



民信金控有限公司

MASON FINANCIAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock Code: 273

股份代號: 273



2016 年度報告
Annual Report

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Corporate Information

公司資料

DIRECTORS

Executive Directors

Ko Po Ming (Joint Chairman and Chief Executive Officer, appointed with effect from 8 September 2016)
Chang Tat Joel (appointed with effect from 8 September 2016)
Lui Choi Yiu, Angela (appointed with effect from 26 April 2016)
Man Wai Chuen
Zhang Yongdong (resigned with effect from 26 April 2016)
Cheung Ka Yee (resigned with effect from 26 April 2016)
Cheung Wing Ping (resigned with effect from 8 September 2016)

Non-executive Directors

Tong Tang, Joseph (Chairman, appointed with effect from 26 April 2016 and re-designated as Joint Chairman on 8 September 2016)
Hui Mei Mei, Carol (appointed with effect from 5 October 2016)
Xia Xiaoning (resigned with effect from 19 September 2016)

Independent Non-executive Directors

Lam Yiu Kin
Yuen Kwok On
Tian Ren Can (appointed with effect from 26 April 2016)
Antonio Maria Santos (resigned with effect from 26 April 2016)

AUDIT COMMITTEE

Lam Yiu Kin (Chairman)
Yuen Kwok On
Tian Ren Can (appointed with effect from 26 April 2016)
Antonio Maria Santos (resigned with effect from 26 April 2016)

REMUNERATION COMMITTEE

Yuen Kwok On (Chairman)
Lam Yiu Kin
Tian Ren Can (appointed with effect from 26 April 2016)
Chang Tat Joel (appointed with effect from 8 September 2016)
Hui Mei Mei, Carol (appointed with effect from 5 October 2016)
Antonio Maria Santos (resigned with effect from 26 April 2016)
Man Wai Chuen (resigned with effect from 8 September 2016)

NOMINATION COMMITTEE

Tong Tang, Joseph (Chairman, appointed with effect from 26 April 2016)
Lam Yiu Kin
Yuen Kwok On
Tian Ren Can (appointed with effect from 26 April 2016)
Hui Mei Mei, Carol (appointed with effect from 5 October 2016)
Zhang Yongdong (resigned with effect from 26 April 2016)
Cheung Ka Yee (resigned with effect from 26 April 2016)
Antonio Maria Santos (resigned with effect from 26 April 2016)
Lui Choi Yiu, Angela (resigned with effect from 5 October 2016)

董事

執行董事

高寶明(聯席主席及行政總裁，於二零一六年九月八日獲委任)
鄭達祖(於二零一六年九月八日獲委任)
雷彩姚(於二零一六年四月二十六日獲委任)
文惠存
張永東(於二零一六年四月二十六日辭任)
張嘉儀(於二零一六年四月二十六日辭任)
張榮平(於二零一六年九月八日辭任)

非執行董事

唐登(主席，於二零一六年四月二十六日獲委任並於二零一六年九月八日調任聯席主任)
許薇薇(於二零一六年十月五日獲委任)
夏曉寧(於二零一六年九月十九日辭任)

獨立非執行董事

林耀堅
袁國安
田仁燦(於二零一六年四月二十六日獲委任)
杜東尼(於二零一六年四月二十六日辭任)

審核委員會

林耀堅(主席)
袁國安
田仁燦(於二零一六年四月二十六日獲委任)
杜東尼(於二零一六年四月二十六日辭任)

薪酬委員會

袁國安(主席)
林耀堅
田仁燦(於二零一六年四月二十六日獲委任)
鄭達祖(於二零一六年九月八日獲委任)
許薇薇(於二零一六年十月五日獲委任)
杜東尼(於二零一六年四月二十六日辭任)
文惠存(於二零一六年九月八日辭任)

提名委員會

唐登(主席，於二零一六年四月二十六日獲委任)
林耀堅
袁國安
田仁燦(於二零一六年四月二十六日獲委任)
許薇薇(於二零一六年十月五日獲委任)
張永東(於二零一六年四月二十六日辭任)
張嘉儀(於二零一六年四月二十六日辭任)
杜東尼(於二零一六年四月二十六日辭任)
雷彩姚(於二零一六年十月五日辭任)

COMPANY SECRETARY

Lui Choi Yiu, Angela (appointed with effect from 8 September 2016)
Man Wai Chuen (resigned with effect from 8 September 2016)

公司秘書

雷彩姚(於二零一六年九月八日獲委任)
文惠存(於二零一六年九月八日辭任)

AUTHORISED REPRESENTATIVES

Chang Tat Joel
Lui Choi Yiu, Angela

授權代表

鄭達祖
雷彩姚

AUDITOR

Mazars CPA Limited
Certified Public Accountants

核數師

瑪澤會計師事務所有限公司
執業會計師

REGISTERED AND PRINCIPAL OFFICE

Units 4708-10, 47/F
The Center
99 Queen's Road Central
Hong Kong

註冊及主要辦事處

香港
皇后大道中99號
中環中心
47樓4708-10室

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) Limited
Standard Chartered PLC
Hang Seng Bank Limited

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司
渣打集團有限公司
恆生銀行有限公司

SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Transfer Office
Shops 1712-1716
17/F, Hopewell Centre
183 Queen's Road East
Hong Kong

股份註冊及過戶處

香港中央證券登記有限公司
過戶處
香港
皇后大道東183號
合和中心17樓
1712-1716號舖

Investor Centre
17M Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

投資者服務中心
香港
皇后大道東183號
合和中心17M樓

INTERNET ADDRESS

<http://www.masonhk.com>
<http://www.irasia.com/listco/hk/mason/index.htm>

網址

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<http://www.irasia.com/listco/hk/mason/index.htm>



Chairman's Statement 主席報告

On behalf of the board of directors (the “**Board**”) of Mason Financial Holdings Limited (the “**Company**”), we would like to present to the shareholders, the results and prospects of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2016 (the “**Year**”).

The Year signified a fresh start for the Group. With a new management on board on 8 September 2016, followed by a change in its strategic shareholding spearheaded by this new management, the Group embarked on a new exciting chapter of growth. The new management team reinvented the Group with its unique “Finance + Enterprise” business strategy, and positioned ourselves as a health and wealth solution partner, to propel the Group into becoming a leading global financial conglomerate with global asset allocation capabilities at its core.

Within four months after the implementation of the new strategy, the Group had completed a series of acquisitions leveraging on its investment expertise, strategic vision and excellent execution capability. To highlight a few achievements, we introduced Hui Wing Mau, the chairman of Shimao Property Holdings Limited, as the Group’s strategic shareholder, who has and will continue to render support to the Group’s further development. We have also established a healthcare/mother-infant-children ecosystem through rapid acquisitions including the acquisition of AYD Holdings Limited, the largest mother-care specialty retail chain in south China with a current network of over 1,000 stores and over 7 million members, the acquisition of Reproductive HealthCare Limited and Victory “Art” Laboratory Limited, one of the biggest in-vitro fertilization medical centers in Hong Kong with over 10 years of operating history, and the acquisition of DiagCor Technology Limited, the largest molecular diagnostic lab in Hong Kong that also owns the first and only foreign held independent clinical lab in China. We have expanded our financial sector to include mortgage business through the acquisition of Hong Kong Mortgage Solutions Ltd specializing in high-end private property mortgages with mortgage-backed securities and asset-backed securities product manufacturing capability. Funding wise, we have completed a rights issue exercise and raised approximately HK\$2.84 billion to support the Group’s rapid expansion. After rights issue exercise the net assets of the Company is approximately HK\$6.39 billion based on the net assets as at 31 December 2016. As a matter of fact, we have successfully achieved our funding goal, allowing for accelerated growth.

The series of completed transactions were a validation of our effectiveness and efficiency in implementing the “Finance + Enterprise” strategy, and realizing our vision to become a trusted health and wealth solution partner to the Group’s valuable clients.

本人謹代表民信金控有限公司(「本公司」)董事會(「董事會」)向股東呈報本公司及其附屬公司(「本集團」)截至二零一六年十二月三十一日止年度(「本年度」)的業績以及對未來的展望。

本年度對於本集團而言可謂是一個嶄新的開始，繼二零一六年九月八日新管理層上任後，本集團的持股架構又發生了戰略性的轉變，為本集團的發展揭開了新篇章。新任管理團隊重塑了本集團，訂立獨到的「金融+產業」雙輪驅動發展策略，定位為健康財富解決方案合作伙伴，銳意將本集團打造成為一個具備國際資產配置能力、領先全球的綜合金融集團。

在新策略實施後僅四個月，本集團利用其投資專長、戰略視野及卓越的執行能力完成了多項交易，其中包括引入世茂國際控股有限公司主席許榮茂先生作為本集團的戰略股東，許榮茂先生將一如既往繼續為本集團的發展提供支持。此外，我們迅速完成收購珠海愛嬰島、寶德醫務、Reproductive HealthCare Limited及勝利輔助生育所有有限公司及達雅高科技，藉以建立起醫療/母嬰生態系統。愛嬰島乃華南最大的母嬰連鎖專賣店，現時擁有逾千家門店及逾700萬名會員；勝利輔助生育所有有限公司則為香港最大的試管嬰兒醫療中心之一，擁有逾10年經營歷史；達雅高科技則為香港最大的分子診斷實驗室，擁有中國第一間及唯一一間外商持有的獨立臨床實驗室。另外，透過收購香港按揭金融服務有限公司，我們的金融業務拓展至按揭貸款業務。該公司專門提供高端私人樓宇按揭貸款，具有按揭證券及資產抵押擔保證券產品的開發能力。融資方面，我們已完成一次供股，集資約28.4億港元，用於支持本集團快速擴張。供股後，本公司之淨資產截至二零一六年十二月三十一日約為63.9億港元。事實上，我們已成功完成為加速本集團增長提供資本的融資目標。

一連串的交易亦足證本集團實施「金融+產業」雙輪驅動發展戰略的效益及效率。實現成為本集團客戶信任的健康財富解決方案合作伙伴的願景。

On the “Finance” front, we have strategically positioned ourselves as a leading financial group through a series of acquisitions including the acquisition of financial brokerage and related business from GuocoCapital Limited, GuocoCapital Futures Limited and GuocoCapital Bullion Limited (collectively, the “**GuocoCapital**”), which helped us obtain the Securities and Futures Commission (the “**SFC**”) licenses No. 1, 2, 4 and 6. We also made headway into the China market by taking a 15% equity position and becoming one of the two largest shareholders in Shengang Securities, the first joint-venture, full-line licensed securities company in China. The Group, therefore, was able to map out its presence as an integrated financial platform with a full spectrum of products/services and strong product development and distribution capabilities.

On the “Enterprise” side, riding on the successful acquisitions mentioned above, we will continue to embrace the opportunities in the “mother-infant-children” market in China and Emerging Asia. We will also concentrate on related opportunities — especially in the premium medical services (IVF/Paediatrics/Gynaecology) and life science services (Molecular Diagnostics/Precision Medicine) sectors — which have strong cash flows, good margins, and sustainable growth potential.

OUTLOOK

The outlook for global economic growth remains subdued. Against the backdrop of continued sluggish growth in developed countries and rising political instability from a number of fronts, the world economy will continue to be in a stage of profound adjustments. The road to recovery remains bumpy.

Mindful of our goal to attain a total asset-under-management of USD30 billion and a sizable capital base, the Group intends to fully utilize its extensive capital market resources and new management's experience to execute an aggressive merger and acquisition (M&A) strategy on both the enterprise and finance front. The strategy aims to establish the Group in such way that the financial services sector and the enterprise sector are synergistic and complementary to each other, thus supporting stable and sustainable development of the Group.

For the financial segment, we will continue our cooperation with leading global asset management companies, private banks and insurance companies to eventually develop our own asset management, private bank, and insurance platforms so that we will possess distribution channels and the capability to develop financial products for Chinese financial institutions to access the global markets. Eventually, we hope to realize our vision of becoming a “one-stop service provider for the global financial market” that covers investment opportunities and distribution channels in Greater China, Japan, US, Europe, Asia Pacific and Middle East.

「金融」方面，透過一系列收購，我們已建立起作為領先的金融集團的戰略地位。這包括收購國浩資本有限公司、國浩資本期貨有限公司及國浩資本金業有限公司（統稱「國浩資本」），藉以取得證券及期貨事務監察委員會（「證監會」）的1號、2號、4號及6號牌照。此外，我們取得中國第一家全牌照的合資證券公司－申港證券15%股權，成為該公司的兩大單一股東之一，正式進軍中國市場。藉此，本集團得以完善其綜合金融平台發展佈局，提供更全方位的產品／服務，擁有更強大的產品開發能力及更廣泛的分銷能力。

「產業」方面，通過上述的成功收購，我們將能更好地把握中國及新興亞洲母嬰市場的機遇，並繼續發掘相關行業的投資機遇，尤其是高端醫療服務（體外受精技術／兒科／婦科）及生命科學服務板塊的市場機會（分子診斷／精準醫療）。該等市場提供理想的現金流、利潤率及持續性的增長潛力。

展望

展望未來，全球的經濟增長前景依然不明，發達國家的經濟增長仍然疲弱，政治方面亦增添了許多不明朗因素，世界經濟將繼續處於深度調整階段，通往復蘇之路依舊困難重重。

本集團的目標是要將其資產管理規模提升至300億美元及建立一個龐大的資本基礎，為此，本集團將充分利用其豐富的資本市場資源及新任管理團隊的經驗，在產業及金融方面同步採取進取的併購策略，讓本集團的金融服務板塊及產業板塊協同發展，相輔相成，支持上市平台穩定及可持續的發展。

金融板塊方面，我們將繼續與全球領先的資產管理公司、銀行及保險公司合作，最終發展自有的資產管理、私人銀行及保險平台，從而協助中國金融機構打入全球市場，為他們提供分銷渠道及開發金融產品能力，以期最終實現我們成為「一點通全球金融服務供應商」的願景，覆蓋大中華地區、日本、美國、歐洲、亞太及中東市場的投資機會及分銷渠道。



Chairman's Statement 主席報告

For the enterprise segment, we will continue to invest in and sponsor successful entrepreneurs in healthcare and “mother-infant-children” related industries through acquisitions and organic growth.

Though the current economic turbulence has given rise to global uncertainties and instabilities, we are confident that our unique “Enterprise + Finance” strategy and positioning as a health and wealth solution partner will give us an edge and enable the Group to act responsively and flexibly in the face of challenges and opportunities. As such, the Group is poised for a fast and strong growth.

APPRECIATION

On behalf of the Board, we would like to express our heartfelt gratitude to our management team and all of our colleagues for their unwavering support and commitment. We could not have achieved the many milestones mentioned in our announcements and notices, without their dedication, diligence and determination in transforming the Group into what the Board has envisioned.

Our people are our most valuable asset and the main force driving our success today and beyond. Our sincere gratitude also goes to our clients, business partners and shareholders for their continuous support and confidence in the Group.

Tong Tang, Joseph
Joint Chairman

Ko Po Ming
Joint Chairman

Hong Kong, 30 March 2017

產業板塊方面，我們將繼續透過收購及內部增長，投資及支持醫療及「母嬰童」相關行業的成功企業。

儘管當前的經濟動盪增添了全球經濟的不確定性，但我們堅信我們獨特的「產業+金融」發展策略及一站式健康醫療及財富管理合作夥伴定位會為本集團帶來獨有的優勢，能夠在挑戰與機遇並存的環境下快速調整、靈活應變，令本集團得以實現快速強勁的增長。

致謝

本人謹代表董事會，對我們的管理團隊及全體同仁的不懈支持及貢獻致以衷心的感謝。全賴他們的全情投入和奮鬥精神，堅定不移地推動本集團向董事會高瞻遠矚的方向發展，本集團方得以成就公告裡提到的諸多里程碑。

我們的員工是我們最寶貴的資產，是推動本集團實現當下及未來成功的中堅力量。我們亦誠摯感謝客戶、業務合作夥伴及股東對本集團持續的支持和信心。

唐登
聯席主席

高寶明
聯席主席

香港，二零一七年三月三十日

DIVIDEND

The Board does not recommend the payment of a dividend for the Year (2015: nil).

RESULTS

For the financial year ended 31 December 2016, the Group recorded a total revenue of approximately HK\$67 million (2015: HK\$167 million). The decrease in revenue was mainly due to net loss from the sale of investments at fair value through profit or loss of approximately HK\$75 million for the Year. Loss attributable to equity holders of the Company was approximately HK\$472 million (2015: profit attributable to equity holders HK\$357 million). The loss was largely due to the net fair value loss on investments held for trading, impairment loss on the Group's goodwill arising from its investments and the provision for doubtful debts from the margin clients.

MARKET REVIEW

In 2016, the world economies witnessed several headwinds, including the "Brexit" vote, the US presidential election, and the US Federal Reserve's rate hike. All of these incidents and heightened concerns on increased uncertainties in the global economy have destabilized the financial markets, impacting the financial services industry as a whole.

The local stock market underwent a correction at the start of the year, reflecting an increased global financial volatility upon the bleaker global outlook and an intensified divergence in monetary policy stances among major central banks. During the second and the third quarters of 2016, the local stock market was largely buoyant alongside with the removal of overhangs and rallies in major overseas markets. At the end of 2016, the Hang Seng Index closed at 22,001 index points, an increase of 0.4% compared to the close of 2015, while the average daily turnover of the Hong Kong stock market was greatly reduced by 36.6% to HK\$66.9 billion. Fueling the market was the official commencement in December 2016 of the Shenzhen-Hong Kong Stock Connect, which has allowed individual investors in Hong Kong to directly buy stocks listed in Shenzhen and vice versa. With Renminbi depreciated by nearly 7% against US dollar in 2016, the expectation of US interest rate hikes on the rise and looming concerns over a weakened Chinese economy. Chinese investors, including mutual funds and major insurers, have been steadily weighting their offshore portfolio, particularly into Hong Kong.

股息

董事會建議不派付本年度股息(二零一五年：無)。

業績

截至二零一六年十二月三十一日止財政年度，本集團錄得總收益約67,000,000港元(二零一五年：167,000,000港元)。收益下降主要因年內出售按公平值計入損益之投資所得虧損淨額約75,000,000港元所致。本公司股權持有人應佔虧損約為472,000,000港元(二零一五年：本公司股權持有人應佔溢利357,000,000港元)。虧損主要是因持作交易投資產生公平值虧損淨額、就本集團投資所產生商譽的減值虧損以及計提孖展客戶呆賬撥備所致。

市場回顧

於二零一六年，世界經濟面臨多個不利因素，包括「英國脫歐」公投、美國總統大選、美聯儲加息。這些事件伴隨市場對全球經濟不確定性的憂慮上升，動搖金融市場的穩定性，影響整個金融服務行業。

本港股票市場於年初歷經調整，反映更黯淡的全球經濟前景令全球金融市場波動性上升，以及各大央行對貨幣政策的態度更趨分化。於二零一六年第二、三季度，由於不確定因素消除及海外主要市場造好，本港股市普遍上揚。於二零一六年年底，恒生指數收報22,001點，較二零一五年年底上漲0.4%，惟香港股市的日均交投額大減36.6%至669億港元。深港通成為市場主要驅動力。深港通於二零一六年十二月正式開通，令香港個人投資者能夠直接購買深圳上市股份，而內地投資者亦可以直接購買港股。隨著人民幣兌美元二零一六年年內貶值接近7%，市場對美國加息的預期上升以及對中國經濟下行修正的擔心，包括互惠基金及大保險公司在內的中國投資者已穩步增加境外投資組合，並尤為青睞香港。



Management Discussion and Analysis

管理層討論與分析

Looking at the primary market, although the number of newly listed companies in Hong Kong dropped by 8.7% from 138 in 2015 to 126 in 2016, causing an intensified competition in the corporate finance market, the overall trend of the Hong Kong stock market has signaled a gradual recovery from the market meltdown in mid-2015. The gradual market recovery created an array of opportunities for securities brokerage and margin financing businesses.

China's healthcare and medical sector continued to grow exponentially in 2016. Increasing health consciousness in China especially in the tier-one cities including Beijing, Shanghai and Guangzhou, boosted the demand in healthcare and medical services. The de-regulation of the one-child system and the implementation of two-child policy create growth opportunities in the healthcare services and child care sectors. In August 2016, the Political Bureau of the Communist Party of China Central Committee reviewed and approved the "Healthy China 2030" plan, which focuses on promoting healthy lifestyles, strengthening health services, improving preventative medicine and developing health-related industries.

The Group believes that mother-infant-children care has the greatest growth prospect within the medical and healthcare sector, especially with the introduction of the two-child policy in China. In 2016, the number of newborn babies in China hit a record high since 2000, reaching approximately 17.86 million. Also, there was an increasing demand for quality in-vitro fertilization (IVF) treatment from Mainland China.

As for the property mortgage market, demand was curbed by a series of regulatory measures. Land Registry data revealed that mortgage loan applications for completed and not-yet-completed flats dropped by 13.0% and 38.5%, respectively. This could be attributed to the lingering impact of the tightening measures for property mortgage loans implemented by the Hong Kong Monetary Authority in 2015, which imposed a lower loan-to-value (LTV) ratio and a lower debt-servicing ratio (DSR) on borrowers. In addition, in November 2016, the Hong Kong government raised the property stamp duty for non first-time buyers of residential properties to 15 per cent, the impact of which may be felt well into 2017, due to the lagged effect of regulations on the economy.

