
Share of profits of associates	應佔聯營公司溢利	1,040	–
Unallocated corporate income and expenses	未分配企業收入及開支	(76,076)	(30,010)
		(45,735)	(40,295)
Total assets	資產總值		
Reportable segment assets from continuing operations	可報告分部內持續經營業務之資產	188,469	263,361
Interests in associates	於聯營公司之權益	34,901	–
Unallocated corporate assets	未分配企業資產	182,360	188,510
		405,730	451,871
Total liabilities	負債總額		
Reportable segment liabilities from continuing operations	可報告分部內持續經營業務之負債	19,102	17,835
Unallocated corporate liabilities	未分配企業負債	104,248	135,592
		123,350	153,427

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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(以港元列示)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(ii) *Reconciliation of reportable segment revenue, profit or loss, assets and liabilities (Continued)*

The unallocated corporate income and expenses mainly include changes in fair value of consideration payable and contingent consideration assets for business combination, staff costs and legal and professional fees of head office. The unallocated corporate assets and liabilities mainly include goodwill, property, plant and equipment, deposits and prepayments, deposits paid for purchase of property, plant and equipment, contingent consideration assets for business combination, consideration payable for business combination and interest-bearing borrowings. This is the measure reported to the chief operating decision-maker for the purposes of performance assessment and resource allocation.

3 收益及分部報告(續)

(b) 分部報告(續)

(ii) *可報告分部收益、損益、資產及負債之對賬(續)*

未分配企業收入及開支主要包括業務合併應付代價公平值變動及或然代價資產、總辦事處員工成本及總辦事處之法律及專業費用。未分配企業資產及負債則主要包括商譽、物業、廠房及設備、存款及預付款項、購置物業、廠房及設備業務已付按金、業務合併或然代價資產、業務合併應付代價及附息借款。此乃就表現評估及資源分配向主要營運決策者之匯報方式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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(以港元列示)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(iii) Geographical information and major customers

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets, goodwill and interests in associates and joint venture ("specified non-current assets"). The geographical location of the specified non-current assets is based on the physical location of the assets, in case of property, plant and equipment, the location of the operation to which they are allocated, in case of intangible assets and goodwill, and the location of operations, in the case of associates and joint venture.

3 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料及主要客戶

下表載列有關(i)本集團來自外界客戶之收益及(ii)本集團之物業、廠房及設備、無形資產、商譽以及於聯營公司及合營公司之權益(「指定非流動資產」)所在地區之資料。指定非流動資產所在地區按資產實際所在地點(以物業、廠房及設備而言)、營運所在地點(以無形資產及商譽而言)以及營運所在地點(以聯營公司及合營公司而言)劃分。

		Revenue from external customers 來自外界客戶之收益		Specified non-current assets 指定非流動資產	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	59,811	33,929	219,858	223,320
Mainland China	中國內地	27	530	5	8
The Netherlands	荷蘭	-	-	34,901	-
Others	其他	4,626	-	-	-
		64,464	34,459	254,764	223,328

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

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3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(iii) Geographical information and major customers (Continued)

Revenue from major customers, each of whom accounted for 10% or more of the total revenue, is set out below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A	客戶A	7,000	N/A不適用#
Customer B	客戶B	N/A不適用#	3,511

The corresponding revenue did not contribute 10% or more of the total revenue.

3 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料及主要客戶(續)

來自主要客戶的收益(各自均佔總收益10%或以上)載列如下:

相關收益均不佔總收益10%或以上。

4 OTHER INCOME, NET

Continuing operations

Gain on disposal of a subsidiary (note 31)
Cumulative exchange gain reclassified from equity to profit or loss upon deregistration of a subsidiary
Sundry income

持續經營業務

出售附屬公司收益(附註31)
撤銷註冊一家附屬公司後從權益重新分類至損益之
累計兌換收益
雜項收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		-	545
		-	46
		336	22
		336	613

4 其他收入(淨額)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance costs:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務		
Finance charges on obligations under finance leases	融資租賃承擔的財務費用	172	–
Interest on bank loans and other borrowings	銀行貸款及其他借貸利息	2,240	405
		2,412	405

(b) Staff costs (including directors' remuneration (note 8)):

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務		
Salaries, wages and other benefits	薪金、工資及其他福利	28,542	24,054
Contributions to defined contribution retirement plan	固定供款退休計劃供款	1,405	1,211
		29,947	25,265

5 除稅前虧損

除稅前虧損已扣除下列各項：

(a) 融資成本：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務		
Finance charges on obligations under finance leases	融資租賃承擔的財務費用	172	–
Interest on bank loans and other borrowings	銀行貸款及其他借貸利息	2,240	405
		2,412	405

(b) 員工成本（包括董事酬金（附註8））：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務		
Salaries, wages and other benefits	薪金、工資及其他福利	28,542	24,054
Contributions to defined contribution retirement plan	固定供款退休計劃供款	1,405	1,211
		29,947	25,265

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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5 LOSS BEFORE TAXATION (CONTINUED)

(c) Other items:

5 除稅前虧損(續)

(c) 其他項目：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務		
Auditor's remuneration	核數師酬金	966	690
Amortisation of intangible assets	無形資產攤銷	13,438	2,006
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,069	3,283
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	41	2,225
Impairment losses on goodwill	商譽減值虧損	-	1,430
Operating lease charges: minimum lease payments	經營租約安排：最低租約款項	5,289	4,865
Write-off of intangible assets	撇銷無形資產	-	1,097

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6 INCOME TAX RELATING TO CONTINUING OPERATIONS

(a) Taxation in the consolidated statement of profit or loss represents:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax – Hong Kong	即期稅項 – 香港		
Provision for the year	本年度撥備	58	59
Over-provision in respect of prior years	以往年度過度撥備	(42)	(26)
		16	33
Deferred tax expense/(credit) (note 24(b))	遞延稅項開支/(抵免) (附註24(b))		
Origination and reversal of temporary differences	產生及撥回暫時性差額	1,873	(461)
Actual tax expense/(credit)	實際稅項開支/(抵免)	1,889	(428)

The provision for Hong Kong Profits Tax for 2017 is calculated at 16.5% (2016: 16.5%) of the estimated assessable profits for the year.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the respective tax jurisdictions.

No provision for Enterprise Income Tax (“EIT”) of the People’s Republic of China (the “PRC”) has been made for 2017 as the subsidiaries incorporated in the PRC have estimated tax losses for the year (2016: HK\$Nil).

二零一七年的香港利得稅撥備以年內估計應課稅溢利按16.5% (二零一六年：16.5%)計算。

根據開曼群島及英屬處女群島(「英屬處女群島」)的規則及規例，本集團毋須繳納任何相關司法權區的所得稅。

由於在中華人民共和國(「中國」)註冊成立的附屬公司於本年度估計將錄得稅項虧損，因此並無於二零一七年就中國企業所得稅(「企業所得稅」)作出撥備(二零一六年：零港元)。

6 持續經營業務相關所得稅

(a) 綜合損益表之稅項指：

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6 INCOME TAX RELATING TO CONTINUING OPERATIONS (CONTINUED)

(b) Reconciliation between tax expense/(credit) and accounting loss at applicable tax rates:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before taxation from continuing operations	持續經營業務之除稅前虧損	(43,846)	(32,486)
Notional tax credit on loss before taxation, calculated at Hong Kong Profits Tax rate of 16.5% (2016: 16.5%)	除稅前虧損的名義稅項抵免，按下列計算香港利得稅率 16.5% (二零一六年：16.5%)	(7,234)	(5,360)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	2,256	1,540
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(56)	(2)
Tax effect of unused tax losses not recognised	尚未確認未動用稅務虧損之稅務影響	1,961	2,778
Tax effect of utilisation of tax losses not recognised previously	運用過往未確認稅項虧損之稅務影響	-	(46)
Tax effect of temporary differences not recognised	尚未確認臨時差額之稅務影響	857	255
Over-provision in respect of prior years	以往年度過度撥備	(42)	(26)
Effect of different tax rates of subsidiaries	附屬公司不同稅率之影響	4,147	433
Actual tax expense/(credit)	實際稅項開支/(抵免)	1,889	(428)

6 持續經營業務相關所得稅 (續)

(b) 稅務開支/(抵免)與會計虧損按適合稅率對賬：

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7 LOSS FOR THE YEAR FROM DISCONTINUED OPERATION

On 9 March 2016, the Company entered into a conditional sale and purchase agreement to dispose of the entire interest in Native Hope Limited and its subsidiaries (together, "NH Group"), which is principally engaged in the provision of software platform including urban grid management system, internet marketing and other projects. The disposal was completed on 30 June 2016, on which date control of the operations passed to the acquirer. Details of the assets and liabilities disposed of, and the calculation of the loss on disposal, are disclosed in note 31.

The results and cash flows from the discontinued operation included in the consolidated statement of profit or loss for the year ended 31 December 2016 are set out below:

7 已終止經營業務之年度虧損

二零一六年三月九日，本公司訂立有關出售然望有限公司及其附屬公司（統稱為「然望集團」）所有權益之有條件買賣協議。然望集團主要從事提供軟件平台，包括城市網絡化管理、互聯網營銷及其他項目。該項出售已於二零一六年六月三十日完成。同日，經營控制亦已轉移至收購方。有關已出售資產及負債及計算該等出售虧損之計算方法之詳情已於附註31披露。

已終止經營業務業績及現金流量（計入截至二零一六年十二月三十一日止年度綜合損益表）載列如下：

		HK\$'000 千港元
Loss for the year from discontinued operation:	年度已終止經營業務虧損：	
Revenue	收益	521
Other revenue	其他收益	8
Expenses	開支	(4,527)
Loss before taxation	除稅前虧損	(3,998)
Income tax expense	所得稅開支	(372)
Loss from operating activities, net of tax	經營活動虧損， 經扣除稅項	(4,370)
Loss on disposal of discontinued operation, net of nil tax (note 31)	出售已終止經營業務虧損， 經扣除零稅項（附註31）	(3,867)
Loss for the year from discontinued operation	年度已終止經營業務虧損	(8,237)

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7 LOSS FOR THE YEAR FROM DISCONTINUED OPERATION (CONTINUED) 7 已終止經營業務之年度虧損 (續)

		HK\$'000 千港元
Attributable to:	以下人士應佔：	
– owners of the Company	– 本公司擁有人	(6,759)
– non-controlling interests	– 非控股權益	(1,478)
		<u>(8,237)</u>
Cash flows from discontinued operation:	已終止經營業務現金流量：	
Operating activities	經營活動	(8,701)
Investing activities	投資活動	(10)
Financing activities	融資活動	–
Effect of foreign exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等值物之影響	(44)
		<u>(8,755)</u>
Net cash outflow for the year	年度現金流出淨額	(8,755)

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綜合財務報表附註

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8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance, Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation and the GEM Listing Rules are as follows:

8 董事酬金

根據香港公司條例第383(1)條、公司(披露董事利益資料)規例第2部及GEM上市規則所披露之董事酬金如下：

		Directors' fees		Salaries, allowance and benefits in kind		Discretionary bonuses		Retirement scheme contributions		Total	
		董事袍金		薪金、津貼及實物利益		酌情花紅		退休計劃供款		總計	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
二零一七年	二零一六年	二零一七年	二零一六年	二零一七年	二零一六年	二零一七年	二零一六年	二零一七年	二零一六年	二零一七年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Present directors	現任董事										
Executive directors	執行董事										
Chan Kwun Chung (note 1)	陳冠忠(附註1)	-	-	557	-	-	-	14	-	571	-
Chan Wai Kit	陳偉傑	-	-	1,080	1,080	-	52	18	18	1,098	1,150
Lee Cheung Yuet, Horace (note 2)	李暢悅(附註2)	-	-	-	-	-	-	-	-	-	-
Independent non-executive directors	獨立非執行董事										
Fok Kin Fung, Eric (note 3)	霍健烽(附註3)	120	100	-	-	-	-	-	-	120	100
Leung Man Chun (note 4)	梁文俊(附註4)	120	102	-	-	-	-	-	-	120	102
Pang Siu Yin (note 5)	彭兆賢(附註5)	-	-	-	-	-	-	-	-	-	-
Former directors	前任董事										
Executive directors	執行董事										
Hung Tat Chi, Alan (note 6)	洪達智(附註6)	-	-	79	299	-	-	4	15	83	314
Mui Yuk Wah (note 7)	梅育華(附註7)	-	-	132	512	-	-	5	16	137	528
Wong Chi Yan (note 8)	黃志恩(附註8)	-	-	754	965	-	112	15	18	769	1,095
Guo Keqin (note 9)	郭克勤(附註9)	-	-	-	206	-	-	-	4	-	210
Lam Kit Yan (note 10)	林潔恩(附註10)	-	-	-	87	-	-	-	-	-	87
Zhang Weijie (note 11)	張偉傑(附註11)	-	-	-	229	-	-	-	4	-	233
Independent non-executive directors	獨立非執行董事										
Chui Kwong Kau (note 12)	崔光球(附註12)	-	25	-	-	-	-	-	-	-	25
Chui Chi Yun, Robert (note 13)	崔志仁(附註13)	-	21	-	-	-	-	-	-	-	21
Lam Wing Tai (note 14)	林永泰(附註14)	-	6	-	-	-	-	-	-	-	6
Lee Nim Wai (note 15)	李念緯(附註15)	120	95	-	-	-	-	-	-	120	95
Zeng Shiquan (note 16)	曾石泉(附註16)	-	12	-	-	-	-	-	-	-	12
		360	361	2,602	3,378	-	164	56	75	3,018	3,978

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(Expressed in Hong Kong dollars)

(以港元列示)

8 DIRECTORS' EMOLUMENTS (CONTINUED)

Notes:

1. Appointed on 20 March 2017
2. Appointed on 5 February 2018
3. Appointed on 2 March 2016
4. Appointed on 23 February 2016
5. Appointed on 15 January 2018
6. Appointed on 2 March 2016 and resigned on 20 March 2017
7. Appointed on 23 February 2016 and resigned on 20 March 2017
8. Resigned on 12 October 2017
9. Resigned on 9 March 2016
10. Appointed on 18 January 2016 and resigned on 23 February 2016
11. Resigned on 9 March 2016
12. Resigned on 16 March 2016
13. Resigned on 2 March 2016
14. Resigned on 18 January 2016
15. Appointed on 16 March 2016 and resigned on 15 January 2018
16. Appointed on 18 January 2016 and resigned on 23 February 2016

No directors waived any emoluments during the year (2016: HK\$Nil).

8 董事酬金(續)

附註：

1. 於二零一七年三月二十日獲委任
2. 於二零一八年二月五日獲委任
3. 於二零一六年三月二日獲委任
4. 於二零一六年二月二十三日獲委任
5. 於二零一八年一月十五日獲委任
6. 於二零一六年三月二日獲委任及於二零一七年三月二十日辭任
7. 於二零一六年二月二十三日獲委任及於二零一七年三月二十日辭任
8. 於二零一七年十月十二日辭任
9. 於二零一六年三月九日辭任
10. 於二零一六年一月十八日獲委任及於二零一六年二月二十三日辭任
11. 於二零一六年三月九日辭任
12. 於二零一六年三月十六日辭任
13. 於二零一六年三月二日辭任
14. 於二零一六年一月十八日辭任
15. 於二零一六年三月十六日獲委任及於二零一八年一月十五日辭任
16. 於二零一六年一月十八日獲委任及於二零一六年二月二十三日辭任

概無董事於年內放棄任何酬金安排(二零一六年：零港元)。

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(以港元列示)

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2016: three) are directors whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the other two (2016: two) individuals are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	1,171	1,119
Retirement scheme contributions	退休計劃供款	36	29
		1,207	1,148

The emoluments of the other two (2016: two) individuals with the highest emoluments are within the following band:

		2017 二零一七年 Number of employees 僱員人數	2016 二零一六年 Number of employees 僱員人數
HK\$Nil – HK\$1,000,000	零港元至1,000,000港元	2	2

9 最高薪酬人士

於本集團五名最高薪酬人士當中，三名（二零一六年：三名）董事之酬金詳情於附註8披露。其他兩名（二零一六年：兩名）個別人士之酬金總額如下：

其他兩名（二零一六年：兩名）最高薪酬之個別人士之酬金介乎以下範圍：

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(以港元列示)

10 LOSS PER SHARE

(a) Basic loss per share

(i) From continuing and discontinued operations

The calculation is based on the loss for the year attributable to owners of the Company of HK\$48,823,000 (2016: HK\$37,986,000) and the weighted average number of ordinary shares of approximately 1,084,166,000 (2016: 728,201,000) in issue during the year.

(ii) From continuing operations

The calculation is based on loss for the year from continuing operations attributable to owners of the Company of HK\$48,823,000 (2016: HK\$31,227,000) and the weighted average number of ordinary shares of approximately 1,084,166,000 (2016: 728,201,000) in issue during the year.

(iii) From discontinued operation

The calculation is based on loss for the year from the discontinued operation attributable to owners of the Company of HK\$Nil (2016: profit of HK\$6,759,000) and the weighted average number of ordinary shares of approximately 1,084,166,000 (2016: 728,201,000) in issue during the year.

(b) Diluted loss per share

The diluted loss per share for the years ended 31 December 2017 and 2016 is the same as the basic loss per share as there were no potential dilutive ordinary shares in issue.

