

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



AURUM PACIFIC
奧栢中國集團
STOCK CODE 8148.HK

ANNUAL REPORT
2018 年報

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香港聯合交易所有限公司(「聯交所」)GEM的特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

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

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本報告乃遵照聯交所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 Kwun Chung (Chief Executive Officer)
Mr. Lee Cheung Yuet Horace
Mr. Ng Kin Man

Non-executive Director

Mr. Zheng Yongqiang

Independent Non-executive Directors

Mr. Leung Man Chun
Mr. Fok Kin Fung Eric
Mr. Pang Siu Yin
Dr. Lee G. Lam

COMPANY SECRETARY

Ms. Yuen Wing Kwan

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. Pang Siu Yin
Mr. Chan Kwun Chung

NOMINATION COMMITTEE

Mr. Leung Man Chun (Chairman)
Mr. Fok Kin Fung Eric
Mr. Pang Siu Yin
Mr. Chan Kwun Chung

AUTHORISED REPRESENTATIVES

Mr. Chan Kwun Chung
Ms. Yuen Wing Kwan

REGISTERED OFFICE

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Hutchins Drive, P.O. Box 2681
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Cayman Islands

董事

執行董事

陳冠忠先生(行政總裁)
李暢悅先生
伍健文先生

非執行董事

鄭永強先生

獨立非執行董事

梁文俊先生
霍健烽先生
彭兆賢先生
林家禮博士

公司秘書

袁詠筠女士

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
彭兆賢先生
陳冠忠先生

提名委員會

梁文俊先生(主席)
霍健烽先生
彭兆賢先生
陳冠忠先生

授權代表

陳冠忠先生
袁詠筠女士

註冊辦事處

Cricket Square
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CORPORATE INFORMATION

公司資料

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Wanchai, Hong Kong

COMPLIANCE OFFICER

Mr. Chan Kwun Chung

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
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Grand Cayman KY1-1111
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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

Baker Tilly Hong Kong Limited

PRINCIPAL BANKS

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

STOCK CODE

8148

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法規主任

陳冠忠先生

開曼群島股份過戶登記總處

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核數師

天職香港會計師事務所有限公司

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
華僑永亨銀行有限公司

股份代號

8148

公司網站

www.aurumpacific.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

RESULTS

For the year ended 31 December 2018, the Company and its subsidiaries (collectively referred to as the “Group”) recorded a total revenue of approximately HK\$53,968,000 as compared with that of approximately HK\$64,464,000 in 2017. The decrease in revenue was mainly due to a downtrend of the business of the mobile data solutions and mobile game related services (the “Mobile Gaming Business”). The segment revenue generated from Mobile Gaming Business had dropped from approximately HK\$35,144,000 for the year ended 31 December 2017 to approximately HK\$21,892,000, representing a decrease of approximately 37.7%.

Loss attributable to owners of the Company amounted to approximately HK\$38,967,000 as compared with that of approximately HK\$48,823,000 in 2017. The decrease in loss was mainly due to (i) a decrease of approximately HK\$17,971,000 in the recognition of estimated changes in fair value of contingent consideration assets for business combination relating to the acquisition of 60% equity interest in First Surplus Investments Ltd. and its subsidiaries (“FS Group”) (the “Acquisition of FS Group”) as compared to last year; (ii) a decrease of approximately HK\$5,618,000 in the recognition of estimated changes in fair value of consideration payable for business combination relating to the Acquisition of FS Group as compared to last year; (iii) a decrease of approximately HK\$7,311,000 in administrative expenses as compared to last year; and (iv) an impairment loss of approximately HK\$24,903,000 in goodwill relating to the Acquisition of FS Group.

DIVIDEND

The board of Directors (the “Board”) does not recommend the payment of any final dividend for the year ended 31 December 2018 (2017: Nil).

業績

截至二零一八年十二月三十一日止年度，本公司及其附屬公司（統稱「本集團」）錄得總收益約53,968,000港元，二零一七年則約64,464,000港元。收益減少主要由於手機數據方案及手機遊戲相關服務之業務（「手機遊戲業務」）持續下跌。來自手機遊戲業務之分部收益由截至二零一七年十二月三十一日止年度約35,144,000港元下跌至約21,892,000港元，減幅約37.7%。

本公司擁有人應佔虧損約38,967,000港元，二零一七年則約48,823,000港元。虧損減少主要由於(i)就收購First Surplus Investments Ltd.及其附屬公司（「FS集團」）之60%股本權益（「收購FS集團」）確認有關業務合併或然代價資產之估計公平值變動較去年減少約17,971,000港元；(ii)就收購FS集團確認有關業務合併應付代價之估計公平值變動較去年減少約5,618,000港元；(iii)行政開支較去年減少約7,311,000港元；及(iv)就有關收購FS集團之商譽錄得約24,903,000港元之減值虧損。

股息

董事會（「董事會」）不建議就截至二零一八年十二月三十一日止年度派付任何末期股息（二零一七年：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

BUSINESS REVIEW AND PROSPECT

For the year ended 31 December 2018, 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 Business”); (ii) money lending business (the “Money Lending Business”) and (iii) Mobile Gaming Business.

Software Platform Business

For the year ended 31 December 2018, the Group recorded segment revenue from Software Platform Business of approximately HK\$18,603,000, representing an increase of approximately 27.8% from approximately HK\$14,561,000 of last year. The increase was mainly due to continuous development of new applications and enhancement of our existing products in order to fulfil the evolving industry standards and satisfy customers’ demand with a view of improving the overall performance of this segment. The Group expects this segment to grow steadily in 2019 and will continue to closely monitor the changes in the industry as well as the performance of this segment.

Money Lending Business

The Group operates its Money Lending Business through Aurum Pacific Finance Limited (“APF”), an indirect wholly-owned subsidiary of the Company in which was granted a money lenders licence pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) (the “Ordinance”). This segment has also formed another stable source of revenue for the Group.

The Group has adopted money lending policy and procedure manuals which set out the guidelines on handling and/or monitoring of money lending procedures for internal control, risk management and compliance purposes. These policy and manuals are reviewed from time to time in order to ensure they remain responsive to the changes in operating environment and consistent with updated rules and regulations.

The interest income for the year ended 31 December 2018 amounted to approximately HK\$13,473,000, representing a decrease of approximately 8.7% as compared with that of approximately HK\$14,759,000 in 2017. The decrease was mainly due to considerable amount of repayment of loan and diversification to shorter tenor loans in our loan portfolio.

業務回顧及展望

截至二零一八年十二月三十一日止年度，本集團從事(i)開發及營銷以伺服器為基礎之專利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(「軟件平台業務」)；(ii)放債業務(「放債業務」)及(iii)手機遊戲業務。

軟件平台業務

截至二零一八年十二月三十一日止年度，本集團錄得軟件平台業務之分部收益約18,603,000港元，較去年約14,561,000港元增長約27.8%。增長主要是由於為改善本分部之整體表現，持續開發新應用程式及完善現有產品，以符合日益革新之行業標準及滿足客戶需求。於二零一九年，本集團預期該分部有穩健增長，同時將繼續密切監察行業之變化及本分部表現。

放債業務

本集團透過奧栢財務有限公司(「奧栢財務」)(本公司之間接全資附屬公司，其根據香港法例第163章放債人條例(「該條例」)獲發放債人牌照)經營其放債業務。本分部亦構成本集團另一項穩定之收益來源。

本集團已採納借貸政策及程序手冊，其就以內部監控、風險管理及合規為目的而載有相關處理及／或監管放債程序之指引。該等政策及手冊經不時檢討，確保可繼續應對經營環境之變化，並符合最新規則及法規。

截至二零一八年十二月三十一日止年度之利息收入約13,473,000港元，二零一七年則約14,759,000港元，減幅約8.7%。減少主要由於相當數額的貸款還款及於貸款組合內增加較短期之貸款。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

As disclosed in announcements of the Company dated 22 October 2018 and 4 January 2019, subsequent to the settlement by Honghu Capital Co. Ltd (“Honghu”) of the final interest of approximately HK\$1,361,000 on 22 October 2018 and a sum of HK\$1,350,000 as partial repayment of the loan principal in the amount of HK\$27,000,000, the Group entered into the second supplemental agreement with Honghu on 4 January 2019 pursuant to which APF agreed to extend the term of the loan in the amount of HK\$25,650,000 to 19 October 2019. For details, please refer to the announcement of the Company dated 4 January 2019.

During the second quarter in 2018, the Group had expanded this business segment by establishing a division which is operated under the brand “EZCASH” and focuses on personal loan products. Certain amount of resources has been invested by the Group in system formation and automation, experienced personnel, information technologies and advertising. As a result, the interest income generated from EZCASH contributed approximately HK\$2,711,000 to the Group for the year ended 31 December 2018. Although this development is still at early stage, we are confident that EZCASH is creating a new platform in the money lending market and will continue to make stable contribution to the Group’s revenue and cash-flow stream in the time ahead.

誠如本公司日期為二零一八年十月二十二日及二零一九年一月四日之公佈所披露，鴻鵠資本有限公司（「鴻鵠」）於二零一八年十月二十二日償付最終利息約1,361,000港元及償還金額1,350,000港元作為貸款本金額27,000,000港元之部分還款後，本集團於二零一九年一月四日與鴻鵠訂立第二份補充協議，據此，奧栢財務同意將25,650,000港元貸款之期限延長至二零一九年十月十九日。有關詳情，請參閱本公司日期為二零一九年一月四日之公佈。

於二零一八年第二季度，本集團透過建立以「EZCASH」品牌經營並專注於個人貸款產品之部門擴充本業務分部。本集團已於系統建立及自動化、招聘經驗豐富之人員、資訊科技及廣告方面投放若干資源。因此，截至二零一八年十二月三十一日止年度，EZCASH帶來之利息收入為本集團貢獻約2,711,000港元。雖然有關發展仍然處於早期階段，但我們相信EZCASH正於放債市場上建立新平台，於未來將繼續為本集團收益及現金流帶來穩定貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Mobile Gaming Business

As a mobile game developer with strong self-developed capabilities in games, FS Group is engaged in the development of mobile games to players around the world. FS Group also license out our games or related intellectual properties to various well-established game operators as our licensed operators 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 its competitiveness, apart from mobile games, FS Group has also provided innovative solution services to customers. FS Group has been allocating resources to penetrate the market in the People's Republic of China (the "PRC") and has secured a partnership with an established publisher in the PRC with a licensing arrangement. The income of this segment for the year ended 31 December 2018 amounted to approximately HK\$21,892,000, representing a decrease of approximately 37.7% as compared with that of approximately HK\$35,144,000 in 2017. Such decline in revenue was mainly due to the decreased contribution from solution services that has affected the overall performance of this segment as well as the performance of the Group.

With fierce competition by the effect from frequent introduction of new games by game developers, fast and rapid technology advancement and regulatory uncertainties in the markets, the Group faces a number of challenges in mobile game industry. The Group also notices that the recent regulatory control has caused certain impact on mobile game industry in the PRC market and affect the valuation of game developers and operators. As such, the Group had made an impairment loss of approximately HK\$24,903,000 in goodwill relating to the Acquisition of FS Group in order to reflect the future industrial uncertainties and competition of this segment and the impact from the recent regulatory control in the PRC market. Going forward, the Group will be mindful on the business and regulatory risk in the mobile game industry in order to carefully assess and mitigate the exposure to inherent risks and uncertainties and impact to the segment. The Board will also carefully monitor the rapid changing business environment in mobile game industry and continue to seek for any opportunities in any market in order to enhance the performance and value of the segment.

手機遊戲業務

FS集團為擁有強大自主研發遊戲能力之手機遊戲研發商，從事開發以全球玩家為目標之手機遊戲。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，作為我們之持牌營運商，以獨家及／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。FS集團已分配若干資源以滲入中華人民共和國（「中國」）市場，並透過許可權安排與一名信譽良好之國內出版商成為合作夥伴。本分部截至二零一八年十二月三十一日止年度之收入約21,892,000港元，較二零一七年約35,144,000港元比較下跌約37.7%。收益下跌主要由於解決方案服務之貢獻下跌影響本分部及本集團之整體表現。

由於遊戲開發商不斷推出新遊戲、科技日新月異及市場規管方面存在不確定因素引致競爭激烈，本集團於手機遊戲行業面對多項挑戰。本集團亦注意到近期規管對中國手機遊戲市場造成一定影響，更影響遊戲開發商及營運商之估值。因此，本集團已就有關收購FS集團之商譽作出約24,903,000港元之減值虧損，以反映本分部未來之行業不確定因素及競爭以及中國市場近期規管帶來之影響。展望未來，本集團將注視手機遊戲行業之業務及監管風險，小心評估及減低固有風險及不確定因素以及對本分部之影響。董事會亦將謹慎監察手機遊戲行業瞬息萬變之營商環境，並繼續於所有市場尋求商機，從而提升分部表現及價值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

OUTLOOK

We are committed in putting efforts in developing and upgrading our products and services with a generic growth of 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 long-term benefits to the Company and the shareholders of the Company as a whole.

Financial Resources and Liquidity

The Group's main business operations and investments are in Hong Kong. As at 31 December 2018, the Group had cash and cash equivalents of approximately HK\$14,948,000 (2017: approximately HK\$42,389,000). Most of the cash and cash equivalents are denominated in Hong Kong dollars. The Group will closely monitor the exchange rate movement and will take appropriate activities to reduce the exchange risk.

Gearing Ratio

At 31 December 2018, total assets of the Group were approximately HK\$324,784,000 (2017: approximately HK\$405,730,000) whereas total liabilities were approximately HK\$54,208,000 (2017: approximately HK\$123,350,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 16.7% (2017: approximately 30.4%) and the current ratio, calculated as current assets over current liabilities, was approximately 3.20 (2017: approximately 1.32). The Directors will continue to take measures to further improve the liquidity and gearing position of the Group.

Material Acquisition, Disposal and Significant Investment

On 20 August 2018, Tri King International Limited ("Tri King"), an indirect wholly owned subsidiary of the Company, together with two other shareholders (collectively the "Vendors") of Fore Freedom B.V. ("FF") and XXLnet B.V. ("XXL"), the then associated companies of the Company, entered into the sale and purchase agreement with the purchaser (the "Purchaser") pursuant to which the Purchaser has conditionally agreed to purchase and the Vendors have conditionally agreed to sell 74.5% equity interest in FF, in which Tri King held 49%, and 67% equity interest in XXL, in which Tri King also held 49% (the "Disposal"). The Disposal was completed on 21 September 2018. The proceeds received by Tri King is EUR3,433,000 (equivalent to approximately HK\$31,540,000).

Details of the Disposal were set out in the announcement of the Company dated 20 August 2018.

展望

我們承諾努力發展及提升產品及服務，以帶動業務整體增長，擴大收入來源。本集團將繼續尋求潛在投資機遇，為現有業務分部創造協同效益，並同時為本公司及本公司股東帶來增長及整體長遠利益。

財務資源及流動資金

本集團之主要業務經營及投資於香港進行。於二零一八年十二月三十一日，本集團之現金及現金等值物約為14,948,000港元(二零一七年：約42,389,000港元)。大部分現金及現金等值物均以港元計值。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。

負債比率

於二零一八年十二月三十一日，本集團總資產約為324,784,000港元(二零一七年：約405,730,000港元)，而總負債則約為54,208,000港元(二零一七年：約123,350,000港元)。本集團之負債比率(按總負債除以總資產計算)約16.7%(二零一七年：約30.4%)，而流動比率(按流動資產除以流動負債計算)約3.20(二零一七年：約1.32)。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。

重大收購、出售及重大投資

於二零一八年八月二十日，三皇國際有限公司(「三皇」，本公司之間接全資附屬公司)連同本公司當時之聯營公司Fore Freedom B.V.(「FF」)及XXLnet B.V.(「XXL」)之兩名其他股東(統稱「賣方」)與買方(「買方」)訂立買賣協議，據此買方有條件同意購買及賣方有條件同意出售FF之74.5%股本權益(當中49%由三皇持有)及XXL之67%股本權益(當中49%亦由三皇持有)(「出售事項」)。出售事項於二零一八年九月二十一日完成。三皇收取之所得款項為3,433,000歐元(相等於約31,540,000港元)。

有關出售事項詳情載於本公司日期為二零一八年八月二十日之公佈。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

On 11 May 2018, the Company entered into the memorandum of understanding (the “MOU”) with the shareholders of a limited company incorporated in Turkey (the “Target”) in relation to the proposed acquisition of 51% issued shares in the Target. The Target and its subsidiaries are principally engaged in generation and supply of electricity in Turkey. Details of the MOU are set out in the announcement of the Company dated 11 May 2018. As of the date of this report, no formal or legally binding agreement has been entered into between the Company and the Target’s shareholders in respect of the abovementioned proposed acquisition.

Apart from those disclosed above, the Group did not have any other material acquisition, disposal and significant investment for the year ended 31 December 2018.

Capital Structure

As at 31 December 2018, 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 1,272,640,000 ordinary shares were in issue and fully paid.

Placing of New Shares under General Mandate

On 6 April 2018, the Company entered into a placing agreement with Emperor Securities Limited as placing agent (“Emperor”), pursuant to which Emperor would place, on a best effort basis, to not less than six independent placees up to 184,000,000 ordinary shares of HK\$0.04 each of the Company (the “Placing Share(s)”) at a price of HK\$0.18 per Placing Share (the “Placing”).

The completion of the Placing took place on 25 April 2018. An aggregate of 184,000,000 Placing Shares were allotted and issued pursuant to the generate mandate granted to the Directors at the annual general meeting held on 4 May 2017. The aggregate nominal value of the Placing Shares was HK\$7,360,000.

於二零一八年五月十一日，本公司與一間於土耳其註冊成立之有限公司（「目標公司」）之股東就建議收購目標公司之51%已發行股份訂立諒解備忘錄（「諒解備忘錄」）。目標公司及其附屬公司於土耳其主要從事電力生產及供應。有關諒解備忘錄之詳情載於本公司日期為二零一八年五月十一日之公佈。於本報告日期，本公司與目標公司股東之間並未就上述建議收購訂立正式或具法律約束力之協議。

除上述所披露外，截至二零一八年十二月三十一日止年度，本集團並無任何其他重大收購、出售及重大投資。

資本架構

於二零一八年十二月三十一日，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1,272,640,000股普通股為已發行及繳足。

根據一般授權配售新股份

於二零一八年四月六日，本公司與英皇證券（香港）有限公司（「英皇證券」）（作為配售代理）訂立配售協議，據此英皇證券將以竭盡所能基準，按每股配售股份0.18港元之價格，配售最多184,000,000股本公司每股面值0.04港元之普通股（「配售股份」）予不少於六名獨立承配人（「配售事項」）。

配售事項於二零一八年四月二十五日完成。合共184,000,000股配售股份已根據於二零一七年五月四日舉行之股東週年大會上向董事授出之一般授權獲配發及發行。配售股份總面值為7,360,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

The net proceeds from the Placing were approximately HK\$32,337,000 and the net issue price was approximately HK\$0.176 per Placing Share. As stated in the announcements of the Company dated 6 April 2018 and 25 April 2018, the net proceeds of approximately HK\$32,337,000 would be used as to (i) HK\$10,000,000 for the development of the Money Lending Business; (ii) HK\$5,000,000 for the development of the Mobile Gaming Business; (iii) HK\$8,000,000 for identifying the potential investment in the environmental related projects; and (iv) the remaining balance as general working capital purposes. As at 31 December 2018, approximately HK\$10,000,000, HK\$4,633,000, HK\$6,290,000 and HK\$9,300,000 had been applied towards its intended use for the development of the Money Lending Business, Mobile Gaming Business, environmental related projects and general working capital respectively.

Funding and Treasury Policies

The Group consistently adopts a conservative treasury policy during its development and generally finances its operations and business development with internally generated resources and equity and/or debt financing activities in order to maintain a healthy liquidity position. The Group also strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients of Money Lending Business. To manage liquidity risk, the Board closely monitors the financial position of the Group to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements from time to time.

Foreign Exchange Exposure

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

Material Risk Factors

Details of the Group's financial risk and analysis are set out in notes 27(a) to 27(d) to the consolidated financial statements.

Pledge of Assets

At 31 December 2018, the land and buildings of the Group at carrying amount of approximately HK\$38,831,000 (2017: approximately HK\$42,955,000) was pledged to secure interest-bearing borrowings of a subsidiary of the Company.

配售事項之所得款項淨額約為32,337,000港元，而發行價淨額約為每股配售股份0.176港元。誠如本公司於二零一八年四月六日及二零一八年四月二十五日之公佈所述，所得款項淨額約32,337,000港元將用作以下用途：(i) 10,000,000港元用作放債業務發展；(ii) 5,000,000港元用作手機遊戲業務發展；(iii) 8,000,000港元用作物業與環保有關項目之潛在投資；及(iv)餘額用作一般營運資金用途。於二零一八年十二月三十一日，約10,000,000港元、4,633,000港元、6,290,000港元及9,300,000港元已分別用於放債業務發展、手機遊戲業務、與環保有關項目及一般營運資金之擬定用途。

資金及庫務政策

本集團在發展過程中一直採取審慎之庫務政策，一般以內部產生之資源及股權及／或債務融資活動為其營運及業務發展提供資金，以維持穩健之流動資金狀況。本集團亦對放債業務客戶之財務狀況進行持續信貸評估，致力減低信貸風險。為管理流動資金風險，董事會密切監察本集團之財務狀況，以確保本集團資產、負債及承擔之流動資金結構能夠不時滿足其資金要求。

外匯風險

董事認為本集團並無任何重大外匯風險。

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27(a)至27(d)。

資產抵押

於二零一八年十二月三十一日，本集團土地及樓宇賬面值約38,831,000港元(二零一七年：約42,955,000港元)作為本公司附屬公司附息借款之抵押。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Contingent Liabilities

As at 31 December 2018, the Group maintained contingent liabilities that are related to a corporate guarantee provided by the Company to a financial institution for the loan utilised by the Group.

For the year ended 31 December 2018, two subsidiaries of the Company leased two motor vehicles under finance leases at the interest rates of 3.5%-4.8% per annum for terms of three and five years. The Company had issued corporate guarantee in respect of the finance leases with the carrying amount of approximately HK\$3,188,000 as at 31 December 2018 (2017: approximately HK\$4,170,000).

Upon completion of the Acquisition of FS Group on 25 October 2016, the Company issued a corporate guarantee to the vendors for the due and punctual performance by a subsidiary of the Company, as purchaser, under the sale and purchase agreement that was fulfilled by way of, among others, issuance of promissory note by the Company to the vendors. The remaining balance of the promissory note was repaid in full on 5 October 2018 that the related corporate guarantee to the vendors was released at the same date.

Employees and Remuneration Policies

As at 31 December 2018, the Group had 66 employees (2017: 95 employees). The staff costs (including directors' remuneration) were approximately HK\$21,238,000 (2017: approximately HK\$29,947,000) for the year ended 31 December 2018.

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.

Events after the Reporting Period

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

或然負債

於二零一八年十二月三十一日，本集團具有或然負債，為有關本公司就本集團所動用貸款而向金融機構提供之公司擔保。

截至二零一八年十二月三十一日止年度，本公司兩間附屬公司根據融資租賃按年利率3.5%–4.8%租賃兩輛汽車，為期三年及五年。本公司已就於二零一八年十二月三十一日賬面值約3,188,000港元(二零一七年：約4,170,000港元)之融資租賃發出公司擔保。

於二零一六年十月二十五日完成收購FS集團後，本公司向賣方發出一份公司擔保，以保證作為買方之本公司附屬公司妥善及準時達成買賣協議下之責任，此保證乃透過(其中包括)本公司向賣方發行承兌票據而作出。該承兌票據之剩餘結餘已於二零一八年十月五日悉數償還，故向賣方發出之相關公司擔保已於同日解除。

僱員及薪酬政策

於二零一八年十二月三十一日，本集團僱用66名員工(二零一七年：95名員工)。截至二零一八年十二月三十一日止年度，員工成本(包括董事酬金)約21,238,000港元(二零一七年：約29,947,000港元)。

本集團之薪酬政策會定期修訂及參考市場情況、公司表現及個人資歷及表現而釐定，並符合僱員受僱地之各自司法管轄區之法定要求。

報告期後事項

除於本報告其他部分披露外，本集團於報告期後並無發生其他重大事項。

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 GEM Listing Rules of the Stock Exchange throughout the year ended 31 December 2018 except the CG Code provisions A.2.1, A.4.1 and A.6.7 with considered reasons explained below.

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

THE BOARD OF DIRECTORS

The 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 management, while reserving certain key matters for its approval.

COMPOSITION

As at the date of this report, the Board comprises eight Directors, of which three are executive Directors, namely Mr. Chan Kwun Chung, Mr. Lee Cheung Yuet Horace and Mr. Ng Kin Man; one is non-executive Director, namely Mr. Zheng Yongqiang and four are independent non-executive Directors (the “INED(s)”), namely Mr. Lenug Man Chun, Mr. Fok Kin Fung Eric, Mr. Pang Siu Yin and Dr. Lee G. Lam. There is no financial, business, family or other material/relevant relationship amongst the Directors. The Directors’ biographical information is set out in pages 29 to 33 under the section headed “Biographies of Directors”.

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 responsibility as the Director and of the conduct, business activities and development of the Company.

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任，藉以盡量提高股東回報。

企業管治守則

本公司於截至二零一八年十二月三十一日止年度一直遵守聯交所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，惟於下文解釋已闡明原因而未符合之企業管治守則條文A.2.1、A.4.1及A.6.7除外。

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。

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執行董事及管理層負責，並保留若干主要事宜由董事會批准。

組成

於本報告日期，董事會由八名董事組成，包括三名執行董事陳冠忠先生、李暢悅先生及伍健文先生；一名非執行董事鄭永強先生及四名獨立非執行董事(「獨立非執行董事」)，分別為梁文俊先生、霍健烽先生、彭兆賢先生及林家禮博士。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29至33頁「董事簡歷」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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 participation 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 18 Board meetings held during the year ended 31 December 2018.

Attendance of individual Directors at Board meetings held during the year ended 31 December 2018 were set out as follows:

董事會會議

企業管治守則條文第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。截至二零一八年十二月三十一日止年度內共舉行十八次董事會會議。

個別董事出席截至二零一八年十二月三十一日止年度舉行之董事會會議情況載列如下：

	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 Kwun Chung	16/17	1/1
陳冠忠先生		
Mr. Lee Cheung Yuet Horace ¹	14/14	1/1
李暢悅先生 ¹		
Mr. Chan Wai Kit ²	14/16	1/1
陳偉傑先生 ²		
Non-Executive Director		
非執行董事		
Mr. Zheng Yongqiang ³	1/1	N/A不適用
鄭永強先生 ³		
Independent Non-Executive Directors		
獨立非執行董事		
Mr. Leung Man Chun	18/18	1/1
梁文俊先生		
Mr. Fok Kin Fung Eric	16/18	0/1
霍健烽先生		
Mr. Pang Siu Yin ⁴	11/16	0/1
彭兆賢先生 ⁴		
Dr. Lee Nim Wai ⁵	1/1	N/A不適用
李念緯醫生 ⁵		

CORPORATE GOVERNANCE REPORT

企業管治報告

Notes:

1. Mr. Lee Cheung Yuet Horace has been appointed as an executive Director on 5 February 2018.
2. Mr. Chan Wai Kit resigned as an executive Director and ceased as deputy Chairman on 1 November 2018.
3. Mr. Zheng Yongqiang has been appointed as a non-executive Director on 1 October 2018.
4. Mr. Pang Siu Yin has been appointed as an INED on 15 January 2018.
5. Dr. Lee Nim Wai resigned as an INED 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 chief executive officer (the “CEO”) is responsible for the day-to-day management of the Group’s business.

Under the CG Code provision A.2.1, the roles of chairman and CEO should be separate and should not be performed by the same individual.

Mr. Chan Wai Kit, the then deputy Chairman of the Company, also assumed the duties of the CEO until he resigned from these positions on 1 November 2018. This constitutes a deviation from Code provision A.2.1 of the CG Code. However, the Board believes that vesting the roles of Chairman and CEO in the same individual during the period until 31 October 2018 provided the Group with strong and consistent leadership in the development and execution of long-term business strategies.

On 1 October 2018, Mr. Chan Kwun Chung has been appointed as the CEO.

附註：

1. 李暢悅先生於二零一八年二月五日獲委任為執行董事。
2. 陳偉傑先生於二零一八年十一月一日辭任執行董事及副主席。
3. 鄭永強先生於二零一八年十月一日獲委任為非執行董事。
4. 彭兆賢先生於二零一八年一月十五日獲委任為獨立非執行董事。
5. 李念緯醫生於二零一八年一月十五日辭任獨立非執行董事。

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(「行政總裁」)負責本集團業務之日常管理。

根據企業管治守則條文A.2.1，主席與行政總裁之角色應有區別，並不應由一人同時兼任。

陳偉傑先生作為當時的副主席同時擔任行政總裁之職，直至彼於二零一八年十一月一日辭任該等職位。此構成偏離企業管治守則條文A.2.1。然而，董事會相信於截至二零一八年十月三十一日期間由同一人兼任主席及行政總裁之角色，為本集團在長遠業務策略之發展及執行上提供強大而貫徹之領導。

陳冠忠先生於二零一八年十月一日獲委任為行政總裁。

CORPORATE GOVERNANCE REPORT

企業管治報告

Following the resignation of Mr. Chan Wai Kit as the deputy chairman of the Company on 1 November 2018, the Company does not have Chairman for the time being. However, the Board is of the view that the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would from time to time to discuss issues affecting operations of the Company and the Group. This arrangement can still enable the Company to make and implement decisions promptly, and thus achieve the Company's objectives efficiently and effectively. The Company will, at the time when it thinks fit, arrange for new appointment of the Chairman.

NON-EXECUTIVE DIRECTOR

The Code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term. Currently, all the INEDs have entered into letter of appointments with the Company for an initial term of three years. Non-executive Director was not appointed for a specific term but all Directors are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association ("Articles"). Moreover, according to the Articles, all Directors newly appointed to fill a casual vacancy are subject to election at the next following general meeting following their appointments. The Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those prescribed by Code provision A.4.1, of the CG Code and therefore does not intend to take any steps in this regard at the moment.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The CG Code provision A.6.7 requires that independent non-executive directors should, among others, attend general meetings and develop a balanced understanding of the views of shareholders. There is satisfactory attendance at Board meetings, Board Committee meetings and the general meeting during the financial year ended 31 December 2018 except that two INEDs did not attend the annual general meeting of the Company held on 25 June 2018 due to their other important engagements at the relevant time.

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.