一級市場方面，於香港新上市的公司數目由二零一五年的138間減少8.7%至二零一六年的126間，引發企業融資市場的激烈競爭。但香港股市的整體趨勢顯示，市場已從二零一五年年中的低潮逐漸復蘇，為證券經紀及孖展融資業務帶來大量機會。

於二零一六年，中國的健康醫療行業繼續飛速增長。中國居民，尤其是北京、上海及廣州等一線城市的居民，健康意識不斷提高，推升對健康醫療服務的需求。一孩政策放開及二孩政策的實施，為醫療服務及育兒行業帶來增長機會。於二零一六年八月，中共中央政治局審議通過「健康中國2030」規劃綱要，著重提倡健康的生活方式、加強健康服務、改善預防用藥及發展健康相關產業。

本集團認為，在醫療保健行業，母嬰童保健擁有最大的增長潛力，特別是在中國推行二孩政策後。於二零一六年，中國的新生兒數量創下二零零零年以來的新高，達到約1,786萬。此外，中國大陸地區對於高質素試管嬰兒(IVF)治療需求增加。

物業按揭市場方面，需求受一系列監管措施壓制。香港土地註冊處的數據顯示，已完工及未完工公寓的按揭貸款申請分別下降13.0%及38.5%，或由於受香港金融管理局於二零一五年收緊物業按揭貸款的持續影響。根據二零一五年的收緊措施，香港下調按揭申請人的平均貸款成數及供款與入息比率。此外，於二零一六年十一月，香港政府將購買非首套住宅的物業印花稅提高至15%，鑒於監管政策對經濟帶來的滯後效應，其影響可能持續至二零一七年。

BUSINESS REVIEW

2016 was a pivotal year for the Group. It was a year when the Group embraced its new leadership, executed new strategies and adopted a new identity.

During the Year, the Company formed a new management team and strengthened its financial position through the participation of a new strategic investor, which laid the foundation for the acceleration of the Group's transformation. In April, Mr. Tong Tang, Joseph was formally appointed as the Chairman of the Company and became the single largest shareholder of the Company in May. In September, Mr. Ko Po Ming, the former CEO of CMBC International Holdings Limited, and Mr. Chang Tat Joel, the co-founder of AID Partners, joined the Company as the CEO and COO, respectively to lead the Company's transformation into an international financial conglomerate. Moreover, the Company was privileged to have Mr. Hui Wing Mau, the founder of Shimao Group, participate as a strategic investor of the Company in September. Mr. Hui subscribed for new shares of the Company representing approximately 16.7% of the issued share capital of the Company as at that time thereof, for approximately HK\$737 million and became the Company's second largest shareholder.

Under the leadership of the new management team, the Group formulated a clear and differentiated growth strategy to develop its finance (the "Finance") segment and its enterprise (the "Enterprise") segment in parallel and explore the potential synergies within. Upholding the "Enterprise + Finance" strategy, and following the roadmap towards becoming a health and wealth solution partner of our clients, the Group achieved rapid expansion by way of acquisitions through which an integrated financial platform and an all-round mother-infant-children ecosystem are gradually coming to shape as planned.

More recently in February 2017, the Group completed its rights issue exercise raising approximately HK\$2.84 billion with an oversubscription rate of approximately 77.1%, unleashing its capability for accelerating the "Enterprise + Finance" Strategy. The rights issue was firmly supported by the Company's major shareholders and core management team. The successful result not only strengthened the Company's equity base and enhanced its financial strength, but also demonstrated the shareholders' steadfast trust in the Company's new development strategies. After rights issue exercise, the net assets of the Company is approximately HK\$6.39 billion based on the net assets as at 31 December 2016.

業務回顧

二零一六年對本集團而言是至關重要的一年。在這一年，本集團迎來新的領導團隊，開始執行新的戰略，並確立新的形象。

年內，本公司組成新的管理團隊，透過引入新的戰略投資者加強財務狀況，為本集團加速轉型奠定基礎。四月份，唐登先生被正式任命為本公司主席，並於五月成為本公司的最大單一股東。九月份，前民生商銀國際控股有限公司首席執行官高寶明先生以及AID Partners聯席創辦人鄭達祖先生加入本公司，分別擔任行政總裁及營運總監，掌舵本公司向國際金融集團的轉型。此外，本公司榮幸地於九月份引入世茂集團創辦人許榮茂作為本公司的戰略投資者。許先生以大約7.37億港元認購本公司新股，佔本公司當時已發行股本約16.7%，成為本公司的第二大股東。

在新管理團隊的帶領下，本集團已制定明確的差異化增長策略，雙線發展金融（「金融」）業務及產業（「產業」）業務，發揮當中的協同效應。秉持「產業+金融」策略，順着成為我們客戶的健康及財富解決方案合作伙伴的發展路線，本集團以一站式健康醫療及財富管理合作夥伴為定位，通過收購以快速拓展業務，旗下綜合金融平台及全方位母嬰童生態圈的雛形已按計劃構建完成。

於二零一七年二月，本集團完成供股發行，集資約28.4億港元，獲得約77.1%的超額認購，為公司加速執行「產業+金融」策略再添翼。供股得到本公司主要股東及核心管理層團隊的鼎力支持。供股發行取得的成功不僅有助加強本公司的股本基礎及提升其財務實力，同時也彰顯股東對本公司的新發展戰略充滿信心。供股後，本公司之淨資產截至二零一六年十二月三十一日約為63.9億港元。



Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Revenue

The Group's consolidated revenue for the Year was approximately HK\$67 million (2015: HK\$167 million) representing a decrease of approximately 59.9% as compared to last year. The decrease in revenue was mainly due to the net loss from the sale of investments at fair value through profit or loss of approximately HK\$75 million for the Year.

Financial Services Business

Trading of investments

Trading of investments recorded a negative revenue of HK\$42 million (2015: revenue of HK\$150 million). The significant drop in revenue was mainly due to the realised loss of investment in securities.

Provision of financial brokerage and related services

From February 2016, following the completion of the acquisition of GuocoCapital Limited, GuocoCapital Futures Limited and GuocoCapital Bullion Limited (collectively, the "GuocoCapital"), which are companies holding SFC licenses Types No. 1, 2, 4, and 6 for dealings in regulated activities, the Group became engaged in the provision of securities brokerage, commodities brokerage, securities margin financing, corporate finance advisory, bullion trading and private equity services.

In June, the Group further enhanced its financial services platform through the acquisition of an asset management and wealth management company, Enerchine Investment Management Limited which holds SFC licenses Types No. 4 and 9 regulated activities. Through the acquisition, a team of experienced professionals specialized in asset management and wealth management, came on board to spearhead the Group's business in these areas.

The revenue generated from the provision of financial brokerage and related services after the acquisitions till 31 December 2016, was approximately HK\$61 million (2015: HK\$Nil). As at 31 December 2016, allowance for doubtful debts amounted to HK\$98 million (2015: HK\$Nil) was provided for several margin clients due to a significant drop in the market values of these margin clients' stock portfolio which resulted either from the significant drop in their share prices or trading suspension, during the Year. Due to the allowance for doubtful debts and the decrease in the total brokerage income of its existing customers, which impacted the valuation of the business, an impairment loss on goodwill of HK\$68 million was made as at 31 December 2016.

財務回顧

收益

本集團本年度綜合收益約為67,000,000港元(二零一五年：167,000,000港元)，與去年相比減少約59.9%。收益減少乃主要因年內出售按公平值計入損益之投資所得虧損淨額約75,000,000港元所致。

金融服務業務

買賣投資

買賣投資錄得虧損42,000,000港元(二零一五年：錄得收入150,000,000港元)。收入大降主要因證券投資錄得實現虧損。

提供金融經紀及相關服務

完成收購國浩資本有限公司、國浩資本期貨有限公司及國浩資本金業有限公司(統稱「國浩資本」)(三家公司持有證監會頒發的1號、2號、4號及6號金融牌照從事監管活動)後，從二零一六年二月起，本集團開始提供證券經紀、商品經紀、證券孖展融資、企業融資諮詢、金銀交易以及私募股權服務。

本集團於六月收購資產管理及財富管理公司威華投資管理有限公司(持有證監會頒發的4號及9號金融牌照從事監管活動)進一步強化金融服務平台。本公司透過此項收購構建了一支由在資產管理及財富管理領域經驗豐富的專業人士組成的團隊，開拓本集團於該等領域的業務。

於收購完成後至二零一六年十二月三十一日期間，提供金融經紀及相關服務產生的收入約為61,000,000港元(二零一五年：無)。於二零一六年十二月三十一日，由於該等孖展客戶股票組合市值大跌(其可能由年內其股價大跌或短暫停牌導致)，已向數位孖展客戶提供98,000,000港元(二零一五年：無)的呆賬撥備。由於呆賬撥備及本公司現有客戶的經紀收入總額減少影響有關業務的估值，於二零一六年十二月三十一日作出商譽減值虧損68,000,000港元。

Management Discussion and Analysis 管理層討論與分析

In addition, the commencement of operations of the Group's joint-stock subsidiary, Shengang Securities in Shanghai on 18 October 2016 marked the entry of the Group into the China market. Being the first Sino-Hong Kong joint-stock securities company established under the supplemental framework of Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), Shengang Securities provided a channel for the Group's future investment flows both domestically and globally. It also complemented the Group's asset management and wealth management businesses, enabling it to offer mainland investors a wide array of quality financial products from overseas. This investment was classified as available-for-sale financial assets. During the Year, an impairment loss of HK\$51 million (2015: HK\$Nil) was recognized in profit and loss due to the depreciation of Renminbi ("RMB") as at 31 December 2016.

Provision of financing services (mortgage and loans business)

During the third quarter of 2016, the business for Mason Resources Finance Limited (the "MRF"), a wholly-owned subsidiary of the Company which is engaged in leveraged and acquisition finance activities, picked up significantly and its major loan transactions were as follows:

On 27 October 2016, MRF entered into a facility agreement with an independent third party borrower (the "First Borrower"), pursuant to which it agreed to provide a term loan in the amount up to HK\$350 million to the First Borrower (the "First Loan") at an initial interest of 7% per annum on top of the prime rate quoted by HSBC and thereafter at 5% per annum on top of the prime rate quoted by HSBC upon the execution of a deed and a corporate guarantee from its sole ultimate beneficial owner. Besides the deed and corporate guarantee, the facility was also secured by way of a legal charge over certain listed assets of the First Borrower's in favour of the MRF. The facility was for a term of 12 months, subject to extension. The facility was drawn down on 27 October 2016.

On 4 November 2016, MRF entered into a facility agreement with a borrower (an independent third party), pursuant to which it agreed to provide a term loan in the amount up to HK\$280 million to the borrower at a rate of 7% per annum on top of the prime rate quoted by HSBC, for a term of 12 months, subject to extension. The facility was secured by way of legal charge over certain listed assets of the borrower's in favour of MRF. The facility was drawn down on 7 November 2016.

此外，本集團旗下參股的申港證券於二零一六年十月十八日在上海開業，標誌著本集團進軍中國市場。作為內地與香港關於建立更緊密經貿關係的安排(CEPA)框架下成立的第一家中港合資證券公司，申港證券為本集團搭建境內外聯動的投資橋樑，再配合本集團自身的資產管理及財務管理業務，本集團將能通過申港證券為內地投資者提供多元化的優質海外金融產品。是項投資被分類為可供出售財務資產。於本年度，由於人民幣(「人民幣」)貶值，二零一六年十二月三十一日於損益中確認減值虧損51,000,000港元(二零一五年：無)。

提供融資服務(按揭貸款業務)

於二零一六年第三季度，本公司從事杠杆及收購金融活動的全資附屬公司民信資源財務有限公司(「民信資源」)的業務加速增長，其主要貸款交易如下：

於二零一六年十月二十七日，民信資源與一個獨立第三方借款人(「第一借款人」)訂立一份融資協議，據此，其同意向第一借款人提供最高350,000,000港元的定期貸款(「第一項貸款」)，初始年利率為滙豐銀行所報最優惠利率加7厘，待簽立維好契據及獲得單一最終實益擁有人之公司擔保後，則按滙豐銀行最優惠利率加每年5厘計息。除契據及公司擔保外，此項融資將第一借款人的若干上市資產的法定押記作為抵押擔保，受益人為民信資源。此融資為期12個月，可予延長。融資貸款已於二零一六年十月二十七日提取。

於二零一六年十一月四日，民信資源與一個借款人(獨立第三方)訂立一份融資協議，據此，其同意向借款人提供最多280,000,000港元定期貸款，年利率為滙豐銀行所報最優惠利率加7厘，為期12個月，可予延長。此項融資將借款人的若干上市資產的法定押記作為抵押擔保，受益人為民信資源。融資貸款已於二零一六年十一月七日提取。



Management Discussion and Analysis

管理層討論與分析

On 30 December 2016, MRF entered into a facility agreement with another borrower (whose holding company has certain indirect shareholding in the First Borrower), pursuant to which it agreed to provide a term loan in the amount up to US\$8.25 million to the borrower at a rate of 1.5% per month for a term of 2 months. The facility was secured by a personal guarantee provided by the ultimate beneficial owner of the borrower in favour of the MRF. Due to the association with the First Borrower, the provision of the loan was subject to aggregation with the First Loan under the Listing Rules. The facility was drawn down on 30 December 2016.

The total interest income earned from the provision of the loan facilities for the year ended 31 December 2016 was HK\$21 million (2015: HK\$15 million).

Moreover, the acquisition of Hong Kong Mortgage Solutions Limited (the “HKMS”) on 7 October 2016 enabled the Group to participate in the mortgage loan and securitization business in Hong Kong. HKMS is principally engaged in the provision of first legal-charge mortgage loans on residential properties in Hong Kong, targeting customers who will use their properties for owner-occupied purpose. It has become a platform for the future expansion of the Group’s lending and financing businesses. As at 31 December 2016, an investment by HKMS in a mortgage loan portfolio was classified as available-for-sale financial assets.

Mother-infant-children and Healthcare Business

To capitalize on the growing demands for products and services in the mother-infant-children demographic in Greater China and reproductive healthcare services in the local market, the Group built its enterprise segment in the fourth quarter of 2016, focusing primarily on the mother-infant-children and medical sectors. On the back of its extensive network in China and experience in capital markets, the Group actively expanded its investments along the value chain through M&As, thus building an all-round mother-infant-children ecosystem and an overall business position. It also set up a medical and biotech investment platform, which will provide high-end, high quality medical services to clients and medical institutions in the greater China area.

於二零一六年十二月三十日，民信資源與另一借款人(其控股公司持有第一借款人的若干間接權益)訂立一份融資協議，據此，其同意向借款人提供最高8,250,000美元定期貸款，月利率1.5%，期限2個月。該項融資由借款人的最終實益擁有人提供個人擔保，受益人為民信資源。鑒於該借款人與第一借款人的關係，此項貸款的提供須符合上市規則的貸款規定。此項融資已於二零一六年十二月三十日提取。

截至二零一六年十二月三十一日止年度，提供貸款融資帶來的總利息收入為21,000,000港元(二零一五年：15,000,000港元)。

此外，本集團於二零一六年十月七日收購香港按揭金融服務有限公司(「香港按揭」)，以參與香港的按揭貸款及證券化業務。香港按揭主要於香港提供住宅物業的第一法定押記按揭貸款，其目標客戶持有物業是為了自住用途。此項業務已成為本集團未來擴張借貸及融資業務的一個平台。於二零一六年十二月三十一日，香港按揭以按揭貸款投資組合作出的投資被分類為可供出售財務資產。

母嬰童及醫療業務

為把握大中華地區母嬰童人群對產品及服務，以及內地市場對生殖保健服務不斷增長的需求，本集團於二零一六年第四季度建立專注於母嬰童及醫療領域的產業板塊。憑藉其於中國的廣闊網絡及於資本市場的經驗，本集團積極沿產業鏈進行併購以擴大投資併購，建立全方位母嬰童生態圈及綜合性業務佈局。同時，本集團已構建一個醫療及生物科技投資平台，為大中華地區的客戶及醫療機構提供高端、優質的醫療服務。

Management Discussion and Analysis 管理層討論與分析

On 1 November 2016, the Group completed its acquisition of a 55.02% stake in a group of leading private assisted reproductive service providers in Hong Kong focusing on the provision of IVF services (the “IVF Group”). The IVF Group has a team of professional medical specialists and embryologists and is one of Hong Kong’s largest private medical group practices providing infertility treatment, prenatal diagnostics, urology, obstetrics and gynecology services. This investment marked the Group’s entry into Hong Kong’s premium medical services sector and its first move towards building its Enterprise Sector. The revenue generated by the premium medical services group for the year ended 31 December 2016 was HK\$24 million (2015: HK\$ nil).

The Group also decided to make an entry into the downstream end of the mother-infant-children industry chain by acquiring a 55% stake in Aiyingdao Zhuhai Business Chain Limited (“Aiyingdao”), a regional mother-and-baby retail chain in China for a investment of RMB409 million and a loan of RMB141 million on 31 December 2016. Aiyingdao is a leading mother-and-baby product franchisor in Southern China with a current regional network of over 1,000 corporate and franchise retail stores and over 7 million members. No revenue has yet been generated from this business for the year ended 31 December 2016 since it was acquired on the last day of the financial year.

Furthermore, after year end, the Group also acquired a group of companies which are engaged in the provision of molecular diagnostic services. The group is a global leader in flow-through hybridization technology, offering a range of products, solutions and services related to RND and DNA analysis.

With the complementary ecosystem in this sector, the Company believes that the reproductive healthcare business, the retail business and the genetic testing business (which was acquired after year-end), will create immense synergies.

Liquidity and Capital Resources

As at 31 December 2016, the Group had no secured bank loans (2015: approximately HK\$296 million carrying interest rates of 1.5% to 3.25% above the bank’s cost of funds for relevant currency per annum and containing a repayment on demand clause, which is repayable within one year according to the repayment schedule of the loan facility and denominated in Hong Kong dollars and US dollars).

於二零一六年十一月一日，本集團完成收購提供試管嬰兒服務的香港領先的私人輔助生殖服務供應商（「IVF集團」）55.02%權益。IVF集團擁有由醫療專家及胚胎學家組成的一支專業隊伍，是香港提供不孕不育治療、產前診斷、泌尿、產科、婦科醫療服務的最大私人醫療機構之一。是項投資標誌著本集團進入香港的高端醫療服務行業，亦是本集團成立「產業」板塊的第一步。截至二零一六年十二月三十一日止年度，高端醫療服務集團產生的收入為24,000,000港元（二零一五年：零港元）。

本集團亦決定進軍母嬰童產業鏈的下游，於二零一六年十二月三十一日以投資額人民幣4.09億元及貸款人民幣1.41億元收購中國區域性母嬰連鎖店珠海愛嬰島商貿連鎖有限公司（「愛嬰島」）55%股權。愛嬰島是華南地區領先的母嬰及兒童產品業務特許運營商，當前區域網絡涵蓋逾1,000間企業及特許經營零售店，會員逾700萬個。由於是在本財政年度的最後一天收購，該項業務於截至二零一六年十二月三十一日止年度沒有產生收入。

此外，年末後，本集團亦收購一間從事提供分子診斷服務的集團。該集團為導流雜交技術的全球領軍企業，並提供與RND及DNA分析有關的各種產品、解決方案及服務。

鑑於該板塊內的互補性生態圈，本公司認為生殖醫療業務、零售業務及基因檢測業務（於年末後收購）之間將產生巨大的協同效應。

流動資金及資本資源

於二零一六年十二月三十一日，本集團概無抵押銀行貸款（二零一五年：約296,000,000港元，每年按銀行相關貨幣資金利率另加1.5厘至3.25厘，並附有按要求償還的條款，即按照貸款融資還款時間表，還款期在一年以內並以港元及美元計值）。



Management Discussion and Analysis

管理層討論與分析

As most of the Group's transactions and bank balances were denominated in Hong Kong dollars, RMB and US dollars, the Group has continued to closely track and manage its exposure to fluctuations in these foreign exchange rates to minimise the foreign exchange risks. The Group did not have any financial instruments used for hedging purpose during the year.

During the Year, the Company issued two fixed coupon notes with principal amounts of HK\$100 million and HK\$200 million to two third-party investors, respectively. Both notes carried interest of 8% per annum which were paid with the principals on the maturity date in February 2017.

At the end of the Year, there were two outstanding unsecured bonds with principal amount of HK\$10 million each which were issued in 2014 to two third-party investors. The bonds are interest-bearing at 5% per annum payable annually in arrears and repayable in 2021. During the Year, the Company issued 3,072,880,000 new shares at a subscription price of HK\$0.24 per new share raising equity capital in the sum of HK\$737 million.

As at 31 December 2016, the Group's total equity amounted to approximately HK\$3,553 million (including non-controlling interests of approximately HK\$297 million), a decrease of 12.4% as compared with approximately HK\$4,055 million as at 31 December 2015. The Group had net current assets of approximately HK\$1,773 million including bank balances and cash of approximately HK\$674 million as compared to approximately HK\$3,210 million including bank balances and cash of approximately HK\$445 million as at 31 December 2015. As at 31 December 2016, the Group had no bank loan outstanding (31 December 2015: approximately HK\$296 million). As at 31 December 2016, the Group therefore maintained a nil gearing ratio (2015: nil) as computed on the basis of net borrowings to total equity and with a current ratio of 2 times (2015: 11 times).