10 每股虧損

(a) 每股基本虧損

(i) 來自持續及已終止經營業務

每股基本虧損乃按本公司擁有人應佔年度虧損48,823,000港元(二零一六年: 37,986,000港元)及年內已發行普通股之加權平均數約1,084,166,000股(二零一六年: 728,201,000股)計算。

(ii) 來自持續經營業務

每股基本虧損乃按本公司擁有人應佔持續經營業務之年度虧損48,823,000港元(二零一六年: 31,227,000港元)及年內已發行普通股之加權平均數約1,084,166,000股(二零一六年: 728,201,000股)計算。

(iii) 來自已終止經營業務

每股基本虧損乃按本公司擁有人應佔已終止經營業務之年度虧損零港元(二零一六年: 溢利6,759,000港元)及年內已發行普通股之加權平均數約1,084,166,000股(二零一六年: 728,201,000股)計算。

(b) 每股攤薄虧損

由於概無任何潛在攤薄已發行普通股，截至二零一七年及二零一六年十二月三十一日止年度的每股攤薄虧損與每股基本虧損相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(以港元列示)

11 PROPERTY, PLANT AND EQUIPMENT

11 物業、廠房及設備

		Land and buildings	Leasehold improvements	Furniture and fixtures	Computers and other equipment	Motor vehicles	Total
		土地及樓宇	租賃物業裝修	傢具及裝置	電腦及 其他設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Cost	成本						
At 1 January 2016	於二零一六年一月一日	-	51	247	1,415	6,093	7,806
Additions	添置	49,484	2,503	450	250	250	52,937
Additions through business combination (note 29)	通過業務合併的添置 (附註29)	-	42	29	76	-	147
Disposals	出售	-	-	(32)	(169)	(4,780)	(4,981)
Disposal of subsidiaries	出售附屬公司	-	(15)	(78)	(218)	(558)	(869)
Exchange adjustments	外匯調整	-	-	(2)	(12)	-	(14)
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	49,484	2,581	614	1,342	1,005	55,026
Additions	添置	-	956	2,528	241	5,478	9,203
Disposals	出售	-	-	(54)	(3)	-	(57)
Exchange adjustments	外匯調整	-	-	-	8	-	8
At 31 December 2017	於二零一七年十二月三十一日	49,484	3,537	3,088	1,588	6,483	64,180
Accumulated depreciation and impairment	累計折舊及減值						
At 1 January 2016	於二零一六年一月一日	-	35	117	849	489	1,490
Charge for the year	本年度扣除	2,405	79	70	358	400	3,312
Eliminated on disposals	於出售時對銷	-	-	(8)	(129)	(319)	(456)
Disposal of subsidiaries	出售附屬公司	-	(7)	(52)	(141)	(248)	(448)
Exchange adjustments	外匯調整	-	-	(3)	(10)	-	(13)
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	2,405	107	124	927	322	3,885
Charge for the year	本年度扣除	4,124	1,063	440	282	1,160	7,069
Eliminated on disposals	於出售時對銷	-	-	(13)	(3)	-	(16)
Exchange adjustments	外匯調整	-	-	-	8	-	8
At 31 December 2017	於二零一七年十二月三十一日	6,529	1,170	551	1,214	1,482	10,946
Carrying amount	賬面值						
At 31 December 2017	於二零一七年十二月三十一日	42,955	2,367	2,537	374	5,001	53,234
At 31 December 2016	於二零一六年十二月三十一日	47,079	2,474	490	415	683	51,141

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11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2017, land and buildings of the Group with carrying amount of HK\$42,955,000 (2016: HK\$47,079,000) have been pledged to secure interest-bearing borrowings granted to the Group (see note 22).

During the year ended 31 December 2017, additions to motor vehicles financed by new finance leases were HK\$4,942,000 (2016: HK\$Nil). At the end of the reporting period, the carrying amount of motor vehicles held under finance leases was HK\$4,490,000 (2016: HK\$Nil).

All land and buildings of the Group are situated in Hong Kong under medium-term leases.

11 物業、廠房及設備(續)

於二零一七年十二月三十一日，本集團土地及樓宇之賬面值42,955,000港元(二零一六年：47,079,000港元)已抵押以作擔保本集團獲發放之附息借款(見附註22)。

截至二零一七年十二月三十一日止年度，以新融資租賃撥付添置汽車為4,942,000港元(二零一六年：零港元)。於報告期末，融資租賃項下所持汽車的賬面值為4,490,000港元(二零一六年：零港元)。

所有本集團的土地及樓宇位於香港，以中期批租持有。

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(以港元列示)

12 INTANGIBLE ASSETS

12 無形資產

		Development costs	Technical know-how	Programming codes	Online platforms	Software systems	Mobile games	Total
		發展成本	技術知識	程式編碼	網上平台	軟件系統	手機遊戲	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note (a))	(note (b))	(note (b))	(note (b))	(note (b))	(note (c))	
		(附註(a))	(附註(b))	(附註(b))	(附註(b))	(附註(b))	(附註(c))	
Cost	成本							
At 1 January 2016	於二零一六年一月一日	6,114	1,023	2,663	1,104	21,925	-	32,829
Additions through business combination (note 29)	透過業務合併添置(附註29)	-	-	-	-	-	66,768	66,768
Additions through internal development	透過內部發展添置	-	-	-	-	24	-	24
Disposal of subsidiaries	出售附屬公司	(3,812)	-	(305)	(501)	(21,671)	-	(26,289)
Write-off (note (e))	撇銷(附註(e))	(124)	-	(370)	(603)	-	-	(1,097)
Exchange adjustments	外匯調整	-	-	-	-	(278)	-	(278)
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	2,178	1,023	1,988	-	-	66,768	71,957
Additions through internal development	透過內部發展添置	-	-	-	-	-	3,015	3,015
At 31 December 2017	於二零一七年十二月三十一日	2,178	1,023	1,988	-	-	69,783	74,972
Accumulated amortisation and impairment	累計攤銷及減值							
At 1 January 2016	於二零一六年一月一日	4,853	615	1,396	335	12,565	-	19,764
Charge for the year	本年度扣除	1,137	205	498	166	585	-	2,591
Disposal of subsidiaries	出售附屬公司	(3,812)	-	(305)	(501)	(12,973)	-	(17,591)
Exchange adjustments	外匯調整	-	-	-	-	(177)	-	(177)
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	2,178	820	1,589	-	-	-	4,587
Charge for the year	本年度扣除	-	203	399	-	-	12,836	13,438
At 31 December 2017	於二零一七年十二月三十一日	2,178	1,023	1,988	-	-	12,836	18,025
Carrying amount	賬面值							
At 31 December 2017	於二零一七年十二月三十一日	-	-	-	-	-	56,947	56,947
At 31 December 2016	於二零一六年十二月三十一日	-	203	399	-	-	66,768	67,370

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12 INTANGIBLE ASSETS (CONTINUED)

(a) Development costs

Development costs represent expenditure incurred for developing electronic software products that has been recognised in accordance with the accounting policy set out in note 2(k) and are internally generated.

(b) Technical know-how, programming codes, online platforms and software systems

All of the Group's technical know-how, programming codes, online platforms and software systems were purchased as part of business combinations in prior years.

On 30 June 2016, the Group disposed the entire equity interest in NH Group and the carrying amount of software systems (comprising the urban grid management system and the P2P lending system) of HK\$8,698,000 was derecognised.

(c) Mobile games

On 25 October 2016, the Group acquired the 60% equity interest in First Surplus Investments Ltd. ("First Surplus") and its subsidiaries (together, "FS Group"). FS Group is principally engaged in game publishing, development of mobile game, application, related intellectual property and platform, and provision of related solutions. Intangible assets of mobile games of HK\$66,768,000 was identified and arose from this business combination.

Expenditure incurred for developing mobile games has been recognised in accordance with the accounting policy set out in note 2(k).

No amortisation charge of mobile games was recognised in 2016 as the intangible assets were not yet available for use prior to 31 December 2016.

12 無形資產(續)

(a) 發展成本

發展成本指開發電子軟件產品所產生之開支，有關開支已根據會計政策(載於附註2(k))確認及於內部產生。

(b) 技術知識、程式編碼、網上平台及軟件系統

本集團所有的技術知識、程式編碼、網上平台及軟件系統已於過往年度作購置為企業合併的一部分。

於二零一六年六月三十日，本集團出售於然望集團之全部股權，並終止確認軟件系統(包括城市網格化管理系統及點對點借貸系統)賬面金額8,698,000港元。

(c) 手機遊戲

於二零一六年十月二十五日，本集團收購First Surplus Investments Ltd. (「First Surplus」)及其附屬公司(統稱為「FS集團」)之60%股權。FS集團主要從事遊戲發行，手機遊戲、應用程式、相關知識產權及平台的開發以及提供相關解決方案。手機遊戲的無形資產66,768,000港元予以確認，並自該業務合併而產生。

開發手機遊戲的開支已根據附註2(k)所載的會計政策確認。

由於二零一六年十二月三十一日之前無形資產並未可供使用，因此於二零一六年手機遊戲並無攤銷費用。

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12 INTANGIBLE ASSETS (CONTINUED)

(d) The amortisation charges for the year are included in “Administrative expenses” in the consolidated statement of profit or loss.

(e) Impairment loss and write-off

On 30 September 2016, the management realised that certain electronic software previously developed does not fit to the requirements of the customers and does not generate as much revenue as previously expected. As a result, the carrying amount of the electronic software of HK\$1,097,000 was fully written off in “Administrative expenses”.

12 無形資產(續)

(d) 年內攤銷開支已計入綜合損益表內的「行政開支」。

(e) 減值虧損及撇銷

於二零一六年九月三十日，管理層認為過往開發的若干電子軟件並不符合客戶要求及未能賺取如之前所預期的收益。因此，電子軟件之賬面值1,097,000港元於「行政開支」全數撇銷。

13 GOODWILL

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	109,669	90,510
Arising on acquisition of subsidiaries	收購附屬公司所產生	–	89,433
Impairment loss	減值虧損	–	(1,430)
Disposal of subsidiaries	出售附屬公司	–	(67,972)
Exchange adjustments	外匯調整	–	(872)
At 31 December	於十二月三十一日	109,669	109,669

13 商譽

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13 GOODWILL (CONTINUED)

Impairment test for cash-generating units containing goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to country of operation and operating segment as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Software platform – Hong Kong ("Unit A")	軟件平台 – 香港(「單位A」)	20,236	20,236
Mobile gaming – Hong Kong ("Unit B")	手機遊戲 – 香港(「單位B」)	89,433	89,433
		109,669	109,669

The directors have reviewed the carrying amount of goodwill in accordance with HKAS 36 as follows:

Unit A

The recoverable amount of Unit A is determined based on value-in-use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3.0% (2016: 3.0%). This growth rate does not exceed the long-term average growth rates for the market in which Unit A operates. The cash flows are discounted using a discount rate of 20.0% (2016: 22.2%). The discount rate used is pre-tax and reflects specific risks relating to Unit A. Other key assumption for the value-in-use calculation relates to the estimation of cash inflows/outflows which included budgeted sales, such estimation is based on Unit A's past performance and management's expectations for the market development including the fluctuation in software platform business in the current economic environment in Hong Kong.

As at 31 December 2017, the recoverable amount of Unit A calculated based on value-in-use exceeded carrying value by approximately HK\$1,658,000.

13 商譽(續)

載有商譽之現金產生單位之減值測試

商譽分配至本集團根據經營所在國家及經營分部識別之現金產生單位(「現金產生單位」)，詳情如下：

董事已根據香港會計準則第36號審閱商譽之賬面值，如下所示：

單位A

單位A之可收回金額按使用價值之計算釐定。該等計算乃根據管理層批准之財務預算，使用涵蓋五年期間之現金流量預測進行。五年後的現金流量乃使用估計加權平均增長率3.0%(二零一六年：3.0%)推算。所使用之增長率不超過單位A所經營業務之長期平均增長率。現金流量乃按20.0%(二零一六年：22.2%)之貼現率貼現。所使用之貼現率為除稅前，並反映與單位A有關之特有風險。計算使用價值時採納之其他主要假設涉及現金流入/流出估計(包括預算銷售額)，該估計基於單位A的過往表現及管理層對市場發展的期望(包括香港現時經濟環境中軟件平台業務的波動)。

於二零一七年十二月三十一日，單位A按使用價值計算的可收回金額超出賬面值約1,658,000港元。

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13 GOODWILL (CONTINUED)

Impairment test for cash-generating units containing goodwill (Continued)

Unit A (Continued)

The budgeted sales growth rate within the five-year period is set at an average of 25% per annum.

Had Unit A's budgeted sales growth been 1.24% lower than management's estimates, after incorporating the consequential effects of the change on the other variables used to measure the recoverable amount, the carrying amount of Unit A would be equal to its recoverable amount.

Based on the assessment results, the directors are of the opinion that there are no indications that the carrying amount of the goodwill has to be impaired.

Unit B

The recoverable amount of the Unit B is determined based on value-in-use calculation. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3.0% (2016: 3.0%) which is consistent with the forecast included in industry reports. The growth rates used do not exceed the long-term average growth rates for the business in which Unit B operates. The cash flows are discounted using a discount rate of 22.2% (2016: 23.2%). The discount rate used is pre-tax and reflects specific risks relating to Unit B. Other key assumption for the value-in-use calculation relates to the estimation of cash inflows/outflows which included budgeted sales, such estimation is based on Unit B's past performance and management's expectation for the market development including the fluctuation in mobile gaming business in the current economic environment in Hong Kong.

In the opinion of the directors, any reasonably possible change in any of these assumptions would not cause the carrying amount of Unit B to exceed its recoverable amount.

Based on the assessment results, the directors are of the opinion that there are no indications that the carrying amount of the goodwill has to be impaired.

13 商譽(續)

載有商譽之現金產生單位之減值測試(續)

單位A(續)

五年期內的預算銷售增長率定為每年平均25%。

倘單位A的預算銷售增長較管理層預期低1.24%，於合併其他用於計量可收回金額的變數所產生的影響後，單位A的賬面值將相等於其可收回金額。

基於評估結果，董事認為並無跡象表明顯示商譽的賬面值已減值。

單位B

單位B之可收回金額按使用價值之計算釐定。該等計算乃根據管理層批准之財務預算，使用涵蓋五年期間的現金流量預測進行。五年後的現金流量乃使用估計加權平均增長率3.0%(二零一六年：3.0%)推算(其與包括在行業報告的預測一致)。所使用之增長率不超過單位B所經營業務之市場長期平均增長率。現金流量乃按22.2%(二零一六年：23.2%)之貼現率貼現。所使用之貼現率為除稅前，並反映與單位B有關之特有風險。計算使用價值時採納之其他主要假設涉及現金流入／流出估計(包括預算銷售額)，該估計基於單位B的過往表現及管理層對市場發展的期望(包括香港現時經濟環境中手機遊戲業務的波動)。

董事相信該等假設之任何可能變動將不會導致單位B之賬面值超過其可回收金額。

基於評估結果，董事認為並無跡象表明顯示商譽的賬面值已減值。

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14 INTERESTS IN ASSOCIATES

On 13 April 2017, the Group, through Profile Venture Limited, a wholly-owned subsidiary of the Company, acquired the entire equity interest in Stars Ventures Limited (see note 29(b)). Stars Ventures Limited indirectly owned 49% of the equity interest of each of the following entities, which are unlisted corporate entities whose quoted market price is not available. These entities are regarded as associates of the Group and are accounted for using the equity method in the consolidated financial statements.

14 聯營公司權益

於二零一七年四月十三日，本集團透過 Profile Venture Limited (本公司一間全資附屬公司) 收購 Stars Ventures Limited 所有股權 (見附註 29(b))。Stars Ventures Limited 間接擁有以下每個實體的 49% 股權 (該等實體為未上市企業實體，其並無市場報價)。此等實體被視為本集團之聯營公司及透過使用股權法於綜合財務報表入賬。

Name of associates 聯營公司名稱	Place of incorporation and business 註冊成立及營業地點	Particulars of issued and paid-up capital 已發行繳足股本詳情	Principal activity 主要經營活動
Fore Freedom B.V. (“FF”)	The Netherlands	18,000 shares of EUR1 each	Construction and management of fibre optic internet networks
Fore Freedom B.V. (「FF」)	荷蘭	18,000 股股份 每股 1 歐元	建設及管理光纖互聯網網絡
XXLnet B.V. (“XXLnet”)	The Netherlands	80,000 shares of EUR1 each	Provision of internet, telephone and other ancillary services
XXLnet B.V. (「XXLnet」)	荷蘭	80,000 股股份 每股 1 歐元	提供互聯網、電話及 其他配套服務

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14 INTERESTS IN ASSOCIATES (CONTINUED)

Summarised financial information of the associates, adjusted for any differences in accounting policies, and reconciled to the carrying amounts at 31 December 2017 in the consolidated financial statements, are disclosed below:

14 聯營公司權益(續)

已就會計政策之任何差異作出調整，並與於二零一七年十二月三十一日之綜合財務報表內之賬面值作出調節之聯營公司財務資料概要披露如下：

		FF FF HK\$'000 千港元	XXLnet XXLnet HK\$'000 千港元
Gross amount of the associates	聯營公司之毛額		
Current assets	流動資產	1,747	1,205
Non-current assets	非流動資產	45,863	801
Current liabilities	流動負債	(5,288)	(532)
Non-current liabilities	非流動負債	(17,410)	-
Net assets	資產淨值	24,912	1,474
Revenue	收益	7,521	5,287
Profit for the period	期內溢利	1,197	926
Other comprehensive income	其他全面收入	2,754	98
Total comprehensive income	全面收入總額	3,951	1,024
Reconciled to the Group's interests in associates	與本集團於聯營公司之權益作出對賬		
Gross amount of net assets of the associates	聯營公司資產淨值毛額	24,912	1,474
The Group's effective interest	本集團實際權益比例	49%	49%
The Group's share of net assets of the associates	本集團應佔聯營公司之資產淨值	12,207	722
Goodwill	商譽	10,193	11,779
Carrying amount in the consolidated financial statements	綜合財務報表中的賬面值	22,400	12,501

Note: The information regarding the financial performance for the year presented above represents the post-acquisition results.

附註：以上所呈列之有關年內財務表現之資料乃收購後業績。

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15 INTEREST IN A JOINT VENTURE

On 6 February 2017, Top Banana Limited, an indirect wholly-owned subsidiary, established Grand Surplus HK Limited with two other joint venturers. Grand Surplus HK Limited was incorporated in Hong Kong with issued and paid-up capital of 7,000 shares of HK\$0.06 cent each and is principally engaged in website development and related services.

16 INVESTMENT IN AVAILABLE-FOR-SALE EQUITY SECURITIES

At 31 December 2017, the Group invested in an unlisted entity whose quoted market price is not available.