陳偉傑先生於二零一八年十一月一日辭任副主席後，本公司暫時並無主席。然而，董事認為權力及職權可透過董事會的運作保持平衡，而董事會由具經驗的人員組成，且彼等會不時討論對本公司及本集團運作有影響的議題。該安排仍可確保本公司能迅速作出及推行決策，繼而有效率及有效地達致本公司的目標。本公司將於其認為恰當時安排委任新主席。

非執行董事

根據企業管治守則之守則條文A.4.1規定，非執行董事之委任應有指定任期。現時所有獨立非執行董事已與本公司訂立委任函，初步任期為三年。現任非執行董事並非按指定任期委任。然而，所有董事根據本公司之章程細則（「細則」）規定須於股東週年大會上輪值退任及可重選連任。而且，根據細則，所有為填補臨時空缺而新獲委任之董事均須在其獲委任後於本公司之下一屆股東大會上接受股東選舉。董事會認為已採取足夠措施以確保本公司之企業管治常規不遜於企業管治守則條文A.4.1之相關規定，因此目前無意就此方面採取任何措施。

獨立非執行董事

企業管治守則條文A.6.7規定獨立非執行董事應（其中包括）出席股東大會及對公司股東的意見應全面地了解。於截至二零一八年十二月三十一日止，董事會會議、董事會委員會會議及股東大會的出席率均令人滿意，惟於二零一八年六月二十五日，兩名獨立非執行董事因其於相關時間須處理其他要務，故並無出席股東週年大會。

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。

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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 and at least one of them has appropriate professional accounting or related financial management expertise.

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 management. Nomination Committee assists the Board by developing and formulating relevant procedures in nominating candidates for directorship, reviewing the size and composition of the Board, assessing the independence of INEDs 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 GEM website.

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 the specific remuneration packages of Directors and senior management of the Company.

REMUNERATION POLICY

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

Directors' emoluments comprise payments to Directors by the Company and its subsidiaries in connection with the management of the Group's affairs. The amounts paid to each Director for the year ended 31 December 2018 are set out in note 7 to the consolidated financial statements.

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。

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，並協助董事會監督管理層若干職能。提名委員會協助董事會設立和制定相關程序以提名董事人選，審視董事會人數及組成及評估獨立非執行董事的獨立性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。

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及具體薪酬向董事會提供意見。

薪酬政策

董事之薪酬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管理本集團事宜而向董事發放之付款。截至二零一八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7。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 Kwun Chung. The Remuneration Committee is chaired by an INED, Mr. Leung Man Chun.

The Remuneration Committee is scheduled to meet at least once a year. Four meetings were held during the year ended 31 December 2018. The attendance of each member is set out as follows:

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、霍健烽先生及陳冠忠先生。獨立非執行董事梁文俊先生擔任薪酬委員會主席。

薪酬委員會計劃每年最少舉行一次會議。薪酬委員會於截至二零一八年十二月三十一日止年度內舉行四次會議。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>) 梁文俊先生(主席)	4/4
Mr. Fok Kin Fung Eric 霍健烽先生	4/4
Mr. Pang Siu Yin ¹ 彭兆賢先生 ¹	2/3
Dr. Lee Nim Wai ² 李念緯醫生 ²	N/A不適用

Executive Directors

執行董事

Mr. Chan Kwun Chung ³ 陳冠忠先生 ³	N/A不適用
Mr. Chan Wai Kit ⁴ 陳偉傑先生 ⁴	3/4

CORPORATE GOVERNANCE REPORT

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Notes:

1. Mr. Pang Siu Yin has been appointed as an INED on 15 January 2018.
2. Dr. Lee Nim Wai resigned as an INED on 15 January 2018.
3. Mr. Chan Kwun Chung has been appointed as member of the remuneration committee on 1 November 2018.
4. Mr. Chan Wai Kit resigned as deputy Chairman and an executive Director on 1 November 2018.

Summary of works

During the year 2018, the Remuneration Committee reviewed the remuneration packages of all the Directors, reviewed and made recommendations to the Board on the remuneration packages of the proposed executive Director and non-executive Director and INED in accordance with the Remuneration Committee's written terms of reference.

附註：

1. 彭兆賢先生於二零一八年一月十五日獲委任為獨立非執行董事。
2. 李念緯醫生於二零一八年一月十五日辭任獨立非執行董事。
3. 陳冠忠先生於二零一八年十一月一日獲委任為薪酬委員會成員。
4. 陳偉傑先生於二零一八年十一月一日辭任副主席及執行董事。

工作概況

於二零一八年度，薪酬委員會已根據薪酬委員會之書面職權範圍，審閱全體董事之薪酬組合，以及審閱擬委任之執行董事、非執行董事及獨立非執行董事之薪酬組合向董事會提出建議。

CORPORATE GOVERNANCE REPORT

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NOMINATION COMMITTEE

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board, developing and formulating relevant procedures for nominating potential candidates for directorship, reviewing the nomination of directors and making recommendations to the Board on such appointments with due regard to the nomination policy (“Nomination Policy”) and the Board diversity policy (“Board Diversity Policy”), and assessing the independence of the INEDs.

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 Kwun Chung. The Nomination Committee is chaired by an INED, Mr. Leung Man Chun.

The Nomination Committee is scheduled to meet at least once a year to review 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. Three meetings were held during the year ended 31 December 2018. The attendance of each member is set out as follows:

提名委員會

提名委員會負責檢討董事會之結構、規模及組成，設定及制定提名和委任董事的相關程序，檢討董事提名名單以及經適當地考慮董事會提名政策（「董事會提名政策」）及董事會多元化政策（「董事會多元化政策」）後，就有關委任向董事會提供推薦意見及評估獨立非執行董事的獨立性。

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、霍健烽先生及陳冠忠先生。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。提名委員會於截至二零一八年十二月三十一日止年度舉行三次會議。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>) 梁文俊先生(主席)	3/3
Mr. Fok Kin Fung Eric 霍健烽先生	3/3
Mr. Pang Siu Yin ¹ 彭兆賢先生 ¹	2/2
Dr. Lee Nim Wai ² 李念緯醫生 ²	N/A 不適用

Executive Directors

執行董事

Mr. Chan Kwun Chung ³ 陳冠忠先生 ³	N/A 不適用
Mr. Chan Wai Kit ⁴ 陳偉傑先生 ⁴	3/3

CORPORATE GOVERNANCE REPORT

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Notes:

1. Mr. Pang Siu Yin has been appointed as an INED on 15 January 2018.
2. Dr. Lee Nim Wai resigned as an INED on 15 January 2018.
3. Mr. Chan Kwun Chung has been appointed as member of the Nomination Committee on 1 November 2018.
4. Mr. Chan Wai Kit resigned as deputy Chairman and an executive Director on 1 November 2018.

Summary of works

During the year 2018, the Nomination Committee assessed the independence of INEDs, reviewed and made recommendation to the Board on the proposed reappointment of Directors, reviewed the Board diversity policy, the structure, size and composition of the Board and made recommendations to the Board on the appointment of the proposed executive Director, non-executive Directors and INED in accordance with the Nomination Committee's written terms of reference.

Nomination Policy

The Board has adopted a Nomination Policy in February 2019 regarding the nomination, appointment, re-appointment of Directors and the nomination procedure of the Company.

The Nomination Committee will select candidate for directorship based on his/her character, integrity, professorial qualifications, skills, knowledge and experience, independence, and diversity of the Board, willingness to devote adequate time to discharge duties as a Board member and such other criteria that are appropriate for the business and corporate strategy of the Company.

For appointment of new Director, the Nomination Committee evaluates such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. For those qualified candidates, recommendations are made to the Board. For re-election of the retiring director, the Nomination Committee and/or the Board review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board and determine whether the retiring Director continues to meet the criteria as set out above. Recommendation are then made to shareholders in respect of the proposed re-election of Director at the general meeting.

The Nomination Committee will review the Nomination Policy at least annually or at any time necessary.

附註：

1. 彭兆賢先生於二零一八年一月十五日獲委任為獨立非執行董事。
2. 李念緯醫生於二零一八年一月十五日辭任獨立非執行董事。
3. 陳冠忠先生於二零一八年十一月一日獲委任為提名委員會會員。
4. 陳偉傑先生於二零一八年十一月一日辭任副主席及執行董事。

工作概況

於二零一八年度，提名委員會已根據提名委員會之書面職權範圍，評估獨立非執行董事之獨立性、審閱並向董事會推薦建議有關董事之續聘、審視董事會成員多元化政策、董事會之架構、規模及組成，以及就擬委任之執行董事、非執行董事及獨立非執行董事作出檢討並向董事會提出推薦建議。

董事會提名政策

董事會已於二零一九年二月採納董事會提名政策，內容有關本公司提名、委任及重新委任董事以及提名程序。

提名委員會將按候選人之性格、誠信、專業資歷、技能、知識及經驗、獨立性、董事會多元化、願意投放適當時間履行董事會成員職務與否以及切合本公司業務及企業策略之其他條件，甄選董事人選。

就委任新董事而言，提名委員會按照上文所載條件評估有關人選，以確定該人選是否合資格擔任董事，並向董事會提出有關合資格人選之建議。就重選退任董事而言，提名委員會及／或董事會審視退任董事向本公司提供之整體貢獻及服務以及於董事會之參與程度及表現，釐定退任董事是否繼續符合上文所載條件，然後於股東大會上就建議重選董事向股東提出推薦意見。

提名委員會將最少每年或於有需要時檢討董事會提名政策。

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Board Diversity Policy

The Group adopted a 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.

The Company recognised 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.

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, re-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.

董事會多元化政策

本集團於二零一三年九月一日採納董事會多元化政策。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。

本公司明白並深信董事會多元化對提升公司之表現素質裨益良多。董事會多元化政策旨在列載為達致董事會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多元化之裨益。

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、服務任期、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多元化政策，確保其有效，認為本集團已達成董事會多元化政策。

審核委員會

審核委員會負責就外聘核數師委任、重新委任及罷免向董事會提出建議、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。

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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.

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 Mr. Leung Man Chun.

The Audit Committee is scheduled to meet at least four times a year. Four meetings were held during the year ended 31 December 2018. The attendance of each member is set out as follows:

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。

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。

審核委員會計劃每年最少舉行四次會議。截至二零一八年十二月三十一日止年度內已舉行四次會議。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>) 梁文俊先生(主席)	4/4
Mr. Fok Kin Fung Eric 霍健烽先生	4/4
Mr. Pang Siu Yin 彭兆賢先生	4/4

CORPORATE GOVERNANCE REPORT

企業管治報告

Summary of works

During the year ended 31 December 2018, the Audit Committee reviewed the quarterly, interim and annual results, made recommendations to the Board on the terms of engagement of the external auditor, and reviewed the adequacy and effectiveness of systems of risk management and internal control, 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. 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 2018, 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 2018, the Directors have selected suitable accounting policies and applied them consistently, made judgements 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.

工作概況

截至二零一八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，以及審視風險管理及內部監控制度是否足夠及其成效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。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守則條文D.3.1之企業管治職務。截至二零一八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。編製截至二零一八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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 taxation and due diligence) for the year ended 31 December 2018 provided by Baker Tilly Hong Kong Limited was HK\$850,000 and HK\$345,000 respectively.

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 an external independent consultant 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 2018.

Disclosure of Inside Information

The Company has adopted a policy on disclosure of Inside Information in respect of procedures and internal control for the handling and dissemination of inside information in a timely manner pursuant to Rule 17.10 of the Listing Rules and the Inside Information Provision under Part XIVA of the Securities and Futures Ordinance.

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。截至二零一八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（包括就稅務及盡職調查提供專業意見）而收取的酬金分別為850,000港元及345,000港元。

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。

本集團已委聘外部獨立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。截至二零一八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。

內幕消息披露

本公司已採納內幕消息披露政策所載列處理及適時發放根據上市規則第17.10條以及證券以及期貨條例第XIVA部之內幕消息的相關程序及內部監控。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 continuously 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 2018, all Directors have 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.

COMPANY SECRETARY

Ms. Leung Ching Man resigned as Company Secretary on 17 May 2018. Ms. Yuen Wing Kwan ("Ms. Yuen") has been appointed as the Company Secretary on 17 May 2018. In accordance with rule 5.15 of the GEM Listing Rules, Ms. Yuen has taken no less than 15 hours of relevant professional training during the year under review.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 31 December 2018, 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.

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。於二零一八年度，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。

公司秘書

梁靜雯女士於二零一八年五月十七日辭任公司秘書。袁詠筠女士(「袁女士」)於二零一八年五月十七日獲委任為公司秘書。根據GEM上市規則第5.15條之規定，袁女士已於回顧年度接受不少於15小時之相關專業培訓。

董事進行證券交易的行為守則

截至二零一八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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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. The insurance coverage is reviewed on an annual basis.

RELATED PARTY TRANSACTIONS

During the year ended 31 December 2018, 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 GEM website and on the Company's website at www.aurumpacific.com.hk.

During the year ended 31 December 2018, there was not 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 GEM website.

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。投保範圍乃按年進行檢討。

關連方交易

截至二零一八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、新聞稿及出版刊物亦會公開發佈，並於GEM網站及本公司網站www.aurumpacific.com.hk刊載。

截至二零一八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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 (as amended from time to time), the Shareholders who wish to move a resolution may by means of requisition convene an Extraordinary General Meeting according to the procedures as set out above.

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

根據細則(經不時修訂)，有意動議決議案之股東可根據上述程序後向本公司提交要求書召開股東特別大會。

BIOGRAPHIES OF DIRECTORS

董事簡歷

EXECUTIVE DIRECTORS

Mr. Chan Kwun Chung (“Mr. Chan”), aged 38, has been appointed as an executive Director since March 2017 and as the chief executive officer, authorised representative and compliance officer of the Company since October 2018. He is also a member of the remuneration committee and nomination committee and is a director of various subsidiaries of the Company.

He 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. Prior to joining the Company, Mr. Chan worked in the fields 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), a company listed on GEM of the Stock Exchange, from 1 January to 1 March 2017.

Mr. Lee Cheung Yuet Horace (“Mr. Lee”), aged 37, has been appointed as an executive Director of the Company since February 2018, and is a director of various subsidiaries of the Company. 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 has become a fellow member since 2014. Mr. Lee has over 14 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 8 years and he also has extensive experience in terms of Hong Kong listed companies. Mr. Lee is currently an independent non-executive director of each of Hybrid Kinetic Group Limited (stock code: 1188) and Chuan Holdings Limited (stock code: 1420), the shares of both companies are listed on the Main Board of the Stock Exchange.

Mr. Ng Kin Man (“Mr. Ng”), aged 42, has been appointed as an executive Director since 1 March 2019. He joined the Company as the chief financial officer in June 2018 and is currently a director of various subsidiaries of the Company. Mr. Ng graduated from Oxford Brookes University in the United Kingdom with a bachelor degree in Accounting and Finance. Mr. Ng is a fellow member of the Hong Kong Institute of Certified Accountants, fellow member of the Association of Chartered Certified Accountants and a fellow member and a Certified Tax Advisor of the Taxation Institute of Hong Kong. He has over 16 years of extensive experience in auditing and financial management, IPO, international bond offerings and M&As. He also has extensive experience in different industries and is specializing in property development in the PRC, financial institution field, money lending, manufacturing and general management. Prior to joining the Group, Mr. Ng held senior positions in several listed companies in Hong Kong.

執行董事

陳冠忠先生(「陳先生」)，38歲，自二零一七年三月獲委任為執行董事及自二零一八年十月獲委任為本公司之行政總裁、授權代表及法規主任。彼亦為薪酬委員會及提名委員會成員，以及本公司多間附屬公司之董事。

彼於二零零二年及二零零四年於紐約州立大學水牛城分校分別獲得工商管理學士學位及應用經濟學文學碩士學位。加入本公司之前，陳先生在財務顧問、保險及醫療領域工作，於客戶關係管理、項目管理、業務顧問及風險管理擁有豐富經驗。於二零一七年一月一日至三月一日期間，陳先生曾擔任聯交所GEM上市公司永耀集團控股有限公司(股份代號：8022)的獨立非執行董事。

李暢悅先生(「李先生」)，37歲，自二零一八年二月獲委任為本公司執行董事，以及為本公司多間附屬公司之董事。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。自二零零九年起，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14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八年，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)及川控股有限公司(股份代號：1420)之獨立非執行董事。該兩間公司之股份均於聯交所主板上市。

伍健文先生(「伍先生」)，42歲，自二零一九年三月一日起獲委任為執行董事。彼於二零一八年六月加入本公司擔任首席財務官，現為本公司多間附屬公司之董事。伍先生畢業於英國牛津布魯克斯大學，獲頒會計及財務學士學位。伍先生為香港會計師公會資深會員、英國特許公認會計師公會資深會員以及香港稅務學會資深會員及註冊稅務師。彼於審計及財務管理、首次公開招股、國際債券發售及併購事務擁有逾16年豐富經驗。彼亦於不同行業擁有豐富經驗，尤其於中國之物業發展、金融機構領域、借貸、製造及一般管理事務方面具有獨特專長。加入本集團前，伍先生於香港多間上市公司擔任高級職位。

BIOGRAPHIES OF DIRECTORS

董事簡歷

NON-EXECUTIVE DIRECTOR

Mr. Zheng Yongqiang (“Mr. Zheng”), aged 40, has been appointed as a non-executive Director of the Company since October 2018. He has been a director and shareholder of Global Ocean International Holdings Limited (“Global Ocean”), an indirect non-wholly owned subsidiary of the Company since early 2018 and responsible for the formulation and implementation of business strategy and R&D in software system design and development of Global Ocean. He has over 17 years of experience in software engineering and information technology system development. He currently also serves as the chief technical officer of Guangzhou Mega Environmental Technology Limited. Prior to that, he was the Associate Software Engineer Manager (ASEM) of HSBC Software Development Guangdong Ltd.. Mr. Zheng graduated from South China University of Technology in the PRC with a Bachelor’s Degree in Applied Maths in 2001. He obtained a Professional Master Degree of Engineering from Sun Yat-Sen University in the PRC in 2005, with major in software engineering. He has attained the Qualification Certificate of Computer and Software Technology Proficiency (System Analyst) in the PRC issued by The Personnel Department of Guangdong Province in 2004 and the Certificate of Project Management Professional issued by the Project Management Institute in 2010 respectively.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Man Chun (“Mr. Leung”), aged 31, has been appointed as an independent non-executive Director of the Company since February 2016. He is also the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee. He has been engaging in financial services sector for over 7 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) shares of which are listed on GEM of the Stock Exchange.

Mr. Fok Kin Fung Eric (“Mr. Fok”), aged 35, has been appointed as an independent non-executive Director of the Company since March 2016. He is also a member of the Audit Committee and Nomination Committee. 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.

非執行董事

鄭永強先生(「鄭先生」)，40歲，自二零一八年十月獲委任為本公司非執行董事，並自二零一八年年初起為本公司間接非全資附屬公司匯海國際控股有限公司(「匯海國際」)之董事及股東及負責制定和實施匯海國際之業務策略以及軟件系統設計及開發的研發。彼於軟件工程和資訊技術系統開發方面擁有逾17年經驗。他目前亦為廣州明舸環保科技有限公司的技術總監。在此之前，他亦曾於匯豐銀行軟件開發(廣州)有限公司擔任軟體發展副經理。鄭先生於二零零一年畢業於中國華南理工大學，獲頒應用數學理學學士學位，他並於二零零五年於中國中山大學取得工程專業碩士學位，主修軟件工程。他並於二零零四年獲廣東省人事廳頒發中華人民共和國「計算機軟件技術資格證書(系統分析師)」和於二零一零年獲項目管理協會頒發「項目管理專業證書」。

獨立非執行董事

梁文俊先生(「梁先生」)，31歲，自二零一六年二月獲委任為本公司獨立非執行董事，並分別為審核委員會、薪酬委員會及提名委員會主席。彼已於國際會計師行及國際銀行等金融服務機構從事逾七年，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)之獨立非執行董事。

霍健烽先生(「霍先生」)，35歲，自二零一六年三月獲委任為本公司獨立非執行董事，並為審核委員會及提名委員會成員。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

董事簡歷

Mr. Pang Siu Yin (“Mr. Pang”), aged 58, has been appointed as an independent non-executive Director of the Company since January 2018. He is also the member of the Audit Committee, Remuneration Committee and Nomination Committee. 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 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 Affluent Partners Holdings Limited (stock code: 1466), a company listed on the Main Board of the Stock Exchange from November 2016 to September 2018; and an independent non-executive director of Winto Group (Holdings) Limited (stock code: 8238), a company listed on GEM of the Stock Exchange from July 2015 to March 2018.

Dr. Lee G. Lam (“Dr. Lam”), aged 59, has been appointed as an independent non-executive Director of the Company since January 2019. He is the chairman of Hong Kong Cyberport Management Company Limited, non-executive chairman – Hong Kong and ASEAN Region and chief adviser to Macquarie Infrastructure and Real Assets Asia, a member of the Hong Kong Special Administrative Region Government’s Committee on Innovation, Technology and Re-Industrialisation and the Court of the City University of Hong Kong, convenor of the panel of advisors on Building Management Disputes of the Hong Kong Special Administrative Region Government Home Affairs Department, president of the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) Sustainable Business Network (ESBN) Executive Council and chairman of its Task Force on Banking and Finance, a board member of Pacific Basin Economic Council (PBEC), a member of the Hong Kong Trade Development Council Belt and Road Committee and convenor of its Digital Silk Road Working Group, a member of the Sir Murray MacLehose Trust Fund Investment Advisory Committee, honorary advisor to the Hong Kong Business Angel Network (HKBAN), honorary chairman – Asia Pacific of CMA Australia, chairman of Monte Jade Science and Technology Association of Hong Kong and president of Hong Kong-ASEAN Economic Cooperation Foundation.

彭兆賢先生(「彭先生」)，58歲，自二零一八年一月獲委任為本公司獨立非執行董事，並分別為審核委員會、薪酬委員會及提名委員會成員。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))之獨立非執行董事。彼自二零一六年十一月至二零一八年九月曾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；且自二零一五年七月至二零一八年三月，曾擔任惠陶集團(控股)有限公司(股份代號：8238)(該公司於聯交所GEM上市)的獨立非執行董事。

林家禮博士(「林博士」)，59歲，自二零一九年一月獲委任為本公司獨立非執行董事。彼現為香港數碼港管理有限公司主席、麥格理基礎設施及有形資產亞洲之香港及東盟區非執行主席兼首席顧問、香港特別行政區政府創新、科技及再工業化委員會委員、香港城市大學顧問委員會成員及民政事務總署大廈管理糾紛顧問小組召集人、聯合國亞洲及太平洋經濟社會公署ESBN執行委員會主席及其銀行及金融業專案組主席、太平洋地區經濟理事會(PBEC)之理事、香港貿易發展局一帶一路委員會委員及其數字絲路工作組召集人、麥理浩爵士信托基金投資顧問委員會成員、香港天使投資脈絡(HKBAN)榮譽顧問、澳洲管理會計師公會亞太區榮譽主席、香港玉山科技協會理事長及香港—東盟經濟合作基金會會長。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Dr. Lam has over 30 years of international experience in general management, management consulting, corporate governance, direct investment, investment banking and fund management across the telecommunications/media/technology (TMT), consumer/healthcare, infrastructure/real estates, energy/resources and financial services sectors. Dr. Lam earlier served as a general manager of Hongkong Telecom, vice president and managing partner – Greater China of the international management consulting firm A.T. Kearney, president & CEO and vice chairman of the board of directors of Chia Tai Enterprises International Limited (now renamed as C.P. Lotus Corporation) of multinational conglomerate CP Group, vice chairman and COO of Investment Banking Division of BOC International Holdings (the international investment banking arm of the Bank of China group), executive director of Singapore Technologies Telemedia (a member of Temasek Holdings), and chairman – Hong Kong/Vietnam/Cambodia/Laos/Myanmar/Thailand and senior adviser – Asia of Macquarie Capital.

Dr. Lam holds a BSc in sciences and mathematics, an MSc in systems science and an MBA from the University of Ottawa in Canada, a post-graduate diploma in public administration from Carleton University in Canada, a post-graduate diploma in English and Hong Kong Law and an LLB (Hons) in law from Manchester Metropolitan University in the UK, a LLM in law from the University of Wolverhampton in the UK, a PCLL in law from the City University of Hong Kong, a certificate in Professional Accountancy from the Chinese University of Hong Kong SCS, an MPA and a PhD from the University of Hong Kong.

Formerly a member of the Hong Kong Bar, Dr. Lam is a solicitor of the High Court of Hong Kong, an honorary fellow of CPA Australia, a fellow of CMA Australia, a fellow of the Hong Kong Institute of Arbitrators, an Accredited Mediator of the Centre for Effective Dispute Resolution (CEDR), a fellow of the Hong Kong Institute of Directors, and an honorary fellow of the Hong Kong Institute of Facility Management and the University of Hong Kong School of Professional and Continuing Education (HKU SPACE).

林博士擁有超過三十年在跨國企業之國際管理經驗，具備豐富的策略顧問、企業管治、直接投資、投資銀行及基金管理方面的經驗，分別在電訊媒體高科技、消費市場／醫療、基建／地產、能源／資源及金融服務行業裏的領先企業擔任了董事或總裁、首席營運官及總經理等高管職務。林博士曾任香港電訊總經理、國際管理諮詢公司 A. T. Kearney 大中華區副總裁兼管理合夥人、泰國正大集團高管及集團屬下數家公司之董事長／董事／行政總裁、中銀國際之董事總經理兼投資銀行部副主席及首席營運官、新加坡主權基金淡馬錫控股旗下新加坡科技電訊媒體之執行董事及麥格理資本之香港／越南／柬埔寨／老撾／緬甸／泰國區主席及亞洲區資深顧問等。

林博士持有加拿大渥太華大學之科學及數學學士、系統科學碩士及工商管理碩士學位、加拿大加爾頓大學之國家行政研究院文憑、英國曼徹斯特城市大學之香港及英國法律深造文憑及法律榮譽學士學位、英國胡佛漢頓大學之法律碩士學位、香港城市大學之法學專業證書、香港中文大學專業進修學院專業會計證書及香港大學之公共行政碩士及哲學博士學位。

林博士是香港高等法院律師(前大律師)、澳洲會計師公會榮譽資深會員、澳洲管理會計師公會資深會員、香港仲裁司學會資深會員、有效爭論決議中心(太平洋中心)認可調解員、香港董事學會資深會員、香港設施管理學會榮譽資深會員及香港大學專業教育學院榮譽院士。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Dr. Lam is currently an independent non-executive director of each of CSI Properties Limited, Glorious Sun Enterprises Limited, Vongroup Limited, Mei Ah Entertainment Group Limited, Elife Holdings Limited, Haitong Securities Co., Ltd. (a company also listed on Shanghai Stock Exchange), Huarong Investment Stock Corporation Limited, Hua Long Jin Kong Company Limited (formerly known as Highlight China IoT International Limited), Kidsland International Holdings Limited, Hsin Chong Group Holdings Limited and Mingfa Group (International) Company Limited; and a non-executive director of each of Sunwah Kingsway Capital Holdings Limited, China LNG Group Limited, National Arts Entertainment and Culture Group Limited, China Shandong Hi-Speed Financial Group Limited and Tianda Pharmaceuticals Limited (the shares of all of the aforementioned companies are listed on the Stock Exchange). He is also an independent non-executive director of each of China Real Estate Grp Ltd. (formerly known as Asia-Pacific Strategic Investments Limited), Top Global Limited and JCG Investment Holdings Ltd. (formerly known as China Medical (International) Group Limited), and a non-executive director of Singapore eDevelopment Limited (the shares of all of the aforementioned companies are listed on Singapore Exchange). Dr. Lam is also an independent director of Sunwah International Limited (a company listed on Toronto Stock Exchange); an independent non-executive director of AustChina Holdings Limited (a company listed on Australian Securities Exchange); an independent non-executive director of TMC Life Sciences Berhad (a company listed on the Main Board of Bursa Malaysia Securities Berhad), and a non-executive director of Adamas Finance Asia Limited (a company listed on London Stock Exchange).

In the past three years precedent his appointment as an independent non-executive director of the Company, Dr. Lam was a non-executive director of Roma Group Limited from 13 September 2017 to 11 December 2017; an independent non-executive director of each of Xi'an Haitiantian Holdings Co., Ltd. (formerly known as Xi'an Haitain Antenna Holdings Co., Ltd.) from 15 September 2017 to 23 July 2018 and Imagi International Holdings Limited from 11 May 2010 to 28 January 2016, all of which are listed on the Stock Exchange; and an independent non-executive director of Rowsley Ltd. (a company listed on Singapore Exchange) from 26 June 2002 to 25 April 2018; and an independent non-executive director of Vietnam Equity Holding (a company listed on Stuttgart Stock Exchange) from 25 October 2007 to 28 February 2018.

林博士現擔任資本策略地產有限公司、旭日企業有限公司、黃河實業有限公司、美亞娛樂資訊集團有限公司、易生活控股有限公司、海通證券股份有限公司(該公司亦於上海證券交易所上市)、華融投資股份有限公司、華隆金控有限公司(前稱：高銳中國物聯網國際有限公司)、凱知樂國際控股有限公司、新昌集團控股有限公司及明發集團(國際)有限公司之獨立非執行董事；並為新華滙富金融控股有限公司、中國天然氣集團有限公司、國藝娛樂文化集團有限公司、中國山東高速金融集團有限公司及天大藥業有限公司之非執行董事，而上述各公司之股份均於聯交所上市。彼現為China Real Estate Grp Ltd.(前稱：Asia-Pacific Strategic Investments Limited)、Top Global Limited及JCG Investment Holdings Ltd.(前稱：China Medical (International) Group Limited)之獨立非執行董事，以及Singapore eDevelopment Limited之非執行董事，而上述各公司之股份均於新加坡證券交易所上市。林博士亦為多倫多證券交易所上市公司Sunwah International Limited之獨立董事；澳洲證券交易所上市公司AustChina Holdings Limited之獨立非執行董事及馬來西亞股票交易所主板上市公司TMC生命科學之獨立非執行董事；以及倫敦證券交易所上市公司Adamas Finance Asia Limited之非執行董事。

林博士於獲委任為本公司獨立非執行董事之前的過去三年，彼自二零一七年九月十三日至二零一七年十二月十一日為羅馬集團有限公司之非執行董事；自二零一七年九月十五日至二零一八年七月二十三日為西安海天實業股份有限公司(前稱西安海天綫控股股份有限公司)及自二零一零年五月十一日至二零一六年一月二十八日為意馬國際控股有限公司之獨立非執行董事，上述所有公司均為聯交所上市的公司；及自二零零二年六月二十六日至二零一八年四月二十五日為Rowsley Ltd.(新加坡交易所上市的公司)之獨立非執行董事；及自二零零七年十月二十五日至二零一八年二月二十八日為Vietnam Equity Holding(斯圖加特證券交易所上市的公司)之獨立非執行董事。

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 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries are set out in note 33 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 Management Discussion and Analysis on pages 5 to 12. 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 27 to the consolidated financial statements.

Important events affecting the Group is provided in the Management Discussion and Analysis on pages 5 to 12.

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 208. 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. A separate Environmental, Social and Governance Report will be published no later than three months after the publication of this annual report. For details, please refer to the Company's website.

The Group has complied with the relevant laws and regulations that have significant impact on the operations of the Group. The Group recognises that employees, customers and business partners are the keys to 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二零一八年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司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33。

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12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27「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5頁至第12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208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。環境、社會及管治報告將於本年報刊發後的三個月內另行刊發。詳情請參閱本公司網站。

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:

		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	最大客戶	36%	
Five largest customers in aggregate	五大客戶合計	50%	
The largest supplier	最大供應商		58%
Five largest suppliers in aggregate	五大供應商合計		88%

During the year ended 31 December 2018, 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 2018 are set out in the consolidated financial statements on pages 56 to 207.

DIVIDEND POLICY

The Company pursues a continuity-based dividend policy ("Dividend Policy") which aims to allow the shareholders to participate in the Company's profits and for the Company to retain adequate reserves for future growth.