由於本集團多數之交易及銀行結餘以港元、人民幣及美元計值，本集團一直密切跟蹤及管理其面臨的該等外匯匯率波動的風險以將外匯風險降至最低。本集團於本年度並無持有任何用作對沖之金融工具。

於本年度，本公司已分別向兩名第三方投資者發行本金額為100,000,000港元及200,000,000港元的定息票據，票據按年利率8厘計息，在到期日(即二零一七年二月)與本金一併支付。

於年度末，本公司尚有兩項向兩名第三方投資者於二零一四年發行的本金額為10,000,000港元之未贖回無抵押債券。該債券按年利率5厘計息，須在每週年期末支付，並須於二零二一年償還。於本年度，本公司按每股新股認購價0.24港元發行3,072,880,000股新股，以籌集合共737,000,000港元之股本。

於二零一六年十二月三十一日，本集團之總權益約為3,553,000,000港元(包括非控股權益約297,000,000港元)，較二零一五年十二月三十一日約4,055,000,000港元減少12.4%。本集團之淨流動資產約為1,773,000,000港元(包括銀行結餘及現金約674,000,000港元)，而於二零一五年十二月三十一日約為3,210,000,000港元(包括銀行結餘及現金約445,000,000港元)。於二零一六年十二月三十一日，本集團概無未償還的銀行貸款(二零一五年十二月三十一日：約296,000,000港元)。於二零一六年十二月三十一日，按借貸淨額與總權益之比率計算，本集團維持零資產負債比率(二零一五年：零)，而流動比率則為2倍(二零一五年：11倍)。

PLEDGE OF ASSETS

As at 31 December 2016, bank deposits of RMB20 million (equivalent to HK\$23 million) were pledged to a bank for bills payables (2015: financial assets at fair value through profit or loss and bank balances of approximately HK\$2,898 million were pledged to certain financial institutions and securities brokers to secure certain margin facilities and loan facilities amounted to approximately HK\$329 million and HK\$500 million respectively granted to the Group of which approximately HK\$296 million was utilised at the end of the Year).

CAPITAL EXPENDITURE COMMITMENTS

As at 31 December 2016, the Group had capital expenditure commitments contracted but not provided for of approximately HK\$148 million (2015: HK\$ nil).

MATERIAL ACQUISITIONS AND DISPOSALS

On 21 September 2015, the Group entered into an agreement with a group of co-Promoters (consisting of 13 investors) to form a joint-stock company in Shanghai (namely, Shengang Securities Company Limited), which will be principally engaged in securities related business in the People's Republic of China ("PRC"). The Group's shareholding interest in Shengang Securities Company Limited was 15% and it paid a capital contribution of RMB525 million. On 10 October 2016, the China Securities Regulatory Commission ("CSRC") formally granted a license to the joint-stock company and it officially commenced business in (Shanghai) Pilot Free Trade Zone in China. The license granted by the CSRC allows Shengang Securities Company Limited to engage in securities broking, securities underwriting and sponsoring, securities trading and securities asset management related businesses in the PRC.

On 25 November 2015, the Group entered into an agreement to acquire the entire issued share capital of GuocoCapital Limited, GuocoCapital Futures Limited and GuocoCapital Bullion Limited (which were subsequently renamed as Mason Securities Limited, Mason Futures Limited and Mason Bullion Limited, respectively), which are companies engaged in the provision of securities brokerage, commodities brokerage, margin financing, corporate finance advisory and other regulated activities in Hong Kong under the Securities and Futures Ordinance (Cap. 571 of laws of Hong Kong) ("SFO"), for a consideration of approximately HK\$415 million. The acquisition was completed on 16 February 2016.

資產抵押

於二零一六年十二月三十一日，人民幣20,000,000元(相當於23,000,000港元)之銀行存款已為應付票據抵押予銀行(二零一五年：按公平值計入損益之財務資產及銀行結餘約2,898,000,000港元已抵押予若干金融機構及證券經紀行，作為本集團所獲若干孖展融資及貸款融資分別約329,000,000港元及500,000,000港元之擔保，於年末已動用其中約296,000,000港元)。

資本開支承擔

於二零一六年十二月三十一日，本集團已訂約但未撥備之資本開支承擔為148,000,000港元(二零一五年：零港元)。

重大收購及出售

於二零一五年九月二十一日，本集團與共同發起人(包括13名投資人)訂立協議，擬於上海成立股份有限公司(即申港證券股份有限公司)，該公司主要於中華人民共和國(「中國」)從事證券相關業務。本集團持有申港證券股份有限公司15%的股權，注資人民幣525,000,000元。於二零一六年十月十日，中國證券監督管理委員會(「中國證監會」)正式授予該股份有限公司牌照及正式於中國(上海)自由貿易區開展業務。中國證監會授予之牌照批准申港證券股份有限公司於中國境內從事證券經紀、證券包銷、保薦、證券交易及證券資產管理相關業務。

於二零一五年十一月二十五日，本集團訂立協議以約415,000,000港元代價收購國浩資本有限公司、國浩資本期貨有限公司及國浩資本金業有限公司(該等公司隨後分別更名為民信證券有限公司、民信期貨有限公司及民信金業有限公司)的全部已發行股本，該等公司曾於香港從事根據證券及期貨條例(香港法例第571章)(「證券及期貨條例」)提供證券經紀、商品經紀、孖展融資、企業融資顧問及其他受監管活動。收購已於二零一六年二月十六日完成。



Management Discussion and Analysis

管理層討論與分析

On 15 February 2016, the Group completed the acquisition of Thomas Securities Company Limited, a company engaged in securities dealing. Following the acquisition, the Group provides securities and commodities dealing, securities advising and corporate finance services in Hong Kong under the SFO.

On 30 March 2016, the Group entered into a sale and purchase agreement for the disposal of its subsidiaries, Mind Stone Investments Ltd and Co-Lead Holdings Limited, for a total consideration of HK\$1,200 million. The disposals were approved by the Company's shareholders at a general meeting held on 11 July 2016 and completion of the disposals took place on 25 July 2016. Following the completion of the disposals, Mind Stone Investments Ltd and Co-Lead Holdings Limited ceased to be subsidiaries of the Group.

On 30 September 2016, the Group entered into several agreements to acquire 55.02% equity interest in a group of leading private assisted reproductive service providers in Hong Kong focusing on the provision of IVF services, for a total cash consideration of approximately HK\$283 million. Following completion of the acquisition on 1 November 2016, the IVF Group owned 100% equity interest in Reproductive HealthCare Limited, 100% equity interest in Victory "Art" Laboratory Limited and 60% equity interest in Leader Enterprise Limited.

On 6 October 2016, the Group entered into certain agreements for the acquisition of an interest in Hong Kong Mortgage Solutions Limited ("HKMS"), a company which is engaged in the origination of mortgage loans and securitization business in Hong Kong. Completion took place on 7 October 2016 and the Group became interested in 47% of the issued share capital of HKMS and an aggregate of 51% of the voting rights of HKMS through an arrangement with one of the other shareholders of HKMS. The Group has paid HK\$26.6 million and intends to invest an additional HK\$48.4 million into HKMS.

On 4 November 2016, the Group entered into an agreement for the disposal of its remaining 55% equity interest in Willie Link Limited for a cash consideration of HK\$200 million to Best Mate Limited. Willie Link Limited was principally engaged in investment holding of approximately 20% equity interest in Freewill Holdings Limited and its subsidiaries, (collectively, the "Freewill Group"). Freewill Group holds certain equity interests in the natural resources sector in the PRC. The disposal was completed on 28 December 2016. This disposal, when aggregated with the disposal completed on 30 March 2016 by Willie Resources Incorporated in respect of its 45 ordinary shares in the capital of Willie Link Limited to Apex Corporate Investments Limited, resulted in Willie Link Limited ceasing to be a subsidiary of the Company.

於二零一六年二月十五日，本集團已完成收購康州證券有限公司(其從事證券交易)。其後，本集團根據證券及期貨條例於香港提供證券及商品交易、證券諮詢及企業融資服務。

於二零一六年三月三十日，本集團訂立買賣協議以總代價1,200,000,000港元出售其附屬公司Mind Stone Investments Ltd及Co-Lead Holdings Limited。此次出售經由列席本公司於二零一六年七月十一日舉行的股東大會的股東批准並於二零一六年七月二十五日完成此次出售。出售完成後，Mind Stone Investments Ltd及Co-Lead Holdings Limited不再為本集團附屬公司。

於二零一六年九月三十日，本集團訂立若干協議以總代價約283,000,000港元收購於香港專注提供IVF服務的領先私人輔助生殖服務提供商55.02%股權。於二零一六年十一月一日收購完成後，IVF集團擁有Reproductive HealthCare Limited之100%股權、勝利輔助生育有限公司之100%股權及領勝企業有限公司之60%股權。

於二零一六年十月六日，本集團訂立若干協議以收購香港按揭金融服務有限公司(「香港按揭」)(一間於香港從事發放按揭貸款及證券業務之公司)的一項權益。收購乃於二零一六年十月七日完成，且本集團通過與香港按揭其中一名其他股東的安排而擁有香港按揭之47%的已發行股本權益及合共51%投票權。本集團已支付26,600,000港元且擬向香港按揭新增投資48,400,000港元。

於二零一六年十一月四日，本集團訂立協議以200,000,000港元現金代價向Best Mate Limited出售其於Willie Link Limited剩餘的55%股權。Willie Link Limited主要從事於Freewill Holdings Limited及其附屬公司(統稱「Freewill集團」)約為20%股權之投資控股。Freewill集團於中國境內自然資源行業持有若干股權。此次出售已於二零一六年十二月二十八日完成。Willie Resources Incorporated於二零一六年三月三十日完成向Apex Corporate Investments Limited合併出售Willie Link Limited的45股普通股後，此出售導致Willie Link Limited不再為本公司之附屬公司。

Management Discussion and Analysis 管理層討論與分析

On 30 December 2016, the Group entered into an investment agreement with Golden Metro Investments Limited, Cosmicfield Investments Limited, Shining Time Holdings Limited and the members of the management team (which comprised Mr. Yip Shing Fung, Mr. Ye Fadian, Mr. Ye Fachao, Mr. Lin Han and Ms. Gao Qin), pursuant to which the Group shall make an investment in the amount of RMB409 million and loan of RMB141 million (aggregate equivalent to approximately HK\$616 million). After a restructuring and upon completion of the investment on 31 December 2016, the Group indirectly holds 55% equity interest in Shining Time Holdings Limited, which in turn indirectly wholly owns 珠海市愛嬰島商貿連鎖有限公司 (“**Aiyingdao Zhuhai Business Chain Limited**”), which is the franchisor of a leading mother-infant-children products business in Southern China with a regional network of over 800 corporate and franchise retail stores operating under the “愛嬰島” brand name, mainly in Guangdong, Jiangsu and Zhejiang provinces.

On 30 December 2016, the Group entered into share purchase agreements to acquire Victoria Fortress Investments Limited and Ruby Success Limited, for a total cash consideration of approximately HK\$214 million. Upon completion of the acquisition, the Group holds approximately 48.3% equity interest in DiagCor Technology Limited (and approximately 42.9% equity interest upon completion of the restructuring of the issued share capital of DiagCor Technology Limited). DiagCor Technology Limited holds subsidiaries which are engaged in the laboratory testing related business. DiagCor is a global leader in flow-through hybridization technology, offering a range of products, solutions and services related to RND and DNA analysis. The acquisition of DiagCor Technology Limited and its subsidiaries will represent the Group’s foray into the advanced molecular diagnostic services sector to serve the growing “mother-infant-children” clientele in China. The acquisition was not completed at the date of this report.

USE OF PROCEEDS GENERATED FROM THE DISPOSALS OF SUBSIDIARIES AND SUBSCRIPTION

The net proceeds from the Company’s disposals of its subsidiaries in June and November 2016 and the subscription of new shares under its general mandate in October 2016, after deduction of related expenses, amounted to approximately HK\$1,199 million, HK\$200 million and approximately HK\$727 million, respectively.

於二零一六年十二月三十日，本集團與 Golden Metro Investments Limited、Cosmicfield Investments Limited、亮時控股有限公司及管理層團隊成員（即葉丞峰先生、葉發端先生、葉發朝先生、林漢先生及高勤女士）訂立投資協議，據此，本集團將作出金額為人民幣409,000,000元之投資及人民幣141,000,000元之貸款（合共相等於約616,000,000港元）。於二零一六年十二月三十一日重組及投資完成後，本集團將間接持有亮時控股有限公司之55%股權，亮時控股有限公司將間接全資擁有珠海市愛嬰島商貿連鎖有限公司，其為華南地區領先的母嬰及兒童產品業務特許運營商，其區域性網絡由逾800多間以「愛嬰島」品牌經營的直營及特許經營零售店組成，主要位於廣東省、江蘇省及浙江省。

於二零一六年十二月三十日，本集團與 Victoria Fortress Investments Limited 及 Ruby Success Limited 訂立購股協議，總現金代價為約214,000,000港元。收購完成後，本集團持有 DiagCor Technology Limited 約48.3%股權（為其完成重組後已發行股本約42.9%的股權）。DiagCor Technology Limited 擁有從事實驗室檢測相關業務的附屬公司。DiagCor 為導流雜交技術全球領軍企業，並提供與 RND 及 DNA 分析有關的各種產品、解決方案及服務。收購 DiagCor Technology Limited 及其附屬公司將幫助本集團進軍先進分子診斷服務行業以服務中國不斷增長的「母嬰童」客戶。此次收購於本報告日期尚未完成。

出售附屬公司及認購所得款項用途

經扣除相關開支後，本公司於二零一六年六月及十一月出售其附屬公司及於二零一六年十月根據一般授權認購新股的所得款項淨額分別約為1,199,000,000港元、200,000,000港元及約727,000,000港元。



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管理層討論與分析

As stated in the circular of the Company dated 23 June 2016, the net proceeds after deducting expenses relating to the disposal of Mind Stone Investments Ltd. and Co-Lead Holdings Limited, amounted to approximately HK\$1,199 million, which had been applied to the general working capital of the Group and/or to finance the Group's investments in the financial services industry, in the following manner:

誠如本公司日期為二零一六年六月二十三日之通函所述，所得款項淨額(扣除出售Mind Stone Investments Ltd.及Co-Lead Holdings Limited的相關開支後)達約1,199,000,000港元，已用作本集團一般營運資金及／或撥付本集團金融服務行業之投資，具體如下：

	Planned use of proceeds as stated in the circular to 31 December 2016 通函所述 截至二零一六年 十二月三十一日 所得款項計劃用途 (HK\$ million) (百萬港元)	Actual use of proceeds from disposal to 31 December 2016 截至二零一六年 十二月三十一日 出售所得款項 實際用途 (HK\$ million) (百萬港元)
(a) financing the Group's investment in Shengang Securities Company Limited 撥付本集團於申港證券有限公司之投資	630	630
(b) financing the additional working capital for the operations of Mason Securities, Mason Futures and Mason Bullion 撥付民信證券、民信期貨及民信金業營運活動的額外營運資金	300	300
(c) general working capital and may be reallocated to finance future acquisition of new business (Note 1) 一般營運資金及可重新分配用於撥付未來新業務收購(附註1)	269	269

Note 1: HK\$190 million was used to provide loan facilities to the Group's clients and HK\$37 million was loaned to margin clients through its indirect wholly-owned subsidiary, Mason Securities Limited. The remaining proceeds of HK\$42 million was used for general working capital.

附註1：190,000,000港元用於向本集團客戶提供貸款融資，37,000,000港元透過其間接全資附屬公司民信證券有限公司借予孖展客戶。餘下所得款項42,000,000港元用作一般營運資金。

As stated in the announcement of the Company dated 22 September 2016, the Company issued a total of 3,072,880,000 new ordinary shares at a subscription price of HK\$0.24 per new share to Future Achiever Limited (the "Subscription"). The reason for the Subscription was to expand the Company's capital base and funding sources in order to implement the Group's growth strategy. Future Achiever Limited is indirectly wholly-owned and controlled by Mr. Hui Wing Mau, who is the chairman and executive director of Shimao Property Holdings Limited ("Shimao", together with its subsidiaries (the "Shimao Group")), and holds approximately 66.98% equity interest in Shimao. Shimao Group is a leading group engaging in property development, property investment and hotel operation in the the PRC. The subscription price of HK\$0.24 per new share represented (i) a discount of 15.8% to the

誠如本公司日期為二零一六年九月二十二日之公告所述，本公司以認購價每股新股0.24港元向Future Achiever Limited發行合共3,072,880,000股新普通股(「認購」)。此次認購為擴大大公司資本基礎及融資渠道以執行本集團增長戰略。Future Achiever Limited由許榮茂先生間接全資擁有並控制，許榮茂先生為世茂房地產控股有限公司(「世茂」)，連同其附屬公司統稱「世茂集團」)主席兼執行董事，其持有世茂約66.98%的股本權益。世茂集團為中國境內從事房地產開發、房地產投資及酒店運營的領軍集團。每股新股0.24港元的認購價較

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closing price of HK\$0.285 per share as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 22 September 2016 being the date of the subscription agreement entered into between the Company and Future Achiever Limited (the “**Subscription Agreement**”); and (ii) a discount of approximately 14.3% to the average of the closing prices of HK\$0.280 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement. The completion of the Subscription took place on 5 October 2016. The gross proceeds of the Subscription amounted to HK\$737 million and the net proceeds were approximately HK\$727 million after deducting the relevant expenses incurred in relation to the Subscription or approximately HK\$0.2359 per new share, which had been applied as follows:

(i) 股份於二零一六年九月二十二日(即本公司與Future Achiever Limited所訂立認購協議(「認購協議」)之日期)在香港聯合交易所有限公司(「聯交所」)所報收市價每股0.285港元折讓15.8%；及(ii)股份緊接認購協議日期前最後五個連續交易日在聯交所所報平均收市價每股0.280港元折讓約14.3%。認購已於二零一六年十月五日完成。認購所得款項總額為737,000,000港元及所得款項淨額(經扣除認購相關開支後)約為727,000,000港元或每股新股約為0.2359港元，用途如下：

	Planned use of proceeds as stated in the announcement to 31 December 2016 公告所述 截至二零一六年 十二月三十一日 所得款項計劃用途 (HK\$ million) (百萬元)	Actual use of proceeds from Subscription to 31 December 2016 截至二零一六年 十二月三十一日 認購所得款項 實際用途 (HK\$ million) (百萬元)
(a) to support the further development of the Group’s money lending business and securities business and to fund the investment in a company which is principally engaged in provision of property mortgage services in Hong Kong market 用於支持本集團放債業務及證券業務進一步發展以及注資一間主要於香港市場從事提供房地產按揭服務公司的投資	165-215	167
(b) direct investment in the financial services industry and/or the healthcare/medical services sector (Note 2) 直接投資於金融服務行業及／或保健／醫療服務行業(附註2)	300-350	283
(c) to finance the further development of the fund investment and management business and asset management business of the Group (Note 3) 為本集團基金投資與管理業務及資產管理業務進一步發展撥資(附註3)	210	11

Note 2: The Group applied HK\$140 million to its indirect wholly-owned subsidiary, Mason Securities Limited to support the development of the Group’s money lending business and securities business. The Group also applied HK\$38 million for its investment in its indirect non wholly-owned subsidiary, which as disclosed in the announcement of the Company dated 7 October 2016 was established to conduct the lending and financing services business of the Group (of which the Company is indirectly interested in 70% of its issued share capital and paid HK\$26.6 million).

附註2：本集團注資140,000,000港元予其間接全資附屬公司民信證券有限公司，以支持本集團放債業務及證券業務發展。本集團亦投資38,000,000港元用於其間接非全資附屬公司的投資，誠如本公司日期為二零一六年十月七日之公告所披露，該附屬公司乃為開展本集團放債及融資服務業務，本公司間接持有該附屬公司已發行股本70%權益並已注資26,600,000港元。



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Note 3: The Group entered into a subscription agreement to subscribe for an investment in the Agate Healthcare Fund of HK\$156 million and applied HK\$11 million towards the fund on 31 December 2016. The Group entered into a subscription agreement with J6 Children's Fund in February 2017 with subscription amount of HK\$57 million, which was HK\$5 million less than the original intended use of proceeds of an amount of HK\$62 million as disclosed in the Company's circular and prospectus dated 13 December 2016 and 13 January 2017 respectively.

As stated in the announcement of the Company dated 4 November 2016, after deducting related expenses, the net proceeds from the disposal of Willie Resources Incorporated amounted to approximately HK\$200 million, which had been fully allocated to finance the Group's investments in the money lending business to provide the loan facilities to its clients.

PROSPECTS

Despite the uncertainties in the financial market, the Company expect Hong Kong's role as a "super-connector" between China and the world will be further strengthened. With the increasing two-way openness of mainland's financial industry and internationalization of the RMB, Hong Kong will become a major overseas center for mainland people to allocate their wealth through channels such as the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect, thereby bringing flourishing opportunities to the financial industry.

In the meantime, China's healthcare and medical sector is expected to grow substantially, driven by a few factors, including increase in average medical expenditure, aging population, rise in consciousness of environmental conditions and the implementation of the two child policy. In 2015, this sector accounted for 6% of China's GDP, and the percentage is expected to grow to 10% by 2025. According to Chinese government statistics, newborns in China are expected to increase by 1-2 million per year, signaling an upcoming surge in demand for mother-infant-children healthcare related services and products.

Realizing our vision to become a trusted health and wealth solution partner to the Group's valuable clientele while adhering to our "Enterprise + Finance" growth strategy, the Company will continue to explore and strengthen synergistic relationships amongst the listed platform, the financial services sector, and the enterprise sector. On the strength of its sizable capital base, as well as extensive capital market and investment management experience, the Group plans to execute an aggressive M&A strategy in both Financial and Enterprise Segment in order to achieve fast and strong growth.