17 TRADE AND OTHER RECEIVABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	應收賬款	2,398	4,814
Deposits and prepayments	按金及預付款	1,931	6,367
Other receivables	其他應收款	469	50
Amount due from a key management personnel	應收主要管理人員之款項	49	-
		4,847	11,231

All of the Group's trade and other receivables, apart from certain deposits of HK\$996,000 (2016: HK\$878,000), are expected to be recovered or recognised as expenses within one year.

15 於合營公司之權益

於二零一七年二月六日，高蕉有限公司（一間間接全資附屬公司）與兩間其他聯營公司成立Grand Surplus HK Limited。Grand Surplus HK Limited於香港註冊成立，其已發行及已償付股本為7,000股每股0.06港仙之股份，而其主要從事網頁開發及有關服務。

16 投資可供出售股本證券

於二零一七年十二月三十一日，本集團投資於一間未上市企業實體，其並無市場報價。

17 應收賬款及其他應收款

除金額為996,000港元（二零一六年：878,000港元）之若干按金外，本集團所有應收賬款及其他應收款，預期可於一年內收回或確認為支出。

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17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of allowance for doubtful debts, is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 month	少於一個月	775	2,217
More than 1 but less than 3 months	逾期超過一個月但少於三個月	1,372	1,364
More than 3 but less than 6 months	逾期超過三個月但少於六個月	131	522
More than 6 but less than 12 months	逾期超過六個月但少於十二個月	104	541
Over 12 months	十二個月以上	16	170
		2,398	4,814

Trade receivables are normally due on presentation of billing or within 30 days from the date of billing. Further details on the Group's credit policy are set out in note 28(a).

(b) Impairment of trade receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 2(m)(i)).

No impairment losses were recognised on trade receivables for the years ended 31 December 2017 and 2016.

17 應收賬款及其他應收款(續)

(a) 賬齡分析

於報告期間結束時，應收賬款根據發票日期及扣除呆壞賬撥備之賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 month	775	2,217
More than 1 but less than 3 months	1,372	1,364
More than 3 but less than 6 months	131	522
More than 6 but less than 12 months	104	541
Over 12 months	16	170
	2,398	4,814

應收賬款一般於該賬單或由開單日期起計30日內到期。本集團信貸政策之更多詳情載於附註28(a)。

(b) 應收賬款減值

應收賬款之減值虧損使用撥備賬記錄，惟本集團信納收回該款項的機會渺茫則除外，在該情況下，減值虧損直接於應收賬款撇銷(見附註2(m)(i))。

截至二零一七年及二零一六年十二月三十一日止年度概無就應收賬款確認減值虧損。

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17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Trade receivables that are not impaired

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

17 應收賬款及其他應收款(續)

(c) 未減值應收賬款

並無單獨或共同被視為減值之應收賬款之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired	無逾期或減值	775	2,217
Less than 1 month past due	逾期少於一個月	1,159	949
1 to 3 months past due	逾期一至三個月	317	859
More than 3 but less than 6 months past due	逾期超過三個月但少於六個月	87	110
More than 6 but less than 12 months past due	逾期超過六個月但少於十二個月	44	587
More than 12 months past due	逾期超過十二個月	16	92
		1,623	2,597
		2,398	4,814

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17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Trade receivables that are not impaired (Continued)

Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good trading record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

17 應收賬款及其他應收款(續)

(c) 未減值應收賬款(續)

無逾期或減值之應收款與近期沒有欠款記錄之客戶有關。

已逾期但無減值之應收款與若干獨立客戶有關，該等客戶與本集團有良好買賣紀錄。根據過往經驗，管理層認為毋須就該等結餘作出減值撥備，原因是信貸水平並無重大變動，而該等結餘仍被視為可悉數收回。

18 LOANS AND INTEREST RECEIVABLES

The Group's loans and interest receivables arise from the money lending business of providing loans in Hong Kong by a wholly-owned subsidiary of the Company. The Group seeks to maintain strict control over its outstanding loans and interest receivables to minimise credit risk. Overdue balances are reviewed regularly by management.

18 應收貸款及利息

本集團的應收貸款及利息由本公司全資附屬公司於香港提供貸款的放債業務所產生。本集團力求對其未償還應收貸款及未償還應收利息維持嚴格控制，以盡量減少信貸風險。逾期餘額由管理層定期審查。

		2017 二零一七年			2016 二零一六年		
		Loan portion	Interest portion	Total	Loan portion	Interest portion	Total
		貸款部分	利息部分	總計	貸款部分	利息部分	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Secured loans by personal guarantees	個人擔保之抵押貸款	44,500	1,596	46,096	66,000	2,303	68,303
Unsecured loans	無抵押貸款	52,448	329	52,777	104,320	1,692	106,012
		96,948	1,925	98,873	170,320	3,995	174,315
Current portion included under current assets	流動資產項下包括的流動部分	(96,948)	(1,925)	(98,873)	(165,320)	(3,995)	(169,315)
Amounts due after 1 year included under non-current assets	非流動資產項下包括的一年後到期的款項	-	-	-	5,000	-	5,000

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18 LOANS AND INTEREST RECEIVABLES (CONTINUED)

Loans receivable are interest-bearing at rates ranging from 10% to 42% (2016: 10% to 36%) per annum and repayable on maturity date under the terms in contractual agreements or on demand in writing by the Group.

(a) Ageing analysis

Ageing analysis is prepared based on contractual due date:

		2017 二零一七年			2016 二零一六年		
		Loan portion	Interest portion	Total	Loan portion	Interest portion	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Neither past due nor impaired	無逾期或減值	96,948	1,886	98,834	152,220	3,995	156,215
Less than 1 month past due	逾期少於一個月	-	39	39	6,625	-	6,625
1 to 3 months past due	逾期一至三個月	-	-	-	11,475	-	11,475
		-	39	39	18,100	-	18,100
		96,948	1,925	98,873	170,320	3,995	174,315

The credit quality of loans and interest receivables that are neither past due nor impaired has been assessed by reference to historical information about counterparty default rates. The existing counterparties do not have defaults in the past.

In respect of loans and interest receivables which have been past due, the amounts mainly represent occasional delay in repayment and they were fully settled subsequent to the end of the reporting period. Accordingly, the management is of the opinion that no impairment allowance on these individual loans is necessary.

18 應收貸款及利息(續)

應收貸款按年利率為介乎10%至42%(二零一六年:10%至36%)計息,並由本集團於到期日根據合同協議條款或以書面要求償還。

(a) 賬齡分析

賬齡分析根據合同到期日編製:

無逾期或減值的應收貸款及利息的信貨質素參考有關交易方違約比例之過往資料作評估。現有交易方過往並無欠款。

對於逾期的應收貸款及利息,其金額主要為偶爾延期還款,並其後於報告期末悉數清償。因此,管理層認為無需就該等個別貸款作出減值撥備。

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19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise cash at bank and on hand.

As at 31 December 2017, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) amounted to HK\$100,000 (2016: HK\$111,000). The RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

19 現金及現金等價物及其他現金流量資料

(a) 組成銀行及手頭現金的現金及現金等價物。

於二零一七年十二月三十一日，本集團以人民幣（「人民幣」）計值之現金及現金等價物為100,000港元（二零一六年：111,000港元）。人民幣不能自由兌換至其他貨幣，然而，根據中國內地之外匯管理條例以及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

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19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities 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.

19 現金及現金等價物及其他現金流量資料(續)

(b) 下表載列本集團來自融資活動的負債變動(包括現金及非現金變動)詳情。自融資活動產生的負債為其現金流量或未來現金流量將在本集團綜合現金流量表中分類為融資活動所用的現金流量的負債。

		Financial assistance from government 政府財政援助 HK\$'000 千港元 (note 21) (附註21)	Finance leases 融資租賃 HK\$'000 千港元 (note 23) (附註23)	Interest-bearing borrowings 附息借款 HK\$'000 千港元 (note 22) (附註22)	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	114	-	28,000	28,114
Changes from financing cash flows:	融資活動現金流量變動：				
Capital element of finance lease rentals paid	已付融資租賃租金的本金部分	-	(772)	-	(772)
Interest element of finance lease rentals paid	已付融資租賃租金的利息部分	-	(172)	-	(172)
Repayment of financial assistance from government	償還政府財政援助	(114)	-	-	(114)
		(114)	(944)	-	(1,058)
Other changes:	其他變動：				
New finance leases	新融資租賃	-	4,942	-	4,942
Finance charges on obligations under finance leases	融資租賃之承擔的融資費用	-	172	-	172
		-	5,114	-	5,114
At 31 December 2017	於二零一七年十二月三十一日	-	4,170	28,000	32,170

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20 TRADE AND OTHER PAYABLES

All trade and other payables are expected to be settled or recognised as income within one year or repayable on demand.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	貿易應付款項	325	16
Accrued charges and other payables	應計費用及其他應付款項	2,623	3,253
		2,948	3,269

20 應付賬款及其他應付款

所有應付賬款其他應付款預期將於一年內清償或確認為收入或按要要求償還。

21 FINANCIAL ASSISTANCE FROM GOVERNMENT

The Innovation and Technology Fund ("ITF") of the Hong Kong Special Administrative Region government has provided financial assistance to a wholly-owned subsidiary of the Group to assist in a specific product development. The funding was unsecured, interest-free and repayable to ITF when revenue is generated from the specific product. The amount repaid would be in stages and calculated with reference to the revenue generated and received. The balance as at 31 December 2016 has been fully repaid to ITF during the year.

22 INTEREST-BEARING BORROWINGS

As at 31 December 2017, the interest-bearing borrowings represent a loan of HK\$28,000,000 (2016: HK\$28,000,000) granted by a finance company to a subsidiary. The loan was secured by the Group's land and buildings with a carrying amount of HK\$42,955,000 (2016: HK\$47,079,000) and corporate guarantee from the Company. The loan carries an interest rate of the Best Lending Rate from Hongkong and Shanghai Banking Corporation Limited plus 3% per annum and is wholly repayable on or before 24 November 2018. The relevant loan agreement does not contain any repayment on demand clauses.

21 政府財政援助

香港特別行政區創新及科技基金(「創新及科技基金」)為本集團的全資附屬公司提供財政援助，以協助個別產品開發。該基金並無抵押，不計息及當收益產生自個別產品時，須向創新及科技基金償還。所償還款項按階段償還並參照所產生及收取之收益計算。於二零一六年十二月三十一日之結餘已於本年內悉數償還予創新及科技基金。

22 附息借款

於二零一七年十二月三十一日，附息借款指一間財務公司向一家附屬公司授出之貸款，合共28,000,000港元(二零一六年：28,000,000港元)。該項貸款由本集團賬面值為42,955,000港元之土地及樓宇(二零一六年：47,079,000港元)及本公司之公司擔保抵押。該貸款按香港上海滙豐銀行有限公司最優惠貸款利率加年利率3%計息，並須於二零一八年十一月二十四日或之前全數償還。相關貸款協議並無載有任何按需求償還款項的條款。

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23 OBLIGATIONS UNDER FINANCE LEASES

At 31 December 2017, the Group had obligations under finance leases payable as follows:

23 融資租賃之承擔

於二零一七年十二月三十一日，本集團須繳付之融資租賃之承擔如下：

		Present value of the minimum lease payments	Total minimum lease payments
		最低租賃 款項現值	最低租賃 款項總額
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 year	一年內	982	1,148
After 1 year but within 2 years	一年後至兩年內	1,030	1,148
After 2 years but within 5 years	兩年後至五年內	2,158	2,227
		3,188	3,375
		4,170	4,523
Total future interest expenses	未來利息開支總額		(353)
Present value of lease obligations	租賃承擔現值		4,170

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24 DEFERRED TAX AND CURRENT TAX BALANCES

24 遞延稅項及即期稅項結餘

(a) Current taxation in the consolidated statement of financial position represents:

(a) 綜合財務狀況報表之即期稅項指：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Provision for Hong Kong Profits Tax for the year	年內香港利得稅之撥備	58	59
Provisional Profits Tax paid	已付暫繳利得稅	(59)	-
		(1)	59
Balance of Profits Tax provision relating to prior years	與上年度有關的利得稅之撥備結餘	-	30
		(1)	89
Represented by:	按下列各項表示：		
Current tax recoverable	可收回即期稅項	(1)	-
Current tax payable	應付即期稅項	-	89
		(1)	89

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24 DEFERRED TAX AND CURRENT TAX BALANCES (CONTINUED)

(b) Deferred tax assets/liabilities recognised

The component of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

24 遞延稅項及即期稅項結餘 (續)

(b) 已確認之遞延稅項資產／負債於綜合財務狀況報表確認之遞延稅項資產／(負債)部分及年內變動呈列如下：

Deferred tax assets/ (liabilities) arising from:	遞延稅項資產/ (負債)產生自：	Tax losses	Depreciation allowance in excess of the related depreciation	Tax allowance in excess of the related amortisation	Fair value adjustment on intangible assets	Total
		稅項虧損	超過相關折舊的折舊撥備	超過相關攤銷的稅項撥備	無形資產之公平值調整	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	-	-	-	(2,707)	(2,707)
Additions through business combination	透過業務合併添置	4,454	(13)	-	(11,017)	(6,576)
Credited/(charged) to profit or loss from continuing operations	計入/(扣除)持續經營業務的損益	339	(2)	-	124	461
Credited/(charged) to profit or loss from discontinued operation	計入/(扣除)已終止經營業務的損益	-	-	-	146	146
Disposal of subsidiaries	出售附屬公司	-	-	-	2,314	2,314
Exchange adjustments	外匯調整	-	-	-	24	24
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	4,793	(15)	-	(11,116)	(6,338)
Credited/(charged) to profit or loss from continuing operations	計入/(扣除)持續經營業務的損益	(3,597)	4	(497)	2,217	(1,873)
At 31 December 2017	於二零一七年十二月三十一日	1,196	(11)	(497)	(8,899)	(8,211)

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24 DEFERRED TAX AND CURRENT TAX BALANCES (CONTINUED)

(c) Deferred tax assets/liabilities not recognised

As at 31 December 2017, the Group has cumulative tax losses of approximately HK\$82,556,000 (2016: HK\$95,177,000). Of which, the Group has recognised deferred tax assets in respect of these tax losses to the extent of approximately HK\$7,250,000 (2016: HK\$29,049,000). The Group has not recognised deferred tax assets in respect of the remaining tax losses of approximately HK\$75,306,000 (2016: HK\$66,128,000) due to the unpredictability of future profit streams. Of the total unrecognised tax losses, HK\$4,562,000 (2016: HK\$3,472,000) will be expire within 5 years and the remaining tax losses of HK\$70,744,000 (2016: HK\$62,656,000) have no expiry date under the current tax legislation. Other temporary differences are not material.

25 DEFINED CONTRIBUTION RETIREMENT PLANS

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the scheme vest immediately.

The employees of a subsidiary in the PRC are members of the state-sponsored retirement benefit scheme organised by the relevant local government authority in the PRC. The subsidiary is required to contribute, based on a certain percentage of the basic salary of its employees, to the retirement benefit scheme and has no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-sponsored retirement benefit scheme represents for the entire pension obligations payable to retired employees.

In the opinion of the directors of the Company, the Group did not have any significant contingent liabilities as at 31 December 2017 and 2016 in respect of the retirement of its employees.

24 遞延稅項及即期稅項結餘 (續)

(c) 尚未確認之遞延稅項資產／負債於二零一七年十二月三十一日，本集團累計稅務虧損約82,556,000港元(二零一六年：95,177,000港元)。其中，本集團就該項虧損確認遞延稅項資產約7,250,000港元(二零一六年：29,049,000港元)。由於未來溢利來源無法估計，本集團並無就約75,306,000港元(二零一六年：66,128,000港元)的餘下稅項虧損確認任何遞延稅項資產。未被確認之稅項虧損總額當中，4,562,000港元(二零一六年：3,472,000港元)將於五年內過期，而根據目前稅項法例，餘下的稅項虧損70,744,000港元(二零一六年：62,656,000港元)並無屆滿日期。其他暫時性差額並不重大。

25 定額供款退休計劃

本集團根據香港法例第485章強制性公積金計劃條例為受香港僱傭條例管轄的司法權區的受聘僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，最高為每月相關收入的30,000港元。計劃供款即時歸屬。

一間中國附屬公司的僱員為中國相關地方政府當局管理的國家資助退休金計劃的成員。該附屬公司須按其僱員之基本薪金之若干百分比向退休金計劃供款，除年度供款外，毋須承擔有關實際退休金付款或退休福利的進一步責任。國家資助退休福利計劃就應向退休僱員支付之全部退休金負責。

本公司董事認為，本集團於二零一七年及二零一六年十二月三十一日，並無任何有關其僱員退休之重大或然負債。

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26 EQUITY SETTLED SHARE-BASED TRANSACTIONS

On 8 May 2013, the Company passed an ordinary resolution at the annual general meeting regarding the termination of the old share option scheme which was adopted on 25 November 2003 (the “Old Share Option Scheme”) and adopted a new share option scheme (the “New Share Option Scheme”) whereby the board of directors of the Company may, at its discretion, grant share options to the eligible participants including any employees, directors, suppliers, consultants, agents and advisers or any person in the sole discretion of the board of directors for the primary purpose to recognise and motivate their contributions to the Group.

On 29 April 2016, the Company passed an ordinary resolution at the extraordinary general meeting to amend the definition of “Eligible Participant” of the New Share Option Scheme and the definition of “Invested Entity” be added to the New Share Option Scheme (“Amendments to the New Share Option Scheme”).

Unless it is approved by shareholders in a general meeting of the Company, the maximum number of shares available for subscription under Amendments to the New Share Option Scheme or any other option scheme adopted by the Company is subject to:

- (i) The maximum number of shares of the Company which may be issued upon exercise of all options granted under Amendments to the New Share Option Scheme or any other share option scheme adopted by the Company must not exceed 30% of its issued share capital from time to time; and
- (ii) The total number of shares which may be issued upon exercise of all options to be granted under Amendments to the New Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares in issue at the date of the approval of Amendments to the New Share Option Scheme/at the date of passing the relevant resolution in general meeting.

The maximum number of shares issuable under the options to each eligible participant in any 12-month period is limited to 1% of the shares in issue unless it is approved by shareholders in general meeting of the Company.