In deciding whether to propose a dividend and in determining the dividend amount, the Board should take into account, inter alia, the Company's operating results, actual and expected financial performance, retained earnings and distributable reserves of the Company and members of the Group, the Group's debt to equity ratios, liquidity position, the Group expected working capital requirements and future expansion plans, any restrictions on payment of dividends that may be imposed by the Group's lender, general economic conditions, business cycle of the Group's business and any other factors that the Board may deem appropriate and relevant.

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：

於截至二零一八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

本集團截至二零一八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56至207頁之綜合財務報表。

股息政策

本公司實行以持續性為本之股息政策（「股息政策」），旨在讓股東分享本公司溢利，並使本公司可保留足夠儲備以供未來發展之用。

於決定是否建議派付股息及釐定股息金額時，董事會將計及（其中包括）本公司之經營業績、本公司及本集團成員公司之實際及預期財務表現、留存盈利及可供分派儲備、本集團之股本負債比率及流動資金狀況、本集團之預期營運資金需求及未來擴張計劃、本集團貸款人可能施加之任何股息派付限制、整體經濟狀況、本集團業務之業務週期以及董事會可能認為合適相關之任何其他因素。

REPORT OF THE DIRECTORS

董事會報告

The Board will review, modify and/or update the Dividend Policy at any time as it deems fits and necessary.

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2018.

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 2018, the aggregate amount of reserves available for distribution to owners of the Company was HK\$207,064,000 (2017: HK\$233,998,000).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 10 to the consolidated financial statements.

OTHER BORROWINGS

Details of the interest-bearing borrowings of the Group are set out in note 21 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital during the financial year are set out in note 26 to the consolidated financial statements.

董事會將在認為合適及必要之情況下，隨時檢討、修訂及／或更新股息政策。

股息

董事會不建議派付截至二零一八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

於二零一八年十二月三十一日，可用作分派予本公司股權持有人之可使用儲備總額為207,064,000港元(二零一七年：233,998,000港元)。

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10。

其他借款

本集團的付息借款詳情載於綜合財務報表附註21。

股本

本財政年度之股本變動詳情載於綜合財務報表附註26。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

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

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 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
Mr. Ng Kin Man	伍健文先生	1/3/2019	N/A不適用
Mr. Chan Wai Kit	陳偉傑先生	13/10/2014	1/11/2018
Non-executive Director	非執行董事		
Mr. Zheng Yongqiang	鄭永強先生	1/10/2018	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
Mr. Pang Siu Yin	彭兆賢先生	15/1/2018	N/A不適用
Dr. Lee G. Lam	林家禮博士	1/1/2019	N/A不適用
Dr. Lee Nim Wai	李念緯醫生	16/3/2016	15/1/2018

In accordance with Article 112 of the Company's Articles, Mr. Zheng Yongqiang, Dr. Lee G. Lam and Mr. Ng Kin Man, who were appointed as a non-executive Director, an INED and an executive Director on 1 October 2018, 1 January 2019 and 1 March 2019 respectively, will hold office until the forthcoming annual general meeting, and, being eligible, will offer themselves for re-election at the annual general meeting.

In accordance with Article 108 (A) of the Company's Articles, Mr. Fok Kin Fung Eric will retire from office by rotation at the forthcoming annual general meeting and, being eligible, will offer himself for re-election.

Biographical details of the Directors are set out in the section "Biographies of Directors" of this annual report.

鄭永強先生、林家禮博士及伍健文先生分別於二零一八年十月一日、二零一九年一月一日及二零一九年三月一日獲委任為非執行董事、獨立非執行董事及執行董事，按本公司之公司細則第112條規定，其任期將直至應屆股東週年大會舉行為止，而彼等符合資格並願意於股東週年大會上膺選連任。

按本公司之公司細則第108(A)條規定，霍健烽先生將於應屆股東週年大會上輪值退任，而彼符合資格並願意膺選連任。

董事之詳細履歷載於本年報「董事簡歷」一節。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' CONTRACTS

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

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

At 31 December 2018, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO") (Chapter 571 under the laws of Hong Kong), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to 5.46 to 5.67 of the GEM Listing Rules were as follows:

Interest in a subsidiary of the Company

Mr. Zheng Yongqiang personally holds voting shares of HK\$1 each in the following subsidiary:

Name	名稱	Number of voting shares held 所持投票權股份之數目
Global Ocean International Holdings Limited	滙海國際控股有限公司	2,000

Save as disclosed above, as at 31 December 2018, none of the Directors 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 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.

董事合約

擬於應屆股東週年大會重選連任之董事，概無與本公司訂有不可由本公司於一年內免付補償（一般法定補償除外）而終止之服務合約。

董事於股份、相關股份及債券之權益及淡倉

於二零一八年十二月三十一日，董事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、相關股份及債券中擁有須記入本公司根據證券及期貨條例第352條規定備存之登記冊內，或根據GEM上市規則第5.46條至5.67條須知會本公司及聯交所之權益及淡倉如下：

於本公司一間附屬公司的權益

鄭永強先生個人持有以下附屬公司每股面值1港元之投票權股份：

Number of voting shares held 所持投票權股份之數目
--

除上文所披露者外，於二零一八年十二月三十一日，概無本公司董事於本公司及其相聯法團（定義見證券及期貨條例（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 2018, 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 shareholder 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 (Note 2) (附註2)
Mr. Chiu Ngai Hung 趙毅雄先生	Beneficial owner 實益擁有人	673,317,955 (L)	52.91%

Notes:

1. The letter "L" denotes a long position in the shares of the Company.
2. The total number of 1,272,640,000 shares in issue as at 31 December 2018 has been used for the calculation for the approximately percentage.

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 2018.

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，於二零一八年十二月三十一日，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：

Number of shares 股份數目 (Note 1) (附註1)	Approximate percentage of shareholding 概約股權百分比 (Note 2) (附註2)
673,317,955 (L)	52.91%

附註：

1. 「L」指該於本公司股份的好倉。
2. 於二零一八年十二月三十一日已發行股份總數1,272,640,000股已用於計算概約百分比。

除上文所披露者外，於二零一八年十二月三十一日，本公司並不知悉有任何其他人士（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 recognise 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 25 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.

At the annual general meeting of the Company held on 25 June 2018, Shareholders approved the refreshment of the maximum number of shares which may be allotted and issued upon the exercise of all share options under the Share Option Scheme. As at the date of this annual report, the total number of options available for granting by the Company under the Share Option Scheme was 127,264,000, representing 10% of the shares of the Company in issue on that date.

For the year ended 31 December 2018 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25。

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。

於二零一八年六月二十五日舉行之本公司股東週年大會上，股東批准更新根據購股權計劃行使所有購股權時可配發及發行的股份最高數目。於本年報日期，本公司根據購股權計劃可予授出之購股權為127,264,000份，佔本公司於該日期之已發行股份之10%。

截至二零一八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 208 of this annual report.

RETIREMENT SCHEMES

Particulars of the retirement schemes of the Group are set out in note 24 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme of the Company, no equity-linked agreements that will or may result in the Company issuing shares or that requires the Company to enter into an agreement that will or may result in the Company issuing shares, were entered into by the Group during the Year or existed at the end of 2018.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2018 and up to the date of this report, the Directors have the following interests in the business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business :

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208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24。

股票掛鈎協議

除了本公司之購股權計劃，於本年度或於二零一八年年結時，本公司概無訂立任何將會或可導致本公司發行股份的股票掛鈎協議，或要求本公司訂立任何協議將會或可導致本公司發行股份的股票掛鈎協議。

董事於競爭業務中之權益

於二零一八年十二月三十一日及直至本報告日期，董事於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務(除本集團業務外)中擁有下列權益：

Director 董事	Name of company 公司名稱	Nature of business 業務性質	Nature of interests 權益性質
Mr. Leung Man Chun 梁文俊先生	*Evershine Group Holdings Limited ("Evershine") and its subsidiary *永耀集團控股有限公司(「永耀」)及其附屬公司	Money lending business 借貸業務	INED of Evershine 永耀之獨立非執行董事
Dr. Lee G. Lam 林家禮博士	^China Shandong Hi-Speed Financial Group Limited ("China Shandong") and its subsidiary ^中國山東高速金融集團有限公司及(「中國山東」)及其附屬公司	Money lending business 借貸業務	Non-executive Director of China Shandong 中國山東之非執行董事
	^Hua Long Jin Kong Company Limited ("Hua Long Jin Kong") and its subsidiary ^華隆金控有限公司(「華隆金控」)及其附屬公司	Money lending business 借貸業務	INED of Hua Long Jin Kong 華隆金控之獨立非執行董事
	^Mei Ah Entertainment Group Limited ("Mei Ah") and its associate ^美亞娛樂資訊集團有限公司(「美亞」)及其關聯公司	Mobile game applications 手機遊戲應用	INED of Mei Ah 美亞之獨立非執行董事

* listed on GEM of the Stock Exchange

* 於聯交所GEM上市

^ listed on the Main Board of the Stock Exchange

^ 於聯交所主板上市

REPORT OF THE DIRECTORS

董事會報告

As the Board is independent to the boards of the above mentioned companies, the Group is capable of carrying on its business independently of, and at arm's length, from the business of those companies.

Save as disclosed above, as far as the Directors are aware of, none of the Directors has an interest in any business which competes or may compete with the business in which the Group is engaged.

CHANGES IN INFORMATION OF DIRECTORS

Changes in information of Directors since the date of the 2018 interim report required to be disclosed pursuant to Rule 17.50A(1) of the Listing Rules are as follows:

With effect from 1 October 2018, Mr. Chan Kwun Chung, an executive Director, has been appointed as the chief executive officer of the Company. Mr. Chan Kwun Chung has been appointed as a member of each of the remuneration committee and nomination committee, the Compliance Officer and Authorised Representative with effect from 1 November 2018.

Details of the above changes was set out in the Company's announcement dated 28 September 2018.

With effect from 25 January 2019, Dr. Lee G. Lam has been appointed as an INED of TMC Life Sciences Berhad, a company listed on the Main Board of Bursa Malaysia Securities Berhad.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in this report, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

CORPORATE GOVERNANCE

Details of the corporate governance practices adopted by the Company are set out in the section "Corporate Governance Report" on pages 13 to 28 of this annual report.

由於董事會獨立於上述公司之董事會，故本集團有能力獨立於此等公司的業務按公平基準經營其業務。

除上文所披露者外，據董事所知，董事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。

董事資料之變更

自二零一八年中報日期起根據上市規則第17.50A(1)條須予披露之董事資料變更如下：

自二零一八年十月一日起，陳冠忠先生作為執行董事獲委任為本公司之行政總裁。自二零一八年十一月一日起，陳冠忠先生獲委任為薪酬委員會及提名委員會成員、法規主任以及授權代表。

上述變動詳情載於本公司日期為二零一八年九月二十八日之公佈。

自二零一九年一月二十五日起，林家禮博士獲委任為TMC生命科學之獨立非執行董事，一家於馬來西亞股票交易所主板上市之公司。

購買股份或債券之安排

除於本報告披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

企業管治

本公司所採納企業管治常規之詳情載於本年報第13頁至第28頁之「企業管治報告」一節。

REPORT OF THE DIRECTORS

董事會報告

AUDIT COMMITTEE

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 2018.

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 2018.

審核委員會

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，包括審閱截至二零一八年十二月三十一日止年度之財務報表。

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

截至二零一八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。

REPORT OF THE DIRECTORS

董事會報告

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.

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 Kwun Chung

Executive Director

22 March 2019

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。

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

執行董事

陳冠忠

二零一九年三月二十二日

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 and its subsidiaries (together the "Group") set out on pages 56 to 207, which comprise the consolidated statement of financial position as at 31 December 2018, 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 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致奧栢中國集團有限公司股東
獨立核數師報告
(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56至207頁奧栢中國集團有限公司及其附屬公司(以下統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一八年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益表、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，以及包括主要會計政策概要之綜合財務報表附註。

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」)所頒佈之《香港財務報告準則》(「香港財務報告準則」)真實公平地反映 貴集團於二零一八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。

意見之基礎

我們已根據香港會計師公會頒佈之《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之審計責任」一節進一步描述我們在該等標準下之責任。我們根據香港會計師公會之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，我們所獲得之審計憑證能充足及適當地為我們之審計意見提供基礎。

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

主要審計事項

根據我們之專業判斷，主要審計事項為該等對本期綜合財務報表審計最重要之事項。該等事項是在我們對綜合財務報表進行審計之整體情況下處理，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

我們於審計中處理該事項之方法

Key judgements relating to the impairment testing on goodwill

與商譽之減值測試有關之主要判斷

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

請參閱經審核綜合財務報表附註2(g)、2(m)(iii)及12

As at 31 December 2018, the Group's carrying amount of goodwill was allocated to two cash-generating units ("CGUs"), namely, software platform and mobile game business of HK\$20,236,000 and HK\$64,530,000 together with impairment loss of HK\$Nil and HK\$24,903,000.

於二零一八年十二月三十一日，貴集團商譽之賬面值連同減值虧損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，賬面值為20,236,000港元及64,530,000港元，減值虧損為零港元及24,903,000港元。

Our audit procedures in this area included, amongst others:

我們在此方面之審計程序包括（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;
- 評估管理層所使用之假設及方法，特別是與銷售增長率及稅前貼現率有關之假設及方法；
- assessing and challenging the cash flow projections prepared by the management, including assessing historical accuracy of management's estimates and comparing historic actual results to those budgeted to assess the quality of management's forecasting;
- 評估及質疑管理層所編製之現金流量預測，包括評估管理層估計之過往準確性，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之質量；

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
主要審計事項

How the matter was addressed in our audit
我們於審計中處理該事項之方法

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

與商譽之減值測試有關之主要判斷(續)

Refer to Notes 2(g), 2(m)(iii) and 12 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)(iii)及12(續)

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

商譽之可回收性評估乃基於該等企業之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之不確定性(其為評估可回收性之基準)，此為我們審計所關注之主要判斷領域之一。倘根據該等計算所依據之主要假設、估計及判斷不適當，則會存有誇大商譽之風險。

- assessing the robustness of the forecasts to changes in assumptions, including sales growth beyond the 2019 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之穩健性，包括於模式中之二零一九年後詳細預測之銷售增長、長期增長率及貼現率，以評估商譽之賬面值是否適當；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 goodwill.
- 評估該等與減值測試結果最敏感之假設(即該等對確定商譽可收回金額具有最顯著影響之假設)有關之披露是否充分。

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

主要審計事項

How the matter was addressed in our audit

我們於審計中處理該事項之方法

Key judgements relating to the impairment testing on intangible assets

與無形資產之減值測試有關之主要判斷

Refer to Notes 2(k), 2(m)(iii) and 11 of the audited consolidated financial statements

請參閱經審核綜合財務報表附註2(k)、2(m)(iii)及11

The Group has generated significant intangible assets of mobile games of HK\$44,111,000 (2017: HK\$56,947,000) from acquisition of First Surplus Investments Ltd. and its subsidiaries (together "FS Group"), 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.

貴集團自First Surplus Investments Ltd.及其附屬公司(統稱「FS集團」)之收購中產生值44,111,000港元(二零一七年: 56,947,000港元)的大量手機遊戲之無形資產,其可回收性取決於其相關業務產生充足之未來經濟效益之能力。因此將存有導致未能產生充足之未來經濟效益而須予減值之情況之風險。

Our audit procedures in this area included, amongst others:

我們在此方面之審計程序包括(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;
- 評估管理層所使用之假設及方法,特別是與銷售增長率及稅前貼現率有關之假設及方法;
- assessing and challenging the cash flow projections prepared by the management, including assessing historical accuracy of management's estimates and comparing historic actual results to those budgeted to assess the quality of management's forecasting;
- 評估及質疑管理層所編製之現金流量預測,包括評估管理層估計之過往準確性,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之質量;

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
主要審計事項

How the matter was addressed in our audit
我們於審計中處理該事項之方法

Key judgements relating to the impairment testing on intangible assets (Continued)
與無形資產之減值測試有關之主要判斷(續)

Refer to Notes 2(k), 2(m)(iii) and 11 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)(iii)及11(續)

The carrying amount of the mobile games is dependent on the business being able to generate revenue from the paying players and platform owners for the games developed by FS Group.

手機遊戲之賬面值取決於該業務能否自FS集團開發之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之情況，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，該預測反映多項需作判斷之假設及估計並存在固有之不確定性。

- assessing the robustness of the forecasts to changes in assumptions, including sales growth beyond the 2019 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之穩健性，包括於模式中之二零一九年後詳細預測之銷售增長、長期增長率及貼現率，以評估手機遊戲之賬面值是否適當；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之假設(即該等對確定手機遊戲可收回金額具有最顯著影響之假設)有關之披露是否充分。

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

主要審計事項

How the matter was addressed in our audit

我們於審計中處理該事項之方法

Valuation and existence of loans and interest receivables

應收貸款及利息之估值及存在

Refer to Notes 2(m)(i), 2(p), 2(q), 18 and 27(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(p)、2(q)、18及27(a)

The Group recognised loans and interest receivables recorded initially at fair value and subsequently at amortised cost in the consolidated statement of financial position. As at 31 December 2018, the carrying amount of the loans receivable and interest receivables were HK\$108,519,000 (2017: HK\$96,948,000) and HK\$2,197,000 (2017: 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。於二零一八年十二月三十一日，應收貸款及應收利息之賬面值分別為108,519,000港元(二零一七年：96,948,000港元)及2,197,000港元(二零一七年：1,925,000港元)。

The adoption of HKFRS 9 has fundamentally changed the Group's accounting for loan loss impairment by replacing HKAS 39's incurred loss approach with a forward-looking expected credit loss ("ECL") approach.

透過以前瞻性預期信貸虧損(「預期信貸虧損」)法取代香港會計準則第39號之產生虧損法，採納香港財務報告準則第9號已從根本上改變 貴集團有關貸款虧損減值之會計處理。

Our audit procedures in this area included, amongst others:

我們在此方面之審計程序包括(其中包括)：

- obtaining and reviewing the sample of loan agreements (including supplemental agreements and loan extension agreements, if any) and agreeing 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 貴集團會計記錄中之本金、利率、到期日及其他資料；
- testing of controls designed and applied in the process of approving and granting loans, subsequent monitoring of repayment status and of any loan extensions;
- 對批准及授出貸款之過程中所設計及應用之控制進行測試，其後監察還款狀態及任何延期貸款；
- assessing the effectiveness of key controls over the application of the impairment methodology, the governance for the ECL models, inputs and assumptions used by the Group in calculating the ECL;
- 評估主要控制措施對應用減值方法，預期信貸虧損模式之管治， 貴集團在計算預期信貸虧損時使用之輸入數據及假設之有效性；

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

主要審計事項

How the matter was addressed in our audit

我們於審計中處理該事項之方法

Valuation and existence of loans and interest receivables (Continued)

應收貸款及利息之估值及存在(續)

Refer to Notes 2(m)(i), 2(p), 2(q), 18 and 27(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(p)、2(q)、18及27(a)(續)

The measurement of ECL requires the application of significant judgement and increased complexity which include the identification of exposures with a significant deterioration in credit quality, and assumptions used in the ECL model (for exposures assessed individually or collectively), such as the expected future cash flows and forward-looking macroeconomic factors.

預期信貸虧損之計量要求應用重大判斷及增加之複雜性，其包括識別信貸質量顯著惡化之風險，以及預期信貸虧損模式中使用之假設(就單獨或集體評估之風險而言)，例如預期未來現金流量及前瞻性之宏觀經濟因素。

Due to the significance of loans and interest receivables (representing 34% of total assets) and inherent uncertainty in such estimates, we considered this as a key audit matter.

由於應收貸款及利息數額重大(佔總資產34%)及估計之固有不确定性，我們認為此乃一項主要審計事項。

- assessing the reasonableness of the Group's ECL models and the Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECL basis and the qualitative assessment;
- 評估 貴集團預期信貸虧損模式及 貴集團判斷信貸風險是否已顯著增加致使金融資產之撥備應按年全期預期信貸虧損基準計量之條件及定性評估之合理性；
- recalculation of loan interest income recognised on a sample basis;
- 抽樣重新計算確認之貸款利息收入；
- obtaining direct confirmation of loan balances from the borrowers; and
- 直接獲取借款人之貸款結欠確認信；及
- reviewing subsequent settlement records and corroborating enquiries with the management about the reasons for not considering a provision against any unsettled past-due balances.
- 審查其後之結算記錄，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之原因。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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.

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

董事負責其他資料。其他資料包括年報內之所有資料，但不包括綜合財務報表及我們就該等報表所作出之核數師報告。

我們對綜合財務報表之意見不包括其他資料，而我們並不就此發表任何形式之保證結論。

有關我們對綜合財務報表之審計，我們之責任是閱讀上述所識別之其他資料，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悉之情況具有重大不一致之情況，或可能以其他方式被重大錯誤陳述。

倘根據我們所進行之工作，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。我們於該方面並無任何須予報告之事項。

董事及治理層就綜合財務報表須承擔之責任

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之披露規定編製真實而公平反映之綜合財務報表，及落實其認為編製綜合財務報表所必要之內部監控，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)與持續經營有關之事項及使用持續經營為會計基準，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而並無實際之替代方法。

該等治理層負責監察 貴集團之財務報告過程。

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.

核數師對審計綜合財務報表之責任

我們之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之核數師報告。本報告僅向閣下(作為一個團體)作出，除此之外不得用於其他用途。我們並不會就本報告之內容向任何人士承擔或負上任何責任。

合理之保證是一種高水平之保證，但概不保證根據香港會計準則所進行之審計一定能發現存在之重大錯誤陳述。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之經濟決定，則被視為重大錯誤陳述。

作為根據香港會計準則進行審計之一部分，我們在審計期間作出專業判斷及秉持專業之懷疑態度。我們亦：

- 察悉及評估綜合財務報表之重大錯誤陳述風險(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，並獲得充足及適當之審計證據，為我們之意見提供基礎。未能發現因欺詐而導致之重大錯誤陳述之風險高於因錯誤而導致之重大錯誤陳述之風險，原因為欺詐可能涉及串謀、偽造、故意遺漏、錯誤陳述或僭越內部監控。
- 瞭解與審計相關之內部監控，以設計適合該情況之審計程序，但目的並非對貴集團內部監控之有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

核數師對審計綜合財務報表之責任 (續)

- 評估董事採用之會計政策是否恰當以及所作出的會計估計及相關披露是否合理。
- 就董事使用持續經營會計基礎之適當性作出總結，並根據所獲得之審計證據，確定是否存在與可能對貴集團持續經營能力產生重大疑慮之有關事件或情況之重大不確定性。倘我們斷定存在重大不確定性，我們須在核數師報告中提請注意綜合財務報表之相關披露，或倘該等披露不充分，我們須修改我們之意見。我們之結論乃基於截至核數師報告日期止獲得之審計證據。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(包括該等披露)的整體呈列方式、結構及內容，以及綜合財務報表是否公允呈列反映相關交易及事項。
- 就貴集團內各實體或業務活動之財務資料獲取充足適當之審計證據，以對綜合財務報表發表意見。我們負責貴集團審核之指導、監督及執行工作。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)計劃之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發現內部監控之任何重大缺陷)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)

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.

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, 22 March 2019

Tong Wai Hang

Practising certificate number P06231

核數師對審計綜合財務報表之責任 (續)

我們還就遵守關於獨立性之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之所有關係及其他事項以及相關之防範措施(如適用)與治理層進行溝通。

從與治理層溝通之事項中，我們確定該等對當期綜合財務報表審計最為重要並因而構成關鍵審計事項的事項。我們在審計報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極其罕見情況下，倘合理預期在審計報告中溝通某事項造成之負面後果超過其產生之公眾利益，則我們確定不應在審計報告中溝通該事項。

此獨立核數師報告之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，二零一九年三月二十二日

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 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Revenue	收益	3		
– Provision of software platform	– 提供軟件平台		18,603	14,561
– Interest income from money lending	– 放債業務所得利息收入		13,473	14,759
– Mobile gaming income	– 手機遊戲收入		21,892	35,144
			53,968	64,464
Cost of sales	銷售成本		(9,124)	(9,134)
Gross profit	毛利		44,844	55,330
Other income, net	其他收入(淨額)	4	1,103	336
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)
– prepayment option embedded in promissory note issued	– 已發行承兌票據附帶之提前還款權		(116)	(721)
– consideration payable for business combination	– 業務合併應付代價		(778)	(6,396)
Administrative expenses	行政開支		(49,146)	(56,457)
Research and development expenses	研發開支		(7,564)	(12,474)
Selling and distribution expenses	銷售及分銷開支		(2,498)	(4,124)
Impairment loss on goodwill	商譽減值虧損	12	(24,903)	–
Loss on disposal of associates	出售聯營公司虧損	13	(3,339)	–
Loss from operations	經營虧損		(42,397)	(42,477)
Finance costs	融資成本	5(a)	(2,513)	(2,412)
Share of profits of associates	應佔聯營公司溢利		1,376	1,040
Share of profit of a joint venture	應佔合營企業溢利		–	3
Loss before taxation	除稅前虧損	5	(43,534)	(43,846)
Income tax credit/(expense)	所得稅抵免/(開支)	6	1,462	(1,889)
Loss for the year	年度虧損		(42,072)	(45,735)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
		附註		
Attributable to:	以下人士應佔：			
– owners of the Company	– 本公司擁有人		(38,967)	(48,823)
– non-controlling interests	– 非控股權益		(3,105)	3,088
			(42,072)	(45,735)
			HK cents 港仙	HK cents 港仙
Loss per share	每股虧損			
Basic and diluted	基本及攤薄	9	(3.21)	(4.50)

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(c).

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇之過渡方法，並未重列比較資料。見附註2(c)。

The notes on pages 65 to 207 form part of the consolidated financial statements.

第65至207頁之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 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Loss for the year	年度虧損	(42,072)	(45,735)
Other comprehensive (expense)/income for the year, net of nil tax	年度其他全面(開支)/收入，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 on translation of financial statements of foreign operations	換算外國業務財務報表之匯兌差額	(206)	4
Share of exchange differences of associates	應佔聯營公司匯兌差額	(661)	1,397
Cumulative exchange gain reclassified to profit or loss upon disposal of associates	出售聯營公司後重新分類至損益之累計匯兌收益	(737)	-
		(1,604)	1,401
Total comprehensive expense for the year	年度全面開支總額	(43,676)	(44,334)
Attributable to:	以下人士應佔：		
- owners of the Company	- 本公司擁有人	(40,495)	(47,422)
- non-controlling interests	- 非控股權益	(3,181)	3,088
		(43,676)	(44,334)

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(c).

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇之過渡方法，並未重列比較資料。見附註2(c)。

The notes on pages 65 to 207 form part of the consolidated financial statements.

第65至207頁之附註為本綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	47,734	53,234
Intangible assets	無形資產	11	44,111	56,947
Goodwill	商譽	12	84,766	109,669
Interests in associates	於聯營公司之權益	13	–	34,901
Interest in a joint venture	於一間合營企業之權益	14	–	13
Investment in equity securities	股本證券之投資	15	500	500
Deposits paid for purchase of property, plant and equipment	購置物業、廠房及設備 已付按金		3,000	3,000
Deferred tax assets	遞延稅項資產	23(b)	1,248	1,196
			181,359	259,460
Current assets	流動資產			
Inventories	存貨		44	44
Contract assets	合約資產	16	3,872	–
Trade and other receivables	應收賬款及其他應收款	17	13,845	4,847
Loans receivable	應收貸款	18	108,519	96,948
Interest receivables	應收利息	18	2,197	1,925
Prepayment option embedded in promissory note issued	已發行承兌票據所附帶之 提前還款權	27(f)	–	116
Current tax recoverable	可收回即期稅項	23(a)	–	1
Cash and cash equivalents	現金及現金等值物	19	14,948	42,389
			143,425	146,270
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	20	3,384	2,948
Contract liabilities	合約負債	16	6,735	–
Deferred income	遞延收入		–	7,174
Interest-bearing borrowings	付息借款	21	33,000	28,000
Obligations under finance leases	融資租賃承擔	22	1,030	982
Consideration payable for business combination	業務合併應付代價	27(f)	–	71,651
Current tax payable	應付即期稅項	23(a)	623	–
			44,772	110,755
Net current assets	流動資產淨值		98,653	35,515
Total assets less current liabilities	資產總值減流動負債		280,012	294,975

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Non-current liabilities	非流動負債			
Obligations under finance leases	融資租賃承擔	22	2,158	3,188
Deferred tax liabilities	遞延稅項負債	23(b)	7,278	9,407
			9,436	12,595
NET ASSETS	資產淨值		270,576	282,380
Capital and reserves	資本及儲備			
Share capital	股本	26(a)	50,906	43,546
Reserves	撥備		197,477	213,561
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		248,383	257,107
Non-controlling interests	非控股權益		22,193	25,273
TOTAL EQUITY	權益總額		270,576	282,380

Approved and authorised for issue by the board of directors on 22 March 2019.

董事會於二零一九年三月二十二日批准及授權刊發。

Chan Kwun Chung

陳冠忠

Director

董事

Lee Cheung Yuet Horace

李暢悅

Director

董事

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(c).

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇之過渡方法，並未重列比較資料。見附註2(c)。

The notes on pages 65 to 207 form part of the consolidated financial statements.

第65至207頁之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 2018 截至二零一八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	Other reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	股份溢價	資本儲備	資本盈餘	匯兌儲備	其他儲備	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	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
			(note 26(b)(i)) (附註26(b)(i))	(note 26(b)(ii)) (附註26(b)(ii))	(note 26(b)(iii)) (附註26(b)(iii))	(note 26(b)(iv)) (附註26(b)(iv))	(note 26(b)(v)) (附註26(b)(v))				
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
Changes in equity for 2017:	二零一七年之權益變動：										
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匯兌差額	-	-	-	-	4	-	-	4	-	4
Share of exchange differences of associates	應佔聯營公司匯兌差額	-	-	-	-	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)總額，經扣除零稅項	-	-	-	-	1,401	-	(48,823)	(47,422)	3,088	(44,334)
Issue of shares (note 26(a)(ii))	股份發行(附註26(a)(ii))	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 (Note)	於二零一七年十二月三十一日 (附註)	43,546	356,513	2,427	16,699	1,258	-	(163,336)	257,107	25,273	282,380
Impact on initial application of HKFRS 9	初始應用香港財務報告準則第9號之影響	-	-	-	-	-	-	(467)	(467)	-	(467)
Adjusted balance at 1 January 2018	於二零一八年一月一日之經調整結餘	43,546	356,513	2,427	16,699	1,258	-	(163,803)	256,640	25,273	281,913
Changes in equity for 2018:	二零一八年之權益變動：										
Loss for the year	年度虧損	-	-	-	-	-	-	(38,967)	(38,967)	(3,105)	(42,072)
Exchange differences on translation of financial statements of foreign operations	換算外國業務財務報表之匯兌差額	-	-	-	-	(130)	-	-	(130)	(76)	(206)
Share of exchange differences of associates	應佔聯營公司匯兌差額	-	-	-	-	(661)	-	-	(661)	-	(661)
Cumulative exchange gain reclassified to profit or loss upon disposal of associates	出售聯營公司後重新分類至損益之累計匯兌收益	-	-	-	-	(737)	-	-	(737)	-	(737)
Total comprehensive expense for the year, net of nil tax	年度全面開支，經扣除零稅項	-	-	-	-	(1,528)	-	(38,967)	(40,495)	(3,181)	(43,676)
Issue of shares (note 26(a)(iii))	股份發行(附註26(a)(iii))	7,360	24,977	-	-	-	-	-	32,337	-	32,337
Partial disposal of equity interest in a subsidiary (note 29(a))	部份出售於一間附屬公司之股本權益(附註29(a))	-	-	-	-	-	3	-	3	(1)	2
Acquisition of non-controlling interests (note 29(b))	收購非控股權益(附註29(b))	-	-	-	-	-	(102)	-	(102)	102	-
		7,360	24,977	-	-	(1,528)	(99)	(38,967)	(8,257)	(3,080)	(11,337)
At 31 December 2018	於二零一八年十二月三十一日	50,906	381,490	2,427	16,699	(270)	(99)	(202,770)	248,383	22,193	270,576

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(c).