附註3：本集團訂立認購協議以認購Agate Healthcare Fund的投資156,000,000港元，並於二零一六年十二月三十一日向該基金投入11,000,000港元。本集團於二零一七年二月與J6 Children's Fund訂立認購協議，認購金額為57,000,000港元，較本公司日期分別為二零一六年十二月十三日及二零一七年一月十三日之通函及招股章程所披露原先擬定動用所得款項62,000,000港元少5,000,000港元。

誠如本公司日期為二零一六年十一月四日之公告所述，經扣除相關開支後，出售Willie Resources Incorporated所得款項淨額約為200,000,000港元並已全部用於投資本集團放債業務，向本集團客戶提供貸款融資。

前景

雖然金融市場存在不確定因素，但本公司預計，香港作為中國與世界的「超級聯絡人」的地位會進一步增強。隨著內地金融業不斷推進雙向開放及人民幣國際化，香港將成為內地人通過滬港通及深港通等渠道分配財富的主要海外中心，從而為金融業帶來蓬勃發展的機會。

同時，受平均醫療支出上升、人口老化、環境意識增強及實施二孩政策等多個因素影響，預期中國的健康醫療行業將飛速增長。於二零一五年，該行業佔中國GDP 6%，預計到二零二五年將上升至10%。根據中國政府的統計數字，預計中國每年將增加一、二百萬個新生兒，預示著母嬰童醫療相關服務及產品的需求將猛增。

為實踐我們能成為客戶一站式健康醫療及財富管理合作夥伴的願景，同時秉持「產業+金融」增長戰略，本公司將繼續探索和強化上市平台、金融服務業務及產業業務之間的協同關係。利用其龐大的資本基礎優勢，以及豐富的資本市場及投資管理經驗，本集團計劃在金融及產業板塊均執行積極的併購，實現突飛猛進的增長。

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For the Finance sector, the Company plans to establish a financial platform with world-wide asset allocation capabilities through acquiring corporations and forming business ventures in the US, Europe, and Asia, to bridge the gap between the Chinese and the global financial markets in the long term. In pursuance of its growth strategy, the Company will continue to expand its existing financial services business, including securities brokerage, securities margin financing, leverage and acquisition financing and money lending, and also plans to further develop its business into the provision of asset and wealth management to compliment the securities and fund management business, and direct investment business.

In addition, the Group is currently in discussions with other financial institutions to source a wide range of mutual funds and other investment products for its clients. Moreover, the Group plans to set up different forms of private equity funds for its clients. The private equity funds will initially focus on the theme of investing in asset-backed fixed income products and target high net worth individuals and companies that qualify as professional investors under the SFO.

For its Enterprise sector, the Company will focus on the provision of services and products in connection to the mother-infant-children demographic, in particular, the higher-end of the segment in the greater China area. The segment is expected to benefit from the fast-growing in vitro fertilization (IVF), noninvasive prenatal testing (NIPT), Cancer Screening, Precision Medicine and IVD service sectors in China. The Company will actively expand the business along the value chain of medical services and the mother-infant-children industry, so as to capitalize on the enormous potential within the industry in Greater China and to equip Mason Financial to become the “Top Pick in mother-infant-children industry”.

In addition, through its dual-expansion strategy, the Company will be able to create synergies between these two sectors through its extensive network of financial institutions and quality high net worth client base in China. It has identified several synergistic business opportunities among medical and healthcare companies on the platform. The Company intends to bring tailored products and services to the mother-infant-children industry chain and demographics and to establish industry-specific private equity, in order to build a synergistic mechanism where the financial and medical sector can complement and empower each other. The mechanism will promote cooperation among investees and provide funding for further acquisitions and expansion.

對於金融板塊，本公司計劃透過在美國、歐洲及亞洲等地收購企業及合營公司，建立一個具全球資產配置能力的環球金控平台，讓中國的資金及資產與世界接軌。為達成其增長策略，本公司將繼續擴大現有的金融服務業務，包括證券經紀、證券孖展融資、杠杆及收購融資及放貸業務，同時計劃進一步將業務拓展至提供資產及財富管理服務（以彌補證券及基金管理業務）及直接投資業務。

此外，本集團目前正與其他金融機構商討為客戶購買廣泛的互惠基金及其他投資產品。再者，本集團計劃為其客戶成立不同形式的私募股權基金。在初期，私募股權基金將專注於投資資產支持固定收益產品，目標客戶是根據證券及期貨條例作為專業投資者的高淨值個人及公司。

對於產業板塊，本公司將致力於為大中華地區母嬰童人群，尤其是高端群體，提供服務和產品。預計此項業務將受益於中國試管嬰兒(IVF)、無創性產前篩查試驗(NIPT)、癌症篩查、精準醫學及體外診斷服務領域的快速增長。本公司將積極沿產業鏈上下游拓展醫療服務及母嬰童領域業務，挖掘大中華區市場的無限潛力，讓民信金控成為「母嬰童的首選」。

此外，透過雙輪驅動策略，本公司將得以憑藉在中國廣闊的金融機構網絡及優質的高淨值客戶基礎，實現兩個板塊之間的協同效應。本公司已在該平台的醫療保健公司中發現多個發揮協同效應的機會。本公司擬為母嬰童產業鏈及母嬰童人群提供定制產品及服務，建立專注於投資母嬰童私募基金，從而形成一個協同機制，讓金融及醫療業務能夠實現並駕齊驅、相輔相成的發展。該機制將促進本集團所投資業務間的合作，為進一步的收購及擴張提供資金來源。



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On the strength of its abundant capital, differentiated development strategy, experienced management with global insight and outstanding servicing team, the Group is confident of its future prospects and is committed to building itself into a leading global financial conglomerate with a global asset allocation capability.

EMPLOYEES

As at 31 December 2016, the Group employed 106 (2015: 14) employees excluding directors. The Group endeavors to maintain its employees' remuneration in line with the market trend and to remain competitive. Employees' remuneration is determined in accordance with the Group's remuneration and bonus policies based on their performance. The Group also provides comprehensive benefit packages and career development opportunities for its employees, including retirement benefits, medical benefits and internal and external training programmes, tailored in accordance with individual needs.

憑藉充裕的資本實力、差異化的發展策略、經驗豐富且洞悉全球市場的管理層以及出色服務團隊，本集團對未來前景充滿信心，致力於打造自身成為首屈一指的具全球資產配置能力的綜合性跨國金融集團。

僱員

於二零一六年十二月三十一日，本集團聘用106名(二零一五年：14名)僱員，不包括董事。本集團致力為僱員提供與市場水平相符且具競爭力的薪酬。僱員薪酬乃參照本集團的薪酬及花紅政策並根據彼等的表現釐定。本集團亦為僱員提供全面的福利待遇及職業發展機會，包括根據僱員個別需要而安排的退休福利、醫療福利以及內部及外界培訓計劃。

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SIGNIFICANT INVESTMENTS

重大投資

List of stocks in terms of market value as at 31 December 2016

二零一六年十二月三十一日就市值比重的股票

Name of stock listed on The Stock Exchange of Hong Kong	Stock Code	Brief description of the business	Number of shares held as at 31 December 2016	Proportion of shares held as at 31 December 2016	Investment cost as at 31 December 2016	Market value as at 31 December 2016	Percentage to total assets value of the Group as at 31 December 2016
於聯交所上市 之股份名稱	股份代號	業務簡介	於二零一六年 十二月三十一日 所持股份數目	於二零一六年 十二月三十一日 所持股份比例	於二零一六年 十二月三十一日 之投資成本 HK\$ 港元	於二零一六年 十二月三十一日 之市值 HK\$ 港元	於二零一六年 十二月三十一日 佔本集團資產 總值之百分比
Kong Sun Holdings Limited	295	Investment in and operation of photovoltaic power plants, properties investment, manufacturing and sale of life-like plants.	101,880,213	0.68%	122,684,153	34,639,272	0.69%
江山控股有限公司		光伏電站營運投資、房地產投資、製造及銷售仿真植物。					
Hengtou Securities Co., Limited – H Shares	1476	Provision of financial products & services to corporations, financial institutions, government entities & individuals, through brokerage & wealth management, investment management, proprietary trading & investment banking business.	40,376,000	8.96%	161,996,112	181,692,000	3.60%
恒投證券有限公司—H股		透過經紀及財富管理、投資管理、房地產交易及投資銀行業務向企業、金融機構、政府實體及個人提供金融產品及服務。					
China Huarong Asset Management Co., Limited	2799	Provide financial asset management in China, include distressed asset management, financial services and asset management and investment.	2,523,000	0.01%	7,874,631	7,039,170	0.14%
中國華融資產管理股份有限公司		於中國提供財務資產管理(包括不良資產管理)、金融服務以及資產管理及投資。					
Harbin Bank Co., Limited – H Shares	6138	Provision of deposit services, loan services and payment and settlement services, as well as other approved business.	120,403,000	3.98%	385,567,831	275,722,870	5.47%
哈爾濱銀行股份有限公司—H股		提供存款服務、貸款服務及付款及結算服務，以及其他經批准的業務。					

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List of stocks in terms of market value as at 31 December 2015 二零一五年十二月三十一日就市值比重的股票

Name of stock listed on The Stock Exchange of Hong Kong	Stock Code	Brief description of the business	Number of shares held as at 31 December 2015	Proportion of shares held as at 31 December 2015	Investment cost as at 31 December 2015	Market value as at 31 December 2015	Percentage to total assets value of the Group as at 31 December 2015
於聯交所上市之股份名稱	股份代號	業務簡介	於二零一五年 十二月三十一日 所持股份數目	於二零一五年 十二月三十一日 所持股份比例	於二零一五年 十二月三十一日 之投資成本 HK\$ 港元	於二零一五年 十二月三十一日 之市值 HK\$ 港元	於二零一五年 十二月三十一日 佔本集團資產 總值之百分比
HengTen Networks Group Limited	136	Investment and trading of securities, provision of finance, property investment and manufacturing and sales of accessories for photographic products.	1,326,384,000	1.80%	1,220,931,889	769,302,720	17.44%
恒騰網絡集團有限公司		投資及買賣證券、提供融資、物業投資、製造及銷售攝影產品配件。					
G-Resources Group Limited	1051	Exploration and mining, sale of gold and silver products.	955,407,521	3.60%	143,885,329	175,794,984	3.99%
國際資源集團有限公司		勘探及開採、出售金銀產品。					
C C Land Holdings Limited	1224	Property development and investment; and treasury investments.	116,285,274	4.49%	168,676,026	281,410,363	6.38%
中渝置地控股有限公司		物業開發及投資；及財務投資。					
Hengtou Securities Co., Limited – H Shares	1476	Provision of financial products & services to corporations, financial institutions, government entities & individuals, through brokerage & wealth management, investment management, proprietary trading & investment banking business.	40,376,000	8.9556%	161,996,112	282,632,000	6.41%
恒投證券股份有限公司 —H股		透過經紀及財富管理、投資管理、自營交易及投資銀行業務向企業、金融機構、政府實體及個人提供金融產品及服務。					
Harbin Bank Co., Limited – H Shares	6138	Provision of deposit services, loan services and payment and settlement services, as well as other approved business.	120,403,000	3.98%	385,567,831	291,375,260	6.61%
哈爾濱銀行股份有限 公司—H股		提供存款服務、貸款服務及付款及結算服務，以及其他經批准的業務。					

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Significant stocks gains/(losses) for the year ended 31 December 2016 截至二零一六年十二月三十一日止年度 收益/(虧損)重要股票

Name of stock listed on The Stock Exchange of Hong Kong	Stock Code	Realised gains/(losses) for the year ended 31 December 2016 截至二零一六年 十二月三十一日 止年度之已變現 收益/(虧損) HK\$ 港元	Unrealised gains/(losses) for the year ended 31 December 2016 截至二零一六年 十二月三十一日 止年度之未變現 收益/(虧損) HK\$ 港元	Dividend received for the year ended 31 December 2016 截至二零一六年 十二月三十一日 止年度之已收股息 HK\$ 港元
HengTen Networks Group Limited 恒騰網絡集團有限公司	136	(7,727,500)	-	-
Kong Sun Holdings Limited 江山控股有限公司	295	-	(30,564,064)	-
Evergrande Health Industry Group Limited 恒大健康產業集團有限公司	708	(20,864,193)	-	-
Carnival Group International Holdings Limited 嘉年華國際控股有限公司	996	(12,591,659)	-	-
China Smarter Energy Group Holdings Limited 中國智慧能源集團控股有限公司	1004	(7,072,974)	-	-
C C Land Holdings Limited 中渝置地控股有限公司	1224	(15,792,833)	-	6,379,895
Hengtou Securities Co., Limited - H Shares 恒投證券股份有限公司—H股	1476	-	(109,683,260)	4,230,281
China Huarong Asset Management Co., Limited 中國華融資產管理股份有限公司	2799	229,805	(844,140)	-
Harbin Bank Co., Limited 哈爾濱銀行股份有限公司	6138	-	(6,909,130)	13,558,633



Management Discussion and Analysis

管理層討論與分析

Significant stocks gains/(losses) for the year ended 31 December 2015

截至二零一五年十二月三十一日止年度
收益/(虧損)重要股票

Name of stock listed on The Stock Exchange of Hong Kong	Stock Code	Realised gains/(losses) for the year ended 31 December 2015 截至二零一五年十二月三十一日止年度之已變現收益/(虧損) HK\$ 港元	Unrealised gains/(losses) for the year ended 31 December 2015 截至二零一五年十二月三十一日止年度之未變現收益/(虧損) HK\$ 港元	Dividend received for the year ended 31 December 2015 截至二零一五年十二月三十一日止年度之已收股息 HK\$ 港元
HengTen Networks Group Limited 恒騰網絡集團有限公司	136	-	(451,629,169)	-
China Soft Power Technology Holdings Limited 中國軟實力科技集團有限公司	139	36,128,014	-	-
Freeman Financial Corporation Limited 民眾金服控股有限公司	279	25,300,849	-	-
China Innovative Finance Group Limited 中國新金融集團有限公司	412	(59,415,943)	-	-
Evergrande Health Industry Group Limited 恒大健康產業集團有限公司	708	-	77,249,578	-
NetMind Financial Holdings Limited 網智金控集團有限公司	985	72,077,707	-	-
China Smarter Energy Group Holdings Limited 中國智慧能源集團控股有限公司	1004	44,817,175	-	-
C C Land Holdings Limited 中渝置地控股有限公司	1224	-	112,734,337	161,849
Hengtou Securities Co., Limited - H Shares 恒投證券股份有限公司—H股	1476	-	(102,935,831)	-
Harbin Bank Co., Limited 哈爾濱銀行股份有限公司	6138	-	129,379,148	13,739,924

The stock market in 2017 may continue to be extremely volatile and uncertain, with higher-than-usual risks and a binary set of outcomes that will have dramatically contrasting results.

二零一七年股票市場可能仍然波動異常且存在不確定性，風險高於平常所帶來的雙重效果將導致截然不同的後果。

EXECUTIVE DIRECTORS

Mr. Ko Po Ming, aged 58, has over 33 years of extensive experience in finance and investment banking business. Mr. Ko has been appointed as the Joint Chairman of the Board, an executive Director and the Chief Executive Officer of the Company since 8 September 2016. Prior to joining the Company, Mr. Ko was the Chief Executive Officer of CMBC International Limited, a wholly-owned subsidiary of the China Minsheng Banking Corp. Ltd. From October 2012 to March 2015, Mr. Ko was a consultant of China Minsheng Banking Corp., Ltd., Hong Kong Branch and was responsible for the setting up of CMBC International Holdings Limited. Prior to cofounding Goldbond Capital Holdings Limited (“GCHL”) in 2003, he was the Head of Asian Corporate Finance of BNP Paribas Peregrine Capital Limited where he was in charge of the corporate finance business in Asia. GCHL was acquired by Piper Jaffray Companies (NYSE: PJC) in 2007 and its name was changed to Piper Jaffray Asia Holdings Limited (“PJA”). Since then and until September 2012, Mr. Ko served as the chief executive officer of PJA. Mr. Ko graduated from The Chinese University of Hong Kong in 1982 with a Bachelor’s degree in Business Administration.

Mr. Ko had acted as independent non-executive directors of a number of Hong Kong and Mainland China listed companies, including (i) Nanjing Panda Electronics Company Limited (stock code: 553) between 1996 and 1999; (ii) Dazhong Transport (Group) Company Limited (SHA: 600611) between 1997 and 2003; (iii) Chinese Energy Holdings Limited (formerly known as iMerchants Limited (stock code: 8009)) between 2000 and 2004; and (iv) Tianjin Capital Environmental Protection Group Company Limited (stock code: 1065) between 2003 and 2009. Mr. Ko was a Listing Committee member of the Main Board and Growth Enterprise Market of the Stock Exchange between May 2003 and June 2009. At present, Mr. Ko is a non-executive director of Globe Metals and Mining Limited (ASX: GBE) and Petro-king Oilfield Services Ltd. (stock code: 2178) respectively. He is also a trustee of St. Johnsbury Academy, an independent day and boarding secondary school. St. Johnsbury Academy is a non-profit corporation under section 501(c)(3) of the Internal Revenue Code in the United States of America.

執行董事

高寶明先生，現年58歲，於金融及投資銀行業務方面擁有逾33年豐富經驗。高先生自二零一六年九月八日以來獲委任為本公司董事會聯席主席、執行董事兼行政總裁。於加入本公司之前，高先生為民生商銀國際控股有限公司(中國民生銀行股份有限公司的全資附屬公司)的行政總裁。自二零一二年十月至二零一五年三月期間，高先生於中國民生銀行股份有限公司香港分行擔任顧問一職，負責籌建民生商銀國際控股有限公司。於二零零三年共同創辦金榜融資股份有限公司(「金榜融資」)前，彼為法國巴黎百富勤融資有限公司的亞洲企業融資主管，主管亞洲的企業融資業務。金榜融資於二零零七年被Piper Jaffray Companies (紐約證券交易所：PJC)收購，其名稱更改為派傑亞洲集團有限公司(「PJA」)。此後直至二零一二年九月，高先生出任PJA的行政總裁。高先生於一九八二年畢業於香港中文大學，獲工商管理學士學位。

高先生曾先後出任多間香港及中國內地上市公司的獨立非執行董事職務，包括：(i)南京熊貓電子股份有限公司(股份代號：553)(一九九六年至一九九九年)；(ii)大眾交通(集團)股份有限公司(上海證券交易所：600611)(一九九七年至二零零三年)；(iii)華夏能源控股有限公司(前稱菱控有限公司(股份代號：8009))(二零零零年至二零零四年)；及(iv)天津創業環保集團股份有限公司(股份代號：1065)(二零零三年至二零零九年)。高先生於二零零三年五月至二零零九年六月間為聯交所主板及創業板上市委員會成員。目前，高先生分別為Globe Metals and Mining Limited(澳洲證券交易所：GBE)及百勤油田服務有限公司(股份代號：2178)的非執行董事。彼亦任一所獨立的日間及寄宿中學St. Johnsbury Academy的受託人。St. Johnsbury Academy乃美國國內稅收法(Internal Revenue Code)第501(c)(3)條下的非牟利機構。



Biographies of Directors

董事簡歷

Mr. Chang Tat Joel, aged 48, has been appointed as an executive Director, a member of the remuneration committee of the Company, the Chief Operating Officer and the Authorised Representative of the Company since 8 September 2016. Mr. Chang has considerable strategic, financial and advisory experience. He was the co-founder of AID Partners Capital Limited and a founder of Genius Link Assets Management Limited, both are private equity investment companies. He was an executive director and investment committee member of AID Partners Capital Limited, and is responsible for its strategic investment planning. Prior to founding AID Partners Capital Limited, he was the chief investment officer of Investec Asia Limited, a managing director of China Everbright Capital Limited and an executive director of BNP Prime Peregrine Capital Limited. He is also a member of the Australian Society of Certified Practising Accountants and the Hong Kong Institute of Certified Public Accountants (“HKICPA”). He obtained a bachelor’s degree in Economics from Monash University in 1990.

Mr. Chang is a non-executive director of AID Partners Technology Holdings Limited (stock Code: 8088), an independent non-executive director of Dragonite International Limited (stock code: 329), a non-executive director of Kong Sun Holdings Ltd. (stock code: 295) and an independent non-executive director of Hailiang International Holdings Limited (stock code: 2336). He was formerly an independent non-executive director of Kingsoft Corporation Limited (stock code: 3888), and was an executive director and the chief financial officer of Orange Sky Golden Harvest Entertainment (Holdings) Limited (stock code: 1132). He was an independent director of China Mobile Games and Entertainment Group Limited, a company previously listed on NASDAQ.

Ms. Lui Choi Yiu, Angela, aged 43, has been appointed as an executive Director of the Company since 26 April 2016. Ms. Lui is also the chief financial officer of the Group. Ms. Lui has also been appointed as the Company Secretary and an Authorised Representative of the Company since 8 September 2016. She is responsible for overall financial strategies, planning and management of the Group. Prior to joining the Group, Ms. Lui had over 4 years of experience in audits in an international certified public accounting firms, over 16 years of experience in accounts, finance, operations, compliance and company secretarial duties in a listed securities firm and over 7 years of experience in company secretarial duties in a listed electroplating equipment designing and manufacturing company in Hong Kong. She has over 20 years of experience in finance, accounting, and management and company secretary as well as extensive experience in management and operations of securities business. Ms. Lui graduated with a Bachelor of Science degree in Accounting from Azusa Pacific University in California, USA and a Postgraduate Diploma in Corporate Administration from Hong Kong Polytechnic University. She is currently a member of the American Institute of Certified Public Accountants and a member of the HKICPA.