26 以股本結算之股份交易

於二零一三年五月八日，本公司於股東週年大會通過有關終止舊購股權計劃（「舊購股權計劃」），乃於二零一三年十一月二十五日採納之普通決議案，並採納新購股權計劃（「新購股權計劃」），據此，本公司董事會可酌情向合資格參與者（包括僱員、董事、供應商、諮詢顧問、代理及顧問或董事會全權酌情決定之任何人士）授出購股權，旨在肯定及鼓勵彼等對本集團作出貢獻。

於二零一六年四月二十九日，本公司於股東特別大會上面通過普通決議案，對新購股權計劃下「合資格參與者」及「投資實體」的定義進行修訂並加入新購股權計劃「新購股權計劃修訂」。

除非於本公司股東大會上獲股東批准，於新購股權計劃修訂或本公司採納之任何其他購股權計劃項下可供認購之最高股份數目受限於以下各項：

- (i) 本公司根據新購股權計劃修訂或本公司採納之任何其他購股權計劃授出之所有購股權獲行使時可能發行之本公司股份數目上限，不得超過其不時已發行股本之30%；及
- (ii) 根據新購股權計劃及本集團任何其他購股權計劃將予授出之所有購股權獲行使時可能發行之股份總數合共不得超過股份於新購股權計劃獲批准時／相關決議於股東大會獲通過的日期已發行股份之10%。

於任何十二個月期間，根據購股權可向每名合資格參與人士發行之最高股份數目為已發行股份之1%，除非於本公司股東大會上經股東批准則作別論。

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26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

Any grant of options under Amendments to the New Share Option Scheme to a director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by independent non-executive directors (excluding any independent non-executive director who is the proposed grantee of the options).

Any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, in excess of 0.1% of the shares in issue and with an aggregate value (based on the closing price of the shares at the date of each grant) in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in general meeting of the Company.

The offer of a grant of share options may be accepted within 28 days from the date of the offer of the option. The consideration for a grant of options by the Company is HK\$1.00. The exercise period of the share options granted is determined by the board of directors.

The exercise price of the share options is determined by the board of directors providing that the price shall not be less than the highest of (i) the closing price of the shares on the GEM as stated in the Stock Exchange's daily quotations sheets on the date of the offer, which must be a trading day; (ii) the average closing price of the shares on the GEM as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the shares.

The total number of share option that could be granted was limited to 108,864,000 shares at par value of HK\$0.04 each, representing approximately 10% of the total issued shares of the Company on the date of passing the resolution to refresh the New Share Option Scheme limit at the annual general meeting on 4 May 2017.

No share option under the Old Share Option Scheme or Amendments to the New Share Option Scheme was granted or outstanding during the years ended 31 December 2017 and 2016.

26 以股本結算之股份交易(續)

根據新購股權計劃修訂向本公司董事、主要行政人員或主要股東或彼等各自之聯繫人授出購股權，必須經獨立非執行董事(不包括其本身為購股權建議承授人之獨立非執行董事)批准。

於任何十二個月期間，向本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人授出之任何購股權，如超過已發行股份0.1%及總值(根據授出日期之各自股份收市價計算)超過5,000,000港元，均須於本公司股東大會上獲股東批准。

購股權授出建議可於授出購股權建議日期起計28日內接納。接納本公司授出購股權之代價為1.00港元。授出購股權之行使期間由董事會釐定。

購股權行使價乃由董事會釐定，惟行使價不得低於以下最高者(i)建議授出日期(必須為交易日)於聯交所每日報價表所報股份於GEM之收市價；(ii)緊接建議授出日期前五個交易日聯交所每日報價表所報股份於GEM之平均收市價；及(iii)股份面值。

可授出之購股權總數上限為108,864,000股每股面值0.04港元之股份，佔於二零一七年五月四日股東週年大會通過更新新購股權計劃之決議案當日本公司之已發行股份總額約10%。

截至二零一七年及二零一六年十二月三十一日止年度內並無根據舊購股權計劃或新購股權計劃修訂授出而或尚未行使之購股權。

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27 CAPITAL AND RESERVES

(a) Share capital

(i) Authorised and issued share capital

27 資本及儲備

(a) 股本

(i) 法定及已發行股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares	普通股		
At 1 January 2016 of HK\$0.004 each	於二零一六年一月一日 每股面值0.004港元之股份	10,000,000	40,000
Share consolidation (note (ii))	股份合併(附註(ii))	(9,000,000)	-
Increase in authorised share capital (note (iii))	法定股本增加(附註(iii))	2,000,000	80,000
		<hr/>	<hr/>
At 31 December 2016, 1 January 2017 and 31 December 2017 of HK\$0.04 each	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0.04港元之股份	3,000,000	120,000
		<hr/>	<hr/>
Issued and fully paid:	已發行及繳足：		
Ordinary shares	普通股		
At 1 January 2016 of HK\$0.004 each	於二零一六年一月一日 每股面值0.004港元之股份	5,040,000	20,160
Share consolidation (note (ii))	股份合併(附註(ii))	(4,536,000)	-
Issue of shares (note (iv))	股份發行(附註(iv))	403,200	16,128
		<hr/>	<hr/>
At 31 December 2016 and 1 January 2017 of HK\$0.04 each	於二零一六年十二月三十一日 及二零一七年一月一日每股面 值0.04港元之股份	907,200	36,288
Issue of shares (note (v))	股份發行(附註(v))	181,440	7,258
		<hr/>	<hr/>
At 31 December 2017 of HK\$0.04 each	於二零一七年十二月三十一日 每股面值0.04港元之股份	1,088,640	43,546

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(以港元列示)

27 CAPITAL AND RESERVES (CONTINUED)

(a) Share capital (Continued)

(ii) Share consolidation in 2016

By an ordinary resolution passed at the extraordinary general meeting on 19 February 2016, every 10 issued and unissued ordinary shares of HK\$0.004 each were consolidated into 1 new ordinary share of HK\$0.04 each (the "Share Consolidation"). Following the Share Consolidation which has become effective on 22 February 2016, the authorised share capital of the Company was HK\$40,000,000 divided into 1,000,000,000 shares of HK\$0.04 each, of which 504,000,000 shares were in issue and fully paid.

(iii) Increase in authorised share capital in 2016

Upon the Share Consolidation becoming effective, the authorised share capital of the Company was increased from HK\$40,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.04 each to HK\$120,000,000 divided into 3,000,000,000 ordinary shares of HK\$0.04 each by creation of additional 2,000,000,000 ordinary shares of HK\$0.04 each.

(iv) Issue of shares in 2016

On 17 May 2016, the Company issued 252,000,000 ordinary shares of HK\$0.04 each at a subscription price of HK\$0.24 per ordinary share on the basis of one new share for every two existing shares held (the "Open Offer"), resulting in net proceeds of approximately HK\$57,680,000. Details of the Open Offer are set out in the Company's prospectus and announcement dated 22 April 2016 and 16 May 2016 respectively.

On 3 August 2016, the Company issued 151,200,000 ordinary shares of HK\$0.04 each pursuant to a placing under general mandate at a price of HK\$0.129 per ordinary share, resulting in net proceeds of approximately HK\$19,309,000.

27 資本及儲備(續)

(a) 股本(續)

(ii) 二零一六年股份合併

根據於二零一六年二月十九日於股東特別大會上通過之普通決議案，每10股每股面值0.004港元之已發行及未發行普通股已合併為一股每股面值0.04港元之新普通股(「股份合併」)。股份合併於二零一六年二月二十二日生效後本公司之法定股本為40,000,000港元，分為1,000,000,000股每股面值0.04港元之股份，其中504,000,000股普通股為已發行及繳足。

(iii) 二零一六年法定股本增加

於股份合併生效後，本公司之法定股本藉增設額外2,000,000,000股每股面值0.04港元之普通股份而由40,000,000港元(分為1,000,000,000股每股面值0.04港元之普通股股份)增加至120,000,000港元(分為3,000,000,000股每股面值0.04港元之普通股)。

(iv) 二零一六年股份發行

於二零一六年五月十七日，本公司以每持有兩股現有股份獲發一股新股份之基準，按認購價每股普通股0.24港元，發行252,000,000股每股面值0.04港元之普通股(「公開發售」)，所得款項淨額約57,680,000港元。公開發售詳情已載列於本公司日期分別為二零一六年四月二十二日及二零一六年五月十六日之章程及公告。

於二零一六年八月三日，本公司根據一般授權進行配售，以每股普通股0.129港元之價格發行151,200,000股每股面值0.04港元之普通股，所得款項淨額約19,309,000港元。

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27 CAPITAL AND RESERVES (CONTINUED)

(a) Share capital (Continued)

(v) Issue of shares in 2017

On 10 January 2017, the Company issued 181,440,000 ordinary shares of HK\$0.04 each pursuant to a placing under general mandate at a price of HK\$0.16 per ordinary share, resulting in net proceeds of approximately HK\$28,270,000.

(b) Nature and purpose of reserves

(i) Share premium

Under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) 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 in the ordinary course of business.

(ii) Capital reserve

The capital reserve represents capital contribution from shareholders in the form of interest-free loans. The amounts are estimated by discounting the nominal value of their non-interest bearing loans to the Group at current market interest rate for similar financial instruments. An early repayment of interest-free loans represents a reduction in contribution from shareholders and reduces capital reserve accordingly.

(iii) Capital surplus

Capital surplus comprises the unconditional waiver of loans and advances by shareholders of the Company and the Group's former subsidiary.

(iv) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(z).

27 資本及儲備(續)

(a) 股本(續)

(v) 二零一七年股份發行

於二零一七年一月十日，本公司根據一般授權進行配售，按每股普通股0.16港元之價格發行181,440,000股普通股(每股面值0.04港元)，所得款項淨額約28,270,000港元。

(b) 儲備之性質及用途

(i) 股份溢價

根據開曼群島公司法第22章(一九六一年第3號法例，經綜合及修訂)，本公司股份溢價賬之資金可分派予本公司股東，惟緊隨建議派發股息日期後，本公司須於其日常業務過程中可償還到期之債務。

(ii) 資本儲備

資本儲備指股東以無息貸款形式注資。金額以給予本集團無息貸款之面值按類似金融工具之現行市場利率貼現估算。提早償還無息貸款指減少股東注資，而資本儲備亦因此相應減少。

(iii) 資本盈餘

資本盈餘包括本公司股東及本集團前度附屬公司之無條件豁免貸款及墊款。

(iv) 匯兌儲備

匯兌儲備包括因換算國外業務財務報表而產生的所有外匯差額。此儲備乃根據附註2(z)所載的會計政策處理。

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27 CAPITAL AND RESERVES (CONTINUED)

(c) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments as to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes financial assistance from government, obligations under finance leases and consideration payable for business combination), less cash and cash equivalents. Adjusted capital comprises all components of equity.

The directors of the Company review the capital structure on an ongoing basis. As part of this review, the directors consider the cost of debt and cost of capital. Based on the recommendation of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts.

Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements.

(d) Distributability of reserves

As at 31 December 2017, the aggregate amounts of reserves available for distribution to owners of the Company was HK\$233,998,000 (2016: HK\$222,862,000).

27 資本及儲備(續)

(c) 資本管理

本集團管理資本的首要目標為透過將產品及服務的價格訂於與風險相稱的水平及按合理成本籌措融資，保障本集團持續經營業務的能力，從而繼續為股東提供回報及為其他權益持有人帶來裨益。

本集團積極及定期對資本架構開展檢討及管理，以在較高股東回報情況下可能伴隨之較高借貸水平與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

本集團以經調整債務淨額對資本比率為基準，監控其資本結構。就此而言，經調整債務淨額的定義為債務總額(包括政府財政資助、融資租賃承擔及業務合併應付代價)減現金及現金等值物。經調整資本包括所有權益項目。

本公司董事持續審閱資本結構。作為此審閱之部分，董事考慮債務及資本成本。本集團將根據董事之推薦意見透過支付股息、發行新股以及發行債務平衡其整體資本結構。

本公司及其任何附屬公司均不受外界施加的資本規定所限制。

(d) 分派儲備

於二零一七年十二月三十一日，可供分派予本公司擁有人的儲備總額為233,998,000港元(二零一六年：222,862,000港元)。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, loans receivable, interest receivables and cash and cash equivalents. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. Trade receivables are normally due on presentation of billing or due within 30 days from the date of billing. Normally, the Group does not obtain collateral from customers. As at 31 December 2017, the Group had a certain concentration of credit risk as 27% (2016: 20%) of the total trade receivables was due from the largest debtor.

For loans and interest receivables, the Group manages and analyses the credit risk for each of the new and existing borrowers before standard payment terms and conditions are offered. If there is no independent rating, the Group assesses the credit quality of the borrower based on the borrower's financial position, past experience and other factors. For loans principal exceeding a predetermined amount, the Group holds collateral against these loans receivable and interest receivables in the form of guarantee executed by the guarantor. Individual risk limits are set based on the value of collaterals provided by borrowers, if required, and internal or external ratings in accordance with limits set by the directors. The credit quality classification of loans receivable and their respective interest receivables using the Group's credit rating system is set out in the table below:

28 財務風險管理及金融工具公平值

信貸、流動資金、利率及貨幣風險乃於本集團一般業務過程中產生。本集團所面對的該等風險及本集團管理該等風險而採用之財務風險管理政策及常規列述如下。

(a) 信貸風險

本集團的信貸風險主要源自應收賬款及其他應收款、應收貸款、應收利息以及現金及現金等值物。管理層實施信貸政策及持續監控該等信貸風險。

就應收賬款而言，對於所有要求超過若干信貸金額的客戶均會進行個別信貸評估。應收賬款一般於提交賬單時到期或自發票日期起計30日內到期。一般而言，本集團並無向客戶取得抵押品。於二零一七年十二月三十一日，本集團發生若干信貸風險集中的情況，由於27%（二零一六年：20%）為應收最大債務人之款項。

就應收貸款及利息而言，本集團於提供標準支付條款及條件前，管理及分析信貸新增及現有借款人的信貸風險。倘無獨立評級，本集團會基於借款人的財務狀況、過往經驗及其他因素評估借款人的信貸質素。就本金額超過預定金額的貸款而言，本集團以擔保人簽立的擔保形式就該等應收貸款及應收利息持有抵押品。個別就該等風險限額基於借款人提供的抵押品（倘需要）價值及根據董事設定的限額基於內部或外部評級設定。採用本集團信貸評級制度的應收貸款及其各自的應收利息的信貸質素分類載於下表：

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Performing	履約	98,834	156,215
Doubtful	呆賬	39	18,100
Loss	虧損	-	-
		98,873	174,315

The Group considers the loans and respective interest receivables as doubtful if the repayment of principal and/or of interest has been overdue and principal, accrued interest and/or future interest may not be fully secured by the collaterals. The Group considers the loans and respective interest receivables as loss if the repayment of principal and/or of interest has been overdue for more than 12 months and the collection of principal and/or of interest in full is improbable.

The Group estimates and recognises impairment losses for the loans and interest receivables considered as "doubtful" and "loss", taking into account of the fair values of collaterals which are inadequate to cover the loans and interest receivables. The amount of doubtful and loss of loans and interest receivables were HK\$39,000 (2016: HK\$18,100,000) as at 31 December 2017.

The Group performs collective assessment of the loans receivable considered as "performing" by grouping together all its receivables with similar credit risk characteristics. The impairment review is carried out on all those loans and interest receivables based on the historical impairment rates. Since the historical impairment rate is zero during the current and prior year, the management therefore considers that the collective impairment loss is HK\$Nil (2016: HK\$Nil) as at 31 December 2017.

28 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

倘本金及／或利息還款已逾期及本金、應計利息及／或未來利息不能由抵押品全數擔保，本集團將該等貸款及相應的應收利息視為呆賬。倘本金及／或利息還款已逾期超過十二個月以及本金及／或利息不能全數收回，本集團將該等貸款及相應的應收利息視為虧損。

考慮到抵押品的公平值並不足以彌補應收貸款及利息，本集團估計及確認被視為「呆賬」及「虧損」的應收貸款及利息的減值虧損。應收貸款及利息的呆賬及虧損金額於二零一七年十二月三十一日為39,000港元(二零一六年：18,100,000港元)。

本集團透過蒐集具有類同信貸風險特徵的應收賬款，以集體評估視為「履約」的應收貸款。本集團基於過往減值率對所有該等應收貸款及利息進行減值檢討。由於本年度及上一年度的過往減值率為零，因此管理層認為集體減值虧損於二零一七年十二月三十一日為零港元(二零一六年：零港元)。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

The amount of provision for impairment is monitored by the management on a monthly basis.

Loans to the top borrower and top five borrowers constituted approximately 28% and 55% (2016: 21% and 52%) of the Group's loans receivable balance respectively as at 31 December 2017.

The directors consider that the credit risk arising from the loans receivable is significantly mitigated by the collaterals held, if required.

Cash and cash equivalents are normally placed at financial institutions that have sound credit ratings and the directors consider that the credit risk in liquid funds is limited.

The Group does not provide any guarantees which would expose the Group to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables and loans and interest receivables are set out in notes 17 and 18 respectively.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding to meet its liquidity requirements in the short and longer term.