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇之過渡方法，並未重列比較資料。見附註2(c)。

The notes on pages 65 to 207 form part of the consolidated financial statements.

第65至207頁之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 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Operating activities	經營活動			
Loss before taxation	除稅前虧損		(43,534)	(43,846)
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
– 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		116	721
– Changes in fair value of consideration payable for business combinations	– 業務合併應付代價之公平值變動		778	6,396
– Interest income from money lending	– 放債業務利息收入		(13,473)	(14,759)
– Bank interest income	– 銀行利息收入	4	(3)	–
– Gain on disposal of a joint venture	– 出售一間合營企業之收益	4	(12)	–
– Reversal of impairment loss on loans and interest receivables	– 應收貸款及利息減值虧損撥回	4	(371)	–
– Waiver of amount due to a joint venture	– 應付一間合營企業款項之豁免	4	(14)	–
– Finance costs	– 融資成本	5(a)	2,513	2,412
– Amortisation of intangible assets	– 無形資產攤銷	5(c)	12,836	13,438
– Depreciation of property, plant and equipment	– 物業、廠房及設備折舊	5(c)	7,536	7,069
– Impairment loss on trade receivables	– 應收賬款減值虧損	5(c)	9	–
– Impairment loss on contract assets	– 合約資產減值虧損	5(c)	3	–
– Loss on disposal of property, plant and equipment	– 出售物業、廠房及設備虧損	5(c)	119	41
– Write-off loans and interest receivables	– 撇銷應收貸款及利息	5(c)	31	–
– Impairment loss on goodwill	– 商譽減值虧損	12	24,903	–
– Loss on disposal of associates	– 出售聯營公司虧損	13	3,339	–
– Share of profits of associates	– 應佔聯營公司溢利		(1,376)	(1,040)
– Share of profit of a joint venture	– 應佔一間合營企業溢利		–	(3)
– Effect of foreign exchange rate changes, net	– 匯率變動影響淨額		(201)	4

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Operating loss before working capital changes	營運資金變動前之經營虧損	(6,801)	(11,596)
Movement in account with a joint venture	一間合營企業賬目變動	24	–
Increase in contract assets	合約資產增加	(3,875)	–
(Increase)/decrease in trade and other receivables	應收賬款及其他應收款 (增加)/減少	(9,021)	6,374
(Increase)/decrease in loans receivable	應收貸款(增加)/減少	(11,681)	43,372
Increase/(decrease) in trade and other payables	應付賬款及其他應付款 增加/(減少)	436	(385)
Increase in contract liabilities	合約負債增加	6,735	–
(Decrease)/increase in deferred income	遞延收入(減少)/增加	(7,174)	2,973
Net cash (used in)/generated from operation	營運(所用)/所產生現金淨額	(31,357)	40,738
Interest received from money lending	放債業務所得利息收入	13,198	14,503
Hong Kong Profits Tax paid	已付香港利得稅	(95)	(106)
Net cash (used in)/generated from operating activities	經營活動(所用)/所產生現金淨額	(18,254)	55,135
Investing activities	投資活動		
Expenditure on projects development	項目開發支出	–	(3,015)
Interest received	已收利息	3	–
Net cash outflow from acquisition of subsidiaries	收購附屬公司之現金流出淨額	–	(41,442)
Payment for consideration payable for business combination	業務合併應付代價 支付款項	27(f) (72,429)	–
Payment for purchase of equity securities	購買股本證券支付款項	–	(500)
Payment for purchase of property, plant and equipment	購買物業、廠房及設備 款項	(2,235)	(4,261)
Proceeds from disposal of associates	出售聯營公司所得款項	13 31,540	–
Proceeds from disposal of a joint venture	出售一間合營企業所得款項	14 15	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及 設備所得款項	80	–
Proceeds from partial disposal of a subsidiary	部份出售一間附屬公司所得款項	29(a) 2	–
Net cash used in investing activities	投資活動所用現金淨額	(43,024)	(49,218)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
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		(982)	(772)
Interest element of finance lease rentals paid	已付融資租賃租金利息部分		(166)	(172)
Interest paid	已付利息		(2,347)	(2,240)
Proceeds from issue of shares	發行股份所得款項	26(a)	32,337	28,270
Repayment of financial assistance from government	償還政府財政援助		–	(114)
New loan from a third party	來自一名第三方之新貸款		33,000	–
Repayment of loan from a third party	償還予一名第三方之貸款		(28,000)	–
Net cash generated from financing activities	融資活動所得現金淨額		33,842	24,972
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物(減少)/增加淨額		(27,436)	30,889
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值物		42,389	11,500
Effect of foreign exchange rate changes	匯率變動影響		(5)	–
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)	14,948	42,389

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(c).

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇之過渡方法，並未重列比較資料。見附註2(c)。

The notes on pages 65 to 207 form part of the consolidated financial statements.

第65至207頁之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 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 33.

The consolidated financial statements for the year ended 31 December 2018 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 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業地點之地址分別是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33。

截至二零一八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一間合營企業之權益。

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」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)(包括所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)、香港普遍採納之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 value 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)); and
- Investment in equity securities (see note 2(h)).

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於本集團本會計期間首次生效或可提前採用之新訂及經修訂香港財務報告準則。初始應用該等發展所引致本公司當前及以往會計期間之任何會計政策變動已於該等綜合財務報表內反映，有關資料載列於附註2(c)。

本集團所採納之主要會計政策概述如下。

(b) *編製綜合財務報表之基準*

編製綜合財務報表所用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))；及
- 股本證券之投資(見附註2(h))。

編製符合香港財務報告準則之綜合財務報表，需要管理層作出判斷、估計及假設，而此等判斷、估計及假設會影響政策之採用，以及資產、負債、收入與開支之呈報金額。該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之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之資產及負債賬面值作出判斷時之基礎。實際結果可能有別於該等估計。

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)

(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 35.

(c) *Changes in accounting policies*

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's consolidated financial statements:

HKFRS 9	Financial instruments
HKFRS 15	Revenue from contracts with customers
HK(IFRIC) 22	Foreign currency transactions and advance consideration

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 36).

2 主要會計政策(續)

(b) 編製綜合財務報表之基準(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之會計期間，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之主要來源，會在附註35內討論。

(c) 更改會計政策

香港會計師公會已頒佈若干新訂香港財務報告準則及香港財務報告準則之修訂，其於本集團當前會計期間首次生效。其中，以下變動與本集團之綜合財務報表相關：

香港財務報告準則 第9號	金融工具
香港財務報告準則 第15號	與客戶訂立合約 之收入
香港(國際財務報 告詮釋委員會) 第22號	外幣交易及預付 代價

本集團並無採用任何於當前會計期間尚未生效之新訂準則或詮釋(見附註36)。

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)

(c) Changes in accounting policies (Continued)

HKFRS 9, Financial instruments

HKFRS 9 replaces HKAS 39 “Financial instruments: recognition and measurement”. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 January 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 January 2018. Therefore, comparative information continues to be reported under HKAS 39.

The following table summarises the impact of transition to HKFRS 9 on accumulated losses at 1 January 2018.

		HK\$'000 千港元
At 31 December 2017	於二零一七年十二月三十一日	163,336
Recognition of additional expected credit losses on financial assets measured at amortised cost	就按攤銷成本計量之金融資產確認額外預期信貸虧損	467
Adjusted balance at 1 January 2018	於二零一八年一月一日之經調整結餘	163,803

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

- a. Classification of financial assets and financial liabilities
HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (“FVOCI”) and at fair value through profit or loss (“FVPL”). These supersede HKAS 39’s categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

2 主要會計政策(續)

(c) 更改會計政策(續)

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號取代香港會計準則第39號，「金融工具：確認及計量」。該準則載列有關確認及計量金融資產、金融負債及若干非金融項目合約買賣之要求。

本集團已根據過渡性規定對於二零一八年一月一日已存在之項目追溯應用香港財務報告準則第9號。本集團已確認初始應用之累計影響，作為對二零一八年一月一日期初權益之調整。因此，繼續根據香港會計準則第39號呈報比較資料。

下表概述過渡至香港財務報告準則第9號對於二零一八年一月一日累計虧損之影響。

		HK\$'000 千港元
At 31 December 2017	於二零一七年十二月三十一日	163,336
Recognition of additional expected credit losses on financial assets measured at amortised cost	就按攤銷成本計量之金融資產確認額外預期信貸虧損	467
Adjusted balance at 1 January 2018	於二零一八年一月一日之經調整結餘	163,803

有關過往會計政策變動之性質及影響以及過渡方式之進一步詳情載列如下：

- a. 金融資產及金融負債之分類
香港財務報告準則第9號將金融資產分為三個主要分類類別：按攤銷成本計量、按公平值計入其他全面收益(「FVOCI」)計量及按公平值計入損益(「FVPL」)計量。該等分類取代香港會計準則第39號持有至到期投資、貸款及應收款、待售金融資產及按FVPL計量金融資產之類別。香港財務報告準則第9號項下之金融資產乃基於管理金融資產之業務模式及其合約現金流量特點分類。

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)

(c) Changes in accounting policies (Continued)

HKFRS 9, Financial instruments (Continued)

- a. Classification of financial assets and financial liabilities (Continued)

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9.

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第9號，金融工具(續)

- a. 金融資產及金融負債之分類(續)

下表呈列香港會計準則第39號項下本集團各類金融資產之原始計量類別，並將該等金融資產根據香港會計準則第39號釐定之賬面值與根據香港財務報告準則第9號所釐定者作對賬。

	HKAS 39			HKFRS 9	
	carrying amount at 31 December 2017	Reclassification	Remeasurement	carrying amount at 1 January 2018	
	香港會計準則第39號於二零一七年十二月三十一日之賬面值 HK\$'000 千港元	重新分類 HK\$'000 千港元	重新計量 HK\$'000 千港元	香港財務報告準則第9號於二零一八年一月一日之賬面值 HK\$'000 千港元	
Financial assets carried at amortised costs	按攤銷成本列值之金融資產				
Trade receivables	2,398	-	(14)	2,384	
Loans receivable	96,948	-	(444)	96,504	
Interest receivables	1,925	-	(9)	1,916	
	101,271	-	(467)	100,804	
Financial assets measured at FVOCI (non-recyclable)	按FVOCI(不可迴轉)計量之金融資產				
Equity securities (note)	-	500	-	500	
Financial assets classified as available-for-sale under HKAS 39 (note)	根據香港會計準則第39號分類為待售之金融資產(附註)				
	500	(500)	-	-	

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)

(c) Changes in accounting policies (Continued)

HKFRS 9, Financial instruments (Continued)

a. Classification of financial assets and financial liabilities (Continued)

Note: Under HKAS 39, equity securities not held for trading were classified as available-for-sale financial assets. These equity securities are classified as at FVPL under HKFRS 9, unless they are eligible for and designated at FVOCI by the Group. At 1 January 2018, the Group designated its investment in an unlisted entity at FVOCI, as the investment is held for strategic purposes (see note 15). Having assessed the fair value of the equity securities at 1 January 2018, the directors concluded that there was no significant impact on the Group's financial position and financial results upon initial application at 1 January 2018.

For an explanation of how the Group reclassifies and measures financial assets and recognised related gains or losses under HKFRS 9, see respective accounting policy notes in notes 2(h), 2(m)(i), 2(p), 2(q) and 2(r).

Apart from the impact of transition described above, the classification for the other financial assets and financial liabilities measured at amortised cost remain the same, which the carrying amounts at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

The Group did not designate or de-designate any financial assets or financial liability at FVPL at 1 January 2018.

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第9號，金融工具(續)

a. 金融資產及金融負債之分類 (續)

附註：根據香港會計準則第39號，並非持作交易之股本證券分類為待售金融資產。該等股本證券根據香港財務報告準則第9號分類為按FVPL計量，惟合資格並由本集團指定為按FVOCI計量者除外。於二零一八年一月一日，本集團將其於非上市實體之投資指定為按FVOCI計量，原因為該投資持作策略目的(見附註15)。經評估股本證券於二零一八年一月一日之公平值後，董事認為於二零一八年一月一日初始應用後對本集團之財務狀況及財務業績並無重大影響。

有關本集團如何根據香港財務報告準則第9號對金融資產進行重新分類及計量以及確認相關收益或虧損之解釋，見附註2(h)、2(m)(i)、2(p)、2(q)及2(r)中有關之會計政策附註。

除上述之過渡影響外，按攤銷成本計量之其他金融資產及金融負債之分類保持不變，其於二零一八年一月一日之賬面值並未因初始應用香港財務報告準則第9號而受影響。

本集團於二零一八年一月一日概無指定或取消指定任何金融資產或金融負債按FVPL計量。

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)

(c) Changes in accounting policies (Continued)

HKFRS 9, Financial instruments (Continued)

b. Credit losses

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

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, loans and interest receivables and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see note 2(o)).

Further details on the Group’s accounting policy for accounting for credit losses, see note 2(m)(i).

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 December 2017 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018.

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第9號，金融工具(續)

b. 信貸虧損

香港財務報告準則第9號以「預期信貸虧損」(「預期信貸虧損」)模式取代香港會計準則第39號之「已產生虧損」模式。預期信貸虧損模式要求持續計量與金融資產有關之信貸風險，並因此確認早於香港會計準則第39號「已產生虧損」會計模式時間之預期信貸虧損。

本集團對以下項目應用新預期信貸虧損模型：

- 按攤銷成本計量之金融資產(包括現金及現金等值物、應收貸款及利息以及應收賬款及其他應收款)；及
- 香港財務報告準則第15號所界定之合約資產(見附註2(o))。

有關本集團信貸虧損會計處理之會計政策進一步詳情，見附註2(m)(i)。

下表為於二零一七年十二月三十一日根據香港會計準則第39號釐定之期末虧損撥備與於二零一八年一月一日根據香港財務報告準則第9號釐定之期初虧損撥備之對賬。

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)

(c) Changes in accounting policies (Continued)

HKFRS 9, Financial instruments (Continued)

b. Credit losses (Continued)

		Trade receivables 應收賬款 HK\$'000 千港元	Loans receivable 應收貸款 HK\$'000 千港元	Interest receivables 應收利息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Loss allowance at 31 December 2017 under HKAS 39	根據香港會計準則第39號 於二零一七年 十二月三十一日之虧損撥備	-	-	-	-
Additional credit loss recognised at 1 January 2018	於二零一八年一月一日確認之 額外信貸虧損	14	444	9	467
Loss allowance at 1 January 2018 under HKFRS 9	根據香港財務報告準則第9號 於二零一八年一月一日之 虧損撥備	14	444	9	467

HKFRS 15, Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, Revenue, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, Construction contracts, which specified the accounting for construction contracts.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the consolidated financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第9號，金融工具(續)

b. 信貸虧損(續)

香港財務報告準則第15號，與客戶訂立合約之收入

香港財務報告準則第15號就確認與客戶訂立合約產生之收入及若干成本之建立一個全面框架。香港財務報告準則第15號取代香港會計準則第18號收益(涵蓋銷售貨品及提供服務所產生之收入)及香港會計準則第11號建設合約(訂明建設合約之會計處理方法)。

香港財務報告準則第15號亦引入新增之定性及定量披露規定，旨在使綜合財務報表之使用者瞭解因與客戶訂立合約而產生之收入及現金流量之性質、金額、時間及不確定性。

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)

(c) *Changes in accounting policies (Continued)*

HKFRS 15, Revenue from contracts with customers (Continued)

There is no significant impact on the Group's financial position and financial result upon initial application at 1 January 2018. Therefore, comparative information continues to be reported under HKASs 11 and 18.

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

- a. Timing of revenue recognition
Previously, revenue arising from contract in progress and provision of services was recognised over time, whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

2 主要會計政策(續)

(c) *更改會計政策(續)*

香港財務報告準則第15號，與 客戶訂立合約之收入(續)

於二零一八年一月一日初始應用後，本集團之財務狀況及財務業績並無重大影響。因此，比較資料繼續根據香港會計準則第11號及第18號呈報。

有關過往會計政策變動之性質及影響之進一步詳情載列如下：

- a. 收益確認之時間
先前，進行中合約及提供服務所產生之收益是隨著時間之推移而確認的，而銷售貨品所得收益通常於貨品所有權之風險及回報轉移予客戶之時間點確認。

根據香港財務報告準則第15號，收益於客戶獲得對合約中承諾貨品或服務之控制權時確認。此可指於某一指定時間點或隨著時間之推移而確認。香港財務報告準則第15號確定以下三種情況為對承諾貨品或服務之控制權被視為隨時間轉移：

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)

(c) *Changes in accounting policies (Continued)*

HKFRS 15, Revenue from contracts with customers (Continued)

- a. Timing of revenue recognition (Continued)
 - 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 is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue from sale of goods and rendering of services.

2 主要會計政策(續)

(c) *更改會計政策(續)*

香港財務報告準則第15號，與 客戶訂立合約之收入(續)

- a. 收益確認之時間(續)
 - 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，則根據香港財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)就銷售貨品或服務確認收益。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之其中一項指標。

採納香港財務報告準則第15號對本集團確認銷售貨品及提供服務所得收益之時間並無重大影響。

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綜合財務報表附註

(Expressed in Hong Kong dollars)

(以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) *Changes in accounting policies (Continued)*

HKFRS 15, Revenue from contracts with customers (Continued)

b. Licensing income

The Group has entered into a number of agreements with individual third-parties (“Licensees”) under which the Group grants the Licensees rights to use the Group’s intellectual properties (being the mobile games developed and owned by the Group). In return, the Group is entitled to recognise licensing income in respect of the use of the Group’s intellectual properties over licensing period or at a point in time in accordance with the substance of the relevant agreements. The Group also provides continuing technical support to the Licensees for the mobile games licensed.

HKFRS 15 requires an entity to determine whether an entity’s promise to grant a license is a right to access the entity’s intellectual property (with consideration being recognised as revenue over time) or a right to use the entity’s intellectual property (with consideration being recognised as revenue at a particular point in time). Based on the specific requirements under HKFRS 15, an entity’s promise to grant a license is a right to access the entity’s intellectual property when all of the following criteria are met:

- (a) the contract requires, or the customer reasonably expects, that the entity will undertake activities that significantly affect the intellectual property to which the customer has rights;
- (b) the rights granted by the licence directly expose the customer to any positive or negative effects of the entity’s activities identified in (a) above; and
- (c) those activities do not result in the transfer of a good or a service to the customer as those activities occur.

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第15號，與 客戶訂立合約之收入(續)

b. 授權收入

本集團已與個別第三方(「持牌人」)訂立若干協議，據此，本集團向持牌人授出使用本集團知識產權(即本集團開發及擁有之手機遊戲)之權利。作為回報，本集團有權根據相關協議之內容，在授權期間或某一時間點確認使用本集團知識產權之授權收入。本集團亦就已授權手機遊戲向持牌人提供持續技術支援。

香港財務報告準則第15號要求實體釐定實體授出授權之承諾為可取得該實體知識產權(代價根據時間確認為收益)之權利，或為使用該實體知識產權(代價於特定時間點確認為收益)之權利。根據香港財務報告準則第15號項下之特定要求，當符合以下所有標準時，實體授出授權之承諾為可取得該實體知識產權之權利：

- (a) 合約規定或客戶合理預期該實體將進行對客戶享有權利之知識產權具有重大影響力之活動；
- (b) 客戶因授出授權之權利而直接面臨上述(a)項已識別實體活動之任何正面或負面影響；及
- (c) 該等活動發生時不會導致貨品或服務轉讓予客戶。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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(以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies (Continued)

HKFRS 15, Revenue from contracts with customers (Continued)

b. Licensing income (Continued)

Having assessed the terms of the related agreements and the specific facts and circumstances, the directors concluded that not all of the abovementioned criteria are satisfied and hence the licensing income of the Group should be recognised at a particular point in time when the right to receive payment is established, which is similar to the revenue recognition under HKAS 18. As a result, there is no significant impact on the Group's financial position and financial result upon initial application at 1 January 2018.

c. Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue (see note 2(y)) before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis (see note 2(o)).

Previously, contract balances relating to contracts in progress were presented in the consolidated statement of financial position under deferred income. To reflect these changes in presentation, regarding presentation of balance at 1 January 2018, the deferred income of HK\$7,174,000 is now included under contract liabilities (see note 16).

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第15號，與客戶訂立合約之收入(續)

b. 授權收入(續)

經評估相關協議之條款及特定事實以及情況後，董事得出結論，上述標準並未全部獲達成，因此本集團之授權收入應於確立收取款項權利時之某個特定時間點確認，而其與香港會計準則第18號項下之收益確認類似。因此，於二零一八年一月一日初始應用時概無對本集團之財務狀況及財務業績造成重大影響。

c. 合約資產及負債之呈列

根據香港財務報告準則第15號，僅於本集團擁有無條件權利收取代價時，方會確認應收款。倘本集團於可無條件收取合約承諾貨品及服務之代價前確認相關收益(見附註2(y))，則代價之權利分類為合約資產。同樣，於本集團確認相關收益前，倘客戶支付代價或按合約規定須支付代價且該款項已到期，則該代價將確認為合約負債而非應付款。就與客戶訂立之單一合約而言，將呈列合約資產淨值或合約負債淨額。就多份合約而言，不相關合約之合約資產及合約負債不會按淨額基準呈列(見附註2(o))。

過往，有關進行中合約之合約結餘於綜合財務狀況表中遞延收入項下呈列。為反映該等呈列變動，就二零一八年一月一日之結餘呈列而言，遞延收入7,174,000港元現已計入合約負債項下(見附註16)。

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(以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) *Changes in accounting policies (Continued)*

HKFRS 15, Revenue from contracts with customers (Continued)

- d. Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 December 2018 as a result of the adoption of HKFRS 15 on 1 January 2018.

The following tables summarise the estimated impact of adoption of HKFRS 15 on the Group's consolidated financial statements for the year ended 31 December 2018, by comparing the amounts reported under HKFRS 15 in these consolidated financial statements with estimates of the hypothetical amounts that would have been recognised under HKAS 18 and HKAS 11 if those superseded standards had continued to apply to 2018 instead of HKFRS 15. These tables show only those line items impacted by the adoption of HKFRS 15:

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第15號，與客戶訂立合約之收入(續)

- d. 就披露於二零一八年一月一日採納香港財務報告準則第15號對截至二零一八年十二月三十一日止年度所呈報金額的估計影響。

下表概述採納香港財務報告準則第15號對本集團截至二零一八年十二月三十一日止年度之綜合財務報表之估計影響，其乃將該等綜合財務報表中按香港財務報告準則第15號呈報之金額與原本按香港會計準則第18號及第11號確認之假設金額之估計數字進行比較(倘該等替代準則而非香港財務報告準則第15號一直適用至二零一八年)。該等表格僅列示受採納香港財務報告準則第15號影響之項目：

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies (Continued)

HKFRS 15, Revenue from contracts with customers (Continued)

- d. Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 December 2018 as a result of the adoption of HKFRS 15 on 1 January 2018 (Continued)

2 主要會計政策(續)

(c) 更改會計政策(續)

香港財務報告準則第15號，與客戶訂立合約之收入(續)

- d. 就披露於二零一八年一月一日採納香港財務報告準則第15號對截至二零一八年十二月三十一日止年度所呈報金額的估計影響。(續)

	Amounts reported in accordance with HKFRS 15 (A)	Hypothetical amounts under HKASs 18 and 11 (B)	Difference: Estimated impact of adoption of HKFRS 15 on 2018 (A) – (B)
			差額：
	根據香港財務報告準則第15號呈報之金額 (A)	根據香港會計準則第18號及第11號所作出之假設金額 (B)	於二零一八年採納香港財務報告準則第15號之估計影響 (A) – (B)
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Line items in the consolidated statement of financial position as at 31 December 2018 impacted by the adoption of HKFRS 15:	於二零一八年十二月三十一日綜合財務狀況表中受採納香港財務報告準則第15號影響之項目：		
Contract assets	3,872	-	3,872
Trade and other receivables	13,845	17,717	(3,872)
Contract liabilities	6,735	-	6,735
Deferred income	-	6,735	(6,735)
Line items in the consolidated statement of cash flows for the year ended 31 December 2018 impacted by the adoption of HKFRS 15:	截至二零一八年十二月三十一日止年度綜合現金流量表中受採納香港財務報告準則第15號影響之項目：		
Increase in contract assets	(3,875)	-	(3,875)
Increase in trade and other receivables	(9,021)	(12,896)	3,875
Increase in contract liabilities	6,735	-	6,735
Decrease in deferred income	(7,714)	(439)	(6,735)

The significant difference arise as a result of the changes in accounting policies described above.

重大差額因上述會計政策變動而產生。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) *Changes in accounting policies (Continued)*

HK(IFRIC) 22, Foreign currency transactions and advance consideration

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

The interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way. The adoption of HK(IFRIC) 22 does not have any material impact on the financial position and the financial result of the Group.

(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 cash flows 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.

2 主要會計政策(續)

(c) *更改會計政策(續)*

香港(國際財務報告詮釋委員會)第22號, 外幣交易及預付代價

該詮釋就釐定「交易日期」而提供指引, 旨在釐定於初步確認因實體收取或支付之外幣預付代價交易而產生之相關資產、開支或收入(或其中一部分)時使用之匯率。

該詮釋釐清「交易日期」為初步確認因支付或收取預付代價而產生之非貨幣資產或負債之日。倘確認有關項目前存在多筆付款或收款, 則實體應按該方式釐定每筆付款或收款之交易日期。採納香港(國際財務報告詮釋委員會)第22號並無對本集團財務狀況及財務業績造成任何重大影響。

(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之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(由本集團及其他方持有)。

於附屬公司之投資自控制權開始日期直至控制權終止日期併入綜合財務報表內。集團內公司間之結餘及交易與現金流量, 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。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests but no adjustments are made to goodwill and no gain or loss is recognised.

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.

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

(e) Associates and joint venture

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)

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該等權益承擔訂約責任。

非控股權益呈列於綜合財務狀況表中之權益內，與本公司擁有人應佔權益分開呈列。本集團業績中之非控股權益乃呈列於綜合損益表以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。

倘本集團於附屬公司之權益變動並無導致其喪失控制權，則會按股本交易入賬，並調整綜合權益項目內之控股及非控股權益金額，以反映相關權益之變動，但不會調整商譽，亦不會確認收益或虧損。

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，而所產生之收益或虧損將於損益內確認。

於附屬公司之投資是按成本扣除減值虧損後，列入本公司之財務狀況表(見附註2(m)(iii))。

(e) 聯營公司及合營企業

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之實體；所謂發揮重大影響力包括參與其財務及經營決策。

合營企業為本集團及其他方按合約同意下分配控制權及並對資產淨值擁有權利之安排。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Associates and joint venture (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.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss.

2 主要會計政策(續)

(e) 聯營公司及合營企業(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之公平值超逾投資成本之部分(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之變動及與投資有關之任何減值虧損(見附註2(g)及2(m)(i))作出調整。收購當日出成本之任何部分、本集團於年內應佔該投資對象收購後之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益之收購後除稅後項目乃於綜合損益及全面收益表內確認。

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企業之權益，本集團之權益將削減至零，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，本集團之權益為按照權益法計算之投資賬面值，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之本集團長期權益。

本集團與其聯營公司及合營企業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。

在所有其他情況下，倘本集團不再對聯營公司擁有重大影響力或於合營企業擁有共同控制權時，則將按出售該投資對象之全部權益入賬，所產生之收益或虧損在損益內確認。

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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 interest 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

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

- 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股本權益於收購日之公平值總額。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

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

- 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 acquire; 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)

商譽指以下兩者之差額：

- (i) 所轉讓代價之公平值於被收購方之任何非控股權益金額及本集團先前於被收購方所持權益之公平值總和；與
- (ii) 被收購方於收購日期計量之可識別資產及負債之公平淨值。

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，則或然代價按收購日期之公平值計量，並被視為一項業務合併轉移之部分代價。合資格作計量期間調整之或然代價之公平值變動追溯調整，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情況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(m)(iii)).

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之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之業務合併中且分類為資產或負債之或然代價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之業務合併中，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按收購業務當日所確定之成本(見附註2(d))減累計減值虧損列值。業務合併產生之商譽分配至預期從合併之協同效益中得益之各現金產生單位或現金產生單位組別，並於每年進行減值測試(見附註2(m)(iii))。

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 policies for investments in equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 27(f). These investments are subsequently accounted for as follows, depending on their classification:

(a) Policy applicable from 1 January 2018

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in the other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to accumulated losses. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income.

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，本集團有關股本證券投資之政策如下。

股本證券投資於本集團承諾購買／出售該投資當日確認／終止確認。該等投資初步按公平值加上直接應佔交易成本(惟按FVPL計量且交易成本直接於損益內確認之該等投資除外)列賬。有關本集團如何釐定金融工具之公平值之說明，見附註27(f)。該等投資其後視乎彼等之分類列賬如下：

(a) 自二零一八年一月一日起適用之政策

於股本證券之投資分類為按FVPL，除非該股本投資並非持作買賣用途，且本集團於初次確認投資時選擇指定投資為按FVOCI(不可迴轉)，以致公平值之後續變動於其他全面收益內確認。有關選擇按個別工具作出，惟僅當發行人認為該投資符合權益定義時方可作出。於作出有關選擇後，於其他全面收益中累計之金額於公平值儲備(不可迴轉)保留，直至出售投資為止。出售時，於公平值儲備(不可迴轉)累計之金額轉撥至累計虧損，而非透過損益劃轉。投資股本證券的股息，無論是否分類為按FVPL或按FVOCI，均在損益內確認為其他收入。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Other investments in equity securities (Continued)

(b) Policy applicable prior to 1 January 2018

Investments in equity securities held for trading were classified as financial assets measured at FVPL. Any attributable transaction costs were recognised in profit or loss as incurred. At the end of each reporting period the fair value was remeasured, with any resultant gain or loss being recognised in profit or loss.

Investments which did not fall into the above category were classified as available-for-sale financial assets. At the end of each reporting period the fair value was remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve (recycling). Dividend income from equity investments calculated using the effective interest method were recognised in profit or loss.

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

When the investments were derecognised or impaired (see note 2(m)(iii) – policy applicable prior to 1 January 2018), the cumulative gain or loss recognised in equity was reclassified to profit or loss.