鄭達祖先生，現年48歲，自二零一六年九月八日起獲委任為本公司執行董事、薪酬委員會成員、營運總監兼本公司授權代表。鄭先生於策略、金融及顧問方面累積豐富經驗。彼為AID Partners Capital Limited之聯席創辦人及Genius Link Assets Management Limited之創辦人之一（均為私募基金投資公司）。彼為AID Partners Capital Limited執行董事兼投資委員會成員，負責其策略投資規劃。於創辦AID Partners Capital Limited之前，彼曾出任天達銀行亞洲有限公司投資總監及中國光大控股有限公司董事總經理以及法國巴黎百富勤融資有限公司執行董事。彼亦為澳洲會計師公會及香港會計師公會（「香港會計師公會」）會員。彼於一九九零年在澳洲蒙納什大學取得經濟學學士學位。

鄭先生現為滙友科技控股有限公司（股份代號：8088）之非執行董事、叁龍國際有限公司（股份代號：329）獨立非執行董事、江山控股有限公司（股份代號：295）非執行董事及海亮國際控股有限公司（股份代號：2336）獨立非執行董事。彼曾擔任金山軟件有限公司（股份代號：3888）獨立非執行董事，亦曾擔任橙天嘉禾娛樂（集團）有限公司（股份代號：1132）執行董事及首席財務官。彼亦曾任過往於納斯達克股份市場上市的中國手遊娛樂集團有限公司獨立董事。

雷彩姚小姐，現年43歲，自二零一六年四月二十六日起獲委任為本公司執行董事，亦為本集團財務總監。雷小姐亦自二零一六年九月八日起獲委任為本公司之公司秘書及授權代表。彼負責本集團之整體財務策略、規劃及管理事宜。於加入本集團之前，雷小姐於一間國際執業會計師行負責審計工作逾4年、於一間上市證券公司負責會計、財務、運營、合規及公司秘書職務逾16年及於一家香港上市電鍍設備設計及製造公司負責公司秘書職務逾7年。彼於財務、會計、管理及公司秘書方面擁有逾20年經驗，於管理及運營證券業務方面擁有豐富經驗。雷小姐持有美國加州Azusa Pacific University會計學學士學位及香港理工大學公司行政管理深造文憑。彼目前為美國特許會計師公會及香港會計師公會會員。

Biographies of Directors 董事簡歷

Mr. Man Wai Chuen, aged 53, has been appointed as a Director of the Company since July 2013. He has over 20 years of experience in company secretarial and accounting fields. Mr. Man was formerly an independent non-executive director of Skyway Securities Group Limited (stock code: 1141) from November 2014 to November 2015 and China Optoelectronics Holding Group Company Limited (stock code: 1332) from August 2015 to January 2016, both of which are listed companies in Hong Kong. Mr. Man holds a Master's degree in Business Administration from the University of Sheffield in the United Kingdom. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Chartered Secretaries and an associate member of the HKICPA.

NON-EXECUTIVE DIRECTORS

Mr. Tong Tang, Joseph, aged 57, has been appointed as a non-executive Director and the Joint Chairman of the Company, and is the chairman of the nomination committee of the Company since 26 April 2016. Mr. Tong has over 30 years of experience in the financial services industry. He was an executive director of Sun Hung Kai & Co. Limited, a company listed on the Main Board of the Stock Exchange (stock code: 86), from 4 December 2003 to 25 January 2016. During this period, he held various positions including chief executive officer of the Capital Markets and Institutional Brokerage department. He has also previously held senior positions with a number of international banks and financial institutions, including ABN AMRO Bank, CCIC Finance Limited, Bain & Co. Securities Limited and Bali International Finance Limited.

Mr. Tong was also an independent non-executive director of Carry Wealth Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 643), from 11 July 2013 to 4 July 2016. Mr. Tong is an independent director of Jih Sun Financial Holding Co., Ltd. (and two of its subsidiaries), the shares of which are listed on the Gre Tai Securities Market (GTSM) in Taiwan. Mr. Tong has a Bachelor's Degree in Social Sciences from the University of Hong Kong and a Master's Degree in Business Administration from the Chinese University of Hong Kong, and is a fellow member of the Association of Chartered Certified Accountants.

文惠存先生，現年53歲，自二零一三年七月起獲委任為本公司董事。彼於公司秘書及會計領域擁有逾20年經驗。文先生曾於二零一四年十一月至二零一五年十一月於天順證券集團有限公司(股份代號：1141)及於二零一五年八月至二零一六年一月於中國光電控股集團有限公司(股份代號：1332)擔任獨立非執行董事，上述公司均為香港上市公司。文先生獲英國謝菲爾德大學工商管理碩士學位。彼為英國特許公認會計師及香港特許秘書公會資深會員，亦為香港會計師公會會員。

非執行董事

唐登先生，現年57歲，自二零一六年四月二十六日起獲委任為本公司非執行董事兼聯席主席，兼本公司提名委員會主席。唐先生在金融服務行業擁有逾30年經驗。彼於二零零三年十二月四日至二零一六年一月二十五日擔任新鴻基有限公司(一家在聯交所主板上市的公司，股份代號：86)的執行董事。於該期間，彼擔任包括資本市場及機構經濟部門的行政總裁等各種職位。彼亦曾在多個國際銀行及金融機構擔任高級職位，包括荷蘭銀行、中芝興業財務有限公司、Bain & Co. Securities Limited及百達利財務有限公司。

唐先生於二零一三年七月十一日至二零一六年七月四日亦為聯交所主板上市公司恒富控股有限公司(股份代號：643)獨立非執行董事。唐先生為日盛金融控股股份有限公司(及其兩家附屬公司)的獨立董事，該公司的股份於台灣證券櫃檯買賣中心(GTSM)上市。唐先生持有香港大學社會科學學士學位及香港中文大學工商管理碩士學位，並為英國特許公認會計師公會的資深會員。



Biographies of Directors

董事簡歷

Ms. Hui Mei Mei, Carol, aged 41, has been appointed as a non-executive Director, a member of the remuneration committee and nomination committee of the Company since 5 October 2016. Ms. Hui has more than 18 years' experience in property development, and more than 10 years' experience in management and strategic planning of listed companies. Ms. Hui obtained a Bachelor's Degree in Commerce majoring in Accounting from Macquarie University in Australia in 1997. She is also a Certified Practising Accountant in Australia. Ms. Hui is currently a member of Beijing Committee of the Chinese People's Political Consultative Conference, a council member of Beijing Chinese Overseas Friendship Association and a member of the Youth Committee of All-China Federation of Returned Overseas Chinese. Ms. Hui is currently the vice chairman of Shanghai Shimao Co., Ltd., a company listed on the Shanghai Stock Exchange (SHA: 600823), and the vice chairman and president of Shimao International Holdings Limited. Ms. Hui is also the sole director of Future Achiever Limited and the daughter of Mr. Hui Wing Mau, the ultimate beneficial owner of Future Achiever Limited, which is a substantial shareholder of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lam Yiu Kin, aged 62, has been appointed as an independent non-executive Director of the Company since August 2015, and is the chairman of the audit committee, a member of both the nomination committee and remuneration committee of the Company. He graduated from Hong Kong Polytechnic University with a higher diploma in accounting in October 1975 and was conferred an Honorary Fellow in November 2002. Mr. Lam became a fellow member of the Association of Chartered Certified Accountants in June 1983, a fellow member of the Chartered Accountants of Australia and New Zealand in June 1999, a fellow member of the HKICPA in June 1989 and a fellow member of Institute of Chartered Accountants in England and Wales in January 2015. Mr. Lam was previously a member of the Listing Committee and the Financial Reporting Advisory Panel of the Stock Exchange from 1997 to 2003, a committee member of HKICPA from 1994 to 2009.

許薇薇小姐，41歲，自二零一六年十月五日起獲委任為本公司非執行董事兼薪酬委員會及提名委員會成員。許小姐於物業發展方面擁有逾18年經驗，並於上市公司管理及策略規劃方面擁有逾10年經驗。許小姐於一九九七年獲取澳洲麥克理大學商科學士(主修會計)學位，亦擁有澳洲會計師公會會員專業資格。許小姐現為北京市政協委員、北京市海外聯誼會理事及中華全國歸國華僑聯合會青年委員會委員。許小姐現為上海證券交易所上市公司上海世茂股份有限公司(上海證券交易所:600823)之副董事長及世茂國際控股有限公司的副主席兼總裁。許小姐亦為Future Achiever Limited的唯一董事及許榮茂先生(本公司主要股東Future Achiever Limited的最終實益擁有人)的女兒。

獨立非執行董事

林耀堅先生，現年62歲，自二零一五年八月起獲委任為本公司獨立非執行董事，兼本公司審核委員會主席、提名委員會及薪酬委員會成員。彼於一九七五年十月畢業於香港理工大學，取得會計學高級文憑，並於二零零二年十一月獲授榮譽院士。林先生於一九八三年六月成為英國特許公認會計師公會的資深會員，於一九九九年六月成為澳洲及新西蘭特許會計師公會資深會員、於一九八九年六月成為香港會計師公會的資深會員，及於二零一五年一月成為英格蘭及威爾斯特許會計師公會的資深會員。林先生曾於一九九七年至二零零三年擔任聯交所上市委員會委員及財務匯報諮詢小組成員，於一九九四年至二零零九年擔任香港會計師公會委員會委員。

Biographies of Directors 董事簡歷

Mr. Lam was a partner with PricewaterhouseCoopers Hong Kong from July 1993 to June 2013. He has extensive experience in finance and accounting, auditing and business consultation. Since October 2013, Mr. Lam has been serving as an independent non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd. (a company listed on the Stock Exchange, stock code: 1349). From June 2014 to September 2015, he served as an independent non-executive director of Kate China Holdings Limited (a company listed on the Stock Exchange, stock code: 8125). Since January 2015, he has been serving as an independent non-executive director of Spring Asset Management Limited (the units of Spring Real Estate Investment Trust, which is managed by Spring Asset Management Limited, is listed on the Stock Exchange, stock code: 1426). He has been serving as an independent non-executive director of Vital Mobile Holdings Limited (a company listed on the Stock Exchange, stock code: 6133) since September 2014, an independent non-executive director of Global Digital Creations Holdings Limited (a company listed on the Stock Exchange, stock code: 8271) since July 2015, an independent non-executive director of COSCO Shipping Ports Limited (a company listed on the Stock Exchange, stock code: 1199) and an independent non-executive director of Shougang Concord Century Holdings Limited (a company listed on the Stock Exchange, stock code: 103) since August 2015, an independent non-executive director of Nine Dragons Paper (Holdings) Limited (a company listed on the Stock Exchange, stock code: 2689) since March 2016 and an independent non-executive director of WWPKG Holdings Company Limited (a company listed on the Stock Exchange, stock code: 8069) since December 2016.

林先生於一九九三年七月至二零一三年六月擔任羅兵咸永道會計師事務所合夥人。彼於金融、會計、審計及業務諮詢方面擁有豐富經驗。自二零一三年十月，林先生擔任上海復旦張江生物醫藥股份有限公司(一家於聯交所上市的公司，股份代號：1349)的獨立非執行董事。自二零一四年六月至二零一五年九月，彼曾擔任中持基業控股有限公司(一家於聯交所上市的公司，股份代號：8125)的獨立非執行董事。自二零一五年一月，彼擔任春泉資產管理有限公司(春泉產業信託的單位，由春泉資產管理有限公司管理，於聯交所上市，股份代號：1426)的獨立非執行董事。彼自二零一四年九月擔任維太移動控股有限公司(一家於聯交所上市的公司，股份代號：6133)的獨立非執行董事、自二零一五年七月擔任環球數碼創意控股有限公司(一家於聯交所上市的公司，股份代號：8271)的獨立非執行董事，並自二零一五年八月擔任中遠海運港口有限公司(一家於聯交所上市的公司，股份代號：1199)及首長寶佳集團有限公司(一家於聯交所上市的公司，股份代號：103)的獨立非執行董事、自二零一六年三月起擔任玖龍紙業(控股)有限公司(一家於聯交所上市的公司，股份代號：2689)的獨立非執行董事及自二零一六年十二月起擔任縱橫遊控股有限公司(一家於聯交所上市的公司，股份代號：8069)的獨立非執行董事。



Biographies of Directors

董事簡歷

Mr. Yuen Kwok On, aged 51, has been appointed as an independent non-executive Director of the Company since October 2015, and is the chairman of the remuneration committee, a member of both the audit committee and nomination committee of the Company. Mr. Yuen graduated from the La Trobe University in Australia in July 1991 with a bachelor degree of economics. He obtained a master degree of business administration from Hong Kong Baptist University in December 1998. Mr. Yuen is a member of the CPA Australia and the HKICPA since September 1994 and April 1995, respectively. He has more than 22 years of working experience in the field of finance and accounting. Mr. Yuen was the chief financial officer and company secretary of Orange Sky Golden Harvest Entertainment (Holdings) Limited (“OSGH”) (a company listed on the Main Board of the Stock Exchange, stock code: 1132). Prior to joining OSGH in October 1996, Mr. Yuen had over 5 years of audit working experience in international accounting firms. Mr. Yuen worked in OSGH for more than 16 years and left OSGH in June 2013. He has extensive experience in financial analysis, risk control and mergers and acquisitions, as well as in-depth knowledge of operations of film distribution and exhibition business. Since July 2013, Mr. Yuen has been serving as an independent non-executive director of AID Partners Capital Holdings Limited (a company listed on the Growth Enterprise Market of the Stock Exchange, stock code: 8088).

Mr. Tian Ren Can, aged 55, has been appointed as an independent non-executive Director of the Company, and is the member of each of the audit committee, remuneration committee and nomination committee of the Company since 26 April 2016. Mr. Tian has more than 20 years of working experience in the field of finance. Mr. Tian is currently the chief executive officer of UBP Investments Management (Shanghai) Limited. He was the chief executive officer of HFT Investments Management Co., Ltd. from April 2003 to March 2015. Before that, Mr. Tian worked for multi-national financial institutes. Mr. Tian obtained a Master Degree of Business Administration awarded jointly by Manchester Business School and University of Wales of the United Kingdom. He obtained a Master Degree in Political Sciences International Relations from Shanghai International Studies University. Mr. Tian graduated from Shanghai Foreign Languages Institute with a Bachelor Degree in French Language and French Literature. Since June 2016, Mr. Tian has been serving as an executive director of Huarong Investment Stock Corporation Ltd. (formerly known as Chun Sing Engineering Holdings Limited), a company listed on the Main Board of the Stock Exchange, stock code: 2277.

袁國安先生，現年51歲，自二零一五年十月起獲委任為本公司獨立非執行董事，兼本公司薪酬委員會主席、審核委員會及提名委員會成員。袁先生於一九九一年七月畢業於澳洲拉特羅布大學(La Trobe University)，並取得經濟學學士學位。彼於一九九八年十二月自香港浸會大學取得工商管理碩士學位。袁先生分別自一九九四年九月及一九九五年四月起成為澳洲會計師公會及香港會計師公會會員。彼擁有逾22年的財務及會計經驗。袁先生曾擔任聯交所主板上市公司橙天嘉禾娛樂(集團)有限公司(「橙天嘉禾」)(股份代號：1132)首席財務官兼公司秘書。於一九九六年十月加入橙天嘉禾前，袁先生已擁有逾五年的國際會計師事務所審核工作經驗。袁先生於橙天嘉禾任職逾16年，其後於二零一三年六月離職橙天嘉禾。彼於財務分析、風險控制及併購方面具備豐富經驗，對運營電影發行及電影院業務有深入了解。袁先生自二零一三年七月起出任聯交所創業板上市公司滙友資本控股有限公司(股份代號：8088)獨立非執行董事。

田仁燦先生，現年55歲，自二零一六年四月二十六日起獲委任為本公司獨立非執行董事，兼本公司審核委員會、薪酬委員會及提名委員會成員。田先生積逾20年的財務領域工作經驗。田先生目前為UBP Investments Management (Shanghai) Limited行政總裁。彼於二零零三年四月至二零一五年三月為海富通基金管理有限公司行政總裁。此前，田先生於多間跨國金融機構任職。田先生獲得曼徹斯特商學院及英國威爾士大學聯合頒發的工商管理碩士學位。彼自上海外國語大學取得政治科學國際關係碩士學位。田先生畢業於上海外國語學院，並取得法語及法國文學學士學位。自二零一六年六月以來，田先生一直擔任華融投資股份有限公司(前稱震昇工程控股有限公司，一間於聯交所主板上市之公司，股份代號：2277)之執行董事。

Directors' Report 董事會報告

The board of Directors (the “**Board**” or the “**Directors**”) submits their annual report together with the audited consolidated financial statements for the year ended 31 December 2016 (the “**Year**”).

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

At the beginning of the Year, the Group was principally engaged in the business of investment in securities trading, money lending and investment holding. Following the completion of the acquisition of the financial services business in February 2016, the Group was, for the main part of the year, principally engaged in the business of dealing in securities, commodities broking, provision of bullion trading services, provision of securities margin financing, provision of investment and corporate finance advisory services, investment in securities trading, money lending and investment holding.

In October 2016, the Group expanded its business into the healthcare sector through the acquisitions of several companies engaged in the provision of privately assisted reproductive services in Hong Kong. Subsequently in November 2016, the Group further developed its money lending business by acquiring a property mortgage loan and securitization company in Hong Kong.

Further discussion and analysis of the Group's business review and prospects can be found in the “Chairman Statement” and “Management Discussion and Analysis” sections of this annual report while details of the principal activities and other particulars of the Company's principal subsidiaries as at 31 December 2016 are set out in note 17 to the consolidated financial statements.

ENVIRONMENTAL AND SOCIAL PERFORMANCE

The nature of the Group's financial business has low carbon emission impact. The Group promotes environmental protection and encourages its employees to recycle. It promotes the idea of “green office” practices such as double-sided printing and copying, promoting the use of recycled paper for printing.

During the Year, to the best knowledge of the Directors, the Group complied with all applicable laws and regulations that has a significant impact on the business and operations of the Group.

Throughout the Year, the Group has continued to maintain good relationships with its employees, customers, suppliers, service providers and investors generally.

董事會(「董事會」或「董事」)提呈截至二零一六年十二月三十一日止年度(「本年度」)之年度報告及經審核綜合財務報表。

主要業務及業務回顧

於本年度年初，本集團主要從事證券買賣投資、放債及投資控股業務。於二零一六年二月完成收購金融服務業務後，本集團於本年度主要時段主要從事證券買賣、期貨經紀、提供貴金屬買賣服務、提供證券孖展融資、提供投資顧問及企業融資顧問服務、證券買賣投資、放債及投資控股業務。

於二零一六年十月，本集團透過收購於香港從事提供私人輔助生育服務的幾家公司進軍醫療保健行業。其後於二零一六年十一月，本集團透過收購香港房地產按揭貸款及資產證券化公司進一步發展其放債業務。

有關本集團業務回顧及前景的更多討論與分析載於本年報「主席報告」及「管理層討論與分析」章節，而有關於本公司主要業務活動的詳情及本公司主要附屬公司於二零一六年十二月三十一日的其他詳情載於綜合財務報表附註17。

環境及社會表現

本集團金融業務性質的碳排放影響較低。本集團提倡環保，鼓勵員工循環再用資源，倡導「綠色辦公」實踐理念，如實施雙面打印和複印，推廣利用再生紙打印。

就董事所知，本年度本集團遵守對本集團業務及經營有重大影響的所有相關法律及法規。

於本年度，本集團繼續與僱員、客戶、供應商、服務供應商及投資者整體保持良好關係。



Directors' Report 董事會報告

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on pages 85 to 87.

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

RESERVES

Movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity from pages 90 to 91 and note 43 to the consolidated financial statements respectively.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on pages 223 and 224.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the Year are set out in note 14 to the consolidated financial statements.

BORROWINGS

Details of the interest-bearing borrowings of the Group are set out in note 26 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the Year are set out in notes 28 and 32 to the consolidated financial statements respectively. As at 31 December 2016, neither the Company nor any of its subsidiaries had outstanding share options and none were issued.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

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

業績及股息

本集團之本年度業績載於第85至87頁之綜合全面收益表內。

董事會不建議派付本年度股息。

儲備

本集團及本公司於本年度之儲備變動分別載於第90至91頁之綜合權益變動表及綜合財務報表附註43。

財務摘要

本集團於過去五個財政年度之業績與資產及負債摘要載於第223及224頁。

物業、廠房及設備

本集團之物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註14。

借款

本集團之計息借款詳情載於綜合財務報表附註26。

股本及購股權

本公司於本年度之股本及購股權變動詳情分別載於綜合財務報表附註28及32。於二零一六年十二月三十一日，本公司或其任何附屬公司概無尚未行使之購股權且概無發行股份。

購買、出售或贖回證券

本年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

DIRECTORS

The Directors of the Company during the Year and up to the date of this report were:

Executive Directors

Ko Po Ming (Joint Chairman and Chief Executive Officer,
appointed with effect from 8 September 2016)
Chang Tat Joel (appointed with effect from 8 September 2016)
Lui Choi Yiu, Angela
(appointed with effect from 26 April 2016)
Man Wai Chuen
Zhang Yongdong
(resigned with effect from 26 April 2016)
Cheung Ka Yee
(resigned with effect from 26 April 2016)
Cheung Wing Ping (resigned with effect from 8 September 2016)

Non-executive Directors

Tong Tang, Joseph (Chairman, appointed with effect
from 26 April 2016 and re-designated as Joint Chairman
on 8 September 2016)
Hui Mei Mei, Carol (appointed with effect from 5 October 2016)
Xia Xiaoning (resigned with effect from 19 September 2016)

Independent Non-executive Directors

Lam Yiu Kin
Yuen Kwok On
Tian Ren Can
(appointed with effect from 26 April 2016)
Antonio Maria Santos
(resigned with effect from 26 April 2016)

Pursuant to Article 96 of the Articles of Association, Mr. Ko Po Ming, Mr. Chang Tat Joel and Ms. Hui Mei Mei, Carol will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at that meeting.