28 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

管理層按月監察減值撥備量。

借予最大借方和前五名借方的借款分別佔本集團於二零一七年十二月三十一日的應收貸款餘額約28%及55%(二零一六年:21%及52%)。

董事認為應收貸款產生的信貸風險因所持有的抵押品(倘需要)而顯著降低。

現金及現金等值物一般存放在信貸評級良好的金融機構,故董事認為流動資金的信貸風險有限。

本集團並無提供會令本集團面對信貸風險之任何擔保。

有關本集團因應收賬款及其他應收款及應收貸款及利息而承受之信貸風險之進一步數據披露分別載於附註17及18。

(b) 流動資金風險

本集團內個別營運實體負責其本身之現金管理,包括現金盈餘之短期投資及貸款增加以應付預期現金需要。本集團之政策是定期監控其流動資金需求,以確保維持充足現金儲備及足夠信貸資金,以應付其短期及長期流動資金需求。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (Continued)

The following table shows the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which is based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

28 財務風險管理及金融工具公平值(續)

(b) 流動資金風險(續)

下表詳列本集團之金融負債於報告期間結束時之餘下訂約到期日，乃基於已訂約未貼現現金流量(包括使用訂約利率計算之利息款項，或如為浮息，則根據報告期間結束時之現行利率計算)以及本集團可能被要求付款之最早日期：

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 5 years
		賬面值	已訂約未貼現金流量總額	一年內到期或按要求	多於一年但少於五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
31 December 2017					
二零一七年十二月三十一日					
Trade and other payables	應付賬款及其他應付款	2,948	2,948	2,948	-
Obligations under finance leases	融資租賃承擔	4,170	4,523	1,148	3,375
Interest-bearing borrowings	付息借款	28,000	30,053	30,053	-
Consideration payable for business combination	業務合併應付代價	71,651	75,900	75,900	-
		106,769	113,424	110,049	3,375

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

28 財務風險管理及金融工具公平值(續)

(b) Liquidity risk (Continued)

(b) 流動資金風險(續)

		Carrying amount	Total contractual undiscounted cash flow 已訂約未貼現 現金流量總額	Within 1 year or on demand 一年內到期 或按要求	More than 1 year but less than 5 years 多於一年 但少於五年
		賬面值 HK\$'000 千港元	現金流量總額 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 December 2016					
二零一六年十二月三十一日					
Trade and other payables	應付賬款及其他應付款	3,268	3,268	3,268	–
Financial assistance from government	政府財政援助	114	114	114	–
Interest-bearing borrowings	付息借款	28,000	32,480	2,427	30,053
Consideration payable for business combination	業務合併應付代價	106,623	121,000	–	121,000
		138,005	156,862	5,809	151,053

(c) Interest rate risk

The Group's interest rate risk arises primarily from loans receivable, consideration payable for business combination and interest-bearing borrowings. Borrowings issued at fixed rate and variable rates expose the Group to fair value interest rate risk and cash flow interest rate risk respectively. The Group's interest rate profile as monitored by management is set out below.

(c) 利率風險

本集團之利率風險主要來自應收貸款、業務合併應付代價及付息借款。定息及浮息借款令本集團須分別承受公平值利率風險及現金流量利率風險。管理層監控本集團之利率組合載列如下。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk (Continued)

(i) Interest rate profile

The following table details the interest rate profile of the Group's interest-earning loans and interest-bearing borrowings at the end of the reporting period.

		2017 二零一七年		2016 二零一六年	
		Effective interest rate % 實際利率%	HK\$'000 千港元	Effective interest rate % 實際利率%	HK\$'000 千港元
Net fixed rate deposits	定息存款淨額				
Loans receivable	應收貸款	10.0% – 42.0%	96,948	10.0% – 36.0%	170,320
Obligations under finance leases	融資租賃承擔	3.5% – 4.8%	(4,170)	N/A	-
Consideration payable for business combination	業務合併應付代價	7.3%	(69,000)	7.2%	(110,000)
			23,778		60,320
Variable rate borrowings	浮息借款				
Interest-bearing borrowings	附息借款	8.0%	(28,000)	8.0%	(28,000)
Net exposure	風險淨額		(4,222)		32,320

28 財務風險管理及金融工具公平值(續)

(c) 利率風險(續)

(i) 利率組合

下表詳述於報告期間結束時本集團計息貸款及附息借款之利率組合。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk (Continued)

(ii) Sensitivity analysis

As at 31 December 2017, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's loss after tax and accumulated losses by approximately HK\$117,000 (2016: HK\$117,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The 50 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2016.

(d) Currency risk

The Group's business activities and its assets and liabilities were denominated in HK\$ and RMB. The management considers the Group is not exposed to significant foreign currency risk as most sales, income, purchases and expenses are denominated in the functional currency of the operations to which they relate. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

28 財務風險管理及金融工具公平值(續)

(c) 利率風險(續)

(ii) 敏感性分析

於二零一七年十二月三十一日，預期利率在所有其他變數保持不變的情況下增加／減少50個基點，由此增加／減少本集團除稅後虧損及累計虧損約117,000港元(二零一六年：117,000港元)。

以上敏感度分析是假設利率變動已於本報告期間末發生而釐定，並應用於該日存在之金融工具之利率風險承擔。該50個基點增幅或減幅為管理層就截至下一個年度報告期末期間合理的潛在變動之評估。二零一六年進行之分析採用相同基礎。

(d) 貨幣風險

本集團業務活動及其資產與負債以港元及人民幣列值。管理層認為本集團並無面對重大外幣風險，因為大部分銷售、收入、購買及開支均以其相關業務之功能貨幣計值。本集團目前並無外幣對沖政策。然而，管理層監察外匯風險及將於有需要時考慮對沖重大外幣風險。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

28 財務風險管理及金融工具公平值(續)

(e) Categories of financial instruments

(e) 金融工具類別

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Contingent consideration assets for business combination	業務合併或然代價資產	–	17,971
Loan and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等值物)	148,411	199,080
Prepayment option embedded in promissory note issued	已發行承兌票據所附帶的提前還款權	116	837
		148,527	217,888
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	35,118	31,383
Consideration payable for business combination, measured at fair value	業務合併應付代價，按公平值計量	71,651	106,623
		106,769	138,006

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement

(i) *Financial assets and liabilities measured at fair value*

Contingent consideration assets for business combination, prepayment option embedded in promissory note issued and consideration payable for business combination include contingent consideration are measured at fair value at the end of each reporting period on a recurring basis. The fair value measurements of these financial assets and liabilities are categorised as Level 3, whose fair value is measured using significant unobservable inputs, as defined in HKFRS 13, Fair value measurement.

The Group's finance department performs valuations for the Level 3 financial instruments. The finance department reports directly to the management and the audit committee. A valuation report with analysis of changes in fair value measurement is prepared by the finance department with external valuation specialists appointed by the Group at each annual reporting date, and is reviewed and approved by the management. Discussion of the valuation process and results with the management and the audit committee is held once a year.

28 財務風險管理及金融工具公平值(續)

(f) 公平值計量

(i) *按公平值計量之金融資產及負債*

業務合併的或然代價資產、已發行承兌票據中附帶的提前還款權及業務合併應付代價包括或然代價，乃於各報告期末按經常性的基礎根據公平值計量。該等按公平值計量的金融資產及負債被分類為第三級，其公平值使用重大不可觀察輸入數據計量(定義見香港財務報告準則第13號，公平值計量)。

本集團之財務部門就第三級金融工具進行估值。財務部門向管理層及審核委員會直接報告。財務部門與本集團委任的外部估值專家於各年度結算日期編製載有公平值計量變動分析的估值報告，並由管理層審閱及批准。與管理層及審核委員會就估值過程及結果的討論每年進行一次。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

The following table provides information about Level 3 fair value measurements:

	Valuation techniques 估值方式	Significant unobservable input 重大不可觀察輸入數據
Financial assets		
金融資產		
Unlisted available-for-sale equity instruments 未上市待售股權工具	Recoverable amount 可收回金額	N/A 不適用
Contingent consideration assets for business combination 業務合併或然代價資產	Binomial Lattice model 二項式點陣模式	Discounted cash flows used to derive the estimated fair value of FS Group and the probability of the Put Option (as defined in note 29(a)) being exercised 用於計算FS集團估計公平值的貼現現金流量以及行使沽售權(定義見附註29(a))的可能性
Prepayment option embedded in promissory note issued 已發行承兌票據所附帶的提前還款權	Binomial Lattice model 二項式點陣模式	N/A 不適用
Financial liabilities		
金融負債		
Consideration payable for business combination 業務合併代價資產	Discounted cash flow 貼現現金流量	Discount rate and the probability-adjusted revenue and profit of FS Group (2016: FS Group) used to derive the discounted cash flow 用於計算貼現現金流量之貼現率以及FS集團的收益及溢利可能性調整(2016年: FS集團)

28 財務風險管理及金融工具公平值(續)

(f) 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

下表提供有關第三級公平值計量之資料：

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (Continued)

(i) *Financial assets and liabilities measured at fair value (Continued)*

The fair value of contingent consideration assets for business combination is determined using binomial lattice model and the significant unobservable input used in the fair value measurement is the discounted cash flows used to derive the estimated fair value of FS Group and the probability of the Put Option being exercised. The fair value measurement is negatively related to the discounted cash flows, i.e. an increase in discounted cash flows would result in a decrease in the fair value measurement, and vice versa. Conversely, the fair value measurement is positively related to the discounted cash flows, i.e. an increase in probability of the Put Option being exercised would result in an increase in the fair value measurement, and vice versa.

The fair value of prepayment option embedded in the promissory note issued is determined using binomial lattice model. The fair value is insignificant to the consolidated statement of financial position and any changes to the unobservable input would not result in significant changes in the fair value measurement.

The fair value of consideration payable for business combination is determined using discounted cash flow method to capture the present value of the expected future cash outflows of the Group. The fair value measurement is negatively related to the discount rate used, i.e. an increase in discounted rate used in isolation would result in a decrease in the fair value measurement, and vice versa. Conversely, the fair value measurement is positively related to the probability-adjusted revenue and profit of FS Group (2016: FS Group), i.e. an increase in probability-adjusted revenue and profit in isolation would result in an increase in the fair value measurement, and vice versa.

28 財務風險管理及金融工具公平值(續)

(f) 公平值計量(續)

(i) *按公平值計量之金融資產及負債(續)*

業務合併的或然代價資產的公平值乃採用二項式點陣模式釐定，公平值計量中所使用的重大不可觀察輸入數據為用於計算FS集團估計的公平值的貼現現金流量及行使沽售權的可能性。公平值計量與貼現現金流量為負相關，即貼現現金流量增加將導致公平值計量減少，反之亦然。相反，公平值計量與貼現現金流量為正相關，即行使沽售權的可能性增加將導致公平值計量增加，反之亦然。

已發行承兌票據附帶的提前還款權的公平值乃使用二項式點陣模式釐定。公平值對綜合財務狀況表而言屬不重大，而不可觀察輸入數據的任何變動將不會導致公平值計量出現重大變動。

業務合併應付代價的公平值乃使用貼現現金流量法釐定，以計量本集團預期未來現金流出的現值。公平值計量與所使用的貼現率為負相關，即單獨所使用的貼現率增加將導致公平值計量減少，反之亦然。相反，公平值計量與FS集團(2016: FS集團)的可能性調整收益及溢利為正相關，即單獨可能性調整收益及溢利的增加將導致公平值計量增加，反之亦然。

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

The movement during the year in the balance of these Level 3 fair value measurements are as follows:

28 財務風險管理及金融工具公平值(續)

(f) 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

年內，該第三級公平值計量結餘變動如下：

		2017 二零一七年		
		Contingent consideration assets for business combination	Prepayment option embedded in promissory note issued	Consideration payable for business combination
		業務合併或然代價資產	已發行承兌票據所附帶的提前還款權	業務合併應付代價
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 January	於一月一日	17,971	837	(106,623)
Settlement	結算	-	-	41,368
Changes in fair value recognised in profit or loss	於損益中確認之公平值變動	(17,971)	(721)	(6,396)
At 31 December	於十二月三十一日	-	116	(71,651)

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28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (Continued)

(i) *Financial assets and liabilities measured at fair value (Continued)*

		2016 二零一六年		
		Contingent consideration assets for business combination 業務合併 或然代價資產 HK\$'000 千港元	Prepayment option embedded in promissory note issued 已發行 承兌票據所附帶 的提前還款權 HK\$'000 千港元	Consideration payable for business combination 業務合併 應付代價 HK\$'000 千港元
At 1 January	於一月一日	–	–	(28,247)
Additions	添置	19,364	944	(105,744)
Settlement by disposal of subsidiaries (note 31)	透過出售附屬公司 結算(附註31)	–	–	30,000
Changes in fair value recognised in profit or loss	於損益中確認之 公平值變動	(1,393)	(107)	(2,632)
At 31 December	於十二月三十一日	17,971	837	(106,623)

(ii) *Financial assets/liabilities carried at other than fair value*

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2017 and 2016.

28 財務風險管理及金融工具公平值(續)

(f) 公平值計量(續)

(i) *按公平值計量之金融資產及負債(續)*

(ii) *按公平值以外價值列值之金融資產/負債*

本集團按成本或攤銷成本列值之金融工具的賬面值與其於二零一七年及二零一六年十二月三十一日的公平值並無重大差異。

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29 BUSINESS COMBINATIONS

(a) Acquisition of FS Group

On 25 October 2016, the Group, through Hyper Venture Limited, a wholly-owned subsidiary (the “FS Purchaser”), acquired 60% equity interest in FS Group from independent third parties (the “FS Vendors”) at a nominal consideration of HK\$150,000,000 (the “FS Consideration”) (the “FS Acquisition”).

Pursuant to the agreement for sale and purchase dated 8 August 2016 entered into between the FS Purchaser, the FS Vendors and the Company (as the “FS Guarantor”) in relation to the FS Acquisition (the “FS Acquisition Agreement”), the FS Consideration shall be paid by the FS Purchaser to the FS Vendors (or its nominee(s)) as to: (i) HK\$40,000,000 in cash as refundable deposit to be paid within one-month after the date of the FS Acquisition Agreement; (ii) HK\$110,000,000 by the issuance of a promissory note at 5% per annum (the “Promissory Note”). The principal and accrued interest thereon are wholly repayable on the date immediate following 2 years after the date of issue of the Promissory Note to the FS Vendors (or their nominees) upon the completion of the FS Acquisition (i.e. 25 October 2016) (the “Completion”). Pursuant to the FS Acquisition Agreement, the principal may be prepaid in full or in part by the FS Purchaser at any time together with interest accrued thereon without penalty by giving no less than 7 business days prior notice in writing to the holders of the Promissory Note (the “Prepayment Option”).

29 業務合併

(a) 收購FS集團

於二零一六年十月二十五日，本集團透過全資附屬公司Hyper Venture Limited（「FS買方」），以名義代價150,000,000港元（「FS代價」）從獨立第三方（「FS賣方」）收購FS集團之60%股權（「收購FS集團」）。

根據FS買方、FS賣方及本公司（作為「FS擔保人」）就有關FS收購事項訂立日期為二零一六年八月八日之買賣協議（「FS收購協議」），FS買方將向FS賣方（或其代名人）支付FS代價，包括：(i) 可退回按金現金40,000,000港元，將於FS收購協議日期起一個月內所支付；(ii) 以110,000,000港元發行年利率5%之承兌票據（「承兌票據」）支付。本金及應計利息將於FS收購事項完成（即二零一六年十月二十五日）（「完成」）後，緊隨向FS賣方（或其代名人）發行承兌票據日期起兩年當日全數償還。根據FS收購協議，FS買方可隨時在不少於七個營業日前，向承兌票據持有人發出書面通知，提早支付全部或部分本金及其應計利息而無須罰款（「提前還款權」）。

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29 BUSINESS COMBINATIONS (CONTINUED)

(a) Acquisition of FS Group (Continued)

Pursuant to the FS Acquisition Agreement, the FS Vendors guarantee to the FS Purchaser that the audited consolidated net profit after taxation of FS Group for the twelve full months immediately following the Completion (“2017 FS Profit”) shall not be less than HK\$14,200,000 (the “FS Profit Guarantee”). The FS Purchaser shall have the rights to sell the 60% equity interest in First Surplus (the “Sale Shares”) to the FS Vendors at the price equivalent to the FS Consideration, whereupon the FS Vendors shall have the obligation to purchase the Sale Shares at such price in the event that FS Group fails to meet the FS Profit Guarantee (the “Put Option”) within a period of 6 months after the date of approval of the audited consolidated financial statements of FS Group (the “Exercisable Period”).

The FS Consideration comprises: (a) cash; (b) the Promissory Note with an embedded Prepayment Option; and (c) the Put Option. The fair value of the FS Consideration at the Completion is as follows:

29 業務合併(續)

(a) 收購FS集團(續)

根據FS收購協議，FS賣方向FS買方保證FS集團於緊隨完成後十二個完整月之經審核稅後綜合溢利淨額(「二零一七年FS溢利」)將不少於14,200,000港元(「FS溢利保證」)。如FS集團未能於FS集團經審核綜合財務報表獲批准日期起六個月期間(「可行使期間」)達成FS溢利保證，FS買方將有權向FS賣方以相等於FS代價價格出售First Surplus之60%股權(「銷售股份」)，而FS賣方將有責任以該等價格購買其銷售股份(「沽售權」)。

FS代價包括：(a)現金；(b)已發行附帶提前還款權之承兌票據；及(c)沽售權。FS代價於完成時之公平值載列如下：

		Contractual amount	Fair value
		合約金額	公平值
		HK\$'000	HK\$'000
		千港元	千港元
Consideration settled by cash on 7 September 2016	於二零一六年九月七日以 現金支付之代價	40,000	40,000
Consideration payable by Promissory Note issued on 25 October 2016 (note (i))	以二零一六年十月二十五日 發行承兌票據支付之代價 (附註(i))	110,000	105,744
Prepayment Option embedded in the Promissory Note issued (note (i))	已發行附帶提前還款權之 承兌票據(附註(i))	-	(944)
Contingent consideration assets - Put Option (note (ii))	或然代價資產－ 沽售權(附註(ii))	-	(19,364)
		150,000	125,436

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29 BUSINESS COMBINATIONS (CONTINUED)

(a) Acquisition of FS Group (Continued)

Note:

- (i) The fair value of the consideration payable by the Promissory Note is measured as the fair value of the Promissory Note as if the Promissory Note was issued without the Prepayment Option.

The fair value of the Promissory Note as if the Promissory Note was issued without the Prepayment Option is measured by discounting the total contractual undiscounted cash outflows of HK\$121,000,000, being the aggregate of the principal of HK\$110,000,000 and the accrued interest thereon of HK\$11,000,000, at the discount rate of 6.97% as determined by the directors of the Company with reference to valuation carried out by an independent valuer (the "Valuer"), as if it is to be paid on 25 October 2018, being 2 years after the date of issue of the Promissory Note. The discount rate of 6.97% comprises the risk-free rate of 0.46%, a credit spread of 4.56% and a liquidity spread of 1.95%.