2 主要會計政策(續)

(h) 其他股本證券投資(續)

(b) 於二零一八年一月一日之前適用的政策

於持作買賣股本證券之投資被分類為按FVPL計量之金融資產。任何應佔交易成本會於發生時在損益確認。相關公平值會在各報告期末重新計量，而任何因此產生的收益或虧損均會在損益確認。

不屬以上類別之投資被分類為可供出售金融資產，相關公平值會於各報告期末重新計量，而任何因此產生之收益或虧損均會在其他全面收益內確認並分別於權益之公平值儲備(可劃轉)中累計。採用實際利率法計算之股權投資之股息收入在損益內確認。

就相同工具於活躍市場並無市場報價且公平值無法依循其他途徑可靠計量之股本證券投資在綜合財務狀況表中以成本扣除減值虧損確認(見附註2(m)(iii))。

當投資終止確認或減值(見附註2(m)(iii) – 於二零一八年一月一日之前適用的政策)時，已於權益確認之累計收益或虧損會重新分類至損益。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) *Derivative financial instruments*

Derivative financial instruments are recognised 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 cash 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)(iii)).

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.

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.

2 主要會計政策(續)

(i) *衍生金融工具*

衍生金融工具按公平值確認。於各報告期末，公平值會重新計量。重新計量公平值之收益或虧損立即於損益中確認，惟合資格作現金流量對沖會計或對沖外國業務投資淨額之衍生工具除外，任何因此產生之收益或虧損之現金確認取決於獲對沖項目之性質。

(j) *物業、廠房及設備*

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

報廢或出售物業、廠房及設備項目所產生之收益或虧損為出售所得款項淨額與賬面值之差額，並於報廢或出售日期在損益內確認。

物業、廠房及設備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：

土地及樓宇	十二年
租賃物業裝修	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、廠房及設備項目之各部分擁有不同可使用年期時，則該項目之成本將按合理基準在不同部分之間分配，且各部分將作單獨折舊。資產之可使用年期及其殘值(如有)均於每年進行檢討。

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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)(iii)). 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)(iii)). 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 assets' 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(如適用)。

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)(iii))。其他發展支出於其產生期間確認為開支。

本集團購買之其他無形資產按成本減累計攤銷(預計有限可用年期)及減值虧損列賬(見附註2(m)(iii))。內部產生商譽及品牌支出於產生期間確認為開支。

具有有限可用年期之無形資產攤銷以直線法在資產預計可用年期自損益中扣除。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)(iii). 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。該判斷根據對該項安排之內容進行評估而作出,而不論有關安排之法定形式是否屬租賃。

(i) *本集團租用之資產分類*

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

(ii) *根據融資租賃收購之資產*

倘本集團根據融資租賃使用資產,便會將相當於租賃資產公平值或(如為較低之數額)最低租賃付款額之現值確認為物業、廠房及設備,而相應負債(不計融資費用)則列為融資租賃承擔。折舊是在相關之租賃期或資產之可用年期(如本集團很可能取得資產之所有權)內按沖銷其成本或估值的比率計提,有關詳情見附註2(j)。減值虧損按附註2(m)(iii)所述會計政策入賬。租賃付款內含融資費用會按租賃年期自租賃期內的損益中扣除,使每個會計期間之負債餘額之費用比率固定。或然租金會於發生之會計期間在損益中扣除。

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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) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

(a) Policy applicable from 1 January 2018

The Group recognises a loss allowance for ECLs on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, loans and interest receivables and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see note 2(o));

Financial assets measured at fair value, including equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

2 主要會計政策(續)

(l) 租賃資產(續)

(iii) 經營租賃費用

當本集團使用根據經營租賃持有之資產時，根據租賃作出之付款會於租賃期涵蓋之會計期間分期自損益中扣除，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。收到之租賃優惠會作為總租賃款項淨額之組成部分在損益內確認。或然租金會於發生之會計期間在損益中扣除。

收購經營租賃項下持有土地之成本在租期內按直線法攤銷。

(m) 信貸虧損及資產減值

(i) 金融工具及合約資產之信貸虧損

(a) 自二零一八年一月一日起適用之政策

本集團就下列各項之預期信貸虧損確認虧損撥備：

- 按攤銷成本計量之金融資產(包括現金及現金等值物、應收貸款及利息以及應收賬款及其他應收款)；及
- 香港財務報告準則第15號所界定之合約資產(見附註2(o))；

按公平值計量之金融資產(包括指定按FVOCI(不可迴轉)之股本證券及衍生金融資產)均毋須進行預期信貸虧損評估。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(a) Policy applicable from 1 January 2018 (Continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables, loans and interest receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof.

The maximum period considered when estimating ECLs is the maximum contractual period over the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產之信貸虧損(續)

(a) 自二零一八年一月一日起適用之政策(續)

預期信貸虧損計量

預期信貸虧損為信貸虧損之概率加權估計。信貸虧損以所有預期現金差額之現值(即根據合約應付予本集團之現金流量與本集團預期收取之現金流量之間之差額)計量。

倘貼現影響屬重大，則預期現金差額將採用以下貼現率貼現：

- 固定利率金融資產、應收賬款及其他應收款、應收貸款及利息以及合約資產：初步確認時釐定之實際利率或其近似值；

於估計預期信貸虧損時考慮之最長期間為本集團面臨信貸風險之最長合約期間。

於計量預期信貸虧損時，本集團會考慮在毋須付出不必要之成本或努力即可獲得之合理可靠資料。此包括有關過往事件、當前狀況及未來經濟狀況預測之資料。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(a) Policy applicable from 1 January 2018 (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

– 12-month ECLs

These are losses that are expected to result from possible default events within the 12 months after the reporting date.

– Lifetime ECLs

These are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments (including loans and interest receivables), the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產之信貸虧損(續)

(a) 自二零一八年一月一日起適用之政策(續) 預期信貸虧損計量(續) 預期信貸虧損將採用以下任一基準計量：

– 十二個月預期信貸虧損

預期於報告日期後十二個月內可能發生之違約事件所導致之虧損。

– 全期預期信貸虧損
所有可能在適用預期信貸虧損模式之項目的預期年內發生之違約事件預期可能導致之虧損。

應收賬款及合約資產之虧損撥備一貫按相等於全期預期信貸虧損之金額計量。該等金融資產之預期信貸虧損根據本集團過往信貸虧損經驗採用撥備矩陣進行估計，並根據債務人之特定因素以及就報告日期整體經濟狀況現況及預測之評估作出調整。

就所有其他金融工具(包括應收貸款及利息)而言，本集團確認相等於十二個月預期信貸虧損之虧損撥備，除非自初步確認以來金融工具之信貸風險顯著增加，於此情況下，虧損撥備按相等於全期預期信貸虧損之金額計量。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(a) Policy applicable from 1 January 2018 (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when:

- (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- (ii) the financial asset is 1 year past due.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產之信貸虧損(續)

(a) 自二零一八年一月一日起適用之政策(續)

信貸風險顯著增加
於評估金融工具之信貸風險是否自初步確認以來顯著增加時，本集團會比較於報告日期所評估之金融工具發生之違約風險與初始確認日期評估之有關風險。作出重新評估時，本集團認為倘出現下列情況，則將發生違約事件：

- (i) 借款人不大可能在本集團無追索權採取變現抵押(如持有)行動之情況下向本集團悉數支付其信貸承擔；或
- (ii) 金融資產已逾期1年。

本集團會考慮合理可靠之定量及定性資料，包括過往經驗及毋須付出不必要之成本或努力即可獲得之前瞻性資料。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(a) Policy applicable from 1 January 2018 (Continued)

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal and interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產之信貸虧損(續)

(a) 自二零一八年一月一日起適用之政策(續)

信貸風險顯著增加(續)
具體而言，於評估信貸風險是否自初始確認以來顯著增加時，已計及以下資料：

- 未能按合約到期日期支付本金及利息；
- 金融工具外部或內部信貸評級(如適用)之實際或預期明顯惡化；
- 債務人經營業績之實際或預期明顯惡化；及
- 科技、市場、經濟或法律環境發生對債務人履行其對本集團責任之能力造成重大不利影響之現有或預測變動。

視乎金融工具之性質而定，信貸風險大幅上升的評估按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

預期信貸虧損於各報告日期進行重新計量以反映金融工具自初步確認以來之信貸風險變動。預期信貸虧損金額之任何變動均於損益確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對其賬面值作出相應調整。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(a) Policy applicable from 1 January 2018 (Continued)

Basis of calculation of interest income

Interest income recognised in accordance with note 2(y) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產之信 貸虧損(續)

(a) 自二零一八年一月一 日起適用之政策(續)

利息收入之計算基準
根據附註2(y)確認之利息
收入按金融資產之總賬
面值計算，除非該金融
資產出現信貸減值，在
此情況下，利息收入按
金融資產之攤銷成本(即
總賬面值減虧損撥備)計
算。

於各報告日期，本集團
評估金融資產是否出現
信貸減值。當發生一項
或多項對金融資產預計
未來現金流量有不利影
響之事件時，金融資產
出現信貸減值。

金融資產信貸減值之證
據包括以下可觀察事
件：

- 債務人有嚴重財務
困難；
- 違反合約，如未能
繳付或拖欠利息或
本金；
- 借款人可能破產或
進行其他財務重
組；
- 科技、市場、經濟
或法律環境出現對
債務人有不利影響
的重大變動；或
- 由於發行人出現財
務困難，證券活躍
市場消失。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(a) Policy applicable from 1 January 2018 (Continued)

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, an "incurred loss" model was used to measure impairment losses on financial assets not classified as FVPL (e.g. trade and other receivables, loans and interest receivables and available-for-sale investments). Under the "incurred loss" model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- 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)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產之信貸虧損(續)

(a) 自二零一八年一月一日起適用之政策(續)

撇銷政策

倘無實際收回可能性，本集團則會撇銷金融資產或合約資產的部分或全部總賬面值。該情況通常出現在本集團確定債務人並無資產或可產生足夠現金流量之收入來源以償還應撇銷之金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

(b) 於二零一八年一月一日之前適用的政策

於二零一八年一月一日之前，「已產生虧損」模式用於計量未分類為FVPL(即應收賬款及其他應收款、應收貸款及利息以及可供出售投資)的減值虧損。根據「已產生虧損」模式，減值虧損僅在存在減值的客觀證據時重新確認，減值之客觀證據包括：

- 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) Credit losses and impairment of assets (Continued)

- (i) Credit losses from financial instruments and contract assets (Continued)
- (b) Policy applicable prior to 1 January 2018 (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) 信貸虧損及資產減值(續)

- (i) 金融工具及合約資產之信貸虧損(續)
- (b) 於二零一八年一月一日之前適用的政策(續)
- 本集團出於經濟或法律等方面因素的考慮，對發生財務困難之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、經濟或法律環境出現對債務人或借款人有不利影響的重大變動；
 - 股本工具投資之公平值大幅或長期下跌至低於其成本；或
 - 可觀察數據顯示自初步確認後金融資產組合之估計未來現金流量出現可計量之跌幅，儘管無法識別有關跌幅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國家或當地經濟狀況相關。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

- (i) Credit losses from financial instruments and contract assets (Continued)
- (b) Policy applicable prior to 1 January 2018 (Continued)

If any such evidence existed, the impairment loss was 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 was measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2(m)(iii). The impairment loss was reversed if there had been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2(m)(iii).
- For unquoted equity securities carried at cost, the impairment loss was 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 was material. Impairment losses for equity securities carried at cost were not reversed.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

- (i) 金融工具及合約資產之信貸虧損(續)
- (b) 於二零一八年一月一日之前適用的政策(續)
倘有任何該等證據存在，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)(iii)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)(iii)所述)之估計出現利好變化時，可撥回已確認之減值虧損。
- 按成本列賬之無報價股本證券而言，以該金融資產之賬面值與其估計未來現金流量之差額作為其減值虧損，若貼現有重大影響，未來現金流量須按近似之金融資產現時市場回報率貼現。按成本列賬之股本證券之減值虧損不予撥回。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

- (i) Credit losses from financial instruments and contract assets (Continued)
- (b) Policy applicable prior to 1 January 2018 (Continued)

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

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss was 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 was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were 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 could be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss was reversed through profit or loss. A reversal of an impairment loss was only recognised to the extent that it did 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) 信貸虧損及資產減值(續)

- (i) 金融工具及合約資產之信貸虧損(續)
- (b) 於二零一八年一月一日之前適用的政策(續)
倘有任何該等證據存在，減值虧損將按以下方式釐定及確認：(續)

- 按攤銷成本列賬的應收賬款及其他即期應收款以及其他金融資產，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（即在資產初步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間的差額計算。倘金融資產之風險特徵相近，如類似之逾期情況，亦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。進行集體減值評估之金融資產之未來現金流量應按類似該集體組別之信貸風險特徵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時本應釐定之金額。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

- (i) Credit losses from financial instruments and contract assets (Continued)
- (b) Policy applicable prior to 1 January 2018 (Continued)

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

- When the recovery of a trade debtor, borrower or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.
- Impairment losses were written off against the corresponding assets directly, except for impairment losses recognised in respect of trade receivables, loans and interest receivables whose recovery was considered doubtful but not remote. In this case, the impairment losses for doubtful debts were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against these financial assets directly and any amounts held in the allowance account relating to that debt were reversed. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

- (i) 金融工具及合約資產之信貸虧損(續)

(b) 於二零一八年一月一日之前適用的政策(續)
倘有任何該等證據存在，減值虧損將按以下方式釐定及確認：(續)

- 倘按攤銷成本列賬之應收貿易賬項、借款或其他金融資產之可收回性被視為可疑但並非微乎其微，則以撥備賬記錄相關減值虧損。倘本集團信納能收回可能性渺茫，則視為不可收回金額會從該等資產之總賬面值中直接撇銷。倘之前自撥備賬中扣除的款項在其後收回，則相關之撥備會被撥回。撥備賬之其他變動及之前直接撇銷而其後收回之款項，均在損益中確認。
- 減值虧損應從相應資產中直接撇銷，但就可收回性被視為可疑但並非微乎其微之應收賬款、應收貸款及利息所確認的減值虧損除外，在此情況下，應以撥備賬記錄呆壞賬之減值虧損。倘本集團信納收回可能性渺茫，則視為不可收回金額會從該等金融資產中直接撇銷，而在撥備賬中持有的有關該債務之任何金額則會被撥回。之前從撥備賬中扣除的款項其後從撥備賬收回。撥備賬之其他變動及之前直接撇銷而其後收回之款項，均在損益中確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(ii) Credit losses from 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.

Financial guarantees issued are initially recognised within “trade and other payables” at fair value, which is determined by reference to fees charged in an arm’s length transaction for similar services, when such information is obtainable, or 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.

Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(ii) 已發出財務擔保之信貸虧損

財務擔保要求發行人(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之條款於到期時付款而蒙受之損失，而向持有人支付特定款項之合約。

已發出財務擔保初步按公平值於「應付賬款及其他應付款」確認，其公平值參照於類似服務之公平磋商交易所收取之費用(如可獲得有關資料)而確定，或參照息差確定，方法是以貸方在擔保作出之時實際收取之利率與未有擔保之情況下貸方將會收取之估計利率作比較(如有關資料能可靠地估計)。當就發出擔保已收或應收代價時，代價根據本集團適用於該資產類別之政策確認。倘並無有關代價屬已收或應收，則於損益確認即時開支。

初步確認後，初步確認為遞延收入之金額按擔保期限於損益內攤銷，作為已發出財務擔保之收入。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(ii) Credit losses from financial guarantees issued (Continued)

(a) Policy applicable from 1 January 2018

The Group monitors the risk that the specified debtor will default on the contract and recognises a provision when ECLs on the financial guarantees are determined to be higher than the amount carried in “trade and other payables” in respect of the guarantees (i.e. the amount initially recognised, less accumulated amortisation).

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantees. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 2(m)(i) apply.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(ii) 已發出財務擔保之信貸虧損(續)

(a) 自二零一八年一月一日起適用之政策

本集團監測特定債務人將違約之風險，並於確定財務擔保之預期信貸虧損高於有關擔保於「應付賬款及其他應付款」列賬之金額(即初步確認金額減累計攤銷)確認撥備。

為釐定預期信貸虧損，本集團考慮自擔保發出以來特定債務人之違約風險變動。本集團計量十二個月預期信貸虧損，除非特定債務人自擔保發出以來之違約風險顯著增加，在此情況下，則會計量全期預期信貸虧損。附註2(m)(i)所述之相同違約定義及相同信貸風險顯著增加評估皆適用。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(ii) Credit losses from financial guarantees issued (Continued)

(a) Policy applicable from 1 January 2018 (Continued)

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is the discounted using the current risk-free rate adjusted for risks specific to the cash flows.

(b) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, a provision would be recognised if and when it became probable that (i) the holder of the guarantee would call upon the Group under the guarantee; and (ii) the amount of the claim on the Group was expected to exceed the amount carried in "trade and other payables" in respect of the guarantee.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(ii) 已發出財務擔保之信貸虧損(續)

(a) 自二零一八年一月一日起適用之政策(續)

由於根據已作擔保之工具之條款，本集團於特定債務人違約時才需要作出付款，故根據預期款項估計預期信貸虧損，以就持有人蒙受之信貸虧損減去本集團預期向擔保持有人、特定債務人或任何其他人士收取之款項而向持有人付款。有關款項以目前無風險利率進行貼現，並就現金流量特定風險作調整。

(b) 於二零一八年一月一日之前適用之政策

於二零一八年一月一日前，倘若很可能發生下列情況，則須按確認撥備：(i) 擔保持有人根據擔保向本集團催繳款項；及(ii) 向本集團索償之款項預期超過有關擔保於「應付賬款及其他應付款」列賬之金額。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(iii) Impairment of other non-current 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.

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).

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(iii) 其他非流動資產減值

於各報告期末審閱內部及外部資料來源，以識別是否有跡象顯示以下資產(商譽除外)可能出現減值，或之前確認之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。

倘有任何該等跡象存在，資產之可收回金額會被評估。此外，就商譽及尚未可供使用之無形資產而言，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。

- 計算可收回金額

資產可收回金額為公平值減出售成本與使用價值兩者間之較高者。在評估使用價值時，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。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Credit losses and impairment of assets (Continued)

(iii) Impairment of other non-current assets (Continued)

- 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).

- 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.

2 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(iii) 其他非流動資產減值(續)

- 確認減值虧損
倘資產或其所屬現金產生單位之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之減值虧損會予以分配，首先減少已分配至該現金產生單位(或單位組別)之任何商譽之賬面值，然後按比例減少該單位(或單位組別)內其他資產之賬面值，惟某資產之賬面值不會減至低於其個別公平值減去出售成本(如能計量)或使用價值(如能釐定)則除外。

- 減值虧損撥回
就除商譽以外之資產而言，倘用作釐定可收回金額之估算出現正面之變化，則會撥回減值虧損。商譽之減值虧損不會撥回。

所撥回之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之資產賬面值。所撥回之減值虧損在確認撥回之年度計入損益。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

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) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 2(y)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in note 2(m)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(r)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2(y)). A contract liability would also be recognised if the Group has unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(r)).

2 主要會計政策(續)

(n) 存貨

存貨指商品轉售，其按成本值與可變現淨值兩者中之較低者列賬。

成本以先進先出法計算，並包括所有採購成本、轉換成本及將存貨運至現址和變成現狀之其他成本。

可變現淨值是日常業務過程中之估計售價減去估計完成生產及銷售所需之成本。

出售存貨時，該等存貨之賬面值於確認有關收益之期間確認為開支。

存貨撇減至可變現淨值之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。任何存貨撇減撥回之金額，在作出撥回期間確認為已確認為開支的存貨金額的減項。

(o) 合約資產及合約負債

於本集團有無條件權利根據合約所載支付條款收取代價前，合約資產於確認收益時予以確認(見附註2(y))。合約資產根據附註2(m)(i)所載之政策就預期信貸虧損進行評估，並於收取代價的權利成為無條件時重新分類至應收款項(見附註2(r))。

於本集團確認相關收益前，合約負債於客戶支付代價時予以確認(見附註2(y))。倘本集團於確認相關收益時有無條件權利收取代價，則確認合約負債。在該等情況下，將會確認相應應收款項(見附註2(r))。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) *Contract assets and contract liabilities (Continued)*

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(y)).

Policy prior to 1 January 2018

In the comparative period, amounts received before the related work was performed were presented as “deferred income” and the balance has been reclassified on 1 January 2018 as shown in note 16.

Deferred income represented 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 were not yet satisfied. Revenue was recognised and deferred income was released to profit or loss when the relevant services were rendered or on a time proportion basis over the terms of the relevant contracts/arrangements, or when the applicable revenue recognition criteria were satisfied.

(p) *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 allowance for credit loss (see note 2(m)(i)).

2 主要會計政策(續)

(o) *合約資產及合約負債(續)*

就與客戶之單一合約而言，會呈列合約資產淨值或合約負債淨額。就多份合約而言，非相關合約之合約資產及合約負債不按淨額基準呈列。

倘合約包含重大融資部分，則合約結餘包括根據實際利率法應計之利息(見附註2(y))。

於二零一八年一月一日之前的政策

於比較期間，誠如附註16所示，於二零一八年一月一日，履行相關工程前已收取的款項呈列為「遞延收入」，而結餘已重新分類。

遞延收入指超過尚未提供服務所產生的或與相關合約／安排之未屆滿期限有關的已確認收益且尚未滿足適用收益確認準則的到期票據款／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)，或當滿足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。

(p) *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。

應收貸款初步按公平值確認，隨後以實際利率法計算之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) 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 allowance for credit loss (see note 2(m)(i)).

(r) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 2(o)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(m)(i)).

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments 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. Cash and cash equivalents are assessed for ECL in accordance with the accounting policy set out in 2(m)(i).

(t) 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.

2 主要會計政策(續)

(q) 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。

應收利息初步按公平值確認，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))。

(r) 應收賬款及其他應收款

本集團具有無條件權利收取代價時確認應收款項。在該代價到期支付前，收取代價之權利僅需經過一段時間方成為無條件。倘收益於本集團有無條件權利收取代價前確認，則該金額呈列為合約資產(見附註2(o))。

應收款項按使用實際利率法按攤銷成本減信貸虧損撥備列賬(見附註2(m)(i))。

(s) 現金及現金等值物

現金及現金等值物包括銀行及手頭現金、於銀行及其他金融機構之活期存款，以及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之短期高流動投資。現金及現金等值物根據附註2(m)(i)所載之會計政策就預期信貸虧損進行評估。

(t) 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，其後按攤銷成本列賬，惟貼現影響輕微時則除外，於此情況下按成本列賬。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) *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 using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(aa)).

(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) *附息借款*

附息借款初步按公平值減應佔交易成本確認。初步確認後，附息借款採用實際利率法以攤銷成本列賬。利息開支根據本集團借款成本之會計政策確認(見附註2(aa))。

(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之變動。即期稅項及遞延稅項資產和負債的變動均在損益內確認，惟與於其他全面收益或直接於權益內確認的項目有關者除外，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)

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

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之稅基之差異。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的稅項虧損可撥回或結轉的期間撥回。在決定現有之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之遞延稅項資產時，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之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之暫時差額產生自以下有限之例外情況：不可扣稅的商譽，不影響會計或應課稅溢利之資產或負債之初次確認(如屬業務合併的一部分則除外)，以及於附屬公司投資之相關暫時差額(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之暫時差額；或如屬可扣減差額，則限於可能於未來撥回之差額)。

已確認遞延稅項之金額按照資產及負債賬面值之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之稅率計算。遞延稅項資產及負債均不予貼現。

遞延稅項資產之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之賬面值。若日後可能有足夠應課稅溢利用以抵扣，則撥回所扣減之數額。

股息分派產生之額外所得稅於支付相關股息之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之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，且有關所得稅是向：
 - 同一應課稅實體徵收；或
 - 不同應課稅實體徵收，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之期間內，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) *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.

(y) *Revenue and other income*

Income is classified by the Group as revenue when it arises from the sale of goods, rendering services, interest income from money lending and licensing of its own intellectual properties in the ordinary course of the Group's business.

Revenue is recognised when control over a product is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

2 主要會計政策(續)

(x) *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。倘貨幣時間價值為重大，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。

(y) *收益及其他收入*

倘收入於本集團日常業務過程中自銷售貨物、提供服務、放債業務所得利息收入及授出知識產權產生，本集團則將收入分類為收益。

倘本集團按預計有權收取之已承諾代價之金額將商品控制權轉讓予客戶（惟不包括代表第三方所收取之該等金額），則確認收益。收益不包括增值稅或其他銷售稅，並扣減任何貿易折讓。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Revenue and other income (Continued)

Further details of the Group's revenue and other income recognition policies are as follows:

- (i) *Provision of software platform includes:*
- (1) Sales of licensed software, which are recognised when the goods are delivered to customers and titles has been passed which is taken to be the point in time when the customer has accepted the goods;
 - (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 are recognised at point in time 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 over time when services are rendered. Revenue is also recognised in profit or loss in respect of the contract liabilities and deferred income over the term of the service contract.

(ii) *Interest income*

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(m)(i)).

2 主要會計政策(續)

(y) 收益及其他收入(續)

有關本集團收益及其他收入確認政策之進一步詳情如下：

- (i) *提供軟件平台包括：*
- (1) 銷售註冊軟件，於貨品付運予客戶及交付擁有權時確認，視為客戶已接納貨品之時間點；
 - (2) 於訂立維護服務合約時已收或應收客戶之軟件維護服務收入，按維護服務合約期限以直線基準確認；
 - (3) 軟件應用及網站開發之軟件租賃及訂購收入於提供相關服務之時間點確認；及
 - (4) 手機應用開發、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，於提供服務時隨著時間確認。收益亦在服務合約期限就合約負債及遞延收入於損益內確認。

(ii) *利息收入*

利息收入於其應計時按實際利率法確認。就並無出現信貸減值之按攤銷成本或FVOCI(不可迴轉)計量之金融資產而言，實際利率適用於資產之總賬面值。就出現信貸減值之金融資產而言，實際利率適用於資產之攤銷成本(即總賬面值減虧損撥備)(見附註2(m)(i))。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Revenue and other income (Continued)

(iii) Income from mobile gaming includes:

- (1) Publishing income from online game platform owners, which is recognised at point in time 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 over time when the services are rendered in accordance with; and
- (3) Licensing income is recognised when the performance obligations under the relevant agreements has been accomplished.

(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. The transaction date is the date on which the Company initially recognises such non-monetary assets and liabilities. 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) 收益及其他收入(續)

(iii) 手機遊戲收入包括：

- (1) 來自網上遊戲平台擁有人之發行收入，由平台擁有人於遊戲付費玩家購買手機遊戲之遊戲點數時扣除預定佣金而按淨額確認；
- (2) 來自提供手機遊戲開發及相關服務之服務收入於按此提供服務後隨著時間確認；及
- (3) 授權收入於相關協議項下履約責任達成時確認。

(z) 外幣換算

年內的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按交易日期適用之外匯匯率換算。交易日期為本公司最初確認該等非貨幣資產及負債之日期。以公平值呈列及外幣以計值之非貨幣資產及負債按照以公平值計量當日之外幣匯率進行換算。

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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.

2 主要會計政策(續)

(z) 外幣換算(續)

外國業務之業績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之商譽以及就資產及負債賬面值作出任何之公平值調整)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於其他全面收益確認及獨立於兌換儲備之權益累算。

出售外國業務後，有關外國業務之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的資產)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。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ab) 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.
- (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.

2 主要會計政策(續)

(ab) 關聯方

- (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之主要管理層成員。
- (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之合營企業。

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ab) Related parties (Continued)

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

(ab) 關聯方(續)

- (ii) 倘符合下列任何條件，即實體與本集團有關聯：(續)
- (4) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (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(或該實體之母公司)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。

任何人士的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)

(ac) 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:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Provision of software platform	提供軟件平台	18,603	14,561
Interest income from money lending	放債業務所得利息收入	13,473	14,759
Mobile gaming income	手機遊戲收入	21,892	35,144
		53,968	64,464

2 主要會計政策(續)

(ac) 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，並且具有類似的產品及服務性質、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。個別非重大的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而供應予客戶之貨品及服務之銷售價值、放債業務所賺取之利息收入以及開發手機遊戲所產生之收入如下：

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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 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:

- 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.

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者用作制定決策之審閱報告釐定其營運分部。

本集團有三個可報告分部。由於各業務提供不同產品及服務，所需業務策略有所不同，故分部作個別管理。在設定本集團之可報告分部時，主要營運決策者並無將所識別之營運分部彙合。本集團各可報告分部之業務概述如下：

- 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之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解決方案。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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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

		2018 二零一八年			
		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	Total 總計 HK\$'000 千港元
Disaggregated by timing of revenue recognition	按收益確認時間劃分				
Point in time	於某一時間點	8,050	–	19,340	27,390
Over time	隨著時間	10,553	13,473	2,552	26,578
Revenue from external customers	來自外界客戶之收益	18,603	13,473	21,892	53,968
Reportable segment profit ("adjusted EBITDA") (note 1)	可報告分部溢利 ("經調整EBITDA")(附註1)	1,265	11,697	14,316	27,278
Depreciation and amortisation	折舊及攤銷	111	714	12,850	13,675
Write-off of loans and interest receivables	撇銷應收貸款及利息	–	31	–	31
Impairment losses/(reversal of impairment losses) on:	下列項目之減值虧損/(減值虧 損撥回):				
– contract assets	– 合約資產	–	–	3	3
– trade receivables	– 應收賬款	9	–	–	9
– loans and interest receivables	– 應收貸款及利息	–	(371)	–	(371)
Income tax (credit)/expense	所得稅(抵免)/開支	–	4	(1,466)	(1,462)
Reportable segment assets	可報告分部資產	4,608	117,438	60,274	182,320
Additions to non-current assets	非流動資產增加	7	1,713	16	1,736
Reportable segment liabilities	可報告分部負債	(6,641)	(73)	(11,104)	(17,818)

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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)

		2017 二零一七年			
		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	Total 總計 HK\$'000 千港元
Disaggregated by timing of revenue recognition	按收益確認時間劃分				
Point in time	於某一時間點	6,272	–	22,752	29,024
Over time	隨著時間	8,289	14,759	12,392	35,440
Revenue from external customers (note 2)	來自外界客戶之收益(附註2)	14,561	14,759	35,144	64,464
Reportable segment (loss)/profit (“adjusted EBITDA”) (note 1)	可報告分部(虧損)/溢利 (“經調整EBITDA”)(附註1)	(5,526)	13,211	21,616	29,301
Depreciation and amortisation	折舊及攤銷	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)

Note 1: 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.

Note 2: The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18 and HKAS 11 (see note 2(c)).