Moreover, pursuant to Article 115 of the Articles of Association, Mr. Tong Tang, Joseph, Ms. Lui Choi Yiu, Angela and Mr. Tian Ren Can will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at that meeting.

Each of the Directors is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. The Directors proposed for re-election at the forthcoming annual general meeting do not have service contracts which are not determinable by the Company within one year without payment of compensation other than statutory compensation.

董事

於本年度及截至本報告日期止，本公司之董事為：

執行董事

高寶明(聯席主席及行政總裁，
於二零一六年九月八日獲委任)
鄭達祖(於二零一六年九月八日獲委任)
雷彩姚
(於二零一六年四月二十六日獲委任)
文惠存
張永東
(於二零一六年四月二十六日辭任)
張嘉儀
(於二零一六年四月二十六日辭任)
張榮平(於二零一六年九月八日辭任)

非執行董事

唐登(主席，於二零一六年四月
二十六日獲委任並於二零一六年
九月八日調任聯席主席)
許薇薇(於二零一六年十月五日獲委任)
夏曉寧(於二零一六年九月十九日辭任)

獨立非執行董事

林耀堅
袁國安
田仁燦
(於二零一六年四月二十六日獲委任)
杜東尼
(於二零一六年四月二十六日辭任)

根據章程細則第96條，高寶明先生、鄭達祖先生及許薇薇小姐將於應屆股東週年大會上告退，彼等符合資格於會上膺選連任。

此外，根據章程細則第115條，唐登先生、雷彩姚小姐及田仁燦先生將於應屆股東週年大會上輪席告退，彼等符合資格於會上膺選連任。

各董事須根據本公司之章程細則於本公司股東大會上輪席告退及膺選連任。於應屆股東週年大會上獲提名膺選連任之董事，並無訂立本公司不可於一年內不作補償(法定補償除外)而終止之服務合約。



Directors' Report 董事會報告

DIRECTORS OF SUBSIDIARIES

The names of Directors who have served on the Boards of the Company's subsidiaries during the year ended 31 December 2016, or during the period from 31 December 2016 to 30 March 2017, being the date of the Report of Directors of this annual report, are set out below:

Chan Ching Kit
Chan Kok Chung Johnny
Chan Wing Kei
Chang Tat Joel
Cheung Ka Yee
Chong Ka Yee
Fan King Chi Kenneth
Fok Tsz Chun Kenny
Gao Qin
Ho Wing Chiu Clement
Ho Chan Yuk Lin Anita
Kevin Phillip
Ko Po Ming
Lai Kwai Chun
Lam Po Mui
Lam Sze Wai Derek
Lee Tai Hay Dominic
Leung Po Tin
Lin John Sian-zu
Liu Jianyi
Lui Choi Yiu Angela
Man Wai Chuen
Nicole Ramroop
Pun Hong Hai
Robert James Iaia II
Wong Chi Kin Kenny
Wong Chi Kit Nelson
Wong Hoi Ki
Wong Shun Yun
Wong Ying Seung Asiong
Yang Haoying
Ye Faduan
Yeung Shu Fan
Yip Shing Fung
Yuen Chi Fung
Zhang Shang
Zhang Yongdong

附屬公司董事

截至二零一六年十二月三十一日止年度或由二零一六年十二月三十一日至二零一七年三月三十日(即本年報之董事會報告的日期)期間,於本公司附屬公司董事會服務的董事名單如下:

陳正傑
陳覺忠
陳永基
鄭達祖
張嘉儀
莊嘉誼
范敬智
霍子俊
高勤
何永超
何陳玉蓮
Kevin Phillip
高寶明
黎桂珍
藍寶梅
林思偉
李大熙
梁寶田
林相如
劉簡怡
雷彩姚
文惠存
Nicole Ramroop
潘康海
Robert James Iaia II
黃志健
黃自傑
黃海祺
王舜仁
王迎祥
楊浩英
葉發端
楊樹勳
葉丞峰
袁志峯
張上
張永東

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2016, the interests and short positions of the Directors and chief executive of the Company in shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long positions in ordinary shares and underlying shares of the Company as at 31 December 2016:

董事於股份及相關股份之權益及淡倉

於二零一六年十二月三十一日，本公司董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有須記錄於本公司根據證券及期貨條例第352條存置之登記冊或根據上市發行人之董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

於二零一六年十二月三十一日，於本公司普通股及相關股份之好倉如下：

Name of Director	Capacity/Nature of interest	Number of Shares held	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比
董事姓名	身份／權益性質	所持股份數目	
Tong Tang Joseph	Interest of controlled corporation	3,842,524,965 (Note 1)	20.84%
唐登	受控制法團權益		
Ko Po Ming	Beneficial owner	261,200,000	1.42%
高寶明	實益擁有人		
Chang Tat Joel	Interest of controlled corporation	199,740,000 (Note 2)	1.08%
鄭達祖	受控制法團權益		

Notes:

- These shares are held by Grace Gorgeous Investment Holdings Ltd., 40% of which is held by First Elite Ventures Limited, which is in turn wholly-owned by Mr. Tong Tang, Joseph, who is a non-executive Director and the Joint Chairman of the Company.
- These Shares are held by True Elite Limited, a company wholly-owned by Mr. Chang Tat Joel, who is an executive Director of the Company.

附註：

- 該等股份由悦豪投資控股有限公司持有，其中40%由First Elite Ventures Limited持有，而First Elite Ventures Limited由唐登先生全資擁有，唐登先生為本公司非執行董事及聯席主席。
- 該等股份由True Elite Limited持有，True Elite Limited為一間由鄭達祖先生全資擁有的公司，鄭達祖先生為本公司執行董事。

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

本公司、其任何控股公司、附屬公司或同系附屬公司概無於本年度任何時間訂立任何安排，致使本公司董事透過收購本公司或任何其他法人團體之股份或債券而獲取利益。



Directors' Report 董事會報告

CONTRACTS OF SIGNIFICANCE

There was no contract of significance to which the Company, its holding company or subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

No contract of significance has been entered into between the Company or any of its subsidiaries and the controlling shareholder as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited the ("Listing Rules") of the Company or any of its subsidiaries during the Year.

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

As at 31 December 2016, the following interests and short positions of 5% or more of the issued share capital and underlying shares of the Company (other than a Director or chief executive of the Company) were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long position

Name 名稱／姓名	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數目	Approximate percentage of shareholding 股權概約百分比
Grace Gorgeous Investment Holdings Limited 悦豪投資控股有限公司	Beneficial interest (Note 1) 實際權益(附註1)	3,842,524,965	20.84%
Future Achiever Limited	Beneficial interest 實際權益	3,072,880,000	16.67%
Zhang Haifeng 張海峰	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,459,528,135	7.92%

Notes:

- These shares are held by Grace Gorgeous Investment Holdings Ltd., 40% of which is held by First Elite Ventures Limited, which is in turn wholly-owned by Mr. Tong Tang, Joseph, who is a non-executive Director and the Joint Chairman of the Company.
- These shares are held by True Dynasty Limited, a wholly-owned subsidiary of Joy Monitor Limited, which is a company wholly-owned by Mr. Zhang Haifeng.

重大合約

於本年度末或於本年度任何時間，概無任何本公司、其控股公司或附屬公司參與訂立而本公司董事於其中直接或間接擁有重大權益之重大合約。

本年度本公司及其附屬公司並無與香港聯合交易所有限公司證券上市規則(「上市規則」)所定義的本公司及其附屬公司之控股股東訂立重大合約。

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一六年十二月三十一日，本公司根據證券及期貨條例第336條所存置之權益登記冊記錄以下人士(並非本公司董事或最高行政人員)持有本公司已發行股本及相關股份5%或以上之權益及淡倉：

好倉

附註：

- 該等股份由悦豪投資控股有限公司持有，其中40%由First Elite Ventures Limited持有，而First Elite Ventures Limited由唐登先生全資擁有，唐登先生為本公司非執行董事及聯席主席。
- 該等股份由張海峰先生全資擁有的公司Joy Monitor Limited全資擁有的True Dynasty Limited所持有。

Save as disclosed above, as at 31 December 2016, no person, other than the Directors of the Company, whose interests are set out in this report, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

DIRECTORS' EMOLUMENTS

Details of the emoluments of the Directors and the five highest paid individuals are set out in notes 9 and 10 to the consolidated financial statements.

RETIREMENT SCHEME

The Group provides a defined contribution retirement scheme under the Mandatory Provident Fund Scheme (the "MPF Scheme") in Hong Kong to all staff. Under the MPF Scheme, employer and employees are each required to make contributions to the scheme at 5% of the employees' relevant income. Details of the retirement scheme are set out in note 33 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the percentages to the Group's revenue (including revenue arising from provision of financial services, money lending and investment holding segments but excluding securities trading segment) attributable to its largest customer and five largest customers were approximately 7.52% and 27.13% respectively.

As the Group had no significant purchases (including the provision of financial services, money lending and investment holding segments, but excluding securities trading segment) during the Year, the information on major suppliers is not presented.

Save as aforementioned, at no time during the Year did a Director, an associate of a Director or a shareholder of the Company (which to the knowledge of the Directors of the Company owned more than 5% of the Company's issued share capital) had any interest in any of the Group's five largest customers.

MANAGEMENT CONTRACTS

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

除上文所披露者外，於二零一六年十二月三十一日，概無任何人士(本公司董事除外，其權益已載於本報告)於本公司股份或相關股份中擁有須根據證券及期貨條例第336條記錄之權益或淡倉。

董事酬金

董事及五名最高薪人士酬金詳情載於綜合財務報表附註9及10。

退休計劃

本集團根據香港強制性公積金計劃(「強積金計劃」)為所有僱員提供一項界定供款退休計劃。根據強積金計劃，僱主及僱員各自須按僱員有關收入之5%計劃供款。退休計劃的詳情載於綜合財務報表附註33。

主要客戶及供應商

本年度最大客戶及五大客戶佔本集團收入(包括提供金融服務、放債及投資控股分部，但不包括證券買賣投資分部之收入)之百分比分別為約7.52%及27.13%。

由於本集團在本年度並無重大採購(包括提供金融服務、放債及投資控股分部但不包括證券買賣投資分部)，故並無呈列主要供應商的資料。

除上文所披露者外，於本年度任何時間，本公司董事、董事之聯繫人士或本公司股東(據本公司董事所知擁有本公司已發行股本超過5%者)並無於本集團五大客戶擁有任何權益。

管理合約

本年度並無訂立或存在任何有關本公司整體業務或任何重要部分之管理及行政的合約。



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PRE-EMPTIVE RIGHTS

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

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the share option schemes disclosed in note 32 to the consolidated financial statements, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float throughout the Year.

PERMITTED INDEMNITY PROVISION

The Articles provides that every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

The Group has taken out and maintained directors' liability insurance throughout the Year, which provides appropriate cover for legal actions brought against the Directors and directors of the subsidiaries of the Group. The level of the coverage is reviewed annually.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

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

優先認股權

本公司章程細則或香港法例並無有關優先認股權之規定，致使本公司須按比例向現有股東發售新股。

股份或債券認購安排

除綜合財務報表附註32所披露之購股權計劃外，本年度內本公司或任何其附屬公司從未參與任何安排，致使本公司董事因取得本公司或任何其他法人團體之股份或債券而獲益。

足夠公眾持股量

根據本公司公開可得之資料及就董事所知，本年度，本公司維持足夠公眾持股量。

獲准許之彌償條文

細則規定，在香港法例第622章公司條例允許的情況下，各董事有權就履行職務或在履行職務方面或其他有關方面而可能承擔或涉及的一切損失或責任從本公司資產獲得彌償。

本集團於本年度已為董事購買及維持責任保險，為董事及本集團附屬公司董事可能面對的法律訴訟提供適當保障。我們會每年檢討保險的保障範圍。

董事於競爭業務中的權益

於本年度內及直至本報告日期，根據上市規則，概無本公司之董事被視為在直接或間接與本集團業務構成競爭或可能構成競爭之業務中擁有權益。

CONTINUING CONNECTED TRANSACTION

During the Year, a continuing connected transaction undertaken by the Group is included in the transactions set out in note 35 to the consolidated financial statements. Pursuant to the requirements of Chapter 14A of the Listing Rules, details of this transaction are described as follows:

As disclosed in the Company's announcement dated 30 December 2016, Pioneer Leap Investment Limited ("**Pioneer Leap**"), a wholly-owned subsidiary of the Company entered into an investment agreement with Golden Metro Investments Limited ("**Golden Metro**"), Cosmicfield Investments Limited ("**Cosmicfield**"), Shining Time Holdings Limited ("**Shining Time**") and their management team (comprising Mr. Yip Shing Fung, Mr. Ye Faduan, Mr. Ye Fachao, Mr. Lin Han and Ms. Gao Qin) in relation to the acquisition of 55% equity interest in Shining Time, a company engaging in the mother-infant-children products business in Southern China. At the same time, Pioneer Leap entered into a loan agreement with Cosmicfield, to extend part of the proceeds of the investment in a form of a loan of RMB140,800,000 (equivalent to approximately HK\$157,696,000) (the "**Loan**") to Cosmicfield and Cosmicfield, in turn lends to Golden Metro and the burden of the Loan between Cosmicfield and Golden Metro shall simultaneously be novated to Shining Time and be settled by the allotment and issuance of certain Shining Time's shares to Cosmicfield by Shining Time. Upon completion of the acquisition on 31 December 2016, the provision of the Loan by Pioneer Leap to Cosmicfield (a substantial shareholder of Shining Time) under the loan agreement constituted a financial assistance and hence, a continuing connected transaction of the Company under the Listing Rules. Since (i) each of Cosmicfield and Golden Metro was regarded as a connected person of the Company at the subsidiary level; (ii) the Board (including all the independent non-executive directors) had approved the transaction and (iii) the independent non-executive directors have confirmed that the transaction was fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transaction contemplated under the loan agreement was subject to the reporting and announcement requirements but was exempted from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

持續關連交易

於本年度內，本集團開展的一項持續關連交易計入綜合財務報表附註35所載之交易。根據上市規則第14A章之規定，此項交易之詳情載述如下：

誠如本公司日期為二零一六年十二月三十日之公告所披露，本公司之全資附屬公司鋒躍投資有限公司(「鋒躍」)與Golden Metro Investments Limited(「Golden Metro」)、Cosmicfield Investments Limited(「Cosmicfield」)、亮時控股有限公司(「亮時」)及彼等之管理層團隊(包括葉丞峰先生、葉發端先生、葉發朝先生、林漢先生及高勤女士)訂立投資協議，內容有關收購亮時之55%的股權，亮時為一家於華南地區從事母嬰及兒童產品業務之公司。與此同時，鋒躍與Cosmicfield訂立貸款協議，以將投資所得款項之部分以人民幣140,800,000元之貸款(相當於約157,696,000港元)(「貸款」)之形式授予Cosmicfield，而Cosmicfield轉而將貸款借予Golden Metro，且Cosmicfield與Golden Metro之間的貸款責任將同時更替至亮時，並由亮時向Cosmicfield配發及發行若干亮時之股份清償。於二零一六年十二月三十一日收購完成後，由鋒躍根據貸款協議向Cosmicfield(亮時之主要股東)提供貸款構成財務支援，並因而構成本公司上市規則項下的持續關連交易。由於(i)Cosmicfield及Golden Metro各自被視為本公司附屬公司層面的關連人士；(ii)董事會(包括全體獨立非執行董事)已批准交易及(iii)獨立非執行董事已確認交易屬公平合理、按一般商業條款訂立且符合本公司及股東的整體利益，因此貸款協議所涉交易須遵守上市規則第14A.101條的申報及公告規定，惟豁免遵守通函、獨立財務意見及股東批准規定。



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The independent non-executive Directors have reviewed the continuing connected transaction in note 35 to the consolidated financial statements and have confirmed that the continuing connected transaction has been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

For the propose of Rule 14A.56 of the Listing Rules, the auditors of the Company has provided a letter to the Board, confirming that nothing has come to their attention that causes them to believe the continuing connected transaction abovementioned:

- (i) was not approved by the Board of Directors of the Company;
- (ii) was not in accordance with the pricing policies of the Group if the transaction involve provision of goods and services by the Group;
- (iii) was not entered into in accordance with the relevant agreements governing the transaction; and
- (iv) has exceeded the caps stated in the relevant announcement.

Details of the related party transactions (which did not constitute connected transactions or continuing connected transactions discloseable under Chapter 14A of the Listing Rules) for the year ended 31 December 2016 are set out in note 35 to the consolidated financial statements.

KEY RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The followings are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

獨立非執行董事已審閱綜合財務報表附註35中的持續關連交易，並已確認持續關連交易(i)乃於本集團日常及一般業務過程中訂立；(ii)符合一般商業條款；及(iii)根據監管該等交易之有關協議，按公平合理且符合本公司股東的整體利益之條款訂立。

根據上市規則第14A.56條，本公司核數師已向董事會提供一份函件，確認彼等概無發現任何事宜致使彼等認為上述持續關連交易：

- (i) 尚未獲得本公司董事會批准；
- (ii) 並非根據本集團之定價政策(倘該交易涉及由本集團提供商品及服務)進行；
- (iii) 並非根據監管該交易之有關協議訂立；及
- (iv) 已超出相關公告所述上限。

截至二零一六年十二月三十一日止年度的關聯方交易(並不屬於須根據上市規則第14A章披露之關連交易或持續關連交易)詳情載於綜合財務報表附註35。

主要風險及不確定因素

本集團財務狀況、經營業績及業務前景受多項與本集團業務直接或間接相關的風險及不確定因素影響。以下為本集團已識別主要風險及不確定因素。除下文所列的因素外，本集團不排除存有未知或目前無甚影響但未來會有重大影響的其他風險及不確定因素。

Rules and Regulations Risk

Hong Kong financial services industry in which the Group operates is highly regulated. There are changes in rules and regulations from time to time in relation to the regulatory regime for the financial services industry, including but not limited to the Securities and Futures Ordinance, the Companies Ordinance, the Listing Rules, the Securities and Futures (Financial Resources) Rules and the Codes on Takeovers and Mergers and Share Buy-backs. Failure to comply with applicable rules and regulations from time to time, might result in fines, restrictions on the Group's activities or even suspension or revocation of some or all of the Group's business licences.

Market Risk

The Group's financial services related businesses are exposed to market risk. The Hong Kong financial markets are directly affected by, among others, the global and local political, economic and social environments. Historically, global and local financial markets have fluctuated considerably over time. Any sudden downturn in these financial markets may adversely affect the market sentiment in general. Further description of the market performance can be found in the "Management Discussion and Analysis" section of this report under the paragraph entitled "Market Review".

Foreign Exchange Rates Risk

The Group's assets and liabilities as at 31 December 2016, were mainly denominated in Hong Kong Dollars and RMB. In view of the potential RMB exchange rate fluctuations, our Group will engage in certain hedging or other activities as appropriate, to mitigate its exposure to the foreign exchange rate risk.

Liquidity Risk

As the Group's financial services business is highly capital intensive, the Group faces situations which may adversely affect its liquidity. In order to finance the growth of its financial services business, the Group requires substantial funding resources and a strong capital base. The Company recently carried out a Rights Issue exercise which successfully raised approximately HK\$2.84 billion and in future it will consider other fund raising activities, such as share placements, bank borrowings and the issuance of convertible bonds, etc. to strengthen the Group's capital base and financial position.

規則及規例風險

本集團在香港經營的金融服務行業受高度規管。金融服務行業監管制度相關規則及規例不時變更，包括但不限於證券及期貨條例、公司條例、上市規則、證券及期貨(財政資源)規則以及公司收購、合併及股份回購守則。違反相關規則及規例可能招致罰款、令本集團業務受限乃至使本集團若干或全部業務牌照遭吊銷或撤銷。

市場風險

本集團金融服務相關業務面臨市場風險。香港金融市場直接受(其中包括)全球及本地政治、經濟及社會環境因素影響。全球及本地金融市場過往有顯著波動。金融市場急遽下挫可能全面打擊市場情緒。根據「市場回顧」一段，市場表現之進一步詳情載於本報告「管理層討論與分析」一節。

匯率風險

本集團於二零一六年十二月三十一日的資產及負債主要以港元及人民幣計值。鑒於人民幣匯率的潛在波動，本集團將適時進行若干對沖或其他活動，以降低其面臨的匯率風險。

流動資金風險

由於本集團金融服務業務屬資本密集型，本集團的流動資金可能受該狀況的不利影響。為撥資其金融服務業務增長，本集團須大量資金來源及強大資本基礎。本公司近期進行供股，成功籌集約28.4億港元，且日後其將考慮股份配售、銀行借款及發行可換股債券等其他集資活動，以加強本集團資本基礎及財務狀況。



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Investment Risk

The Group's financial services related business is exposed to a substantial amount of investment risk as this is an inherent risk of the financial services industry. Even though, the Group has set up very detailed analysis and approval process for each of its investment decision, it is still subject to the risk of its investments not performing according to its expectations.

Credit Risk

The Group's financial condition and results of operations may be affected by its ability to maintain and/or improve the quality of its loan portfolio. Deterioration in the quality of its loan portfolio may occur due to the general slowdown of the economy. Moreover, actual or perceived deterioration of the creditworthiness of borrowers, a slowdown of the economic growth, reduced profitability or cash flows of corporate borrowers or the unemployment of individual borrowers, may cause our asset quality to deteriorate and may lead to significant increases in its allowance for impairment losses on loans.

Internal Control Risk

The internal control, no matter how well designed and operated, can provide only reasonable assurance of achieving an entity's control objective. The likelihood of achievement is affected by limitations inherent to internal control. These include the realities that human judgment in decision-making can be faulty and that breakdowns in internal control can occur because of human failures such as simple errors or mistakes. Although great emphasis was placed by the Group on internal control measures to detect and deter employee's malpractices and misconducts, there is no assurance that all such measures are effective.