The fair value of the Prepayment Option as at 25 October 2016 is determined by the directors of the Company with reference to valuation carried out by the Valuer and is measured based on Binomial Lattice model. The Prepayment Option embedded in the Promissory Note issued and the consideration payable by the Promissory Note form part of the Consideration, and are required to be measured at fair value in accordance with HKFRS 3 (see accounting policy set out in note 2(f)).

- (ii) The fair value of the Put Option is determined by the directors of the Company with reference to valuation carried out by the Valuer, and is calculated by multiplying the value of the Put Option of approximately HK\$48,410,000 and the probability of the Put Option being exercised of 40%.

29 業務合併(續)

(a) 收購FS集團(續)

附註：

- (i) 以承兌票據支付之代價公平值乃根據承兌票據公平值釐定，假設承兌票據並無連同提前還款權發行。

承兌票據公平值(假設承兌票據並無連同提前還款權發行)乃透過以本公司董事參考獨立估值師(「估值師」)所進行之估值而釐定之貼現率6.97%貼現透過合約未貼現金流出總額121,000,000港元(即本金110,000,000港元及應計利息11,000,000港元總額)計算，並假設該等承兌票據已於二零一八年十月二十五日(即承兌票據發行日期後兩年)獲償還。貼現率6.97%包括無風險利率0.46%、信貸息差4.56%及流動性價差1.95%。

提前還款權於二零一六年十月二十五日之公平值乃本公司董事參考估值師進行估值，並根據二項式點陣法模式釐定。已發行附帶提前還款權之承兌票據及以承兌票據支付的代價構成部分代價，均需根據香港財務報告準則第3號(見載列於附註2(f)之會計政策)按公平值計算。

- (ii) 沽售權公平值乃本公司董事參考估值師進行估值後釐定，並以沽售權價值約48,410,000港元乘沽售權獲行使機會率40%而計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

29 BUSINESS COMBINATIONS (CONTINUED)

(a) Acquisition of FS Group (Continued)

Value of the Put Option

The value of the Put Option as at 25 October 2016 of HK\$48,410,000 is measured based on Binomial Lattice model, with the principal assumptions as follows:

Market price	HK\$144,800,000 (note (i))
Exercise price	HK\$150,000,000 (note (ii))
Expected volatility	67% (note (iii))
Option life	23 months from 25 October 2016 to 25 September 2018
Vesting period	6 months from 25 March 2018 to 25 September 2018 (note (iv))
Expected dividend	Nil
Risk-free interest rate	0.46% (note (v))

Note:

- (i) The market price represents 60% of the estimated fair value of FS Group as at 25 October 2016, being HK\$241,333,000.
- (ii) The exercise price represents the price that the FS Purchaser could sell the 60% equity interest in First Surplus to the FS Vendors in the event that FS Group fails to meet the FS Profit Guarantee.
- (iii) The expected volatility of the market price of FS Group is determined by reference to the average volatility in stock prices, as obtained from Bloomberg, of several comparable companies.
- (iv) The audited consolidated financial statements of FS Group are assumed to be available in 5 months after the end of the period of the FS Profit Guarantee (i.e. 24 October 2017). As such, the Exercisable Period will be from 25 March 2018 to 25 September 2018.
- (v) The risk-free rate is calculated by averaging the 1-year and 2-years Hong Kong Sovereign Bond yield as at 25 October 2016, as obtained from Bloomberg.

29 業務合併(續)

(a) 收購FS集團(續)

沽售權價值

於二零一六年十月二十五日，根據二項式點陣法模式計算之沽售權價值為48,410,000港元，主要假設載列如下：

市場價	144,800,000港元(附註(i))
行使價	150,000,000港元(附註(ii))
預期波幅	67%(附註(iii))
沽售權年期	二零一六年十月二十五日至二零一八年九月二十五日起二十三個月
歸屬期	二零一八年三月二十五日至二零一八年九月二十五日起六個月(附註(iv))
預期股息	零
無風險利率	0.46%(附註(v))

附註：

- (i) 市場價為FS集團於二零一六年十月二十五日之估算公平值60%，即241,333,000港元。
- (ii) 行使價為FS買方在FS集團未能達成FS溢利保證的情況下，可以向FS賣方出售其First Surplus之60%股權的價格。
- (iii) FS集團市場價預期波幅乃從彭博社所得若干可比較公司之平均股價波幅而釐定。
- (iv) FS集團經審核綜合財務報表假設可於FS溢利保證期末後五個月(即二零一七年十月二十四日)提供。因此，可行使期將為二零一八年三月二十五日至二零一八年九月二十五日。
- (v) 無風險利率根據於二零一六年十月二十五日從彭博社所得香港政府一年期及兩年期債券平均孳息計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

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29 BUSINESS COMBINATIONS (CONTINUED)

(a) Acquisition of FS Group (Continued)

Probability of the Put Option being exercised

The forecasted net profit after taxation of FS Group in the cash flow forecast prepared by the directors of the Company is assumed to be the 2017 FS Profit, which exceeds the FS Profit Guarantee. The directors of the Company determine that the probability that FS Group would fail to meet the FS Profit Guarantee is 40%. Should FS Group fail to meet the FS Profit Guarantee, it is further assumed that the Purchaser must exercise the Put Option during the Exercisable Period of the Put Option. The Put Option is an asset resulting from a contingent consideration arrangement. Such contingent consideration asset forms part of the Consideration, and are required to be measured at fair value in accordance with HKFRS 3 (see accounting policy set out in note 2(f)).

29 業務合併(續)

(a) 收購FS集團(續)

行使沽售權機會率

由本公司董事編製之現金流量預測內的FS集團預測稅後溢利淨額，被假設為二零一七年FS溢利，並超出FS溢利保證。本公司董事認為FS集團未能達成FS溢利保證的機會率為40%。如FS集團未能達成FS溢利保證，則進一步假設買方必定於沽售權可行使期間行使沽售權。該等沽售權為或然代價安排下所衍生之資產。該等或然代價資產構成部分代價，並需根據香港財務報告準則第3號(見載列於附註2(f)之會計政策)按公平值計算。

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(Expressed in Hong Kong dollars)

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29 BUSINESS COMBINATIONS (CONTINUED)

29 業務合併(續)

(a) Acquisition of FS Group (Continued)

The fair value of the identifiable assets and liabilities acquired and goodwill arose as at the date of the acquisition are as follows:

(a) 收購FS集團(續)

於收購日期已收購之已識別資產及負債公平值以及所產生的商譽如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	147
Intangible assets	無形資產	66,768
Deferred tax assets	遞延稅項資產	4,454
Trade and other receivables	應收賬款及其他應收款	724
Cash and cash equivalents	現金及現金等值物	764
Deferred income	遞延收入	(265)
Deferred tax liabilities	遞延稅項負債	(11,030)
Other payables and accruals	其他應付款及應計費用	(2,543)
Net identifiable assets acquired	已收購可識別淨資產	59,019
Non-controlling interests [#]	非控股權益 [#]	(23,016)
Net identifiable assets attributable to owners of the Company	本公司擁有人應佔可識別淨資產	36,003
Goodwill arising on business combination	業務合併產生之商譽	89,433
Total consideration	總代價	125,436
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Consideration paid in cash	已付現金代價	40,000
Cash and cash equivalents acquired	已收購的現金及現金等值物	(764)
		39,236

[#] The non-controlling interests are measured at the non-controlling interests' proportionate share of fair value of the identifiable net assets of the acquired subsidiaries.

[#] 非控股權益乃按非控股權益分佔已收購附屬公司可識別淨資產公平值的比例計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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29 BUSINESS COMBINATIONS (CONTINUED)

(b) Acquisition of Stars Ventures Limited

On 13 April 2017, the Group, through Profile Venture Limited, a wholly-owned subsidiary (the “SV Purchaser”), acquired 100% equity interest in Stars Ventures Limited and its subsidiaries and associates (together, “SV Group”) from an independent third party (the “SV Vendor”) at a nominal consideration of HK\$32,400,000 (the “SV Consideration”) (the “SV Acquisition”).

Pursuant to the agreement for sale and purchase dated 30 March 2017 entered into between the SV Purchaser and the SV Vendor in relation to the SV Acquisition (the “SV Acquisition Agreement”), the SV Consideration shall be paid by the SV Purchaser upon completion of acquisition as to: (i) by way of assignment and setoff against a sum of approximately HK\$32,326,000, being the aggregate balance of an outstanding principal amount of the loan receivable of HK\$30,000,000 and accrued interest of HK\$2,326,000 owed by Stars Ventures Limited to the Group; and (ii) approximately HK\$74,000 in cash. Pursuant to the SV Acquisition Agreement, the SV Vendor guaranteed to the SV Purchaser that the accumulated audited consolidated profit before interest, taxes, depreciation and amortisation (“EBITDA”) of SV Group for the year ending 31 December 2017 and 31 December 2018 shall be no less than EUR115,000 (the “SV Profit Guarantee”).

If the actual accumulated audited EBITDA (“Actual EBITDA”) of SV Group for the year ending 31 December 2017 and 31 December 2018 is less than the SV Profit Guarantee, the SV Vendor shall compensate the SV Purchaser with an amount equalled to the product of multiplying HK\$32,400,000 by the percentage of shortfall over the SV Profit Guarantee in cash within 7 business days after determination of the Actual EBITDA.

Based on the assessment of the director of the Company, the possibility of shortfall of the SV Profit Guarantee is remote, and consequently the fair value of contingent consideration asset is HK\$Nil.

29 業務合併(續)

(b) 收購Stars Ventures Limited

於二零一七年四月十三日，本集團透過全資附屬公司Profile Venture Limited（「SV買家」），以名義代價32,400,000港元（「SV代價」）從獨立第三方（「SV賣方」）收購Stars Ventures Limited及其附屬公司及其聯營公司（統稱「SV集團」）（即指「SV收購」）。

根據SV買方及SV賣方於二零一七年三月三十日訂立有關SV收購的買賣協議（「SV收購協議」），SV買方應於收購完成後：(i)以轉讓及抵銷方式支付金額約32,326,000港元，即應收貸款的未償還本金總額30,000,000港元及Stars Ventures Limited應付予本集團的應計利息2,326,000港元；及(ii)約74,000港元現金支付SV代價。根據SV收購協議，SV賣方向SV買方保證，截至二零一七年十二月三十一日及二零一八年十二月三十一日止年度，SV集團扣除利息、稅項、折舊及攤銷（「EBITDA」）前的累計經審核綜合溢利不少於115,000歐元（「SV保證溢利」）。

倘截至二零一七年十二月三十一日及二零一八年十二月三十一日止年度，SV集團的實際累計經審核EBITDA（「實際EBITDA」）少於SV保證溢利，SV賣方應賠償SV買方之金額為32,400,000港元乘以SV保證溢利差額之百分比，且須於釐定實際EBITDA後七個營業日內以現金支付。

根據本公司董事之評估，出現SV保證溢利差額的可能性微乎其微，因此，或然代價資產的公平值為零港元。

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29 BUSINESS COMBINATIONS (CONTINUED)

(b) Acquisition of Stars Ventures Limited (Continued)

The fair value of the identifiable assets and liabilities acquired and goodwill arose as at the date of the acquisition are as follows:

		HK\$'000 千港元
Interests in associates	於聯營公司之權益	32,464
Other payables and accruals	其他應付款及應計費用	(64)
Net identifiable assets attributable to owners of the Company	本公司擁有人應佔可識別淨資產	32,400
Goodwill arising on business combination	業務合併產生之商譽	-
Total consideration	總代價	32,400
Satisfied by:	以下列方式支付：	
Cash	現金	74
Assignment of amount due to the Group	轉讓應付本集團款項	32,326
		32,400
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Consideration paid in cash	已付現金代價	74

- (c) The goodwill is attributable to the synergies of the acquired businesses expected to arise after the Group's acquisitions. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the acquisitions is expected to be deductible for tax purposes.

29 業務合併(續)

(b) 收購Stars Ventures Limited (續)

已收購之可識別資產及負債的公平值及於收購日期產生的商譽如下：

- (c) 商譽乃預期本集團於收購後，從收購業務的協同效益產生。該等利益並未與商譽分開確認，原因為其並不符合可識別無形資產的確認標準。

預計該收購產生之商譽概不會視為減稅項目。

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29 BUSINESS COMBINATIONS (CONTINUED)

- (d) Acquisition-related costs of HK\$752,000 (2016: HK\$2,307,000) have been excluded from the consideration transferred and have been recognised as “Administrative expenses” in the consolidated statement of profit or loss.
- (e) No revenue was attributable to the additional businesses generated by SV Group during the year ended 31 December 2017. Loss for the year ended 31 December 2017 includes profit of HK\$274,000 contributed by SV Group.

Had the SV Acquisition been taken place on 1 January 2017, the directors of the Company estimate that the consolidated revenue and the consolidated loss from continuing operations for the year ended 31 December 2017 would have been HK\$64,464,000 and HK\$45,489,000 respectively. This pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and result of operations of the Group that actually would have been achieved had the acquisitions been completed on 1 January 2017.

Included in the revenue for the year ended 31 December 2016 are approximately HK\$111,000, attributable to the additional business generated by FS Group. Loss for the year ended 31 December 2016 includes loss of HK\$1,944,000 contributed by FS Group.

Had the FS Acquisition been taken place on 1 January 2016, the directors of the Company estimate that the consolidated revenue and the consolidated loss from continuing operations for the year ended 31 December 2016 would have been HK\$34,909,000 and HK\$44,664,000 respectively. This pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and result of operations of the Group that actually would have been achieved had the Acquisition been completed on 1 January 2016.

29 業務合併(續)

- (d) 收購相關成本752,000港元(二零一六年:2,307,000港元)已自轉讓代價扣除,並已在綜合損益表確認為「行政開支」。
- (e) 截至二零一七年十二月三十一日止年度,並無收益源於SV集團產生之額外業務。截至二零一七年十二月三十一日止的年度虧損包括SV集團產生的溢利274,000港元。

倘收購SV集團於二零一七年一月一日已進行,本公司董事估計截至二零一七年十二月三十一日止年度來自持續經營業務的綜合收益及綜合虧損分別為64,464,000港元及45,489,000港元。該等備考資料僅供參考,並不表示倘收購於二零一七年一月一日完成,本集團將會實際錄得有關收益及經營業績。

截至二零一六年十二月三十一日止年度的收益為約111,000港元,其源於FS集團產生之額外業務。截至二零一六年十二月三十一日止的年度虧損包括FS集團產生的虧損1,944,000港元。

倘收購FS集團於二零一六年一月一日已進行,本公司董事估計截至二零一六年十二月三十一日止年度來自持續經營業務的綜合收益及綜合虧損分別為34,909,000港元及44,664,000港元。該等備考資料僅供參考,並不表示倘收購於二零一六年一月一日完成,本集團將會實際錄得有關收益及經營業績。

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綜合財務報表附註

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30 ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

On 27 May 2016, the Group acquired the entire equity interest in Viva Star International Limited (“Viva Star”). Viva Star is principally engaged in property investment and its major asset is an office property in Hong Kong classified as an investment property at entity level which was leased out to another subsidiary of the Group.

In the opinion of the director, the acquisition is in substance an acquisition of the leasehold property, instead of an acquisition of business and therefore is excluded from the scope of HKFRS 3 “Business Combinations”. Therefore, the acquisition was not disclosed as a business combination in accordance with the requirements of HKFRS 3.

The assets acquired and liabilities assumed through this transaction are as follows:

30 通過收購一間附屬公司收購資產

於二零一六年五月二十七日，本集團收購 Viva Star International Limited (「Viva Star」) 全部股權。Viva Star 主要從物業投資，並且其主要資產為在香港的辦公室物業，被歸類為實體層面的投資物業，並出租予本集團的另一間附屬公司。

董事認為，收購實質乃收購租賃物業，而非收購業務，因此並不在香港財務報告準則第3號「業務合併」範圍內。因此，該收購並無根據香港財務報告準則第3號的要求予以披露為業務合併。

本次交易中取得的資產及所承擔之負債如下：

		HK\$'000 千港元
Leasehold property	投資物業	49,484
Interest-bearing borrowings	付息借款	(22,000)
Amount due to a shareholder	應付股東款項	(22,152)
Other payables	其他應付款	(812)
		<hr/>
		4,520
Assignment of amount due to a shareholder	轉讓應付股東款項	22,152
		<hr/>
Total consideration satisfied by cash	現金支付的總代價	26,672
		<hr/>
Net cash outflow arising from acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	26,672
		<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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31 DISPOSAL OF SUBSIDIARIES

(a) Disposal of Sky Castle Investment Holdings Limited and its subsidiary

On 1 February 2016, the Group disposed of the entire equity interest in Sky Castle Investment Holdings Limited and its subsidiary, Sky Castle Holdings (HK) Limited (together, "SC Group") for a cash consideration of HK\$310,000.

(b) Disposal of NH Group

On 30 June 2016, the Company disposed of the entire equity interest in NH Group to an independent third party for a nominal consideration of HK\$90,000,000. NH Group is principally engaged in the custom-made software development services including urban grid management system, internet marking of online P2P lending system and other projects and its business is classified as "software platform" segment.

(c) Disposal of KanHan Educational Services Limited

On 19 December 2016, the Group disposed of the entire equity interest in KanHan Educational Services Limited ("KHE") to a company which is wholly-owned by Mo Wai Ming, Lawrence, a former director of the Company, for a cash consideration of HK\$5,000,000. KHE is principally engaged in the provision of website development, education and communications software platform which focuses on the development of syllabus and contents for Chinese Language and learning in primary and secondary schools and enterprises. Its business is classified as "software platform" segment.