附註1：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、折舊及攤銷前溢利」。其中「折舊及攤銷」被視為包括非流動資產之減值虧損。

附註2：本集團已採用累計影響法初步應用香港財務報告準則第15號。根據該方法，比較資料並無重列，且根據香港會計準則第18號及香港會計準則第11號(見附註2(c))編製。

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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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益		
Reportable segment revenue	可報告分部收益	53,968	64,464
Loss for the year	年度虧損		
Reportable segment profit	可報告分部溢利	27,278	29,301
Impairment loss on goodwill	商譽減值虧損	(24,903)	–
Loss on disposal of associates	出售聯營公司虧損	(3,339)	–
Share of profits of associates	應佔聯營公司溢利	1,376	1,040
Unallocated corporate income and expenses	未分配企業收入及開支	(42,484)	(76,076)
		(42,072)	(45,735)
Total assets	資產總值		
Reportable segment assets	可報告分部資產	182,320	188,469
Interests in associates	於聯營公司之權益	–	34,901
Unallocated corporate assets	未分配企業資產	142,464	182,360
		324,784	405,730
Total liabilities	負債總額		
Reportable segment liabilities	可報告分部負債	17,818	19,102
Unallocated corporate liabilities	未分配企業負債	36,390	104,248
		54,208	123,350

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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 (i) consideration payable for business combination; (ii) contingent consideration assets for business combination; and (iii) prepayment option embedded in promissory note issued, 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, consideration payable for business combination, obligations under finance lease 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於(i)業務合併應付代價；(ii)業務合併或然代價資產；及(iii)已發行承兌票據附帶之提前還款權之公平值變動、總辦事處員工成本以及法律及專業費用。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、業務合併應付代價、融資租賃承擔及付息借款。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。

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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 a 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企業之權益(「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)及營運所在地點(以聯營公司及合營企業而言)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	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong	香港	33,883	59,811	176,597	219,858
Mainland China	中國內地	19,678	27	14	5
The Netherlands	荷蘭	-	-	-	34,901
Others	其他	407	4,626	-	-
		53,968	64,464	176,611	254,764

Others mainly cover Taiwan and Europe.

其他主要涵蓋台灣及歐洲。

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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:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Customer A	客戶A	N/A#不適用#	7,000
Customer B	客戶B	19,566	N/A#不適用#

The corresponding revenue did not contribute 10% or more of the total revenue.

來自主要客戶之收益(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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank interest income	銀行利息收入	3	-
Gain on disposal of a joint venture	出售一間合營企業之收益	12	-
Reversal of impairment loss on loans and interest receivables	應收貸款及利息之減值虧損撥回	371	-
Sundry income	雜項收入	703	336
Waiver of amount due to a joint venture	應付一間合營企業款項之豁免	14	-
		1,103	336

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)

來自主要客戶之收益(各自均佔總收益10%或以上)載列如下:

4 其他收入(淨額)

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5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance costs:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance charges on obligations under finance leases	融資租賃承擔的財務 費用	166	172
Interest on other borrowings	其他貸款利息	2,347	2,240
		2,513	2,412

(b) Staff costs (including directors' remuneration (note 7)):

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, wages and other benefits	薪金、工資及其他福利	20,347	28,542
Contributions to defined contribution retirement plan	固定供款退休計劃 供款	891	1,405
		21,238	29,947

5 除稅前虧損

除稅前虧損已扣除下列各項：

(a) 融資成本：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance charges on obligations under finance leases	166	172
Interest on other borrowings	2,347	2,240
	2,513	2,412

(b) 員工成本(包括董事酬金(附註 7))：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, wages and other benefits	20,347	28,542
Contributions to defined contribution retirement plan	891	1,405
	21,238	29,947

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5 LOSS BEFORE TAXATION (CONTINUED)

(c) Other items:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	850	966
Amortisation of intangible assets	無形資產攤銷	12,836	13,438
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,536	7,069
Impairment losses on:	下列項目之減值虧損：		
– contract assets	– 合約資產	3	–
– trade receivables	– 應收賬款	9	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	119	41
Operating lease charges: minimum lease payments	經營租約開支：最低租約款項	5,098	5,289
Write-off of loans and interest receivables	撇銷應收貸款及利息	31	–

5 除稅前虧損(續)

(c) 其他項目：

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax – Hong Kong	即期稅項 – 香港		
Provision for the year	本年度撥備	715	58
Under/(over)-provision in respect of prior years	以往年度撥備不足/(過度撥備)	4	(42)
		719	16
Deferred tax (credit)/expense (note 23(b))	遞延稅項(抵免)/開支(附註23(b))		
Origination and reversal of temporary differences	產生及撥回暫時性差額	(2,181)	1,873
Actual tax (credit)/expense	實際稅項(抵免)/開支	(1,462)	1,889

6 綜合損益表之所得稅

(a) 綜合損益表之稅項指：

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6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(a) Taxation in the consolidated statement of profit or loss represents: (Continued)

(i) Hong Kong Profits Tax

In March 2018, the Hong Kong Government introduced a two-tiered profits tax rate regime by enacting the Inland Revenue (Amendment) (No. 3) Ordinance 2018 (the "Ordinance"). Under the two-tiered profits tax rate regime, the first HKD2,000,000 of assessable profits of qualifying corporations (Smart City Technology Limited ("Smart City"), a subsidiary of the Company is the qualifying corporation) is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The Ordinance is effective from the year of assessment 2018–2019.

Accordingly, the provision for Hong Kong Profits Tax for the year ended 31 December 2018 is calculated in accordance with the two-tiered profits tax rate regime (2017: a single tax rate of 16.5% was applied).

(ii) PRC Enterprise Income Tax

The subsidiaries incorporated in the People's Republic of China (the "PRC") are subject to the PRC Enterprise Income Tax rate of 25% (2017: 25%) for the year.

No provision for Enterprise Income Tax of the PRC has been made for 2018 as the subsidiaries incorporated in the PRC have estimated tax losses for the year (2017: HK\$Nil).

(iii) Income tax from other tax jurisdictions

Pursuant to the income tax rules and regulations, the Group is not subject to income tax in Cayman Islands and the British Virgin Islands (the "BVI").

6 綜合損益表之所得稅(續)

(a) 綜合損益表之稅項指：(續)

(i) 香港利得稅

於二零一八年三月，香港政府頒佈2018年稅務(修訂)(第3號)條例(「該條例」)，引入利得稅兩級制。根據利得稅兩級制，合資格企業(本公司一間附屬公司智慧城市科技有限公司(「智慧城市」)，為合資格企業)就首2,000,000港元應課稅溢利之稅率為8.25%，而餘下應課稅溢利之稅率為16.5%。該條例自二零一八年至二零一九年之課稅年度起生效。

因此，截至二零一八年十二月三十一日止年度之香港利得稅撥備乃根據利得稅兩級制計算(二零一七年：採用單一稅率16.5%)。

(ii) 中國企業所得稅

於年內，於中華人民共和國(「中國」)註冊成立之附屬公司須按稅率25%繳納中國企業所得稅(二零一七年：25%)。

由於在中國註冊成立之附屬公司於本年度估計將錄得稅項虧損，故並無於二零一八年就中國企業所得稅作出撥備(二零一七年：零港元)。

(iii) 其他稅務司法權區之所得稅

根據所得稅規則及規例，本集團毋須繳納開曼群島及英屬處女群島(「英屬處女群島」)所得稅。

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(Expressed in Hong Kong dollars)

(以港元列示)

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(b) Reconciliation between tax expense and accounting loss at applicable tax rates:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(43,534)	(43,846)
Notional tax credit on loss before taxation at Hong Kong statutory tax rate (note)	按香港法定稅率計算之除稅前虧損之名義稅項抵免(附註)	(7,348)	(7,234)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	5,433	2,256
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(232)	(56)
Tax effect of unused tax losses not recognised	尚未確認未動用稅務虧損之稅務影響	657	1,961
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	(851)	-
Tax effect of temporary differences not recognised	尚未確認臨時差額之稅務影響	647	857
Effect of difference tax rates of subsidiaries	附屬公司不同稅率之影響	228	4,147
Under/(over)-provision in respect of prior years	以往年度撥備不足/(過度撥備)	4	(42)
Actual tax (credit)/expense	實際稅項(抵免)/開支	(1,462)	1,889

Note: For the year ended 31 December 2018, the notional tax is calculated in accordance with the two-tiered profits tax rate regime under which tax on the first HKD2,000,000 of profits from Smart City, a subsidiary being a qualifying corporation for the year ended 31 December 2018, is calculated at 8.25% and tax on the remaining profits is calculated at 16.5%. For the year ended 2017, a single tax rate of 16.5% was applied.

附註：截至二零一八年十二月三十一日止年度，名義稅項乃根據利得稅兩級制計算。根據該制度，智慧城市(截至二零一八年十二月三十一日止年度為合資格企業)就首2,000,000港元溢利之稅率為8.25%，而餘下溢利之稅率為16.5%。截至二零一七年度，採用單一稅率16.5%。

6 綜合損益表之所得稅(續)

(b) 按適用稅率計算之稅務開支與會計虧損之對賬：

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(以港元列示)

7 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:

7 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		Retirement scheme contributions		Total	
		董事袍金		薪金、津貼及實物利益		退休計劃供款		總計	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Present directors	現任董事								
Executive directors	執行董事								
Chan Kwun Chung (note 1)	陳冠忠(附註1)	-	-	807	557	18	14	825	571
Lee Cheung Yuet Horace (note 2)	李暢悅(附註2)	-	-	651	-	17	-	668	-
Ng Kin Man (note 3)	伍健文(附註3)	-	-	-	-	-	-	-	-
Non-executive director	非執行董事								
Zheng Yongqiang (note 4)	鄭永強(附註4)	-	-	60	-	-	-	60	-
Independent non-executive directors	獨立非執行董事								
Fok Kin Fung Eric	霍健烽	120	120	-	-	-	-	120	120
Lee G. Lam (note 5)	林家禮(附註5)	-	-	-	-	-	-	-	-
Leung Man Chun	梁文俊	120	120	-	-	-	-	120	120
Pang Siu Yin (note 6)	彭兆賢(附註6)	115	-	-	-	-	-	115	-
Former directors	前任董事								
Executive directors	執行董事								
Hung Tat Chi, Alan (note 7)	洪達智(附註7)	-	-	-	79	-	4	-	83
Mui Yuk Wah (note 8)	梅育華(附註8)	-	-	-	132	-	5	-	137
Wong Chi Yan (note 9)	黃志恩(附註9)	-	-	-	754	-	15	-	769
Chan Wai Kit (note 10)	陳偉傑(附註10)	-	-	547	1,080	15	18	562	1,098
Independent non-executive director	獨立非執行董事								
Lee Nim Wai (note 11)	李念緯(附註11)	5	120	-	-	-	-	5	120
		360	360	2,065	2,602	50	56	2,475	3,018

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(以港元列示)

7 DIRECTORS' EMOLUMENTS (CONTINUED)

Notes:

1. Appointed as executive director on 20 March 2017 and appointed as chief executive officer on 1 October 2018
2. Appointed on 5 February 2018
3. Appointed on 1 March 2019
4. Appointed on 1 October 2018
5. Appointed on 1 January 2019
6. Appointed on 15 January 2018
7. Resigned on 20 March 2017
8. Resigned on 20 March 2017
9. Resigned on 12 October 2017
10. Resigned on 1 November 2018
11. Resigned on 15 January 2018

No directors waived any emoluments during the year (2017: HK\$Nil).

7 董事酬金(續)

附註：

1. 於二零一七年三月二十日獲委任為執行董事，並於二零一八年十月一日獲委任為行政總裁
2. 於二零一八年二月五日獲委任
3. 於二零一九年三月一日獲委任
4. 於二零一八年十月一日獲委任
5. 於二零一九年一月一日獲委任
6. 於二零一八年一月十五日獲委任
7. 於二零一七年三月二十日辭任
8. 於二零一七年三月二十日辭任
9. 於二零一七年十月十二日辭任
10. 於二零一八年十一月一日辭任
11. 於二零一八年一月十五日辭任

概無董事於年內放棄任何酬金安排(二零一七年：零港元)。

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8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2017: three) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other three (2017: two) individuals are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	1,727	1,171
Retirement scheme contributions	退休計劃供款	54	36
		1,781	1,207

The emoluments of the other three (2017: two) individuals with the highest emoluments are within the following band:

		2018 二零一八年 Number of employees 僱員人數	2017 二零一七年 Number of employees 僱員人數
HK\$Nil – HK\$1,000,000	零港元至1,000,000港元	3	2

9 LOSS PER SHARE

(a) Basic loss per share

The calculation is based on the loss for the year attributable to owners of the Company of HK\$38,967,000 (2017: HK\$48,823,000) and the weighted average number of ordinary shares of approximately 1,215,172,000 (2017: 1,084,166,000) in issue during the year.

(b) Diluted loss per share

The diluted loss per share for the years ended 31 December 2018 and 2017 is the same as the basic loss per share as there were no potential dilutive ordinary shares in issue.

8 最高薪酬人士

於五名最高薪酬人士當中，兩名(二零一七年：三名)董事之酬金詳情於附註7披露。其他三名(二零一七年：兩名)個別人士之酬金總額如下：

其他三名(二零一七年：兩名)最高薪酬之個別人士之酬金介乎以下範圍：

9 每股虧損

(a) 每股基本虧損

每股基本虧損乃按本公司擁有人應佔年度虧損38,967,000港元(二零一七年：48,823,000港元)及年內已發行普通股之加權平均數約1,215,172,000股(二零一七年：1,084,166,000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，截至二零一八年及二零一七年十二月三十一日止年度之每股攤薄虧損與每股基本虧損相同。

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10 PROPERTY, PLANT AND EQUIPMENT

10 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 2017	於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 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	49,484	3,537	3,088	1,588	6,483	64,180
Additions	添置	-	-	504	59	1,672	2,235
Disposals	出售	-	(42)	(144)	(165)	-	(351)
Exchange adjustments	外匯調整	-	-	-	(6)	-	(6)
At 31 December 2018	於二零一八年十二月三十一日	49,484	3,495	3,448	1,476	8,155	66,058
Accumulated depreciation	累計折舊						
At 1 January 2017	於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 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	6,529	1,170	551	1,214	1,482	10,946
Charge for the year	本年度扣除	4,124	1,086	669	166	1,491	7,536
Eliminated on disposals	於出售時對銷	-	(17)	(42)	(93)	-	(152)
Exchange adjustments	外匯調整	-	-	-	(6)	-	(6)
At 31 December 2018	於二零一八年十二月三十一日	10,653	2,239	1,178	1,281	2,973	18,324
Carrying amount	賬面值						
At 31 December 2018	於二零一八年十二月三十一日	38,831	1,256	2,270	195	5,182	47,734
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

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10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2018, land and buildings of the Group with carrying amount of HK\$38,831,000 (2017: HK\$42,955,000) have been pledged to secure interest-bearing borrowings granted to the Group (see note 21).

During the year ended 31 December 2017, additions to motor vehicles financed by new finance leases were HK\$4,942,000.

At the end of the reporting period, the carrying amount of motor vehicles held under finance leases was HK\$3,394,000 (2017: HK\$4,490,000).

All land and buildings of the Group are situated in Hong Kong under medium-term leases.

10 物業、廠房及設備(續)

於二零一八年十二月三十一日，本集團土地及樓宇之賬面值38,831,000港元(二零一七年：42,955,000港元)已抵押以作擔保本集團獲發放之附息借款(見附註21)。

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。

於報告期末，融資租賃項下所持汽車之賬面值為3,394,000港元(二零一七年：4,490,000港元)。

所有本集團之土地及樓宇位於香港，以中期批租持有。

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11 INTANGIBLE ASSETS

11 無形資產

		Development costs	Technical know-how	Programming codes	Mobile games	Total
		發展成本	技術知識	程式編碼	手機遊戲	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
		(note (a))	(note (b))	(note (b))	(note (b))	
		(附註(a))	(附註(b))	(附註(b))	(附註(b))	
Cost	成本					
At 1 January 2017	於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 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	2,178	1,023	1,988	69,783	74,972
Write-off (note (d))	撇銷(附註(d))	(2,178)	(1,023)	(1,988)	-	(5,189)
At 31 December 2018	於二零一八年十二月三十一日	-	-	-	69,783	69,783
Accumulated amortisation and impairment	累計攤銷及減值					
At 1 January 2017	於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 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	2,178	1,023	1,988	12,836	18,025
Charge for the year	本年度扣除	-	-	-	12,836	12,836
Write-off (note (d))	撇銷(附註(d))	(2,178)	(1,023)	(1,988)	-	(5,189)
At 31 December 2018	於二零一八年十二月三十一日	-	-	-	25,672	25,672
Carrying amount	賬面值					
At 31 December 2018	於二零一八年十二月三十一日	-	-	-	44,111	44,111
At 31 December 2017	於二零一七年十二月三十一日	-	-	-	56,947	56,947

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11 INTANGIBLE ASSETS (CONTINUED)

(a) 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) All of the Group's technical know-how, programming codes and mobile games were purchased as part of business combinations in prior years.

Expenditure incurred for developing mobile games has been recognised in accordance with the accounting policy set out in note 2(k).

(c) The amortisation charges for the year are included in "Administrative expenses" in the consolidated statement of profit or loss.

(d) On 31 December 2018, the management realised that certain electronic software previously developed does not fit to the requirements of the customers and does not generated as much revenue as previously expected. As a result, all the development costs, technical know-how and programming codes with nil carrying amount were written off.

11 無形資產(續)

(a) 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) 本集團所有技術知識、程式編碼及手機遊戲已於過往年度作購置為業務合併一部分。

開發手機遊戲之開支已根據附註2(k)所載會計政策確認。

(c) 本年度攤銷開支已計入綜合損益表內之「行政開支」。

(d) 於二零一八年十二月三十一日，管理層認為過往開發之若干電子軟件並不符合客戶要求且未能產生如先前所預期之收益。因此，已撇銷所有並無賬面值之發展成本、技術知識及程式編碼之成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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12 GOODWILL

12 商譽

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost	成本		
At 1 January and 31 December	於一月一日及十二月三十一日	109,669	109,669
Accumulated impairment	累計減值		
At 1 January	於一月一日	–	–
Impairment loss	減值虧損	24,903	–
At 31 December	於十二月三十一日	24,903	–
Carrying amount	賬面值		
At 31 December	於十二月三十一日	84,766	109,669

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:

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：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 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」)	64,530	89,433
		84,766	109,669

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12 GOODWILL (CONTINUED)

Impairment test for cash-generating units containing goodwill (Continued)

The directors have reviewed the carrying amount of goodwill in accordance with HKAS 36 as follows:

Unit A

The recoverable amount of the CGU is determined based on the value-in-use calculation under the income approach, which includes the discounted cash flows sourced from the financial budgets approved by the management covering a five-year period, and the pre-tax discount rate of approximately 17.0% (2017: 20.0%) that reflects current market assessment of the time value of money and the risks specific to the CGU.

Cash flow projections during the budget period are based on the expected revenue from existing and potential customers throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3.0% (2017: 3.0%) per annum growth rate. The growth rate does not exceed the long-term average growth rate for the market.

The key assumptions used in the value-in-use calculations for the CGU are as follows:

Budgeted market share	The values assigned to the assumption reflect past experience, except for the growth factor, which is consistent with the directors' estimation of the revenue from existing and potential customers. The directors believe that planned revenue growth per year for the next five years is reasonably achievable.
Number of service contracts	In order to maintain successive business operations of the CGU, the directors believe that there is no particular difficulty in renewal of the service contracts of the existing customers in the CGU.

The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the CGU to exceed its recoverable amount.

12 商譽(續)

載有商譽之現金產生單位之減值測試(續)

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

現金產生單位之可收回金額根據收入法按使用價值之計算釐定，包括來自管理層所批准涵蓋五年期間之財政預算之已貼現現金流量，以及反映現時市場對貨幣時間價值之評估及現金產生單位特有風險之稅前貼現率約17.0%(二零一七年：20.0%)。

於預算期間之現金流量預測基於整個預算期間來自現有及潛在客戶之預期收益作出。超過五年期之現金流量已採用穩定年增長率3.0%(二零一七年：3.0%)推算。該增長率不超過市場之長期平均增長率。

現金產生單位之使用價值計算所用之主要假設如下：

預算市場份額	假設所指定之價值反映過往經驗(增長因素除外)，與董事對來自現有及潛在客戶之收益所作估計一致。董事相信，未來五年之每年計劃收益增長可合理實現。
服務合約數目	為維持現金產生單位持續經營業務，董事相信，重續現金產生單位中現有客戶之服務合約並無特別困難。

董事認為，可收回金額依據之主要假設如有任何合理可能變動，不會造成現金產生單位之賬面值超過其可收回金額。

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12 GOODWILL (CONTINUED)

Impairment test for cash-generating units containing goodwill (Continued)

Unit B

The recoverable amount of the CGU is determined based on the value-in-use calculation under the income approach, which includes the discounted cash flows sourced from the financial budgets approved by the management covering a five-year period, and the pre-tax discount rate of approximately 26.1% (2017: 22.2%) that reflects current market assessment of the time value of money and the risks specific to the CGU.

Cash flow projections during the budget period are based on the expected revenue from existing and potential customers throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3.0% (2017: 3.0%) per annum growth rate. The growth rate does not exceed the long-term average growth rate for the market.

The recoverable amount of the CGU for the year ended 31 December 2018 has been referenced to the valuation report prepared by Avista Valuation Advisory Limited (2017: International Valuation Limited), an independent professional valuer.

12 商譽(續)

載有商譽之現金產生單位之減值測試(續)

單位B

現金產生單位之可收回金額根據收入法按使用價值之計算釐定，包括來自管理層所批准涵蓋五年期間之財政預算之已貼現現金流量，以及反映現時市場對貨幣時間價值之評估及現金產生單位特有風險之稅前貼現率約26.1%(二零一七年：22.2%)。

於預算期間之現金流量預測基於整個預算期間來自現有及潛在客戶之預期收益作出。超過五年期之現金流量已採用穩定年增長率3.0%(二零一七年：3.0%)推算。該增長率不超過市場之長期平均增長率。

截至二零一八年十二月三十一日止年度之現金產生單位可收回金額已參考獨立專業估值師艾華迪評估諮詢有限公司(二零一七年：國際評估有限公司)編製之估值報告。

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12 GOODWILL (CONTINUED)

Impairment test for cash-generating units containing goodwill (Continued)

Unit B (Continued)

The key assumptions used in the value-in-use calculations for the CGU are as follows:

Budgeted market share	The values assigned to the assumption reflect past experience, except for the growth factor, which is consistent with the directors' estimation of the revenue from existing and potential customers. The directors believe that planned revenue growth per year for the next five years is reasonably achievable.
Budgeted income	It includes estimated income from existing mobiles games and mobile games in the pipeline, taking into account game popularity, income patterns in the game life cycle, industry growth and the Group's strategy in operation. The directors believe this budgeted income is justified given the strong game development capability and experience of games, the cooperation with major third-party distribution platforms and the historical record of developing its games.

As at 31 December 2018, the recoverable amount of Unit B calculated based on value-in-use was approximately HK\$64,530,000 which has been lower than its carrying amount of HK\$89,433,000 by approximately HK\$24,903,000. As a result, the management realised that the performance of mobile gaming business under Unit B was worse than expected due to the tough market competition. After the assessment on the respective date, the management determined to recognise an impairment of Unit B in respect of the decline of operating performance. As a result, an impairment loss of HK\$24,903,000 was recognised in the consolidated statement of profit or loss.

12 商譽(續)

載有商譽之現金產生單位之減值測試(續)

單位B(續)

現金產生單位之使用價值計算所用之主要假設如下：

預算市場份額	假設所指定之價值反映過往經驗(增長因素除外)，與董事對來自現有及潛在客戶之收益所作估計一致。董事相信，未來五年之每年計劃收益增長可合理實現。
預算收入	包括來自現有手機遊戲及籌備中手機遊戲之估計收入，當中考慮到遊戲受歡迎程度、遊戲生命週期之收入模式、行業增長及本集團之營運策略。董事相信，鑒於超卓遊戲開發能力及遊戲體驗、與主要第三方分銷平台合作以及開發遊戲之歷史記錄，故這項預算收入屬合理。

於二零一八年十二月三十一日，根據使用價值計算之單位B可收回金額約為64,530,000港元，較其賬面值89,433,000港元低約24,903,000港元。因此，管理層意識到，由於市場競爭激烈，單位B之手機遊戲業務表現遜於預期。在有關日期經過評估後，管理層決定就營運表現下降而確認單位B之減值。因此，已於綜合損益表確認減值虧損24,903,000港元。

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13 INTERESTS IN ASSOCIATES

13 於聯營公司之權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	34,901	–
Additions	添置	–	32,464
Share of profits of associates	應佔聯營公司溢利	715	2,437
Disposals	出售	(35,616)	–
At 31 December	於十二月三十一日	–	34,901
Share of net assets	應佔資產淨值	–	12,929
Goodwill	商譽	–	21,972
		–	34,901

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 28(a)). 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.

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 全部股權 (見附註 28(a))。Stars Ventures Limited 間接擁有以下每個實體之 49% 股權 (該等實體為非上市企業實體，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權益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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13 INTERESTS IN ASSOCIATES (CONTINUED)

On 21 September 2018, the Group disposed of the equity interest in FF and XXLnet (the “Disposed Associates”) and all the obligations, liabilities and debts owing or incurred by the Disposed Associates to the Company to an independent third party (the “Associates Purchaser”) for a cash consideration of EUR3,433,000 (equivalent to HK\$31,540,000).

Summarised financial information of the former associates of the Group is set out below. The summarised financial information below represents amounts shown in the former associates’ financial statements prepared in accordance with HKFRSs.

13 於聯營公司之權益(續)

於二零一八年九月二十一日，本集團以現金代價3,433,000歐元(相當於31,540,000港元)向一名獨立第三方(「聯營公司買方」)出售FF及XXLnet(「已出售聯營公司」)之股權及已出售聯營公司積欠本公司或所產生之所有責任、負債及債務。

本集團前聯營公司之財務資料摘要載列如下。以下財務資料摘要是前聯營公司根據香港財務報告準則編製之財務報表所示金額。

		2017 二零一七年		
		FF	XXLnet	Total
		FF	XXLnet	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Current assets	流動資產	1,747	1,205	2,952
Non-current assets	非流動資產	45,863	801	46,664
Current liabilities	流動負債	(5,288)	(532)	(5,820)
Non-current liabilities	非流動負債	(17,410)	–	(17,410)
Net assets	資產淨值	24,912	1,474	26,386

		For the period from 1 January 2018 to 21 September 2018 (date of disposal) 自二零一八年一月一日至 二零一八年九月二十一日(出售日期)期間			For the period from 13 April 2017 (date of acquisition) to 31 December 2017 自二零一七年四月十三日(收購日期)至 二零一七年十二月三十一日期間		
		FF	XXLnet	Total	FF	XXLnet	Total
		FF	XXLnet	總計	FF	XXLnet	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
Revenue	收益	8,634	6,302	14,936	7,521	5,287	12,808
Profit for the period	期間溢利	1,497	1,311	2,808	1,197	926	2,123
Other comprehensive (expense)/income	其他全面(開支)/收入	(1,157)	(193)	(1,350)	2,754	98	2,852
Total comprehensive income	全面收入總額	340	1,118	1,458	3,951	1,024	4,975

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13 INTERESTS IN ASSOCIATES (CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the former associates recognised in the consolidated financial statements as at 31 December 2017:

13 於聯營公司之權益(續)

上述財務資料摘要與於二零一七年十二月三十一日之綜合財務報表所確認於前聯營公司之權益賬面值之對賬：

		FF FF HK\$'000 千港元	XXLnet XXLnet HK\$'000 千港元	Total 總計 HK\$'000 千港元
Gross amount of net assets of the associates	聯營公司資產淨值之總額	24,912	1,474	26,386
The Group's effective interest	本集團實際權益	49%	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	12,929
Goodwill	商譽	10,193	11,779	21,972
Carrying amount in the consolidated financial statements	綜合財務報表之賬面值	22,400	12,501	34,901

Loss on disposal of associates for the year ended 31 December 2018 is summarised below:

截至二零一八年十二月三十一日止年度出售聯營公司虧損之概述如下：

		2018 二零一八年 HK\$'000 千港元
Consideration received	已收代價	31,540
Carrying amount of associates	聯營公司之賬面值	(13,644)
Goodwill	商譽	(21,972)
Cumulative exchange gain reclassified to profit or loss upon disposal of associates	出售聯營公司後重新分類至損益之累計匯兌收益	737
Loss on disposal	出售虧損	(3,339)

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14 INTEREST IN A JOINT VENTURE

14 於一間合營企業之權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest in a joint venture	於一間合營企業之權益	–	3
Amount due from a joint venture	應收一間合營企業款項	–	10
		–	13

On 6 February 2017, Top Banana Limited, an indirect wholly-owned subsidiary, established Grand Surplus HK Limited (“Grand Surplus”) with two other joint venturers. Grand Surplus is incorporated in Hong Kong and is principally engaged in website development and related services.

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）與其他兩間合營企業成立 Grand Surplus HK Limited（「Grand Surplus」）。Grand Surplus 於香港註冊成立，主要從事網頁開發及有關服務。

On 28 February 2018, the Group disposed of all of its equity interest in Grand Surplus for a cash consideration of HK\$15,000 to Kwong Wing Heen, Gabriel resulting in a gain on disposal of a joint venture of approximately HK\$12,000. Kwong Wing Heen, Gabriel is one of the key personnel as defined by the Group. Therefore, Kwong Wing Heen, Gabriel is considered as a related party to the Group and disposal of Grand Surplus to him constituted a related party transaction.

於二零一八年二月二十八日，本集團以現金代價15,000港元向鄭穎軒出售其於 Grand Surplus 之全部股權，產生出售一間合營企業收益約12,000港元。鄭穎軒為本集團所認定關鍵人員之一。因此，鄭穎軒被視為本集團之關聯人士，而向彼出售 Grand Surplus 構成關聯人士交易。

Gain on disposal of a joint venture for the year ended 31 December 2018 is summarised below:

截至二零一八年十二月三十一日止年度出售一間合營企業之收益概述如下：

		2018 二零一八年 HK\$'000 千港元
Consideration received	已收代價	15
Carrying amount of interest in a joint venture	一間合營企業權益之賬面值	(3)
Gain on disposal of a joint venture	出售一間合營企業之收益	12

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15 INVESTMENT IN EQUITY SECURITIES

15 股本證券之投資

		31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	1 January 2018 二零一八年 一月一日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Equity securities designated at FVOCI (non-recycling)	指定透過其他全面收益按FVOCI(不可迴轉)之股本證券			
Unlisted equity securities	非上市股本證券	500	500	-
Available-for-sale financial assets	可供出售金融資產			
Unlisted equity	非上市股權	-	-	500

Upon the initial application of HKFRS 9 at 1 January 2018 (see note 2(c)), the investment in available-for-sale equity securities was reclassified as equity securities designated at FVOCI (non-recycling). Such investment is the unlisted equity securities to Metro Rainbow Limited, a company incorporated in BVI with its wholly-owned subsidiary, Online Troop Company Limited, (together "Metro Group") with 5% equity interest. Metro Group is engaged in online shopping business. The Group designated its investment in Metro Group at FVOCI (non-recycling), as the investment is held for strategic purposes. No dividends were received on this investment during the year (2017: Nil).

Having assessed the fair value of the unlisted equity securities at FVOCI (non-recycling), the directors determine there was no material changes in fair value of equity securities for the year ended 31 December 2018.

於二零一八年一月一日首次應用香港財務報告準則第9號(見附註2(c))後，於可供出售股本證券之投資獲重新分類為指定透過其他全面收益按FVOCI(不可迴轉)之股本證券。該投資為於Metro Rainbow Limited(一間於英屬處女群島註冊成立之公司)及其全資附屬公司Online Troop Company Limited(統稱「Metro Group」)之5%股本權益之非上市股本證券。Metro Group從事網上購物業務。由於有關投資乃持作策略用途，本集團指定其於Metro Group之投資透過FVOCI(不可迴轉)計量。年內並無就此項投資收取任何股息(二零一七年：無)。

經評估按FVOCI(不可迴轉)計量之非上市股本證券之公平值，董事釐定截至二零一八年十二月三十一日止年度之股本證券公平值並無重大變動。

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16 CONTRACT ASSETS AND LIABILITIES

(a) Contract assets

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Arising from performance under licensing arrangement 履行許可權安排所產生	3,872	-

The Group recognises revenue from licensing arrangements at a point in time upon the Licensees have the rights to use the Group's intellectual property and the Group has conditionally entitled to the consideration under the payment terms set out in the licensing agreements.