Settlement Risks

There is a minimum margin deposit for opening of each futures contract as required by the Hong Kong Futures Exchange Limited (the "Futures Exchange"). Clients of the Group are required to maintain such minimum margin deposit with the Group at all times as determined by the Futures Exchange. Although the Group is entitled to close out the futures contract when a client is unable to meet his/her margin call, in the event that the client's margin deposit with the Group is unable to cover the loss arising from closing out of the futures contract, the Group would be exposed to the risk of not being able to recover such shortfall from the clients, particularly in times of a volatile market.

投資風險

由於金融服務行業的固有風險，本集團金融服務相關業務面臨大量投資風險。即使本集團已對各投資決定制定詳盡分析及批准流程，其仍遭受預期的不良投資風險。

信貸風險

本集團保持及／或提升貸款組合質素的能力會影響其的財務狀況及經營業績。本集團的貸款組合質素可能因經濟整體放緩而轉差。此外，借款人的信譽實際或預期轉差、經濟增長放緩、公司借款人的盈利能力削弱或現金流量減少或個人借款人失業，均可能導致其資產質素轉差，引致貸款減值虧損撥備顯著增加。

內控風險

內部監控措施不論如何設計及實施，都只能合理確保達致公司控制目標。內控措施的固有局限會影響達致目標，包括制定決策的人為判斷可能有誤且內控可能因普通人為疏忽而中斷。儘管本集團相當重視以內控措施偵測及制止僱員的營私及不當行為，但無法保證所有措施均有成效。

結算風險

香港期貨交易所有限公司(「期交所」)規定實施每項期貨合約交易均須繳納最低按金。本集團客戶須向本集團交存期交所規定的所有該等最低按金。儘管本集團可於客戶無法達致按金要求時終止期貨合約，但所持客戶按金若不足以彌補終止期貨合約導致的損失，本集團未必(尤其是在市場動盪時)可向客戶追索不足之數。

Financing Risk

The Group normally obtains liquid securities and/or cash deposits as collateral for providing margin financing to its clients. Margin loan provided to a client is required to be maintained within the margin value of his pledged securities, which means the aggregate market value of his pledged securities after discounts. In the event that a client is unable to meet a margin call, the Group is entitled to dispose of the pledged securities and use the sale proceeds thereof towards repayment of the loan. However, there is a risk that the amount recovered from the disposal of the pledged securities may fall short of the outstanding amount of the loan. The Group would suffer a loss if it fails to recover the shortfall from its clients.

Operational and Trading System Risk

The financial operation of the Group's business is highly dependent on the capability and reliability of the computer systems used. The computer system used by the Group for its business may be vulnerable to a number of disruptions such as computer viruses, hackers or other disruptive actions by visitors or other internet users. Such disruptions may cause data corruption and interruptions, delay or cessation in the services provided through the Group's securities trading facilities. Inappropriate use of the internet by third parties may also jeopardise the security of confidential information (such as client data or trading records) stored in the computer systems of the Group and cause losses to the Group.

Competitive Risk

In the financial services sector, the Group faces intense competition from the new e-services that have emerged as a result of the advancement in technology in recent years. The growing acceptance of retail investors to these new emerging e-brokerage services have also added to the competition faced by the traditional brokerage companies. Together, these factors have put immense pressure on traditional securities brokerage companies including the Group, to lower their commission rates.

融資風險

本集團向客戶提供孖展融資時通常獲得高流通證券及／或現金存款作為抵押品。提供予客戶的孖展貸款須與其抵押證券的保證金價值(即已抵押證券折讓後的市值總額)相當。倘客戶無法達致保證金要求，本集團有權出售已抵押證券並使用銷售所得款項償還貸款。然而，出售已抵押證券所收回的款項可能低於貸款餘額。本集團若無法向客戶追回不足之數，則可能蒙受損失。

營運及交易系統風險

本集團業務財務營運極為依賴所用電腦系統的功能及可靠性，而本集團業務所用電腦系統易受電腦病毒、非法入侵或訪客或其他互聯網用戶的其他干擾行為等多種因素干擾。該等干擾可能損壞本集團證券交易設施提供的數據或令服務中斷、延遲或停止。第三方不當使用互聯網亦可能危及本集團電腦系統存儲的機密資料(如客戶數據或交易紀錄)安全，以致本集團蒙受損失。

競爭風險

由於近年來技術發展，本集團於金融服務行業面臨新電子服務的激烈競爭。接納該等新興電子經紀服務小額投資者越來越多亦加劇傳統經紀公司所面臨的競爭。同時，該等因素對傳統證券經紀公司(包括本集團)造成巨大壓力，迫使其降低佣金率。



Directors' Report 董事會報告

The healthcare services industry is highly competitive. Even though the Group's healthcare services are highly specialized and skill-intensive i.e. in the provision of IVF treatments which caters mainly to a niche market segment and the Group strives to be the leading provider in this premium medical services segment, it still faces competition from other healthcare services providers and specialist healthcare solutions providers in Hong Kong.

Dependency Risk

The Group's specialized healthcare business is highly dependent on its ability to attract and retain highly skilled and professional medical specialists and embryologists in Hong Kong. Competition for such skilled and qualified professionals in Hong Kong is intense as the pool of these specialist doctors and registered medical practitioners is small. The Group's business and future growth expansion are dependent on its ability to attract and retain these specialists and medical practitioners to practice at its medical centers.

The IVF business is also dependent on the technological advancements in the IVF treatment techniques, and the costs of embracing these advancements will have an impact the Group's future performance and competitiveness.

The success of the Group's healthcare services is also dependent to a significant extent on the recognition of its brand and reputation as a reliable and results-proven service provider. Any complaint or litigation from its clients in relation to the quality or result of services provided by the Group may adversely affect its reputation or image and may in turn, materially and adversely affect the demand for its services.

RISK MANAGEMENT

The Group has established adequate and effective risk management procedures that enable it to identify, measure, monitor and control the various types of risk it faces. This is supplemented by active management involvement and effective internal controls in the best interests of the Group.

EVENTS AFTER THE REPORTING PERIOD

Details of events after the reporting period are set on in note 41 to the consolidated financial statements.

醫療服務行業競爭相當激烈。即使本集團的醫療服務高度專業且技術超凡，如提供主要迎合小眾市場分部的IVF治療，及本集團力求成為高端醫療服務分部的主要供應商，其仍面臨香港其他醫療服務供應商及專業醫療方案供應商的競爭。

依賴風險

本集團的專業醫療業務高度依賴其吸引及挽留香港高技能及專業醫療專家以及胚胎學家的能力。由於該等專科醫生及註冊醫生人數少，在香港對於相關技能及合資格專業人士的需求競爭激烈。本集團的業務及未來發展擴張取決於其吸引及挽留該等專家及醫生於醫療中心執業的能力。

IVF業務亦取決於IVF治療技術的先進科技，且擁有該等先進設備的成本將影響本集團未來表現及競爭力。

本集團醫療服務的成功很大程度上亦取決於認可其作為可靠及有保障服務供應商的牌及聲譽。客戶就本集團所提供的服務質量或成果提出訴訟申索或投訴，均可能會對本集團的聲譽或形象造成不利影響，進而可能對客戶對我們服務需求造成重大不利影響。

風險管理

本集團設立充分有效的風險管理規程，以識別、計量、監測及控制各類風險，更有管理層積極參與及符合本集團最佳利益的有效內部控制措施。

呈報期後事項

呈報期後事項詳情載於綜合財務報表附註41。

AUDITOR

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

On behalf of the Board
Mason Financial Holdings Limited

Mr. Ko Po Ming
Joint Chairman & Chief Executive Officer

30 March 2017

核數師

本公司將於應屆股東週年大會上提呈一項決議案，續聘瑪澤會計師事務所有限公司為本公司之核數師。

代表董事會
民信金控有限公司

聯席主席及行政總裁
高寶明先生

二零一七年三月三十日



Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board of Directors (the “**Board**” or the “**Directors**”) of the Company is committed to maintaining high standards of corporate governance and integrity, and to ensuring transparent and adequate levels of disclosure. No corporate governance committee has been established and the Board is responsible for performing the corporate governance duties set out in the Corporate Governance Code (the “**CG Code**”) under Appendix 14 of the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Board will continue to review and recommend such steps as appropriate in a timely manner in order to comply with the requirements of the CG Code.

Throughout the year ended 31 December 2016 (the “**Year**”), the Company complied with all of the code provisions set out in the CG Code, save for the deviations from code provisions A.2.1 and A.6.7 as noted under the various sections of this report.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) in Appendix 10 of the Listing Rules as the code of conduct regarding directors’ securities transactions. Following specific enquiry by the Company, all of the Directors have confirmed that they have complied with the requirements as set out in the Model Code throughout the Year.

BOARD OF DIRECTORS

Board Composition

The Board comprises nine members as at the date of this report and their positions are as follows:

Executive Directors

Ko Po Ming (*Joint Chairman and Chief Executive Officer*)
Chang Tat Joel
Lui Choi Yiu, Angela
Man Wai Chuen

Non-executive Directors

Tong Tang, Joseph (*Joint Chairman*)
Hui Mei Mei, Carol

Independent Non-executive Directors

Lam Yiu Kin
Yuen Kwok On
Tian Ren Can

企業管治常規

本公司董事會(「董事會」或「董事」)致力為本公司維持高水平之企業管治及誠實公正，確保高透明度及有充足的披露。概無成立企業管治委員會及由董事會負責履行香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四下之《企業管治守則》(「企業管治守則」)所載之企業管治職責。董事會將繼續適時檢討及建議合適之步驟，以符合企業管治守則之規定。

本公司已於截至二零一六年十二月三十一日止年度(「本年度」)一直遵守企業管治守則所載之所有守則條文，惟本報告各節所述偏離守則條文A.2.1及A.6.7條除外。

董事之證券交易

本公司已採納上市規則附錄十《上市發行人董事進行證券交易之標準守則》(「標準守則」)作為董事進行證券交易的行為守則。經本公司作出具體查詢後，全體董事確認，彼等於本年度全年一直遵守標準守則所載規定。

董事會

董事會的組成

於本報告日期，董事會由九名成員組成，彼等擔任之職位如下：

執行董事

高寶明(聯席主席及行政總裁)
鄭達祖
雷彩姚
文惠存

非執行董事

唐登(聯席主席)
許薇薇

獨立非執行董事

林耀堅
袁國安
田仁燦

Roles and Responsibilities

The Board is responsible for overseeing the overall business strategy, management planning and control of the Company. The management is responsible for day-to-day management of the Company and its subsidiaries (collectively, the “Group”). The Directors have accumulated sufficient and valuable experience to carry out their duties in an efficient and effective manner. Details of the backgrounds and qualifications of the Directors are set out in the section headed “Biographies of Directors” on pages 27 to 32 of this annual report. None of the members of the Board have, in any respect, relation to each other in any circumstances.

All of the Directors of the Company have acted in good faith for the best interests of the Company and the shareholders of the Company. Other than the statutory duties imposed on each of them, all of the Directors have exercised due care in monitoring the corporate matters of the Company and have provided grave concern, sufficient time and attention to all the significant issues and affairs of the Group.

Chairman and Chief Executive

The chairman is responsible for the management of the Board and external corporate communication whereas the chief executive is responsible for the day-to-day operation, among other matters, the implementation of overall strategy and direction set by the Board.

Code provision A.2.1 states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. From 1 January to 25 April 2016, there was deviation from this code provision in that Mr. Zhang Yongdong held both positions. From 26 April to 7 September 2016, the Company did not have a chief executive officer following Mr. Zhang’s resignation. From 8 September to 31 December 2016, Mr. Tong Tang, Joseph (“Mr. Tong”) and Mr. Ko Po Ming (“Mr. Ko”) were appointed as Joint Chairman of the Company and at the same time, Mr. Ko was also appointed as the chief executive officer. The Board recognizes that this constitutes a deviation from the code provision A.2.1 however, the Board is of the view that the current leadership structure facilitates the execution of the business strategies, decision-making and maximizes the effectiveness of the Group’s operations. The Board believes that the vesting of the chairman’s power to two persons on a joint basis and the presence of three independent non-executive Directors provide adequate independence to the Board.

角色及職責

董事會負責監督本公司整體業務策略、管理規劃及監控。管理層負責本公司及其附屬公司(合稱「本集團」)的日常管理。董事經驗豐富及稱職，足以有效履行本身職責。有關董事背景及資格之詳情，載於本年報第27至32頁「董事簡歷」一節。董事會成員之間於任何方面概無任何關係。

本公司全體董事均真誠行事，為本公司及本公司股東謀求最佳利益。除須承擔之法定義務外，全體董事均嚴謹監督本公司之事務，並付出充足的時間及精力，密切關注本集團各項重大事項及事務。

主席及最高行政人員

主席負責管理董事會及對外企業通訊，而最高行政人員則負責日常營運，其中包括執行由董事會制定之整體策略及指示。

守則條文A.2.1條規定主席及行政總裁須分別由不同人士擔任，而不應由同一人兼任。自二零一六年一月一日至四月二十五日，張永東先生擔任兩個職位，故不符合本守則條文。二零一六年四月二十六日至九月七日，張先生辭任後，本公司未委任行政總裁。二零一六年九月八日至十二月三十一日，唐登先生(「唐先生」)及高寶明先生(「高先生」)獲委任為本公司聯席主席，與此同時，高先生亦獲委任為行政總裁。董事會承認這一做法不符合守則條文第A.2.1條，然而，董事會認為目前的領導層架構有助於實施業務戰略、作出決策並將本集團運營效益最大化。董事會認為將主席的權力按聯席基準授予兩人以及存在三名獨立非執行董事可使董事會具備充分獨立性。



Corporate Governance Report 企業管治報告

Furthermore, as the Group is in a transformation phase following the completion of a series of transactions, the Board believes that the Company will benefit from the joint leadership of both Mr. Tong and Mr. Ko drawing on their combined expertise and experience. Mr. Tong and Mr. Ko, each has over 30 years extensive experience in the finance industry and the Board is of the view that Mr. Tong provides the strategic direction of the Group at the macro level while Mr. Ko manages the daily operation of the Group and provides strategic direction to the Group from the business and operational perspective. There is clear understanding and expectation by the Board and within the Group on the roles and responsibilities of Mr. Tong and Mr. Ko. At the management level, the members of the management team report to Mr. Ko on the operational front. At the Board level, the other Board members accept the joint leadership of Mr. Tong and Mr. Ko and the other non-executive Directors may hold informal meetings with Mr. Tong in his capacity as a non-executive Joint Chairman to facilitate effective communication and contribution to the Board. Hence, the Board considers that the roles and responsibilities of Mr. Tong and Mr. Ko are clearly defined.

There is no financial, business, family or other material/relevant relationship between the Directors, or between the Joint Chairman (i.e. each of Mr. Tong Tang, Joseph and Mr. Ko Po Ming) and Mr. Zhang Yongdong (who resigned with effect from 26 April 2016)).

Non-executive Directors

During the Year, Mr. Tong Tang, Joseph and Ms. Hui Mei Mei, Carol were appointed as a non-executive Directors with no specific terms of office. They will hold office until the next annual general meeting of the Company at which they will be eligible for re-election. Thereafter, they will be subject to retirement by rotation and re-election pursuant to the Articles or Association of the Company.

此外，由於本集團處於完成一系列交易後的轉型階段，董事會認為憑藉彼等的綜合專業知識及經驗，本公司將自唐先生及高先生的聯合領導中獲益。唐先生及高先生各自於金融行業擁有逾三十年的豐富經驗，且董事會認為唐先生於宏觀層面為本集團作戰略指揮，而高先生則管理本集團日常營運，並從業務及運營角度為本集團提供戰略指示。董事會及本集團內對唐先生及高先生的職責及責任有清晰的理解及期望。於管理層，管理團隊成員就運營方面向高先生匯報。於董事會，其他董事會成員接受唐先生及高先生的聯合領導，而其他非執行董事可與唐先生（作為非執行聯席主席）舉行非正式會議以提高溝通效率並為董事會做出貢獻。因此，董事會認為唐先生及高先生的職責及責任已清楚界定。

董事或聯席主席（即唐登先生及高寶明先生）與張永東先生（於二零一六年四月二十六日辭任）之間並無任何財務、業務、親屬或其他重大／相關方面的關係。

非執行董事

本年度，唐登先生及許薇薇小姐獲委任為非執行董事，無指定任期，將任職至本公司下屆股東週年大會，並合資格於會上膺選連任。其後，彼等將須根據本公司章程細則輪值退任及膺選連任。

Independence of Independent Non-executive Directors

The independent non-executive Directors were appointed by reference to their respective qualification and experience to ensure that they are competent to perform their duties and to protect the interests of the Shareholders. The independent non-executive Directors were appointed for a specific term of 3 years by the Company and they are subject to retirement by rotation at least once every three years. The Company has received annual confirmation of independence from the independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules. The Board assessed and concluded that all the independent non-executive Directors are independent under the definition of the Listing Rules.

Board Composition

The Board has established a set of Board Diversity Policy setting out the approach to achieve diversity on the Board with the aims of enhancing Board effectiveness and corporate governance as well as achieving our business objectives and sustainable development. Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, required expertise, skills, knowledge and length of service. The current Board consists of a diverse mix of Board members appropriate to the requirement of the business of the Company.

Attendance Records

The Board held 17 board meetings in 2016. Details of the attendance of the Board members are as follows:

Executive Directors

	Attendance
Ko Po Ming (appointed with effect from 8 September 2016)	4/4
Chang Tat Joel (appointed with effect from 8 September 2016)	4/4
Lui Choi Yiu, Angela (appointed with effect from 26 April 2016)	9/10
Man Wai Chuen	16/17
Zhang Yongdong (resigned with effect from 26 April 2016)	5/7
Cheung Ka Yee (resigned with effect from 26 April 2016)	6/7
Cheung Wing Ping (resigned with effect from 8 September 2016)	9/13

獨立非執行董事之獨立性

獨立非執行董事均參照其各自之資格及經驗而獲委任，以確保彼等有能力履行職務，同時保障股東利益。獨立非執行董事均由本公司按3年指定年期委任，而彼等須至少每三年輪席退任一次。本公司已接獲該等獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。董事會已評估彼等之獨立性，並確定全體獨立非執行董事均符合上市規則所界定之獨立資格。

董事會組成

董事會已制定董事會多元化政策，載列令董事會達致多元化之方針，旨在提升董事會效率及企業管治水平，實現業務目標及可持續發展。董事會成員多元化從多個層面加以考慮，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、所需專才、技能、知識及服務年期。董事會目前由多元化董事會成員組成，切合本公司的業務要求。

出席記錄

董事會於二零一六年舉行了17次董事大會。董事會成員之出席詳情如下：

執行董事	出席率
高寶明(於二零一六年九月八日獲委任)	4/4
鄭達祖(於二零一六年九月八日獲委任)	4/4
雷彩姚(於二零一六年四月二十六日獲委任)	9/10
文惠存	16/17
張永東(於二零一六年四月二十六日辭任)	5/7
張嘉儀(於二零一六年四月二十六日辭任)	6/7
張榮平(於二零一六年九月八日辭任)	9/13



Corporate Governance Report

企業管治報告

Non-executive Directors

Tong Tang, Joseph (appointed with effect from 26 April 2016)	10/10
Hui Mei Mei, Carol (appointed with effect from 5 October 2016)	2/2
Xia Xiaoning (resigned with effect from 19 September 2016)	9/13

Independent Non-executive Directors

Lam Yiu Kin	17/17
Yuen Kwok On	17/17
Tian Ren Can (appointed with effect from 26 April 2016)	10/10
Antonio Maria Santos (resigned with effect from 26 April 2016)	6/7

Save for regular board meetings held in 2016, meetings of the Directors were held to discuss and transact other special businesses. The Board members are provided with appropriate and sufficient information in a timely manner to keep abreast of the Group's latest developments. All businesses transacted at the board meetings are properly documented and recorded.

Training for Directors

Each newly appointed Director receives comprehensive and formal induction to ensure that he/she has an appropriate understanding of (i) the business and operations of the Group; (ii) his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements; (iii) the corporate governance code of the Company and (iv) the Model Code.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for directors will be arranged at the expenses of the Company whenever necessary. The Directors are committed to complying with code provision A.6.5 of the CG Code on Directors' training. All of the Directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided their training records for the Year to the Company. During the Year, the Company has also provided various training to the Directors such as refresher courses on the CG Code and Listing Rules and Risk Management training.