31 出售附屬公司

(a) 出售 Sky Castle Investment Holdings Limited 及其附屬公司

於二零一六年二月一日，本集團出售 Sky Castle Investment Holdings Limited 及其附屬公司 Sky Castle Holdings (HK) Limited (統稱「SC 集團」) 之全部股權，現金代價為 310,000 港元。

(b) 出售然望集團

於二零一六年六月三十日，本公司以名義代價 90,000,000 港元向獨立第三方出售然望集團的全部股權。然望集團主要從事提供定制軟件開發平台，包括城市網格化管理系統及點對點借貸系統互聯網營銷及其他項目。該業務獲分歸為「軟件平台」分部。

(c) 出售看漢教育服務有限公司

於二零一六年十二月十九日，本集團以現金代價 5,000,000 港元向一間由本公司前董事巫偉明先生全資擁有的公司出售看漢教育服務有限公司(「看漢教育」)之全部股權。看漢教育主要從事提供網站開發、教育及通訊軟件平台，並集中於開發中國語文教學課程及教材，供中小學及企業採用，其業務獲分歸為「軟件平台」分部。

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31 DISPOSAL OF SUBSIDIARIES (CONTINUED)

(d) The assets and liabilities disposed at completion date comprise:

31 出售附屬公司(續)

(d) 於完成日期出售的資產及負債包括：

		SC Group SC集團 HK\$'000 千港元	NH Group 然望集團 HK\$'000 千港元	KHE 看漢教育 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	310	26	85	421
Properties under development	發展中物業	–	2,652	–	2,652
Intangible assets	無形資產	–	8,698	–	8,698
Goodwill	商譽	–	67,972	–	67,972
Trade and other receivables	應收賬款及其他應收款	–	3,727	4,256	7,983
Cash and cash equivalents	現金及現金等值物	–	9,574	1,010	10,584
Current tax recoverable	即期可收回稅項	–	–	106	106
Other payables	其他應付款	–	(778)	(25)	(803)
Deferred income	遞延收入	–	–	(832)	(832)
Current tax payable	即期應付稅項	–	(1,143)	–	(1,143)
Deferred tax liabilities	遞延稅項負債	–	(2,169)	(145)	(2,314)
Net assets	資產淨值	310	88,559	4,455	93,324
Non-controlling interests	非控股權益	–	(3,108)	–	(3,108)
Net assets disposed of	出售的資產淨額	310	85,451	4,455	90,216

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

31 DISPOSAL OF SUBSIDIARIES (CONTINUED)

31 出售附屬公司(續)

(e) (Loss)/gain on disposal of subsidiaries

(e) 出售附屬公司(虧損)/收益

		SC Group SC集團 HK\$'000 千港元	NH Group 然望集團 HK\$'000 千港元	KHE 看漢教育 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Consideration	代價				
- Consideration settled in cash and cash equivalents	- 以現金及現金等值物支付之代價	310	58,745	5,000	64,055
- Assignment of amount from the Group to NH Group	- 由本集團向然望集團轉讓之金額	-	1,255	-	1,255
- Set-off of remaining consideration payable under the NH Acquisition	- 抵銷然望收購事項餘下應付代價	-	30,000	-	30,000
- Disposal-related costs	- 出售相關成本	-	(1,006)	-	(1,006)
		310	88,994	5,000	94,304
Net assets disposed of	出售資產淨額	(310)	(85,451)	(4,455)	(90,216)
Cumulative exchange loss reclassified from equity to profit or loss upon disposal of subsidiaries	出售附屬公司後從權益重新分類至損益之累計外匯虧損	-	(7,410)	-	(7,410)
(Loss)/gain on disposal	出售(虧損)/收益	-	(3,867)	545	(3,322)

The loss on disposal from NH Group is included in the (loss)/profit for the year from discontinued operation (see note 7).

出售然望集團虧損已於已終止經營業務年度(虧損)/溢利呈列(見附註7)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

31 DISPOSAL OF SUBSIDIARIES (CONTINUED)

(f) Net cash flow on disposal of subsidiaries

		SC Group SC集團 HK\$'000 千港元	NH Group 然望集團 HK\$'000 千港元	KHE 看漢教育 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Consideration settled in cash and cash equivalents	以現金及現金等值物繳付之代價	310	58,745	5,000	64,055
Disposal-related costs	出售相關成本	-	(1,006)	-	(1,006)
Cash and cash equivalents disposed of	出售的現金及現金等值物	-	(9,574)	(1,010)	(10,584)
Net cash inflow	現金流入淨額	310	48,165	3,990	52,465

31 出售附屬公司(續)

(f) 出售附屬公司現金流量淨額

32 COMMITMENTS

As at 31 December 2017, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 year	一年內	3,787	4,627
After 1 year but within 5 years	一年後至五年內	439	3,124
		4,226	7,751

The Group is the lessee in respect of its office premises held under operating leases. The leases run for an initial period of 1 month to 2 years (2016: 3 years), with an option to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

於二零一七年十二月三十一日，根據不可撤回經營租賃應付之未來最低租約款項總額如下：

本集團為根據經營租賃持有之辦公室物業之承租人。有關租賃之初步期限為一個月至兩年(二零一六年：三年)，可選擇重新磋商所有條款方重續租賃。概無租賃包含或然租金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

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33 MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the directors of the Company as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	4,134	4,382
Post-employment benefits	離職後福利	92	93
		4,226	4,475

(b) Except as disclosed elsewhere in the notes to these consolidated financial statements, the Group has not entered into any material related party transactions during the years ended 31 December 2017 and 2016.

(c) Balances with related parties are disclosed in the Company's statement of financial position in note 17 and 36(a).

34 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in these consolidated financial statements, the Group does not have other significant events after the reporting period.

33 重大關連方交易及結餘

(a) 主要管理人員薪酬

本集團主要管理人員薪酬包括附註8所披露之已付本公司董事款項及附註9所披露之已付若干最高薪酬僱員之款項，詳情如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short-term employee benefits	4,134	4,382
Post-employment benefits	92	93
	4,226	4,475

(b) 截至二零一七年及二零一六年十二月三十一日止年度，除綜合財務報表附註所披露者外，本集團並無進行任何重大關連方交易。

(c) 與關連方有關之結餘於本公司的財務狀況表附註17及36(a)披露。

34 報告期後非調整事項

除於該等綜合財務報表其他部分之披露者外，本集團並無於報告期後發生其他重大事項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

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35 SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

35 附屬公司

下表僅載有主要影響本集團業績、資產或負債的附屬公司之詳情。除另有註明外，持有股份的類別屬普通股。

Name of company 公司名稱	Country of incorporation and operation 註冊成立及營運所在國家	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of effective ownership interest 2017 實際擁有權權益比例 (二零一七年)		Proportion of effective ownership interest 2016 實際擁有權權益比例 (二零一六年)		Principal activity 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Aurum Pacific Management Limited 奧柏管理有限公司	Hong Kong 香港	1 share (HK\$1) 1股股份(1港元)	-	100%	-	100%	Provision of administrative services 提供行政管理服務
KanHan Technologies Limited 看漢科技有限公司	Hong Kong 香港	363,636 shares (HK\$7,200,000) 363,636股股份(7,200,000港元)	-	100%	-	100%	Investment holding and provision of software platform 投資控股及提供軟件平台
KanHan Technologies China Limited (notes 1 and 2) 廣州看漢科技有限公司(附註1及2)	PRC 中國	HK\$1,000,000 1,000,000港元	-	100%	-	100%	Provision of software platform 提供軟件平台
Aurum Pacific Finance Limited 奧柏財務有限公司	Hong Kong 香港	1 share (HK\$1) 1股股份(1港元)	-	100%	-	100%	Provision of money lending business 提供放貸業務
First Surplus (note 3) First Surplus (附註3)	BVI 英屬處女群島	50,000 shares of US1 each 50,000股股份每股1美元	-	60%	-	60%	Investment holding 投資控股
Mooff Games Limited (notes 3 and 4) Mooff Games Limited(附註3及4)	Hong Kong 香港	10,000 shares (HK\$10,000) 10,000股股份(10,000港元)	-	44%	-	44%	Development and provision of mobile data solutions and related services 開發及提供移動數據解決方案及相關服務

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綜合財務報表附註

(Expressed in Hong Kong dollars)

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35 SUBSIDIARIES (CONTINUED)

35 附屬公司(續)

Name of company 公司名稱	Country of incorporation and operation 註冊成立及營運所在國家	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of effective ownership interest 2017 實際擁有權權益比例 (二零一七年)		Proportion of effective ownership interest 2016 實際擁有權權益比例 (二零一六年)		Principal activity 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Side Quest Limited (note 3)	Hong Kong	3,020,000 shares (HK\$4,510,001)	-	51%	-	51%	Development and provision of mobile data solutions and related services
Side Quest Limited (附註3)	香港	3,020,000股股份 (4,510,001港元)					開發及提供移動數據解決方案及相關服務
Smart City Technology Limited (note 3)	Hong Kong	12,000 shares (HK\$1,010,000)	-	60%	-	60%	Development of mobile games
智慧城市科技有限公司(附註3)	香港	12,000股股份 (1,010,000港元)					開發手機遊戲
Top Banana Limited (note 3)	Hong Kong	1 share (HK\$1)	-	60%	-	60%	Development of mobile games and related services
高蕉有限公司(附註3)	香港	1股股份 (1港元)					開發手機遊戲及相關服務
Touch Fun Productions Limited (note 5)	Hong Kong	100 shares (HK\$100)	-	42%	-	-	Development, publication and promotion of electronic games
達魂製作有限公司(附註5)	香港	100股股份 (100港元)					開發、出版及推廣電子遊戲
Lasting Surplus Investment HK Limited	Hong Kong	10,000 shares (HK\$10,000)	-	60%	-	60%	Tailor made IT solutions
長盈資本有限公司	香港	10,000股股份 (10,000港元)					定制資訊科技方案

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35 SUBSIDIARIES (CONTINUED)

35 附屬公司(續)

Name of company 公司名稱	Country of incorporation and operation 註冊成立及 營運所在國家	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Proportion of effective ownership interest 2017 實際擁有權權益比例 (二零一七年)		Proportion of effective ownership interest 2016 實際擁有權權益比例 (二零一六年)		Principal activity 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
			Viva Star (note 6)	BVI	50,000 shares of US1 each	-	
Viva Star (附註6)	英屬處女群島	50,000股股份 每股1美元					物業發展
Stars Ventures Limited (note 7)	Republic of Seychelles	1 share of US1 each	-	100%	-	-	Investment holding
Stars Ventures Limited(附註7)	塞舌爾共和國	1股股份 每股1美元					投資控股

Notes:

- Registered as wholly-owned foreign enterprise under PRC law.
- The English translation of the name is for reference only. The official name of the entity is in Chinese.
- Acquired during the year ended 31 December 2016 through the FS Acquisition.
- Mooff Games Limited is a subsidiary of a non-wholly owned subsidiary of the Group and, accordingly, is accounted for as a subsidiary by virtue of the Group's control over it.
- Incorporated during the year ended 31 December 2017.
- Acquired during the year ended 31 December 2016.
- Acquired during the year ended 31 December 2017 through the SV Acquisition.

附註：

- 根據中國法律註冊為外商獨資企業。
- 英文譯名僅供參考。中文名稱為實體之官方名稱。
- 於截至二零一六年十二月三十一日止年度通過FS集團收購。
- Mooff Games Limited為本集團之非全資附屬公司之附屬公司，因此被視為本集團憑藉對其控制的一間附屬公司。
- 於截至二零一七年十二月三十一日止年度註冊成立。
- 於截至二零一六年十二月三十一日止年度收購。
- 於截至二零一七年十二月三十一日止年度透過收購SV集團收購。

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綜合財務報表附註

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(以港元列示)

35 SUBSIDIARIES (CONTINUED)

The following table lists out the information relating to subsidiaries of the Group which has material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

35 附屬公司(續)

下表呈列有關擁有屬重大非控股權益(「非控股權益」)之本集團之附屬公司的資料。下列財務資料概要顯示公司間對銷前的金額。

		2017 二零一七年	2016 (note) 二零一六年 (附註)	
		FS Group HK\$'000 千港元	FS Group HK\$'000 千港元	Shenzhen Zhoufu Internet Technology Company Limited ("SZZF") 深圳州富網絡 科技有限公司 (「深圳州富」) HK\$'000 千港元
NCI percentage	非控股權益百分比	40%	40%	49%
Non-current assets	非流動資產	58,280	71,720	–
Current assets	流動資產	33,109	1,316	–
Current liabilities	流動負債	(18,025)	(4,930)	–
Non-current liabilities	非流動負債	(9,407)	(11,032)	–
Net assets	資產淨值	63,957	57,074	–
Carrying amount of NCI	非控股權益賬面值	25,573	22,185	–
Revenue	收益	35,144	111	365
Profit/(loss) for the year/period	年度/期間 溢利/(虧損)	6,882	(1,944)	(2,578)
Total comprehensive income/(loss)	綜合收入/(虧損)總額	6,882	(1,944)	(2,642)
Profit/(loss) allocated to NCI	分配至非控股權益 溢利/(虧損)	3,088	(831)	(1,478)
Dividends paid to NCI	派付至非控股權益股息	–	–	–
Cash flows generated from/(used in) operating activities, net	經營活動所得/(所用) 的現金流量淨額	2,726	116	(859)
Cash flows used in investing activities, net	投資活動所用的 現金流量淨額	(3,093)	(34)	–
Cash flows from financing activities, net	融資活動所用的現金 流量淨額	–	–	–

Note: The results and cash flows information of FS Group presented above represent the post-acquisition results and cash flows from 25 October 2016 (date of acquisition) to 31 December 2016.

The results and cash flows information of SZZF presented above represent the results and cash flows from 1 January 2016 to 30 June 2016 (date of disposal of SZZF).

附註：以上呈列FS集團之業績及現金流量的資料乃指二零一六年十月二十五日(收購日期)至二零一六年十二月三十一日收購後的業務及現金流量。

以上呈列之業績及現金流量的資料乃指二零一六年一月一日至二零一六年六月三十日(出售深圳州富的日期)深圳州富的業務及現金流量。

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36 FINANCIAL INFORMATION OF THE COMPANY

36 本公司之財務資料

(a) Statement of financial position

(a) 財務狀況報表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	8	16
Investment in available-for-sale equity securities	待售股權證券投資	500	–
		508	16
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	285,432	265,609
Deposits, prepayments and other receivables	按金、預付款及其他應收款項	364	201
Cash and cash equivalents	現金及現金等值物	14,764	2,395
		300,560	268,205
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	19,332	4,681
Other payables and accrued charges	其他應付款及應計費用	322	520
		196,541	5,201
Net current assets	流動資產淨值	280,906	263,004
NET ASSETS	資產淨值	281,414	263,020
Capital and reserves	資本及儲備		
Share capital	股本	43,546	36,288
Reserves	儲備	237,868	226,732
TOTAL EQUITY	權益總額	281,414	263,020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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36 FINANCIAL INFORMATION OF THE COMPANY (CONTINUED)

(b) Details of changes in the Company's individual components of reserve during the year:

36 本公司之財務資料(續)

(b) 本公司年內儲備部份的變動詳情如下：

		Share capital	Share premium	Capital reserve	Capital surplus	Accumulated losses	Total
		股本	股份溢價	資本儲備	資本盈餘	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
			(note 27(b)(i))	(note 27(b)(ii))	(note 27(b)(iii))		
			(附註27(b)(i))	(附註27(b)(ii))	(附註27(b)(iii))		
At 1 January 2016	於二零一六年一月一日	20,160	274,640	2,261	1,609	(102,413)	196,257
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	-	-	-	-	(10,226)	(10,226)
Issue of shares (note 27(a)(iv))	發行股份(附註27(a)(iv))	16,128	60,861	-	-	-	76,989
		16,128	60,861	-	-	(10,226)	66,763
At 31 December 2016	於二零一六年十二月三十一日	36,288	335,501	2,261	1,609	(112,639)	263,020
At 1 January 2017	於二零一七年一月一日	36,288	335,501	2,261	1,609	(112,639)	263,020
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	-	-	-	-	(9,876)	(9,876)
Issue of shares (note 27(a)(v))	發行股份(附註27(a)(v))	7,258	21,012	-	-	-	28,270
		7,258	21,012	-	-	(9,876)	18,394
At 31 December 2017	於二零一七年十二月三十一日	43,546	356,513	2,261	1,609	(122,515)	281,414

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(Expressed in Hong Kong dollars)

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36 FINANCIAL INFORMATION OF THE COMPANY (CONTINUED)

(c) Contingent liabilities

As at 31 December 2017, the Company has issued a corporate guarantee in respect of a loan made by a finance company to a subsidiary (see note 22).

During the year ended 31 December 2017, two subsidiaries of the Company lease two motor vehicles under finance leases at 3.5% – 4.8% per annum for a term of three to five years. The Company has issued corporate guarantee in respect of the finance leases with the carrying amount of approximately HK\$4,170,000 as at 31 December 2017.

Upon the completion of acquisition of FS Group, the Company has issued a corporate guarantee in respect of the Promissory Note issued by the FS Purchaser, which is a subsidiary of the Company (see note 29(a)).

The fair value of these guarantees has not been provided for in these consolidated financial statements as the directors of the Company consider the amount involved to be insignificant.

37 ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The selection of critical accounting policies, the judgements and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered when reviewing the consolidated financial statements. The principal accounting policies are set forth in note 2. The Group believes the following critical accounting policies involve the most significant judgements and estimates used in the preparation of the consolidated financial statements.

36 本公司之財務資料(續)

(c) 或然負債

於二零一七年十二月三十一日，本公司就財務公司向附屬公司提供之貸款提供公司擔保(見附註22)。

截至二零一七年十二月三十一日止年度，本公司的兩間附屬公司根據融資租賃按每年3.5%-4.8%租賃兩輛汽車，為期三至五年。本公司已於就二零一七年十二月三十一日賬面值約4,170,000港元之融資租賃提供公司擔保。

於完成收購FS集團後，本公司就本公司附屬公司FS買方發行之承兌票據發行公司擔保(見附註29(a))。

此綜合財務報表並無提供該等擔保的公平值，因為本公司董事認為所涉及的金額並不重大。

37 會計估計及判斷

估計及判斷會持續進行評估，並以過往經驗及其他因素(包括在某些情況下對未來事件的合理預計)為依據。

在審閱綜合財務報表時，需要考慮主要會計政策的選用、影響會計政策應用範圍的判斷及其他不確定因素，以及所呈報業績是否較易受情況及假設變動影響。主要會計政策載於附註2。本集團相信，下列主要會計政策涉及在編製綜合財務報表時採用的最主要估計及判斷。

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37 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Impairment loss on intangible assets

The carrying amounts of intangible assets that are not yet available for use are reviewed annually in order to assess whether the recoverable amounts have declined below the carrying amounts. When such a decline has occurred, the carrying amount is reduced to recoverable amount.