本集團於持牌人有權使用本集團之知識產權且本集團具有條件權利按許可權協議所載付款條款收取代價之時間點，確認來自許可權安排之收益。

(b) Contract liabilities

	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	1 January 2018 二零一八年 一月一日 HK\$'000 (Note) 千港元 (附註)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Billings in advance of performance under IT service contracts IT服務合約項下履約預收款項	6,735	7,174	-

Note: The Group has initially applied HKFRS 15 using the cumulative effect method and adjusted the opening balance at 1 January 2018 and, accordingly, an amount of HK\$7,174,000 was reclassified from deferred income to contract liabilities.

附註：本集團已採用累計影響法初步應用香港財務報告準則第15號，並調整於二零一八年一月一日之年初結餘。於此項採納後，7,174,000港元款項已由遞延收入重新分類至合約負債。

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16 CONTRACT ASSETS AND LIABILITIES (CONTINUED)

(b) Contract liabilities (Continued)

When the Group receives a deposit before the service commences, this will give rise to contract liabilities at the start of a contract until the revenue recognised on the project exceeds the amount of the deposits. The Group typically receives a certain deposit, which is negotiated on case by case basis with customers, on acceptance of IT service contracts.

The movements in contract liabilities are summarised as follows:

16 合約資產及負債(續)

(b) 合約負債(續)

倘本集團於服務開始前收取按金時，有關按金會於合約開始時產生合約負債，直至有關項目確認收益超過按金金額為止。本集團一般會收取若干按金，有關按金在接納IT服務合約時會根據個別情況與客戶協商。

合約負債之變動概述如下：

		2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	7,174
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	由於在年內確認之收益計入於年初之合約負債導致合約負債減少	(3,448)
Increase in contract liabilities as a result of billing in advance of performance under IT service contracts	由於IT服務合約項下履約預收款項導致合約負債增加	18,164
Decrease in contract liabilities as a result of recognising revenue during the year was included in new contract liabilities entered during the year	由於在年內確認之收益計入於年內之新合約負債導致合約負債減少	(15,155)
At 31 December	於十二月三十一日	6,735

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17 TRADE AND OTHER RECEIVABLES

17 應收賬款及其他應收款

		31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	1 January 2018 二零一八年 一月一日 HK\$'000 (Note) 千港元 (附註)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Gross amount of trade receivables	應收賬款總額	4,200	2,398	2,398
Less: Loss allowance	減：虧損撥備	(23)	(14)	-
		4,177	2,384	2,398
Deposits and other receivables	按金及其他應收款	8,347	1,702	1,702
Prepayments	預付款	1,315	698	698
Amount due from a key management personnel	應收關鍵管理人員之款項	6	49	49
		13,845	4,833	4,847

Note: Upon the adoption of HKFRS 9, an opening adjustment as at 1 January 2018 was made to recognise additional ECLs on trade receivables (see note 2(c)).

附註：於採納香港財務報告準則第9號後，已進行於二零一八年一月一日之年初調整，以就應收賬款確認額外預期信貸虧損(見附註2(c))。

All of the Group's trade and other receivables, apart from certain deposits of HK\$144,000 (2017: HK\$996,000), are expected to be recovered or recognised as expenses within one year.

除金額為144,000港元(二零一七年：996,000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開支。

The amount due from a key personnel is the balance due from Kwong Wing Heen, Gabriel, is unsecured, interest-free and repayable on demand.

應收關鍵管理人員之款項為應收鄺穎軒之結餘，該款項無抵押、不計息且按要求償還。

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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 loss allowance for credit losses, is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 month	少於一個月	2,847	775
More than 1 but less than 3 months	超過一個月但少於三個月	804	1,372
More than 3 but less than 6 months	超過三個月但少於六個月	460	131
More than 6 but less than 12 months	超過六個月但少於十二個月	66	104
Over 12 months	十二個月以上	-	16
		4,177	2,398

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 27(a).

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信貸虧損之虧損撥備之賬齡分析如下：

應收賬款一般於提交賬單當日或由開單日期起計30日內到期。本集團信貸政策之更多詳情載於附註27(a)。

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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

本集團之應收貸款及利息由本公司全資附屬公司於香港提供貸款之放債業務所產生。本集團力求對其未償還應收貸款及利息維持嚴格控制，以盡量減少信貸風險。逾期餘額由管理層定期審查。

		31 December 2018 二零一八年十二月三十一日			1 January 2018 (note) 二零一八年一月一日(附註)			31 December 2017 二零一七年十二月三十一日		
		Loan portion	Interest portion	Total	Loan portion	Interest portion	Total	Loan portion	Interest portion	Total
		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
Secured loans by personal guarantees	個人擔保之抵押貸款	56,004	991	56,995	44,500	1,596	46,096	44,500	1,596	46,096
Unsecured loans	無抵押貸款	52,595	1,208	53,803	52,448	329	52,777	52,448	329	52,777
		108,599	2,199	110,798	96,948	1,925	98,873	96,948	1,925	98,873
Less: Loss allowance	減：虧損撥備	(80)	(2)	(82)	(444)	(9)	(453)	-	-	-
		108,519	2,197	110,716	96,504	1,916	98,420	96,948	1,925	98,873

Note: Upon the adoption of HKFRS 9, an opening adjustment as at 1 January 2018 was made to recognise additional ECLs on loans and interest receivables (see note 2(c)).

附註：於採納香港財務報告準則第9號後，已進行於二零一八年一月一日之年初調整，以就應收貸款及利息確認額外預期信貸虧損(見附註2(c))。

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18 LOANS AND INTEREST RECEIVABLES (CONTINUED)

Loans receivable are interest-bearing at rates ranging from 10.0% to 58.9% (2017: 10.0% to 42.0%) 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:

		2018 二零一八年			2017 二零一七年		
		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	108,519	2,197	110,716	96,948	1,886	98,834
Less than 1 month past due	逾期少於一個月	-	-	-	-	39	39
		108,519	2,197	110,716	96,948	1,925	98,873

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)

應收貸款按年利率介乎10.0%至58.9%(二零一七年:10.0%至42.0%)計息,並由本集團於到期日根據合同協議條款或按書面要求償還。

(a) 賬齡分析

賬齡分析根據合同到期日編製:

無逾期或減值之應收貸款及利息之信貸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。

對於逾期之應收貸款及利息,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 2018, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) amounted to HK\$818,000 (2017: HK\$100,000). 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 現金及現金等值物及其他現金流量資料

(a) 組成銀行及手頭現金之現金及現金等值物。

於二零一八年十二月三十一日，本集團以人民幣（「人民幣」）計值之現金及現金等值物為818,000港元（二零一七年：100,000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 現金及現金等值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之負債變動(包括現金及非現金變動)詳情。自融資活動產生之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得之現金流量之負債。

		Financial assistance from government 政府財政援助 HK\$'000 千港元	Finance leases 融資租賃 HK\$'000 千港元 (note 22) (附註22)	Interest-bearing borrowings 附息借款 HK\$'000 千港元 (note 21) (附註21)	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	已付融資租賃租金之本金部分	-	(772)	-	(772)
Interest element of finance lease rentals paid	已付融資租賃租金之利息部分	-	(172)	-	(172)
Interest paid	已付利息	-	-	(2,240)	(2,240)
Repayment of financial assistance from government	償還政府財政援助	(114)	-	-	(114)
		(114)	(944)	(2,240)	(3,298)
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	融資租賃承擔之融資費用	-	172	-	172
Interest on other borrowings	其他借款利息	-	-	2,240	2,240
		-	5,114	2,240	7,354
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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19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) (Continued)

19 現金及現金等值物及其他現金流量資料(續)

(b) (續)

		Financial assistance from government 政府財政援助 HK\$'000 千港元	Finance leases 融資租賃 HK\$'000 千港元 (note 22) (附註22)	Interest-bearing borrowings 附息借款 HK\$'000 千港元 (note 21) (附註21)	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	-	4,170	28,000	32,170
Changes from financing cash flows:	融資活動現金流量變動：				
Capital element of finance lease rentals paid	已付融資租賃租金之本金部分	-	(982)	-	(982)
Interest element of finance lease rentals paid	已付融資租賃租金之利息部分	-	(166)	-	(166)
Interest paid	已付利息	-	-	(2,347)	(2,347)
New loans from a third party	來自一名第三方之新貸款	-	-	33,000	33,000
Repayment of loan to a third party	向一名第三方償還貸款	-	-	(28,000)	(28,000)
		-	(1,148)	2,653	1,505
Other changes:	其他變動：				
Finance charges on obligations under finance leases	融資租賃承擔之融資費用	-	166	-	166
Interest on other borrowings	其他借款利息	-	-	2,347	2,347
		-	166	2,347	2,513
At 31 December 2018	於二零一八年十二月三十一日	-	3,188	33,000	36,188

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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.

Trade payables	應付賬款
Accrued charges and other payables	應計費用及其他應付款

20 應付賬款及其他應付款

所有應付賬款及其他應付款預期將於一年內清償或確認為收入或按要求償還。

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,415	325
1,969	2,623
3,384	2,948

21 INTEREST-BEARING BORROWINGS

As at 31 December 2018, the interest-bearing borrowings represent a loan of HK\$33,000,000 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\$38,831,000 and corporate guarantee from the Company. The loan carries an interest rate of 10% per annum and is wholly repayable on or before 26 November 2019.

As at 31 December 2017, the interest-bearing borrowings represented a loan of 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 and corporate guarantee from the Company. The loan carried 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 did not contain any repayment on demand clauses.

21 附息借款

於二零一八年十二月三十一日，附息借款指一間財務公司向一間附屬公司授出之33,000,000港元貸款。該項貸款由本集團賬面值為38,831,000港元之土地及樓宇以及本公司之公司擔保抵押。該貸款按年利率10%計息，並須於二零一九年十一月二十六日或之前全數償還。

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間附屬公司授出之28,000,000港元貸款。該項貸款由本集團賬面值為42,955,000港元之土地及樓宇以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之條款。

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22 OBLIGATIONS UNDER FINANCE LEASES

At 31 December 2018, the Group had obligations under finance leases payable as follows:

22 融資租賃承擔

於二零一八年十二月三十一日，本集團須繳付之融資租賃承擔如下：

		2018 二零一八年		2017 二零一七年	
		Present value of the minimum lease payments	Total minimum lease payments	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	最低租賃 款項現值	最低租賃 款項總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within 1 year	一年內	1,030	1,148	982	1,148
After 1 year but within 2 years	一年後至兩年內	1,506	1,564	1,030	1,148
After 2 years but within 5 years	兩年後至五年內	652	663	2,158	2,227
		2,158	2,227	3,188	3,375
		3,188	3,375	4,170	4,523
Total future interest expenses	未來利息開支總額		(187)		(353)
Present value of lease obligations	租賃承擔現值		3,188		4,170

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23 DEFERRED TAX AND CURRENT TAX BALANCES

(a) *Current taxation in the consolidated statement of financial position represents:*

23 遞延稅項及即期稅項結餘

(a) *綜合財務狀況表之即期稅項指：*

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Provision for Hong Kong Profits Tax for the year	年內香港利得稅之撥備	(715)	(58)
Provisional Profits Tax paid	已付暫繳利得稅	92	59
		(623)	1
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	(623)	-
		(623)	1

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23 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:

23 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 之折舊撥備	超過相關攤銷 之稅項撥備	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 2017	於二零一七年一月一日	4,793	(15)	-	(11,116)	(6,338)
Credited/(charged) to profit or loss	於損益計入/(扣除)	(3,597)	4	(497)	2,217	(1,873)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一 日及二零一八年一月一日	1,196	(11)	(497)	(8,899)	(8,211)
Credited to profit or loss	於損益計入	52	11	-	2,118	2,181
At 31 December 2018	於二零一八年 十二月三十一日	1,248	-	(497)	(6,781)	(6,030)

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23 DEFERRED TAX AND CURRENT TAX BALANCES (CONTINUED)

(c) *Deferred tax assets/liabilities not recognised*

As at 31 December 2018, the Group has cumulative tax losses of approximately HK\$63,203,000 (2017: HK\$65,201,000). Of which, the Group has recognised deferred tax assets in respect of these tax losses to the extent of approximately HK\$7,565,000 (2017: HK\$7,250,000). The Group has not recognised deferred tax assets in respect of the remaining tax losses of approximately HK\$55,638,000 (2017: HK\$57,951,000) due to the unpredictability of future profit streams. Of the total unrecognised tax losses, HK\$4,865,000 (2017: HK\$4,288,000) will be expire within 5 years and the remaining tax losses of HK\$50,773,000 (2017: HK\$53,663,000) have no expiry date under the current tax legislation. Other temporary differences are not material.

24 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 2018 and 2017 in respect of the retirement of its employees.

23 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*

於二零一八年十二月三十一日，本集團累計稅項虧損約為63,203,000港元(二零一七年：65,201,000港元)。其中，本集團就該等稅項虧損確認遞延稅項資產約7,565,000港元(二零一七年：7,250,000港元)。由於未來溢利來源無法估計，本集團並無就約55,638,000港元(二零一七年：57,951,000港元)之餘下稅項虧損確認遞延稅項資產。未被確認之稅項虧損總額當中，4,865,000港元(二零一七年：4,288,000港元)將於五年內到期，而根據目前稅項法例，餘下之稅項虧損50,773,000港元(二零一七年：53,663,000港元)並無屆滿日期。其他暫時性差額並不重大。

24 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之司法權區之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之定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%向計劃供款，最高為每月相關收入之30,000港元。計劃供款即時歸屬。

一間中國附屬公司之僱員為中國相關地方政府當局管理之國家資助退休福利計劃之成員。該附屬公司須按其僱員之基本薪金之若干百分比向退休福利計劃供款，除年度供款外，毋須承擔有關實際退休金付款或退休福利之進一步責任。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，本集團於二零一八年及二零一七年十二月三十一日，並無任何有關其僱員退休之重大或然負債。

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25 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.

25 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」之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) 根據新購股權計劃修訂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於新購股權計劃修訂獲批准之日期／相關決議案於股東大會獲通過之日期已發行股份之10%。

於任何十二個月期間，根據購股權可向每名合資格參與者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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25 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 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 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 127,264,000 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 25 June 2018.

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 2018 and 2017.

25 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127,264,000股每股面值0.04港元之股份，佔於二零一八年六月二十五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%。

截至二零一八年及二零一七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或尚未行使之購股權。

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26 CAPITAL AND RESERVES

(a) Share capital

(i) Authorised and issued share capital

26 資本及儲備

(a) 股本

(i) 法定及已發行股本

		Number of shares	Amount
		股份數目	金額
		'000	HK\$'000
		千股	千港元
Authorised:	法定：		
Ordinary shares	普通股		
At 1 January 2017,	於二零一七年一月一日、		
31 December 2017,	二零一七年十二月三十一日、		
1 January 2018	二零一八年一月一日及		
and 31 December 2018 of	二零一八年十二月三十一日		
HK\$0.04 each	每股面值0.04港元	3,000,000	120,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares	普通股		
At 1 January 2017 of	於二零一七年一月一日		
HK\$0.04 each	每股面值0.04港元	907,200	36,288
Issue of shares (note (ii))	股份發行(附註(ii))	181,440	7,258
At 31 December 2017 and	於二零一七年十二月三十一日及		
1 January 2018 of	二零一八年一月一日		
HK\$0.04 each	每股面值0.04港元	1,088,640	43,546
Issue of shares (note (iii))	股份發行(附註(iii))	184,000	7,360
At 31 December 2018 of	於二零一八年十二月三十一日		
HK\$0.04 each	每股面值0.04港元	1,272,640	50,906

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26 CAPITAL AND RESERVES (CONTINUED)

(a) Share capital (Continued)

(ii) 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.

(iii) Issue of shares in 2018

On 25 April 2018, the Company issued 184,000,000 ordinary shares of HK\$0.04 each pursuant to a placing under general mandate at a price of HK\$0.18 per ordinary share, resulting in net proceeds of approximately HK\$32,337,000.

(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.

26 資本及儲備(續)

(a) 股本(續)

(ii) 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。

(iii) 二零一八年股份發行

於二零一八年四月二十五日，本公司根據一般授權進行配售，按每股普通股0.18港元之價格發行184,000,000普通股(每股面值0.04港元)，所得款項淨額約32,337,000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。

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26 CAPITAL AND RESERVES (CONTINUED)

(b) Nature and purpose of reserves (Continued)

(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).

(v) Other reserve

The other reserve represents (i) the excess of the consideration received for the disposal of 20% equity interest in a non-wholly owned subsidiary over the increase in the carrying amount of the non-controlling interests of HK\$3,000; and (ii) the excess of cash consideration paid for acquisition of additional interests in non-wholly owned subsidiaries over the increase in the carrying amount of the non-controlling interests of HK\$102,000.

(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.

26 資本及儲備(續)

(b) 儲備之性質及用途(續)

(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之所有外匯差額。此儲備乃根據附註2(z)所載之會計政策處理。

(v) 其他儲備

其他儲備指(i)出售一間非全資附屬公司20%股權已收之代價超過非控股權益賬面值之3,000港元；及(ii)收購非全資附屬公司之額外權益已付之現金代價超過非控股權益賬面值之102,000港元。

(c) 資本管理

本集團管理資本之首要目標為透過將產品及服務之價格訂於與風險相稱之水平及按合理成本籌措融資，保障本集團持續經營業務之能力，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之資本狀況帶來之好處及保障之間取得平衡，並因應經濟環境之變化對資本架構作出調整。

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26 CAPITAL AND RESERVES (CONTINUED)

(c) Capital management (Continued)

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 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 2018, the aggregate amounts of reserves available for distribution to owners of the Company was HK\$207,064,000 (2017: HK\$233,998,000).

26 資本及儲備(續)

(c) 資本管理(續)

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，經調整債務淨額之定義為債務總額(包括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、發行新股以及發行新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之資本規定所限制。

(d) 分派儲備

於二零一八年十二月三十一日，可供分派予本公司擁有人之儲備總額為207,064,000港元(二零一七年：233,998,000港元)。

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27 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

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables, contract assets and loans and interest receivables. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks for which the Group considers to have low credit risk.

(i) Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. At the end of the reporting period, the Group has a concentration of credit risk as 48% (2017: 27%) and 81% (2017: 64%) of total trade receivables and contract assets was due from the largest customer and five largest customers respectively.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These take into account the customer's past payment history, financial position and other factors. Trade receivables are due within 30 days from the billing date.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

27 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。本集團所面對之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

信貸風險指交易方將違反其合約責任而導致本集團蒙受財務虧損之風險。本集團之信貸風險主要源自應收賬款及其他應收款、合約資產以及應收貸款及利息。本集團來自現金及現金等值物之信貸風險有限，由於交易方為本集團認為具有低信貸風險之銀行。

(i) 應收賬款及合約資產

本集團所承受之信貸風險主要受各客戶之個別特性影響。於報告期間結束時，本集團應收最大客戶及五大客戶之應收賬款及合約資產總額之信貸風險集中度分別為48%（二零一七年：27%）及81%（二零一七年：64%）。

對於所有要求超過若干信貸金額之客戶均會進行個別信貸評估。該等評估考慮客戶之過往付款記錄、財務狀況及其他因素。應收賬款於發票日期起計30日內到期。

本集團按相等於使用撥備矩陣計算之可使用年期內之預期信貸虧損之金額計量應收賬款及合約資產之虧損撥備。由於本集團之過往信貸虧損經驗並無就不同客戶分部顯示重大虧損模式差異，根據逾期狀態計算之虧損撥備並無於本集團不同客戶群之間進一步區分。

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(i) Trade receivables and contract assets (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December 2018:

		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	Net carrying amount 賬面淨值 HK\$'000 千港元
Contract assets	合約資產				
Current (not past due)	流動(未逾期)	0.07%	3,875	(3)	3,872
Trade receivables	應收賬款				
Current (not past due)	流動(未逾期)	0.07%	2,849	(2)	2,847
Less than 1 month past due	逾期少於一個月	0.14%	530	(1)	529
1 to 3 months past due	逾期一至三個月	0.29%	571	(2)	569
More than 3 but less than 6 months past due	逾期超過三個月 但少於六個月	0.59%	168	(1)	167
More than 6 but less than 12 months past due	逾期超過六個月 但少於十二個月	1.17%	66	(1)	65
More than 12 months past due	逾期超過十二個月	100.00%	16	(16)	-
			4,200	(23)	4,177

Expected loss rates are based on actual loss experience in current year. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

預期虧損率根據本年度實際虧損經驗得出。該等比率已作出調整，以反映已取得過往數據期間內之經濟狀況、當前狀況及本集團對應收款之預期年期內之經濟狀況之意見之間之差異。

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(i) 應收賬款及合約資產(續)

下表提供有關本集團於二零一八年十二月三十一日就應收賬款及合約資產所面臨之信貸風險及預期信貸虧損之資料：

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(i) Trade receivables and contract assets (Continued)

Comparative information under HKAS 39

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 2(m)(i) – policy applicable prior to 1 January 2018). No impairment losses were recognised on trade receivables for the year ended 31 December 2017.

The ageing analysis of trade debtors that were neither individually nor collectively considered to be impaired as at 31 December 2017 were as follows:

		HK\$'000 千港元
Current (not past due)	流動(未逾期)	775
Less than 1 month past due	逾期少於一個月	1,159
1 to 3 months past due	逾期一至三個月	317
More than 3 but less than 6 months past due	逾期超過三個月但少於六個月	87
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
More than 12 months past due	逾期超過十二個月	16
		2,398

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience, management believed that no loss allowance was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(i) 應收賬款及合約資產(續)

香港會計準則第39號項下之比較資料

於二零一八年一月一日前，減值虧損僅在出現減值之客觀憑證(見附註2(m)(i)–於二零一八年一月一日前適用之政策)時方會確認。截至二零一七年十二月三十一日止年度概無就應收賬款確認減值虧損。

於二零一七年十二月三十一日，無個別或共同被視為減值之應收賬款之賬齡分析如下：

	HK\$'000 千港元
流動(未逾期)	775
逾期少於一個月	1,159
逾期一至三個月	317
逾期超過三個月但少於六個月	87
逾期超過六個月但少於十二個月	44
逾期超過十二個月	16
	2,398

無逾期或減值之應收款與近期並無違約記錄並來自不同領域之客戶有關。

已逾期但未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往績記錄。根據過往經驗，管理層認為毋須就該等結餘作出虧損撥備，原因是信貸質素並無重大變動，且該等結餘仍被視為可悉數收回。

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(i) Trade receivables and contract assets (Continued)

Movement in loss allowance in respect of trade receivables and contract assets:

		Trade receivables 應收賬款 HK\$'000 千港元	Contract assets 合約資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2017 and 31 December 2017 under HKAS 39	根據香港會計準則第39號 於二零一七年一月一日及 二零一七年十二月 三十一日之結餘	-	-	-
Additional credit loss recognised at 1 January 2018	於二零一八年一月一日 已確認之額外信貸虧損	14	-	14
Balance at 1 January 2018 under HKFRS 9	根據香港財務報告準則 第9號於二零一八年 一月一日之結餘	14	-	14
Impairment losses recognised during the year	年內已確認之減值 虧損	9	3	12
Balance at 31 December 2018 under HKFRS 9	根據香港財務報告準則 第9號於二零一八年 十二月三十一日之結餘	23	3	26

No significant changes to estimation techniques or assumptions were made during the reporting period.

於報告期間，估計方法或假設概無出現重大變動。

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(i) 應收賬款及合約資產(續)

應收賬款及合約資產之虧損撥備變動：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(以港元列示)

27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparties' ability to meet its obligations

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產

本集團會考慮於初步確認資產後之違約可能性及信貸風險於各報告期間是否持續出現大幅增加。於評估信貸風險是否出現大幅增加時，本集團會比較於報告日期資產發生違約之風險與初步確認日期發生違約之風險。本集團會考慮可取得之合理可靠前瞻性資料。尤其會將以下指標計入考量：

- 內部信貸評級
- 外部信貸評級(如有)
- 預期將導致交易方履行債務之能力出現大幅變動之商業、金融或經濟環境之實際或預期重大不利變動

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category 類別	Definition of category 類別定義	Basis for recognition of expected credit loss provision 預期信貸虧損撥備之確認基準
Stage 1 第1階段	Exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination. 信貸風險自初步確認以來尚未出現大幅增加且於產生後並未出現信貸減值之風險。	Portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. 確認與未來十二個月內發生違約事件之可能性相關之可使用年期內之預期信貸虧損部分。
Stage 2 第2階段	Exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired. 信貸風險自初步確認以來出現大幅增加惟並未出現信貸減值之風險。	Lifetime expected losses (i.e. reflecting the remaining lifetime of the financial asset) is recognised. 確認可使用年期內之預期虧損(即反映餘下金融資產之可使用年期)。
Stage 3 第3階段	Exposures are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. 倘發生對該資產之估計未來現金流產生不利影響之一項或多項事件，則風險評估為出現信貸減值。	Lifetime expected losses is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 確認可使用年期內之預期虧損並應用實際利率於攤銷成本(扣除撥備)而非賬面總值以計算利息收益。

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

本集團之預期信貸虧損模式所依據之假設概要如下：

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

(A) Loans and interest receivables

Loans to the top borrower and top five borrowers constituted approximately 24% and 45% (2017: 28% and 55%) of the Group's loans receivable balance respectively as at 31 December 2018.

The directors consider that the credit risk arising from the loans receivable is significantly mitigated by the collaterals held, if required. 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 other receivables and loans and interest receivables are set out in notes 17 and 18 respectively.

Gross amortised cost amount of loans and interest receivables

Having assessed the loans and interest receivables under the ECL model, the directors concluded that there had not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination. As a result, the loans and interest receivables at 31 December 2018 and 1 January 2018 are classified as stage 1.

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

(A) 應收貸款及利息

借予最大借方和前五名借方之借款分別佔本集團於二零一八年十二月三十一日之應收貸款餘額約24%及45%(二零一七年:28%及55%)。

董事認為應收貸款產生之信貸風險因所持有之抵押品(倘需要)而顯著降低。本集團並無提供會令本集團面對信貸風險之任何擔保。

有關本集團因其他應收款以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。

應收貸款及利息之攤銷成本總額

經評估預期信貸虧損模式項下之應收貸款及利息，董事總結認為信貸風險於初步確認以來並無大幅增加且於產生後並無出現信貸減值。因此，於二零一八年十二月三十一日及二零一八年一月一日之應收貸款及利息分類為第1階段。

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

(A) Loans and interest receivables (Continued)

Gross amortised cost amount of loans and interest receivables (Continued)

Movements in the gross amortised cost amount of loans and interest receivables were as follows:

		HK\$'000 千港元
Balance at 1 January 2018	於二零一八年一月一日之結餘	98,873
New originated	新產生	48,256
Repaid during the year	於年內償還	(36,300)
Write off	撇銷	(31)
		<hr/>
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	110,798
		<hr/>
Arising from:	產生自：	
– Loans receivable	– 應收貸款	108,599
– Interest receivables	– 應收利息	2,199
		<hr/>
		110,798

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

(A) 應收貸款及利息(續)

應收貸款及利息之攤銷成本總額(續)

應收貸款及利息之攤銷成本總額變動如下：

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

- (A) Loans and interest receivables (Continued)
ECL allowances of loans and interest receivables

An analysis of changes in the corresponding ECL allowances is as follows:

	Credit losses allowance under HKFRS9 根據香港財務報告準則第9號之信貸虧損撥備 HK\$'000 千港元	Impairment allowance under HKAS 39 根據香港會計準則第39號之減值撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2017 and 31 December 2017 under HKAS 39			
Additional credit loss recognised at 1 January 2018	453	-	453
Balance at 1 January 2018 under HKFRS 9	453	-	453
Credited to profit or loss	(371)	-	(371)
Balance at 31 December 2018	82	-	82
Arising from:			
- Loans receivable	80	-	80
- Interest receivables	2	-	2
	82	-	82

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

- (A) 應收貸款及利息(續)
應收貸款及利息之預期信貸虧損撥備
相應預期信貸虧損撥備之變動分析如下:

	Credit losses allowance under HKFRS9 根據香港財務報告準則第9號之信貸虧損撥備 HK\$'000 千港元	Impairment allowance under HKAS 39 根據香港會計準則第39號之減值撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2017 and 31 December 2017 under HKAS 39			
Additional credit loss recognised at 1 January 2018	453	-	453
Balance at 1 January 2018 under HKFRS 9	453	-	453
Credited to profit or loss	(371)	-	(371)
Balance at 31 December 2018	82	-	82
Arising from:			
- Loans receivable	80	-	80
- Interest receivables	2	-	2
	82	-	82

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

(B) Other financial assets at amortised cost

Other financial assets at amortised cost include cash and cash equivalents, deposits and other receivables. The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

As at 31 December 2018, the Group has assessed that the expected credit loss rate for those receivables is immaterial under 12 months expected losses method. Thus no loss allowance for other financial assets at amortised costs (including amount due from a key management personnel) was recognised.

No significant changes to estimation techniques or assumptions were made during the reporting period.

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

(B) 按攤銷成本列賬之其他金融資產

按攤銷成本列賬之其他金融資產包括現金及現金等值物、按金及其他應收款。本集團透過及時就預期信貸虧損適當計提撥備，以將其信貸風險入賬。於計算預期信貸虧損率時，本集團會考慮各類應收款之過往虧損率，並就前瞻性宏觀經濟數據作出調整。

於二零一八年十二月三十一日，根據十二個月預期虧損法，本集團已評估該等應收款之預期信貸虧損率屬輕微，因此並未就按攤銷成本列賬之其他金融資產(包括應收主要管理人員之款項)確認任何虧損撥備。

於報告期間，估計方法或假設概無出現重大變動。

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

(B) Other financial assets at amortised cost (Continued)

Comparative information under HKAS 39

Prior to 1 January 2018, the Group managed and analysed the credit risk for each of the new and existing borrowers before standard payment terms and conditions were offered. If there was no independent rating, the Group assessed 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 held collateral against these loans and interest receivables in the form of guarantee executed by the guarantor. Individual risk limits were 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 was set out in the table below:

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

(B) 按攤銷成本列賬之其他金融資產(續)

香港會計準則第39號項下之比較資料

於二零一八年一月一日前，本集團於提供標準支付條款及條件前，管理及分析新增及現有借款人各自之信貸風險。倘無獨立評級，本集團會基於借款人之財務狀況、過往經驗及其他因素評估借款人之信貸質素。就本金額超過預定金額之貸款而言，本集團以擔保人簽立之擔保形式就該等應收貸款及應收利息持有抵押品。個別風險限額根據借款人提供之抵押品(如需要)之價值以及基於董事設定限額之內部或外部評級予以設定。採用本集團信貸評級制度之應收貸款及其各自之應收利息之信貸質素分類載於下表：

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

(B) Other financial assets at amortised cost (Continued)

Comparative information under HKAS 39
(Continued)

		2017 二零一七年 HK\$'000 千港元
Performing	履約	98,834
Doubtful	呆賬	39
Loss	虧損	—
		98,873

The Group considered the loans and respective interest receivables as doubtful if the repayment of principal and/or of interest had been overdue and principal, accrued interest and/or future interest might not be fully secured by the collaterals. The Group considered the loans and respective interest receivables as loss if the repayment of principal and/or of interest had been overdue for more than 12 months and the collection of principal and/or of interest in full was improbable.

The Group estimated and recognised impairment losses for the loans and interest receivables considered as "doubtful" and "loss", taking into account of the fair values of collaterals which were inadequate to cover the loans and interest receivables. The amount of doubtful and loss of loans and interest receivables were HK\$39,000 as at 31 December 2017.

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

(B) 按攤銷成本列賬之其他金融資產(續) 香港會計準則第39號項下之比較資料(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之應收利息視為呆賬。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之應收利息視為虧損。

考慮到抵押品之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」之應收貸款及利息之減值虧損。應收貸款及利息之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。

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(Expressed in Hong Kong dollars)

(以港元列示)

27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

(ii) Other financial assets (Continued)

(B) Other financial assets at amortised cost (Continued)

Comparative information under HKAS 39 (Continued)

The Group performed collective assessment of the loans receivable considered as “performing” by grouping together all its receivables with similar credit risk characteristics. The impairment review was carried out on all those loans and interest receivables based on the historical impairment rates. Since the historical impairment rate was zero during the current and prior year, the management therefore considered that the collective impairment loss was HK\$Nil as at 31 December 2017.

The amount of provision for impairment was monitored by the management on a monthly basis.

27 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

(ii) 其他金融資產(續)

(B) 按攤銷成本列賬之其他金融資產(續)

香港會計準則第39號項下之比較資料(續)

本集團透過蒐集具有類同信貸風險特徵之應收賬款，以集體評估視為「履約」之應收貸款。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之過往減值率為零，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。

管理層按月監察減值撥備量。

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(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.

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:

31 December 2018		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 5 years
二零一八年十二月三十一日		賬面值	已訂約未貼現現金流量總額	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
Trade and other payables	應付賬款及其他應付款	3,384	3,384	3,384	-
Obligations under finance leases	融資租賃承擔	3,188	3,375	1,148	2,227
Interest-bearing borrowings	附息借款	33,000	33,275	33,275	-
		39,572	40,034	37,807	2,227

27 財務風險管理及金融工具公平值(續)

(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增加貸款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。

下表列示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：

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (Continued)

		Total contractual amount	Within 1 year or on demand	More than 1 year but less than 5 years
		Carrying amount	cash flow	cash flow
		已訂約未貼現	一年內到期	多於一年
		賬面值	現金流量總額	或按要求
		HK\$'000	HK\$'000	HK\$'000
		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
Interest-bearing borrowings	附息借款	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

(c) Interest rate risk

The Group's interest rate risk arises primarily from loans receivable, consideration payable for business combination, obligations under finance leases 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.

27 財務風險管理及金融工具公平值(續)

(b) 流動資金風險(續)

(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、融資租賃承擔及附息借款。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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27 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.

27 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付息借款之利率組合。

		2018 二零一八年		2017 二零一七年	
		Effective interest rate %	HK\$'000	Effective interest rate %	HK\$'000
		實際利率%	千港元	實際利率%	千港元
Net fixed rate deposits	定息存款淨額				
Loans receivable	應收貸款	10.0% – 58.9%	108,519	10.0% – 42.0%	96,948
Obligations under finance leases	融資租賃承擔	3.5% – 4.8%	(3,188)	3.5% – 4.8%	(4,170)
Consideration payable for business combination	業務合併應付代價	N/A不適用	–	7.3%	(69,000)
Interest-bearing borrowings	付息借款	10%	(33,000)	N/A不適用	–
			72,331		23,778
Variable rate borrowings	浮息借款				
Interest-bearing borrowings	付息借款	N/A不適用	–	8.0%	(28,000)
Net exposure	風險淨額		72,331		(4,222)

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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk (Continued)

(ii) Sensitivity analysis

As at 31 December 2018, 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\$Nil (2017: 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 2017.

(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.

27 財務風險管理及金融工具公平值(續)

(c) 利率風險(續)

(ii) 敏感度分析

於二零一八年十二月三十一日，預期利率在所有其他變數保持不變之情況下上升／下降50個基點，由此增加／減少本集團除稅後虧損及累計虧損約零港元(二零一七年：117,000港元)。

以上敏感度分析是假設利率變動已於本報告期末發生而釐定，並已應用至於該日存在之金融工具之利率風險。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潛在之利率變動評估。二零一七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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27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Categories of financial instruments

27 財務風險管理及金融工具公平值(續)

(e) 金融工具類別

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	金融資產		
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
Financial assets at amortised cost	按攤銷成本列賬之金融資產	141,194	-
Prepayment option embedded in promissory note issued	已發行承兌票據所附帶之提前還款權	-	116
		141,194	148,527
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	39,572	35,118
Consideration payable for business combination at fair value	業務合併應付代價，按公平值計量	-	71,651
		39,572	106,769

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27 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.

27 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

業務合併之或然代價資產、已發行承兌票據中附帶之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之基礎根據公平值計量。該等金融資產及負債之公平值計量被分類為第三級，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之外部估值專家於各年度報告日期編製載有公平值計量變動分析之估值報告，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之討論每年進行一次。

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27 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 equity instruments 非上市股本工具	Market comparable companies 市場可比較公司	Discount for lack of marketability of 20% (note 1) 就缺乏可銷售性貼現20%(附註1)
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 First Surplus Investments Ltd. and its subsidiaries (the "FS Group") and the probability of the Put Option (note 2) 用於計算 First Surplus Investments Ltd. 及其附屬公司(「FS集團」)估計公平值之貼現現金流量以及行使沽售權(附註2)之可能性
Prepayment option embedded in promissory note issued 已發行承兌票據所附帶之提前還款權	Binominal 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 業務合併應付代價	Discounted cash flow 貼現現金流量	Discount rate and the probability-adjusted revenue and profit of 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集團之收益及溢利可能性調整

27 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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27 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)

Notes:

1. The fair value of unlisted equity instruments is determined using price/earning ratios of comparable listed companies adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. As at 31 December 2018, it is estimated that with all other variable held constant, a decrease/increase in discount for lack of marketability by 10% would have no significant impact on the Group's other comprehensive income.
2. Put Option represented the Group shall have rights to sell the 60% equity interest in First Surplus Investments Ltd. (the "Sale Shares") to independent third parties (the "FS Vendors") at the price equivalent to the nominal consideration of HK\$150,000,000, whereupon the FS Vendors shall have the obligation to purchase the Sales Shares at such price in the event that FS Group fails to meet the profit guarantee of not less than HK\$14,200,000 audited consolidated net profit after taxation of FS Group for the twelve full months immediately on 25 October 2016 within a period of 6 months after the date of approval of audited consolidated financial statements of FS Group.

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, 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.

27 財務風險管理及金融工具公平價值(續)

(f) 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

附註：

1. 非上市股本工具之公平值使用可比較上市公司之市盈率並就缺乏可銷售性貼現進行調整後釐定。公平值計量與缺乏可銷售性之貼現屬反向關係。於二零一八年十二月三十一日，估計在所有其他變數保持不變之情況下，就缺乏可銷售性減少／增加貼現10%，對本集團其他全面收益並無重大影響。
2. 沽售權指本集團將有權向獨立第三方(「FS賣方」)以相等於名義代價價格150,000,000港元出售 First Surplus Investments Ltd. 之60%股權(「銷售股份」)，因此，倘FS集團於批准FS集團經審核綜合財務報務日期後六個月期間未能達致溢利保證不少於14,200,000港元(即FS集團緊隨二零一六年十月二十五日後十二個完整月之經審核稅後綜合溢利淨額)，則FS賣方將有責任以該等價格購買該等銷售股份。

已發行承兌票據附帶之提前還款權之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之任何變動將不會導致公平值計量出現重大變動。

業務合併應付代價之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之現值。公平值計量與所使用之貼現率為負相關，即單獨所使用之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集團之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之增加將導致公平值計量增加，反之亦然。

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27 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:

		Investment in equity securities under HKAS 39 香港會計準則 第39號項下 股本證券 之投資 HK\$'000 千港元	Investment in equity securities under HKFRS 9 香港財務報告 準則第9號項下 股本證券 之投資 HK\$'000 千港元	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 之提前還款權 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 2017	於二零一七年一月一日	-	-	17,971	837	(106,623)
Purchases	購買	500	-	-	-	-
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 2017	於二零一七年十二月三十一日	500	-	-	116	(71,651)
Reclassification upon initial application of HKFRS 9	於首次應用香港財務報告 準則第9號時重新分類	(500)	500	-	-	-
At 1 January 2018	於二零一八年一月一日	-	500	-	116	(71,651)
Settlement	結算	-	-	-	-	72,429
Changes in fair value recognised in profit or loss	於損益中確認之 公平值變動	-	-	-	(116)	(778)
At 31 December 2018	於二零一八年十二月三十一日	-	500	-	-	-

(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 2018 and 2017.

27 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：

(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之賬面值與其於二零一八年及二零一七年十二月三十一日之公平值並無重大差異。

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28 BUSINESS COMBINATIONS

(a) 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.

28 業務合併

(a) 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」）之全部股權（「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收購之買賣協議（「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，即應收貸款之未償還本金總額30,000,000港元及Stars Ventures Limited應付予本集團之應計利息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」）前之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集團之實際累計經審核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保證溢利差額之可能性微乎其微，因此，或然代價資產之公平值為零港元。

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28 BUSINESS COMBINATIONS (CONTINUED)

(a) 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 were as follows:

28 業務合併(續)

(a) 收購Stars Ventures Limited(續)

已收購之可識別資產及負債之公平值及於收購日期產生之商譽如下：

		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

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28 BUSINESS COMBINATIONS (CONTINUED)

- (b) The goodwill was attributable to the synergies of the acquired businesses expected to arise after the Group's acquisitions. These benefits were not recognised separately from goodwill because they did not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the acquisitions was expected to be deductible for tax purposes.

- (c) Acquisition-related costs of HK\$752,000 had been excluded from the consideration transferred and had been recognised as "Administrative expenses" in the consolidated statement of profit or loss for the year ended 31 December 2017.

- (d) 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 included 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 estimated that the consolidated revenue and the consolidated loss for the year ended 31 December 2017 would have been HK\$64,464,000 and HK\$45,489,000 respectively. This pro-forma information was for illustrative purposes only and was 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.

28 業務合併(續)

- (b) 商譽乃預期本集團於收購後，從收購業務之協同效益產生。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之確認標準。

預計該收購產生之商譽概不會視為減稅項目。

- (c) 收購相關成本752,000港元已自轉讓代價扣除，並已在截至二零一七年十二月三十一日止年度之綜合損益表確認為「行政開支」。

- (d) 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年度之虧損包括SV集團產生之溢利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。

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29 CHANGES IN OWNERSHIP INTEREST IN SUBSIDIARIES WITHOUT CHANGE OF CONTROL

(a) *Partial disposal of equity interest in a subsidiary*

On 3 January 2018, the Group disposed 20% of the issued shares of a wholly-owned subsidiary, Global Ocean International Holdings Limited ("Global Ocean"), for a cash consideration of HK\$2,000 to an independent third party (the "Purchaser"). The carrying amount of the non-controlling interests in Global Ocean as at the date of disposal was a deficit of HK\$1,000. As a result, the Group recognised a decrease in non-controlling interests of HK\$1,000 and an increase in equity attributable to owners of the Company of HK\$3,000. The effect of changes in ownership interest in Global Ocean is summarised as follows:

29 附屬公司所有權權益變動而控制權不變

(a) *部分出售一間附屬公司之股權*

於二零一八年一月三日，本集團出售全資附屬公司滙海國際控股有限公司（「滙海」）已發行股份之20%予獨立第三方（「買方」），現金代價為2,000港元。於出售日期，滙海非控股權益之賬面值為赤字1,000港元。因此，本集團確認非控股權益減少1,000港元及本公司擁有人應佔權益增加3,000港元。滙海所有權權益變動之影響概述如下：

		2018 二零一八年 HK\$'000 千港元
Carrying amount of non-controlling interest disposed	已出售非控股權益之賬面值	1
Consideration received from the Purchaser	買方所得代價	2
Excess of consideration paid recognised in other reserve within equity	於權益內其他儲備中確認之已付代價超出部分	3

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29 CHANGES IN OWNERSHIP INTEREST IN SUBSIDIARIES WITHOUT CHANGE OF CONTROL (CONTINUED)

(b) Acquisition of non-controlling interests

On 30 April 2018, the Group acquired an additional 26.6% of the issued shares of a 73.4% owned subsidiary, Mooff Games Limited (“Mooff Games”), for a cash consideration of HK\$2. The carrying amount of the non-controlling interests in Mooff Games as at the date of acquisition was a surplus of HK\$58,000. As a result, the Group recognised a decrease in non-controlling interests of HK\$58,000 and an increase in equity attributable to owners of the Company of HK\$58,000.

On 31 December 2018, Group acquired an additional 15% of the issued shares of a 85% owned subsidiary, Side Quest Limited (“Side Quest”), for a cash consideration of HK\$1. The carrying amount of the non-controlling interests in Side Quest as at the date of acquisition was a deficit of HK\$160,000. As a result, the Group recognised an increase in non-controlling interests of HK\$160,000 and a decrease in equity attributable to owners of the Company of HK\$160,000.

The effects of changes in ownership interest in Mooff Games and Side Quest are summarised as follows:

		Mooff Games Mooff Games HK\$'000 千港元	Side Quest Side Quest HK\$'000 千港元	Total 總計 HK\$'000 千港元
Carrying amount of non-controlling interest acquired	已收購非控股權益之賬面值	58	(160)	(102)
Consideration paid to non-controlling interests	非控股權益之已付代價	-	-	-
Deficit(excess) of consideration paid recognised in other reserve within equity	於權益內其他儲備中確認之已付代價赤字/(超出部分)	58	(160)	(102)

29 附屬公司所有權權益變動而控制權不變(續)

(b) 收購非控股權益

於二零一八年四月三十日，本集團額外收購擁有73.4%權益之附屬公司Mooff Games Limited(「Mooff Games」)已發行股份之26.6%，現金代價為2港元。於收購日期，Mooff Games非控股權益之賬面值為盈餘58,000港元。因此，本集團確認非控股權益減少58,000港元及本公司擁有人應佔權益增加58,000港元。

於二零一八年十二月三十一日，本集團額外收購擁有85%權益之附屬公司Side Quest Limited(「Side Quest」)已發行股份之15%，現金代價為1港元。於收購日期，Side Quest非控股權益之賬面值為赤字160,000港元。因此，本集團確認非控股權益增加160,000港元及本公司擁有人應佔權益減少160,000港元。

Mooff Games及Side Quest所有權權益變動之影響概述如下：

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30 COMMITMENTS

As at 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 year	一年內	3,787	3,787
After 1 year but within 5 years	一年後至五年內	239	439
		4,026	4,226

The Group is the lessee in respect of its office premises held under operating leases. The leases run for an initial period of 1 year to 2 years (2017: 2 years), with an option to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

30 承擔

於二零一八年十二月三十一日，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年至兩年(二零一七年：二年)，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。

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31 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 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	4,152	4,133
Post-employment benefits	離職後福利	104	92
		4,256	4,225

(b) Except as disclosed in the note 14 to the consolidated financial statements, the Group has not entered into any material related party transactions during the years ended 31 December 2018 and 2017.

(c) Balances with related parties are disclosed in the Company's statement of financial position (note 34(a)) and in note 17.

32 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in these consolidated financial statements, the Group does not have significant events after the reporting period.

31 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7所披露之已付本公司董事款項及附註8所披露之已付若干最高薪酬僱員之款項，詳情如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term employee benefits	4,152	4,133
Post-employment benefits	104	92
	4,256	4,225

(b) 截至二零一八年及二零一七年十二月三十一日止年度，除綜合財務報表附註14所披露外，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之財務狀況表(附註34(a))及附註17披露。

32 報告期後非調整事項

除該等綜合財務報表其他部分所披露者外，本集團並無於報告期後發生重大事項。

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33 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.

33 附屬公司

下表僅載有主要影響本集團業績、資產或負債之附屬公司之詳情。除另有註明外，持有股份之類別屬普通股。

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 2018 實際擁有權權益比例 (二零一八年)		Proportion of effective ownership interest 2017 實際擁有權權益比例 (二零一七年)		Principal activity 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Aurum Pacific Management Limited 奧栢管理有限公司	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 (i) and (ii)) 廣州看漢科技有限公司(附註(i)及(ii))	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 奧栢財務有限公司	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 Investments Ltd. First Surplus Investments Ltd.	BVI 英屬處女群島	10 shares of US1 each 10股股份 每股1美元	-	60%	-	60%	Investment holding 投資控股
Mooff Games (notes (iii)) Mooff Games(附註(iii))	Hong Kong 香港	10,000 shares (HK\$10,000) 10,000股股份 (10,000港元)	-	60%	-	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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33 SUBSIDIARIES (CONTINUED)

33 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 2018 實際擁有權權益比例 (二零一八年)		Proportion of effective ownership interest 2017 實際擁有權權益比例 (二零一七年)		Principal activity 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
			Side Quest	Hong Kong	3,020,000 shares (HK\$4,510,001)	-	
Side Quest	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	Hong Kong	12,000 shares (HK\$1,010,000)	-	60%	-	60%	Development of mobile games
智慧城市	香港	12,000股股份 (1,010,000港元)					開發手機遊戲
Top Banana Limited	Hong Kong	1 share (HK\$1)	-	60%	-	60%	Development of mobile games and related services
高蕉有限公司	香港	1股股份(1港元)					開發手機遊戲及相關服務
Touch Fun Productions Limited (notes (iii) and (iv))	Hong Kong	100 shares (HK\$100)	-	42%	-	42%	Development, publication and promotion of electronic games
達魂製作有限公司(附註(iii)及(iv))	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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33 SUBSIDIARIES (CONTINUED)

33 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 2018 實際擁有權益比例 (二零一八年)		Proportion of effective ownership interest 2017 實際擁有權益比例 (二零一七年)		Principal activity 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
廣州泛達科技有限公司 (notes (i) and (vi)) 廣州泛達科技有限公司 (附註(i)及(vi))	PRC 中國	RMB3,600,000 人民幣 3,600,000元	-	60%	-	-	Development of mobile games and related services 開發手機遊戲及相關服務
Viva Star International Limited	BVI	50,000 shares of US1 each	-	100%	-	100%	Property investment
Viva Star International Limited	英屬處女群島	50,000股股份 每股1美元					物業發展
Stars Ventures Limited (note (v))	Republic of Seychelles	1 share of US1 each	-	100%	-	100%	Investment holding
Stars Ventures Limited(附註(v))	塞舌爾共和國	1股股份每股1美元					投資控股

Notes:

- (i) Registered as wholly-owned foreign enterprise under PRC law.
- (ii) The English translation of the name is for reference only. The official name of the entity is in Chinese.
- (iii) Those companies are subsidiaries of a non-wholly owned subsidiary of the Group and, accordingly, are accounted for as subsidiaries by virtue of the Group's control over it.
- (iv) Incorporated during the year ended 31 December 2017.
- (v) Acquired during the year ended 31 December 2017 through the SV Acquisition.
- (vi) Incorporated during the year ended 31 December 2018.

附註：

- (i) 根據中國法律註冊為外商獨資企業。
- (ii) 英文譯名僅供參考。中文名稱為實體之官方名稱。
- (iii) 有關公司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之附屬公司。
- (iv) 於截至二零一七年十二月三十一日止年度註冊成立。
- (v) 於截至二零一七年十二月三十一日止年度透過SV集團收購。
- (vi) 於截至二零一八年十二月三十一日止年度註冊成立。

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33 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.

33 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之資料。下列財務資料概要顯示公司間對銷前之金額。

		2018 二零一八年	2017 二零一七年
		FS Group FS集團 HK\$'000 千港元	FS Group FS集團 HK\$'000 千港元
NCI percentage	非控股權益百分比	40%	40%
Non-current assets	非流動資產	45,372	58,280
Current assets	流動資產	51,902	33,109
Current liabilities	流動負債	(33,962)	(18,025)
Non-current liabilities	非流動負債	(7,278)	(9,407)
Net assets	資產淨值	56,034	63,957
Carrying amount of NCI	非控股權益賬面值	22,244	25,573
Revenue	收益	21,892	35,144
(Loss)/profit for the year	年度(虧損)/溢利	(7,730)	6,882
Total comprehensive (expense)/income	綜合(開支)/收入總額	(7,922)	6,882
(Loss)/profit allocated to NCI	分配至非控股權益(虧損)/溢利	(3,129)	3,088
Dividends paid to NCI	派付至非控股權益股息	-	-
Cash flows generated from operating activities, net	經營活動所得之現金流量淨額	8,372	2,726
Cash flows used in investing activities, net	投資活動所用之現金流量淨額	(1)	(3,093)
Cash flows from financing activities, net	融資活動所用之現金流量淨額	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars)

(以港元列示)

34 FINANCIAL INFORMATION OF THE COMPANY

(a) Statement of financial position

34 本公司之財務資料

(a) 財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	8	8
Investment in equity securities	股本證券之投資	500	500
		508	508
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	310,160	285,432
Deposits, prepayments and other receivables	按金、預付款及其他應收款項	5,660	364
Cash and cash equivalents	現金及現金等值物	771	14,764
		316,591	300,560
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	55,015	19,332
Other payables and accrued charges	其他應付款及應計費用	244	322
		55,259	19,654
Net current assets	流動資產淨值	261,332	280,906
NET ASSETS	資產淨值	261,840	281,414
Capital and reserves	資本及儲備		
Share capital	股本	50,906	43,546
Reserves	儲備	210,934	237,868
TOTAL EQUITY	權益總額	261,840	281,414

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34 FINANCIAL INFORMATION OF THE COMPANY (CONTINUED)

(b) Details of changes in the Company's individual components of reserve during the year:

34 本公司之財務資料(續)

(b) 本公司年內儲備個別組成部分之變動詳情如下：

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元 (note 26(b)(i)) (附註26(b)(i))	Capital reserve 資本儲備 HK\$'000 千港元	Capital surplus 資本盈餘 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	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 26(a)(ii))	發行股份(附註26(a)(ii))	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
At 1 January 2018	於二零一八年一月一日	43,546	356,513	2,261	1,609	(122,515)	281,414
Loss and total comprehensive expense for the year	年度虧損及全面開支 總額	-	-	-	-	(51,911)	(51,911)
Issue of shares (note 26(a)(iii))	發行股份(附註26(a)(iii))	7,360	24,977	-	-	-	32,337
		7,360	24,977	-	-	(51,911)	(19,574)
At 31 December 2018	於二零一八年十二月三十一日	50,906	381,490	2,261	1,609	(174,426)	261,840

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34 FINANCIAL INFORMATION OF THE COMPANY (CONTINUED)

(c) *Contingent liabilities*

As at 31 December 2018, the Company has issued a corporate guarantee in respect of a loan made by a finance company to a subsidiary (see note 21).

The Company has issued corporate guarantee in respect of the motor vehicles under finance leases at 3.5% – 4.8% per annum with the carrying amount of approximately HK\$3,188,000 (2017: HK\$4,170,000) as at 31 December 2018.

As as 31 December 2017, the Company had issued a corporate guarantee in respect of the promissory note issued by a subsidiary of the Company.

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.

35 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.

(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.

34 本公司之財務資料(續)

(c) *或然負債*

於二零一八年十二月三十一日，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21)。

於二零一八年十二月三十一日，本公司就根據融資租賃按每年3.5%-4.8%租賃汽車發行公司擔保，賬面值約3,188,000港元(二零一七年：4,170,000港元)。

於二零一七年十二月三十一日，本公司就本公司附屬公司發行之承兌票據發行公司擔保。

此等綜合財務報表並無提供該等擔保之公平值，因為本公司董事認為所涉及之金額並不重大。

35 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(包括在某些情況下被視為對未來事件之合理預計)為依據。

在審閱綜合財務報表時，需要考慮主要會計政策之選用、影響會計政策應用範圍之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之最重要判斷及估計。

(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。

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35 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Impairment loss on intangible assets (Continued)

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 12.

(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 23(b).

35 會計估計及判斷(續)

(a) 無形資產減值虧損(續)

可收回金額為公平值減出售成本與使用價值間之較高者。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，須對獲分配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量及適合貼現率，以計算現值。減值虧損之計算詳情載於附註12。

(c) 遞延稅項資產

遞延稅項資產就未動用稅項虧損獲確認。由於遞延稅項資產僅在可能有未來應課稅溢利以使用未動用稅項福利之情況下確認，管理層須就評估未來應課稅溢利之可能性作出判斷。倘未來應課稅溢利能令遞延稅項資產可予收回，則管理層持續進行評估，並確認額外遞延稅項資產。反之，遞延稅項資產賬面值予以扣減，以不再可能有足夠應課稅溢利用以抵扣部分或全部遞延稅項資產之利益為限。有關遞延稅項資產之性質及賬面值詳情於附註23(b)披露。

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35 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) *Impairment allowances on contract assets, trade and other receivables and loans and interest receivables*

The Group estimates the loss allowances for contract assets, trade and other receivables and loans and interest receivables by assessing the ECLs. This requires the use of estimates and judgements. ECLs are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, and an assessment of both the current and forecast general economic conditions at the end of the reporting period. Where the estimation is different from the previous estimate, such difference will affect the carrying amounts of contract assets, trade and other receivables and loans and interest receivables and thus the impairment loss in the period in which such estimate is changed.

(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).

35 會計估計及判斷(續)

(d) *合約資產、應收賬款及其他應收款以及應收貸款及利息之減值撥備*

本集團評估預期信貸虧損，就合約資產、應收賬款及其他應收款以及應收貸款及利息估計虧損撥備。此舉需要使用估計及判斷。預期信貸虧損按本集團之過往信貸虧損經驗，並根據債務人之特定因素以及就報告期末整體經濟狀況現況及預測之評估作出調整而定。倘估計有別於先前估計，有關差額將影響合約資產、應收賬款及其他應收款以及應收貸款及利息之賬面值，繼而影響估計變動期間之減值虧損。

(e) *第三級金融工具之公平值*

倘載於綜合財務狀況表之金融資產及金融負債公平值不可自活躍市場取得，該等公平值之釐定須使用貼現現金流量模式及二項式點陣法模式等估值方式。該等模式之輸入數據乃來自可觀察市場(如適用)，倘無法獲取該等數據，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、波幅及可能性等有關輸入數據之考慮因素。有關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。

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36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018 and which have not been adopted in these consolidated financial statements. These include the following which may be relevant to the Group:

HKFRS 16	Leases ¹
HK(IFRIC) 23	Uncertainty over income tax treatments ¹

¹ Effective for annual periods beginning on or after 1 January 2019.

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.

36 截至二零一八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，但於截至二零一八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。其中包括以下可能與本集團有關之準則：

香港財務報告準則 第16號	租賃 ¹
香港(國際財務報告詮釋 委員會)詮釋第23號	所得稅處理之 不確定性 ¹

¹ 自二零一九年一月一日或之後開始之年度期間生效。

本集團正在評估該等修訂、新準則及詮釋於初次應用期間預期產生之影響。到目前為止，本集團已確定新準則在若干方面可能對綜合財務報表產生重大影響。預期影響之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於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(倘新準則允許替代方式)之時加以考慮。

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36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (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 be required to account for all leases of more than 12 months 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.

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 profit or loss over the period of the lease.

36 截至二零一八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，並根據租賃之分類對租賃安排分別列賬。本集團作為出租人及承租人分別訂立若干租約。

預期香港財務報告準則第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之方式。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受可行權宜方法之規限，承租人將須按與現有融資租賃會計處理方法類似之方式將超過12個月之所有租約入賬，即於租約開始日期，承租人將按日後最低租賃付款之現值確認及計量租賃負債，及將確認相應之「使用權」資產。於初步確認該資產及負債後，承租人將確認未償還租賃負債結餘所產生之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賃所產生之租賃開支。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)及低價值資產之租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

香港財務報告準則第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)之會計處理方法。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確認開支之時間。

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36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)

HKFRS 16, Leases (Continued)

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019, if necessary, and will not restate the comparative information. As disclosed in note 30, the Group's future minimum lease payments under non-cancellable operating leases for properties amounted to HK\$4,026,000 as at 31 December 2018, a portion of which is payable between 1 and 2 years after the reporting date. Upon the initial adoption of HKFRS 16, the opening balances of lease liabilities and the corresponding right-of-use assets will be adjusted to HK\$3,835,000, after taking account the effects of discounting, as at 1 January 2019.

37 COMPARATIVE FIGURES

The Group initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 2(c).

36 截至二零一八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16號，租賃(續)

香港財務報告準則第16號自二零一九年一月一日或之後開始之年度期間生效。倘香港財務報告準則第16號准許，本集團計劃採用可行權宜方法沿用過往有關現有安排屬於或包括租賃之評估。因此，本集團僅會將香港財務報告準則第16號之新租賃定義應用於首次應用日期當日或之後訂立之合約。此外，本集團計劃選擇可行權宜方法，不會將新會計模式應用於短期租賃及低價值資產租賃。

本集團計劃選擇採用經修訂追溯法採納香港財務報告準則第16號，並於必要時將首次應用之累計影響確認為於二零一九年一月一日權益期初結餘調整，並將不會重列比較資料。誠如附註30所披露，於二零一八年十二月三十一日，本集團於不可撤銷經營租賃項下就物業之日後最低租賃付款達4,026,000港元，其中部分須於報告日期後一至兩年內支付。於首次採納香港財務報告準則第16號後，經計及貼現影響，租賃負債及相應使用權資產之期初結餘將於二零一九年一月一日調整至3,835,000港元。

37 比較數字

本集團於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇之過渡法，並無重列比較資料。有關會計政策變動之進一步詳情披露於附註2(c)。

FIVE-YEARS FINANCIAL SUMMARY

五年財務摘要

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
RESULTS	業績					
Revenue from continuing and discontinued operations	持續及已終止經營業務之收益	53,968	64,464	34,459	41,268	21,412
Loss before taxation	除稅前虧損	(43,534)	(43,846)	(40,351)	(26,728)	(1,420)
Income tax credit/(expense)	所得稅抵免/(開支)	1,462	(1,889)	56	763	(735)
Loss for the year	年度虧損	(42,072)	(45,735)	(40,295)	(25,965)	(2,155)
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	(38,967)	(48,823)	(37,986)	(20,131)	(1,978)
Non-controlling interests	非控股權益	(3,105)	3,088	(2,309)	(5,834)	(177)
		(42,072)	(45,735)	(40,295)	(25,965)	(2,155)
Loss per share	每股虧損					
Basic and diluted (HK cents)	基本及攤薄(港仙)	(3.21)	(4.50)	(5.22)	(4.84)	(0.63)
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	324,784	405,730	451,871	273,819	168,323
Total liabilities	負債總額	(54,208)	(123,350)	(153,427)	(38,252)	(40,355)
		270,576	282,380	298,444	235,567	127,968
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額	248,383	257,107	276,259	230,949	116,912
Non-controlling interests	非控股權益	22,193	25,273	22,185	4,618	11,056
		270,576	282,380	298,444	235,567	127,968

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