The recoverable amount is the greater of the fair value less costs of disposal and the value in use. In determining the value in use, the expected cash flows generated by the intangible assets are discounted to their present value, which requires significant judgement relating to the level of future software revenue and the amount of service costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of software revenue and the amount of service costs, and discount rate.

(b) Impairment loss on goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Details of the impairment loss calculation are set out in note 13.

37 會計估計及判斷(續)

(a) 無形資產減值虧損

尚未可供使用之無形資產之賬面值會按年檢討，以評估可收回金額是否已跌至低於賬面值。當出現上述下跌情況時，賬面值會減至可收回金額。

可收回金額為公平值減出售成本及使用價值之較高者。釐定使用價值時，預期無形資產產生之現金流量乃貼現至其現值，而釐定現值須對未來軟件收益及服務成本金額作出重大判斷。本集團使用一切可取得之資料，釐定可收回金額合理約數之金額，包括根據合理及有力之假設及預測，估計軟件收益及服務成本金額以及貼現率。

(b) 商譽減值虧損

釐定商譽是否減值時，須對獲分派商譽之現金產生單位之使用價值作出估計。計算使用價值時，董事須估計預期源自現金產生單位之未來現金流及適合折現率，以計算現值。減值虧損的計算詳情載於附註13。

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37 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Deferred tax assets

Deferred tax assets are recognised for unused tax losses. As these deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax benefits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly received and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered; conversely, the carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Details of the nature and carrying amounts of deferred tax assets are disclosed in note 24(b).

(d) Impairment loss on loans receivable, interest receivables and trade and other receivables

Impairment loss on loans receivable, interest receivables and trade and other receivables is assessed and provided based on management's regular review of ageing analysis and evaluation of collectability. A considerable level of judgement is exercised by the management when assessing the credit worthiness and past collection history of each individual borrower/customer. Any increase or decrease in the impairment losses for bad and doubtful debts would affect the Group's financial performance in future years.

37 會計估計及判斷(續)

(c) 遞延稅項資產

遞延稅項資產就未動用稅務虧損獲確認。由於遞延稅項資產僅在能有未來課稅溢利，以使用未動用稅項福利的情況下確認，管理層須就評估未來課稅溢利的盈利能力作出判斷。倘未來課稅溢利能令遞延稅項資產可予收回，則管理層定期進行評估，並確認額外遞延稅項資產。反之，遞延稅項賬面值按不再可能有足夠應課稅溢利用以抵扣部份或全部遞延稅項資產之溢利為限。有關遞延稅項資產的性質及賬面值詳情於附註24(b)披露。

(d) 應收貸款、應收利息及應收賬款及其他應收款之減值虧損

應收貸款、應收利息及應收賬款及其他應收款之減值虧損，乃根據管理層定期審閱賬齡分析及評估收回有關款項之可能性而作出評估及撥備。於評估個別借方／客戶之信譽及過往收款記錄時，管理層會作出大量判斷。呆壞賬減值虧損的任何增減，將會對本集團在未來數年的財務表現構成影響。

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37 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(e) Fair value of Level 3 financial instruments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including discounted cash flow model and binomial lattice model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as discount rate, risk-free interest rate, volatility and probability. Changes in assumptions about these factors could affect the reported fair value of financial instruments (including contingent consideration assets for business combination, prepayment option embedded in promissory note issued and consideration payable for business combination).

38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these consolidated financial statements. These include the following which may be relevant to the Group:

HKFRS 9	Financial instruments ¹
HKFRS 15	Revenue from contracts with customers ¹
Amendments to HKFRS 2	Share-based payment: Classification and measurement of share-based payment transactions ¹
Amendments to HKAS 40	Investment property: Transfers of investment property ¹
HKFRS 16	Leases ²
HK(IFRIC) 23	Uncertainty over income tax treatments ²

¹ Effective for annual periods beginning on or after 1 January 2018.

² Effective for annual periods beginning on or after 1 January 2019.

37 會計估計及判斷(續)

(e) 第三級金融工具之公平值

載於綜合財務狀況表之金融資產及金融負債公平值不可為活躍市場之報價。該等估值之釐定須使用貼現現金流模式及二項式點陣法模式等估值方式。該等估值方式乃使用來自可觀察市場之數據(如適用)。倘遇上不能採用該等數據的情況，釐定該等公平值時則需涉及若干程度之判斷。該等判斷包括貼現率、無風險利率及波幅等考慮因素。該等因素假設之變動亦可影響金融工具(包括業務合併之或然代價資產、已發行附帶提前還款權之承兌票據及業務合併之應付代價)之呈報公平值。

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響

直至該等綜合財務報表簽發日期，香港會計師公會已頒佈多項修訂、新準則及詮釋，但於截至二零一七年十二月三十一日止年度尚未生效，及並無於該等綜合財務報表內採納。以下為可能與本集團有關的該等準則：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	與客戶訂立合約之收入 ¹
香港財務報告準則第2號 (經修訂)	股份基礎給付：股份基礎給付 交易之分類與衡量 ¹
香港會計準則第40號(經修訂)	投資物業：投資物業轉讓 ¹
香港財務報告準則第16號	租賃 ²
香港(國際財務報告詮釋委員會) 詮釋第23號	所得稅處理的不確定性 ²

¹ 自二零一八年一月一日或之後開始的年度期間生效。

² 自二零一九年一月一日或之後開始的年度期間生效。

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38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations 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. As the Group has not completed its assessment, further impacts may be identified in due course and will be taken into consideration when determining whether to adopt any of these new requirements before their effective date and which transitional approach to take, where there are alternative approaches allowed under the new standards.

HKFRS 9, Financial instruments

HKFRS 9 will replace the current standard on accounting for financial instruments, HKAS 39, Financial instruments: Recognition and measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, calculation of impairment of financial assets and hedge accounting. On the other hand, HKFRS incorporates without substantive changes the requirements of HKAS 39 for recognition and derecognition of financial instruments and the classification of financial liabilities. Expected impacts of the new requirements on the Group's consolidated financial statements are as follows:

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響(續)

本集團正在評估該等新準則、準則修訂及詮釋於初次應用期間預期產生的影響。到目前為止，本集團已確定新標準在若干方面可能對綜合財務報表產生重大影響。預期影響的更多詳情於下文論述。由於本集團尚未完成評估，更多影響可能在適當時候發現並將 在決定是否在生效日期之前採納任何該等新規定以及採取何種過渡方式(倘若新準則允許替代方式)之時加以考慮。

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號將取代有關金融工具會計處理方法的現有準則香港會計準則第39號，金融工具：確認及計量。香港財務報告準則第9號引入分類及計量金融資產、計算金融資產減值及對沖會計處理的新規定。另一方面，香港財務報告準則納入(並無實質性更改)香港會計準則第39號有關確認及終止確認金融工具及金融負債分類的規定。本集團綜合財務報表方面的新規定的預期影響如下：

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38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 9, Financial instruments (Continued)

(a) Classification and measurement

HKFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss ("FVTPL") and (3) fair value through other comprehensive income ("FVTOCI") as follows:

- The classification for debt instruments is determined based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the asset. If a debt instrument is classified as FVTOCI then effective interest, impairments and gains/losses on disposal will be recognised in profit or loss.
- For equity securities, the classification is FVTPL regardless of the entity's business model. The only exception is if the equity security is not held for trading and the entity irrevocably elects to designate that security as FVTOCI. If an equity security is designated as FVTOCI then only dividend income on that security will be recognised in other comprehensive income without recycling.

Based on the preliminary assessment, the Group expects that its financial assets currently measured at amortised cost and FVTPL will continue with their respective classification and measurements upon the adoption of HKFRS 9.

The classification and measurement requirements for financial liabilities under HKFRS 9 largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated as FVPTL that is attributable to changes of that financial liability's own credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). A more detailed analysis is required to determine the extent of the impact.

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響(續)

香港財務報告準則第9號，金融工具(續)

(a) 分類及計量

香港財務報告準則第9號包括金融資產的三個主要分類類別：下文所述(1)按攤銷成本、(2)透過損益按公平值(FVTPL)及(3)透過其他全面收益按公平值(FVTOCI)計量：

- 債務工具的分類根據實體管理金融資產的業務模式以及資產的合約現金流量特徵而釐定。倘若債務工具分類為FVTOCI，實際利息、減值及出售收益／虧損將在損益中確認。
- 無論實體的業務模式如何，股本證券的分類均為FVTPL。唯一的例外情況是倘若股本證券並非持作買賣且實體不可撤回地選擇將該證券指定為FVTOCI。倘若股本證券被指定為FVTOCI，只有該證券的股息收入會在損益中確認。該證券的收益、虧損及減值會在其他全面收益中確認且不會重新使用。

根據初步評估，本集團預計其目前按攤銷成本及FVTPL計量的金融資產將於採用香港財務報告準則第9號時沿用其各自的分類及計量。

香港財務報告準則第9號項下的金融負債的分類及計量規定與香港會計準則第39號相比基本未變，惟香港財務報告準則第9號規定由金融負債自身信用風險變化引起的按FVTPL指定的金融負債的公平值變化須於其他全面收益中確認(不得重新分類至損益)。更加詳細的分析需予進行以確定影響的程度。

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38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 9, Financial instruments (Continued)

(b) Impairment

The new impairment model in HKFRS 9 replaces the “incurred loss” model in HKAS 39 with an “expected credit loss” model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure expected credit losses as either 12-month expected credit losses or lifetime expected credit losses, depending on the asset and the facts and circumstances. This new impairment model may result in an earlier recognition of credit losses on the Group’s trade receivables, loans receivable, interest receivables and other financial assets. However, a more detailed analysis is required to determine the extent of the impact.

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 specified the accounting for revenue from construction contracts. The Group is currently assessing the impacts of adopting HKFRS 15 on its consolidated financial statements. Based on the preliminary assessment, the Group has identified the following areas which are likely to be effected:

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響(續)

香港財務報告準則第9號，金融工具(續)

(b) 減值

香港財務報告準則第9號的新減值模式以「預計信貸虧損」模式取代香港會計準則第39號的「已產生虧損」模式。根據預計信貸虧損，不再需要在確認減值虧損之前發生虧損事件。相反，實體須將預計信貸虧損確認並計量為12個月的預計信貸虧損或整個生命周期內的預計信貸虧損，惟視乎資產及事實及情況而定。這種新減值模式可能導致就本集團的貿易應收款項、應收貸款、應收利息及其他金融資產提早確認信貸虧損。然而，需要進行更加詳細的分析以確定影響的程度。

香港財務報告準則第15號，與客戶的合約產生的收益

香港財務報告準則第15號建立了確認與客戶的合約產生的收益的全面框架。香港財務報告準則第15號將取代現有收益準則，即香港會計準則第18號收益(包括銷售貨物及提供服務所產生的收益)及香港會計準則第11號建設合約(訂明建設合約收益的會計處理方法)。根據初步評估，本集團認為採納此項新準則將對以下方面造成影響：

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38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 15, Revenue from contracts with customers (Continued)

(a) Timing of revenue recognition

The Group's revenue recognition policies are disclosed in note 2(y). Currently, revenue arising from the provision of services is recognised over time, whereas revenue from the sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identified 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.

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響(續)

香港財務報告準則第15號，與客戶的合約產生的收益(續)

(a) 收益確認的時間

本集團的收益確認政策於附註2(y)中披露。目前，提供服務所產生的收益是隨著時間的推移而確認的，而銷售貨物所得收益通常於所有權風險及回報轉移予客戶時確認。

根據國際財務報告準則第15號，收益於客戶獲得合約之承諾貨物或服務之控制權時確認。國際財務報告準則第15號確定了以下對承諾貨物或服務之控制被視為隨時間轉移之三種情況：

- (a) 當客戶於實體履約時同時接受及使用實體履約所提供之利益時；
- (b) 實體履約創造或增強一項於資產被創造或增強時由客戶控制之資產(如在建工程)時；
- (c) 當實體之履約並無創造對實體而言具替代用途之資產，且該實體對迄今完成之履約付款具有可執行權利時。

倘合約條款及實體活動並不屬於任何該等三種情況，則根據國際財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)就銷售貨物或服務確認收益。所有權風險及回報之轉移僅為釐定控制權轉移發生時將考慮的其中一項指標。

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38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 15, Revenue from contracts with customers (Continued)

(a) Timing of revenue recognition (Continued)

As a result of this change from the risk-and-reward approach to the contract-by-contract transfer-of-control approach, it is possible that the point in time when revenue is recognised may be earlier or later than under the current accounting policy. However, further analysis is required to determine whether this change in accounting policy may have a material impact on the amounts reported in any given financial reporting period.

(b) Significant financing component

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance or in arrears.

Currently, the Group would only apply such policy when payments are significantly deferred, which is currently not common in the Group's arrangements with its customers. Currently, the Group does not apply such a policy when payments are received in advance.

(c) Sales with a right of return

Currently when the customers are allowed to return the products, the Group estimates the level of returns and makes and adjustment against revenue and cost of sales.

The Group expects that the adoption of HKFRS 15 will not materially affect how the Group recognises revenue and cost of sales when the customers have a right of return. However, the new requirement to recognise separately a return asset for the products expected to be returned will impact the presentation in the consolidated statement of financial position as the Group currently adjusts the carrying amounts of inventory for the expected returns, instead of recognising a separate asset.

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響(續)

香港財務報告準則第15號，與客戶的合約產生的收益(續)

(a) 收益確認的時間(續)

由於從風險及回報法向按合約轉讓控制權法轉變，就本集團若干合約而言，收益確認之時間點亦可能較根據現有會計政策之時間點提前或推遲。然而，釐定有關會計政策變動是否會對任何特定財務報告期間呈報之金額有重大影響仍須待進一步分析。

(b) 重大融資部分

國際財務報告準則第15號要求實體於合約包含重大融資部分時就貨幣時間價值調整交易價格，而不管來自客戶之付款將大部分提前收取或延後收取。

目前，本集團僅於付款大幅延期時(目前本集團與其客戶間之安排中並不常見)採納此政策。目前，本集團並無於付款提前收取時採納此政策。

(c) 具退貨權之銷售

目前，當客戶被允許退回產品時，本集團會估計退貨水平並就收益及銷售成本作出調整。

本集團預期採納國際財務報告準則第15號將不會對本集團於客戶有退貨權時確認收益及銷售成本之方式造成重大影響。然而，由於本集團目前就預期退貨對存貨賬面值進行調整而非另行確認資產，因此另行就預期將被退回之產品確認退回資產之新規定將影響於綜合財務狀況表之呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 16, Leases

As disclosed in note 2(l), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their right and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響(續)

國際財務報告準則第16號，租賃

誠如附註2(l)所披露，本集團現時將租賃分類為融資租賃及經營租賃，並根據租賃的分類對租賃安排進行不同列賬。本集團作為出租人及其他作為承租人訂立租約。

預期國際財務報告準則第16號將不會大幅影響出租人根據租約將彼等權利及義務入賬的方式。然而，一旦採納國際財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受可行權宜方法的規限，承租人將按與現有融資租賃會計處理方法類似的方式將所有租約入賬，即於租約開始日期，承租人將按日後最低租賃付款的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債結餘所產生的利息開支及使用權資產折舊，而非根據現有政策於租期內按系統基準確認根據經營租約所產生的租賃開支。作為一項可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃（即租期為12個月或以下）及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 16, Leases (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss over the period of the lease. As disclosed in note 32, at 31 December 2017 the Group's future minimum lease payments under non-cancellable operating leases amounted to HK\$439,000 for properties, the majority of which is payable between 1 and 5 years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

38 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋之潛在影響(續)

國際財務報告準則第16號，租賃(續)

國際財務報告準則第16號將主要影響本集團作為租約承租人就若干物業(現時分類為經營租賃)的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租約期間於損益表確認開支的時間。誠如附註32所披露，於二零一七年十二月三十一日，本集團於不可撤銷經營租賃項下就物業的日後最低租賃付款達439,000港元，其中大部分須於報告日期後一至五年內支付。因此，一旦採納國際財務報告準則第16號，若干該等款項可能須確認為租賃負債，並附帶相應使用權資產。經考慮可行權宜方法的適用性及就現時與採納國際財務報告準則第16號期間已訂立或終止的任何租約及貼現影響作出調整後，本集團將須進行更為詳細的分析以釐定於採納國際財務報告準則第16號時經營租賃承擔所產生的新資產及負債的金額。

FIVE-YEARS FINANCIAL SUMMARY

五年財務摘要

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
RESULTS	業績					
Revenue from continuing and discontinued operations	持續及已終止經營業務之收益	64,464	34,459	41,268	21,412	14,278
(Loss)/profit before taxation	除稅前(虧損)/溢利	(43,846)	(40,351)	(26,728)	(1,420)	4,505
Income tax (expense)/credit	所得稅(開支)/抵免	(1,889)	56	763	(735)	358
(Loss)/profit for the year	年度(虧損)/溢利	(45,735)	(40,295)	(25,965)	(2,155)	4,863
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	(48,823)	(37,986)	(20,131)	(1,978)	4,863
Non-controlling interests	非控股權益	3,088	(2,309)	(5,834)	(177)	–
		(45,735)	(40,295)	(25,965)	(2,155)	4,863
(Loss)/earnings per share	每股(虧損)/盈利					
Basic (HK cents)	基本(港仙)	(4.50)	(5.22)	(4.84)	(0.63)	1.75
Diluted (HK cents)	攤薄(港仙)	N/A不適用	N/A不適用	N/A不適用	N/A不適用	N/A不適用
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	405,730	451,871	273,819	168,323	77,523
Total liabilities	負債總額	(123,350)	(153,427)	(38,252)	(40,355)	(21,739)
		282,380	298,444	235,567	127,968	55,784
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額	257,107	276,259	230,949	116,912	55,784
Non-controlling interests	非控股權益	25,273	22,185	4,618	11,056	–
		282,380	298,444	235,567	127,968	55,784

Aurum Pacific (China) Group Limited
奧栢中國集團有限公司