非執行董事

唐登(於二零一六年四月二十六日獲委任)	10/10
許薇薇(於二零一六年十月五日獲委任)	2/2
夏曉寧(於二零一六年九月十九日辭任)	9/13

獨立非執行董事

林耀堅	17/17
袁國安	17/17
田仁燦(於二零一六年四月二十六日獲委任)	10/10
杜東尼(於二零一六年四月二十六日辭任)	6/7

除於二零一六年舉行之董事會常規會議外，董事會亦舉行會議討論及處理其他特別事項。董事會成員會及時取得適當且充足之資料，使彼等了解本集團之最新發展情況。所有於董事會會議審議的事項均已妥善存檔及記錄。

董事培訓

每名獲委任之新董事均獲提供全面及正式之入職介紹，以確保其可適當掌握(i)本集團之業務及營運；(ii)根據上市規則及相關法規須履行之職務及責任；(iii)本公司之企業管治守則；及(iv)標準守則。

董事將不斷獲得法定及監管機制發展以及業務環境之新消息，以協助彼等履行職責。當有需要時，董事將獲安排持續簡報及專業發展培訓，費用由本公司承擔。董事致力遵守企業管治守則內第A.6.5條有關董事培訓之守則條文。於本年度，全體董事均有參與發展及更新彼等知識及技能之持續專業發展，並已向本公司提供其培訓記錄。本年度，本公司亦已向董事提供多項培訓，如企業管治守則及上市規則以及風險管理培訓等進修課程。

Corporate Governance Report 企業管治報告

Directors	Types of Trainings	董事	培訓類型
Executive Directors			
		執行董事	
Ko Po Ming	A, B	高寶明	A、B
Chang Tat Joel	A, B	鄭達祖	A、B
Lui Choi Yiu Angela	A, B	雷彩姚	A、B
Man Wai Chuen	A	文惠存	A
Zhang Yongdong	A	張永東	A
Cheung Ka Yee	A	張嘉儀	A
Cheung Wing Ping	A	張榮平	A
Non-executive Directors			
		非執行董事	
Tong Tang, Joseph	A, B	唐登	A、B
Hui Mei Mei Carol	A, B	許薇薇	A、B
Xia Xiaoning	A	夏曉寧	A
Independent Non-executive Directors			
		獨立非執行董事	
Lam Yiu Kin	A	林耀堅	A
Yuen Kwok On	A	袁國安	A
Tian Ren Can	A, B	田仁燦	A、B
Antonio Maria Santos	A	杜東尼	A
A:	attending seminars/courses/conferences in person or by teleconference in relation to the responsibilities of directors' of a listed company, corporate governance and regulatory updates	A:	親身或透過電子通訊方式參加有關上市公司董事責任、企業管治及監管最新資訊的研討會／課程／會議
B:	orientation of newly-appointed directors	B:	為新任董事而設的迎新培訓



Corporate Governance Report

企業管治報告

BOARD COMMITTEES

Audit Committee

The Audit Committee was established in January 2003 and written terms of reference were formulated and were revised on 29 March 2012 and 18 December 2015 and the adopted terms of reference are in compliance with the code provision in the CG Code.

The primary duties of the Audit Committee, among others, are:

Relationship with the Company's auditor

- (a) to be primarily responsible for making recommendations to the board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
- (c) to act as the key representative for overseeing the Company's relations with the external auditor;
- (d) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

董事會委員會

審核委員會

審核委員會於二零零三年一月成立，有關該委員會之書面職權範圍已制訂並於二零一二年三月二十九日及二零一五年十二月十八日予以修訂。所採納職權範圍符合企業管治守則的守則條文。

審核委員會之主要職務(其中包括):

與本公司核數師之關係

- (a) 主要負責向董事會提供有關委任、續聘及罷免外聘核數師之建議，以及批准外聘核數師之酬金及聘用條款，以及處理有關該核數師辭職或辭退該核數師之任何問題；
- (b) 根據適用標準，檢視及監察外聘核數師之獨立性及客觀性以及審核程序之有效性。在審核工作開始前，審核委員會須與外聘核數師討論核數性質及範疇以及匯報之責任；
- (c) 擔任本公司與外聘核數師之間的主要代表，負責監察二者之間的關係；
- (d) 制定及實施有關聘請外聘核數師提供非審計服務之政策。就此而言，「外聘核數師」包括與核數師事務所處於同一控制權、擁有權或管理權之下的任何機構，或合理及知情之第三方在獲得所有相關資料後可合理斷定為在當地或國際上屬於核數師事務所一部分之任何機構。審核委員會應就任何須採取行動或改善之事項，向董事會報告並提出建議；

Review of the Company's financial information

- (e) to monitor integrity of the Company's financial statements, annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them. In reviewing these reports before submission to the Board, the Audit Committee should focus particularly on:
- (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from audit;
 - (iv) the going concern assumptions and any qualifications;
 - (v) compliance with accounting standards; and
 - (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting;
- (f) Regarding (e) above: (i) members of the Audit Committee should liaise with the Board and senior management and the Audit Committee must meet, at least twice a year, with the Company's auditor; and (ii) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function and compliance function or the auditor;

Oversight of the Company's financial reporting system, risk management and internal control systems

- (g) to review the Company's financial controls, and unless expressly addressed by a separate Board risk committee, or by the Board itself, to review the Company's risk management and internal control systems;
- (h) to discuss the risk management and internal control systems with the management to ensure that the management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;

審閱本公司之財務資料

- (e) 監察本公司財務報表及年度報告及賬目、半年度報告及(若擬刊發)季度報告之完整性，並審閱當中所載有關財務報告所作之重大判斷。審核委員會在向董事會提交有關報表及報告前，應特別針對以下事項加以審閱：
- (i) 會計政策及實務之任何更改；
 - (ii) 涉及重大判斷之範圍；
 - (iii) 因核數而產生之重大調整；
 - (iv) 持續經營假設及任何保留意見；
 - (v) 會計準則之遵守；及
 - (vi) 是否遵守有關財務報告之上市規則及法例規定；
- (f) 就上述(e)項而言，(i)審核委員會成員應與董事會及高級管理人員聯絡，審核委員會須至少每年與本公司核數師會面兩次；及(ii)審核委員會應考慮需要或可能需要在上述報告及賬目中反映之任何重大或不尋常項目，並適當考慮任何由本公司屬下會計及財務匯報職能及規管監察職能之職員或核數師所提出之事項；

監管本公司財務報告制度、風險管理及內部監控系統

- (g) 檢討本公司之財務監控，以及(除非有另設的董事會轄下風險委員會又或董事會本身會明確處理)檢討本公司的風險管理及內部監控系統；
- (h) 與管理層討論風險管理及內部監控制度，並確保管理層已履行職責建立有效之系統。討論內容應包括本公司在會計及財務匯報職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算又是否充足；



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- (i) to consider any findings of major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and the management's response to these findings;
 - (j) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
 - (k) to review the group's financial and accounting policies and practices;
 - (l) to review the external auditor's management letter, any material queries raised by the auditor to the management about accounting records, financial accounts or systems of control and the management's response;
 - (m) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
 - (n) to review arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters and the Audit Committee is to ensure proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;
 - (o) to report to the Board on the matters in these Terms of Reference; and
 - (p) to consider other topics, as defined by the Board.
- (i) 按董事會委派或主動研究就風險管理及內部監控事務進行重大調查之結果，以及管理層對調查結果之回應；
 - (j) 若公司設有內部審核功能，委員會須確保內部核數師與外聘核數師之間的協調性，並確保內部審核功能擁有足夠資源，且在本公司內擁有適當之地位以及檢視及監察其成效；
 - (k) 審閱集團之財務以及會計政策及實務；
 - (l) 檢討外聘核數師致管理層之審核情況說明函件，以及其可能就會計紀錄、財務賬目或監控制度向管理層提出之任何重大疑問及管理層就此作出之回應；
 - (m) 確保董事會及時回應外聘核數師致管理層之審核情況說明函件中提出之事宜；
 - (n) 對本公司僱員可暗中就財務匯報、內部監控或其他事項可能發生不當行為提出關注之安排，作出檢討，審核委員會應確保有適當安排就此等事項作出公平而獨立之調查，及採取適當之跟進行動；
 - (o) 向董事會報告本職權範圍之事宜；及
 - (p) 考慮董事會所界定之其他課題。

As at the date of this report, the Audit Committee comprises three independent non-executive Directors, namely:

Lam Yiu Kin (*Chairman*)
Yuen Kwok On
Tian Ren Can (appointed with effect from 26 April 2016)

於本報告日期，審核委員會由三名獨立非執行董事組成，包括：

林耀堅(*主席*)
袁國安
田仁燦(於二零一六年
四月二十六日獲委任)

During the Year, the Audit Committee met three times with the external auditor and/or representatives of the management of the Company. The attendance records of each Audit Committee member in 2016 are set out below:

<u>Committee members</u>	<u>Attendance</u>	<u>委員會成員</u>	<u>出席率</u>
Lam Yiu Kin (<i>Chairman</i>)	3/3	林耀堅(主席)	3/3
Yuen Kwok On	3/3	袁國安	3/3
Tian Ren Can (appointed with effect from 26 April 2016)	2/2	田仁燦(於二零一六年 四月二十六日獲委任)	2/2
Antonio Maria Santos (resigned with effect from 26 April 2016)	1/1	杜東尼(於二零一六年 四月二十六日辭任)	1/1

The Audit Committee reviewed and discussed consolidated financial statements of the Group for the financial year ended 31 December 2016 with the external auditors and reviewed the Company's unaudited interim results for the six months ended 30 June 2016. The Audit Committee also reviewed and discussed the internal control necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audit Committee submitted its views and recommendations on the Group's financial statements to the Board.

於本年度內，審核委員會與外聘核數師及／或本公司管理層代表舉行了三次會面。二零一六年各審核委員會成員之會議出席記錄載列如下：

審核委員會連同外聘核數師已審閱及討論本集團截至二零一六年十二月三十一日止財政年度之綜合財務報表並審閱本公司截至二零一六年六月三十日止六個月之未經審核中期業績。審核委員會亦審閱及討論必要內部控制，確保綜合財務報表的編製不存在重大錯誤，無論是否由於欺詐或失誤引起。審核委員會向董事會提交其有關本集團財務報表的意見及推薦建議。

Remuneration Committee

The Remuneration Committee was formed on 28 June 2005. The Company formulated written terms of reference for the Remuneration Committee and the adopted terms of reference are in compliance with the code provision in the CG Code.

薪酬委員會

薪酬委員會於二零零五年六月二十八日成立。本公司已就薪酬委員會制訂書面職權範圍，且所採納之職權範圍符合企業管治守則之守則條文。

The primary duties of the Remuneration Committee, among others, are:

薪酬委員會之主要職務(其中包括)如下：

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| (a) to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; | (a) 就董事及高級管理人員全體薪酬待遇之本公司政策及結構，及就訂立正規及具透明度之程序以制定薪酬政策，向董事會提出建議； |
| (b) to review and approve the management's remuneration proposals by reference to the Board's corporate goals and objectives; | (b) 因應董事會所訂企業方針及目標，檢討及批准管理層之薪酬建議； |
| (c) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment; | (c) 向董事會建議個別執行董事及高級管理人員之薪酬待遇，包括實物福利、退休金權利及賠償金額(包括喪失或終止職務或委任之賠償)； |
| (d) to make recommendations to the Board on the remuneration of non-executive directors; | (d) 就非執行董事之酬金向董事會提出建議； |



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| <p>(e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;</p> <p>(f) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;</p> <p>(g) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;</p> <p>(h) to ensure that no director or any of his associates is involved in deciding his own remuneration;</p> <p>(i) when the occasion arises, to advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under Rule 13.68 of the Listing Rules; and</p> <p>(j) to do any such things to enable the Remuneration Committee to discharge its powers and functions conferred on it by the Board.</p> | <p>(e) 考慮相類比較之公司所支付之薪酬、須付出之時間及職責以及集團內其他職位之僱用條件；</p> <p>(f) 檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付之賠償，以確保該等賠償與合約條款一致，若未能與合約條款一致，賠償亦須公平合理，不致過多；</p> <p>(g) 檢討及批准因董事行為失當而被解僱或罷免所涉及之賠償安排，以確保該等安排與合約條款一致，若未能與合約條款一致，有關賠償亦須合理適當；</p> <p>(h) 確保任何董事或其任何聯繫人不得參與釐定其本身之薪酬；</p> <p>(i) 如有任何董事服務合約按上市規則第13.68條規定而須獲股東批准之情況出現，須向股東提議如何投票；及</p> <p>(j) 採取任何行動使薪酬委員會可履行董事會賦予之權力及職能。</p> |
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As at the date of this report, the Remuneration Committee comprises three independent non-executive Directors, one executive Director and one non-executive Director, namely:

Yuen Kwok On (*Chairman*) (*independent non-executive director*)
Lam Yiu Kin (*independent non-executive director*)
Tian Ren Can (*independent non-executive director*,
appointed with effect from 26 April 2016)
Chang Tat Joel (*executive director*, appointed with
effect from 8 September 2016)
Hui Mei Mei, Carol (*non-executive director*, appointed with effect from
5 October 2016)

於本報告日期，薪酬委員會由三名獨立非執行董事、一名執行董事及一名非執行董事組成，包括：

袁國安(主席)(獨立非執行董事)
林耀堅(獨立非執行董事)
田仁燦(獨立非執行董事，
於二零一六年四月二十六日獲委任)
鄭達祖(執行董事，於二零一六年
九月八日獲委任)
許薇薇(非執行董事，於二零一六年
十月五日獲委任)

The Remuneration Committee held four meetings in 2016 to review and assess the performance and remuneration of the directors and to review the proposed remuneration packages of the new directors and their terms of service, to make recommendations to the Board. Details of the attendance of the Remuneration Committee meetings are set out below:

<u>Committee members</u>	<u>Attendance</u>	<u>委員會成員</u>	<u>出席率</u>
Yuen Kwok On (<i>Chairman</i>)	4/4	袁國安(主席)	4/4
Lam Yiu Kin	4/4	林耀堅	4/4
Tian Ren Can (appointed with effect from 26 April 2016)	2/2	田仁燦(於二零一六年四月二十六日獲委任)	2/2
Chang Tat Joel (appointed with effect from 8 September 2016)	1/1	鄭達祖(於二零一六年九月八日獲委任)	1/1
Hui Mei Mei, Carol (appointed with effect from 5 October 2016)	0/0	許薇薇(於二零一六年十月五日獲委任)	0/0
Antonio Maria Santos (resigned with effect from 26 April 2016)	2/2	杜東尼(於二零一六年四月二十六日辭任)	2/2
Man Wai Chuen (resigned with effect from 8 September 2016)	2/3	文惠存(於二零一六年九月八日辭任)	2/3

Nomination Committee

The nomination committee of the Company (the “**Nomination Committee**”) was formed on 29 March 2012. The Company formulated written terms of reference for the Nomination Committee and the adopted terms of reference are in compliance with the code provision in the CG Code.

The primary duties of the Nomination Committee, among others, are:

- to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- to assess the independence of independent non-executive directors;
- to review the Board Diversity Policy, as appropriate, and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually from year 2013 onwards;

薪酬委員會於二零一六年舉行了四次會議，審議及評估董事表現及薪酬，以及審閱新任董事的建議薪酬待遇及服務條款，並向董事會作出推薦建議。薪酬委員會會議出席詳情如下：

提名委員會

本公司之提名委員會(「提名委員會」)於二零一二年三月二十九日成立。本公司已就提名委員會制訂書面職權範圍，且所採納之職權範圍符合企業管治守則之守則條文。

提名委員會之主要職務(其中包括)如下：

- 至少每年檢討董事會之架構、人數及成員多元化(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、知識及服務任期方面)，並就任何為配合本公司之企業策略而擬對董事會作出之變動提出建議；
- 物色具備合適資格可擔任董事之人士，並在獲提名出任董事之人士當中作出挑選或向董事會提供意見；
- 評核獨立非執行董事之獨立性；
- 在適當情況下檢討董事會成員多元化政策；及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和達標進度；以及自二零一三年度起每年在《企業管治報告》內披露檢討結果；



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- (e) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive; and
- (f) to consider other topics as defined by the Board.

As at the date of this report, the Nomination Committee comprises three independent non-executive Directors and two non-executive Directors, namely:

Mr. Tong Tang, Joseph (*Chairman*) (*non-executive director*, appointed with effect from 26 April 2016)
Lam Yiu Kin (*independent non-executive director*)
Yuen Kwok On (*independent non-executive director*)
Tian Ren Can (*independent non-executive director*, appointed with effect from 26 April 2016)
Hui Mei Mei, Carol (*non-executive director*, appointed with effect from 5 October 2016)

The Nomination Committee held four meetings in 2016 to assess the independence of the independent non-executive directors, to make recommendations to the Board on the new appointments and the re-appointments of directors and to review the composition of the Board. Details of the attendance of the Nomination Committee meetings are set out below:

<u>Committee members</u>	<u>Attendance</u>	<u>委員會成員</u>	<u>出席率</u>
Tong Tang, Joseph (<i>Chairman</i> , appointed with effect from 26 April 2016)	2/2	唐登(主席, 於二零一六年四月二十六日獲委任)	2/2
Lam Yiu Kin	4/4	林耀堅	4/4
Yuen Kwok On	4/4	袁國安	4/4
Tian Ren Can (appointed with effect from 26 April 2016)	2/2	田仁燦(於二零一六年四月二十六日獲委任)	2/2
Hui Mei Mei, Carol (appointed with effect from 5 October 2016)	0/0	許薇薇(於二零一六年十月五日獲委任)	0/0
Zhang Yongdong (<i>Chairman</i> , resigned with effect from 26 April 2016)	0/2	張永東(主席, 於二零一六年四月二十六日辭任)	0/2
Cheung Ka Yee (resigned with effect from 26 April 2016)	2/2	張嘉儀(於二零一六年四月二十六日辭任)	2/2
Antonio Maria Santos (resigned with effect from 26 April 2016)	2/2	杜東尼(於二零一六年四月二十六日辭任)	2/2
Lui Choi Yiu, Angela (resigned with effect from 5 October 2016)	2/2	雷彩姚(於二零一六年十月五日辭任)	2/2

- (e) 就董事委任或續任以及董事(尤其是主席及最高行政人員)繼任計劃向董事會提出建議; 及
- (f) 研究其他由董事會界定之課題。

於本報告日期, 提名委員會由三名獨立非執行董事及兩名非執行董事組成, 包括:

唐登(主席)(非執行董事, 於二零一六年四月二十六日獲委任)
林耀堅(獨立非執行董事)
袁國安(獨立非執行董事)
田仁燦(獨立非執行董事, 於二零一六年四月二十六日獲委任)
許薇薇(非執行董事, 於二零一六年十月五日獲委任)

提名委員會於二零一六年舉行了四次會議, 評估獨立非執行董事的獨立性, 並就董事的新委任及續任向董事會提供推薦建議, 同時審閱董事會的組成。提名委員會會議出席詳情如下:

ACCOUNTABILITY

Directors' and Auditor's Responsibilities for Financial Statements

The Directors acknowledge their responsibilities for the preparation of the Group's financial statements and believe that these statements give a true and fair view of the state of the Group's affairs and of its results. The responsibilities of the Directors and Auditor are set out on pages 76 to 84 of this annual report. The Board has adopted appropriate accounting policies and made proper estimates for the preparation of financial statements. The Directors confirm that, to the best of their knowledge, information and belief and having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cause significant doubt upon the Company's ability to continue as a going concern. The Board therefore continues to adopt the going concern approach in preparing the financial statements for the financial year of 2016.

Auditor's Remuneration

The Audit Committee is responsible for considering the appointment of the external auditor and reviewing any non-audit services performed by the external auditor. During the Year, the remuneration paid and payable to the Company's auditor for the provision of services as follows:

Audit services	核數服務	HK\$1,900,000港元
Non-audit services (including tax services and review of interim report and financial information)	非核數服務(包括稅務服務及審閱中期報告及財務資料)	HK\$988,000港元
		HK\$2,888,000港元

問責

董事及核數師對財務報表之責任

董事確認須負責編製本集團之財務報表，及確信該等報表能真實公平地反映本集團之事務狀況及業績。董事及核數師之責任載於本年報第76至84頁。董事會已採用合適之會計政策並為編製財務報表作出合適之估計。董事確認，據彼等作出一切合理查詢後所知、所悉及所信，並無任何可嚴重影響本公司持續經營能力之若干事件或情況相關的重大不確定因素。因此，董事會仍然採用持續經營基準編製二零一六年財政年度之財務報表。

核數師酬金

審核委員會負責審議外聘核數師之任命及檢討外聘核數師提供之任何非核數服務。於本年度內，已向本公司核數師支付及應付的服務酬金如下：



Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for overseeing the risk management and internal control systems of the Group and reviewing their effectiveness at least annually through the Audit Committee. The Audit Committee assists the Board in fulfilling its oversight and corporate governance roles in the Group's financial, operational, compliance, risk management and internal controls, and the resourcing of the finance and internal audit functions.

The Group has defined and endorsed the risk management policy, align risk management objectives and strategies of the organization, ensuring necessary resources are allocated to risk management and to assign accountabilities and responsibilities at appropriate level within the organization. The Risk & Compliance Committee assists the Board and the Audit Committee in the review of the effectiveness of the Group's risk management and internal control systems on an ongoing basis. The directors through the Audit Committee are kept regularly apprised of significant risks that may impact on the Group's performance.

Appropriate policies and procedures have been designed and established to ensure that key risks are identified, assessed and managed within the defined risk tolerance level. Through such a systematic approach, assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements.

The Group's risk governance structure adopts a "Three Lines of Defense Model", which entails the accountabilities and responsibilities across the organization as depicted in the below illustration.

風險管理及內部監控

董事會承諾其負責監管本集團風險管理及內部監控系統並透過審核委員會至少每年對其有效性進行一次審核。審核委員會協助董事會履行其監察及企業管治職責，涵蓋本集團的財務、營運、合規、風險管理及內部監控，以及財務資源及內部審核職能。

本集團已界定並背書風險管理政策、調整風險管理目標及組織戰略，以確保向風險管理分配足夠的資源，並於組織內按適當水平分配職責及責任。風險及合規委員會協助董事會及審核委員會按持續基準審核本集團風險管理及內部監控系統的有效性。審核委員會定期向董事報告可能對本集團業績產生影響的重大風險。

本集團已制定並實施適當政策及程序確保重大風險的識別、評估及管理以確定其在風險承受水平內。這一系統性的方法可使資產不被濫用或出售，有關規則及條例得到遵守，且可靠的財務及會計記錄將根據有關會計準則及管治報告規定予以保留。

本集團的風險管治架構採用「三道防線模式」，其將組織內的職責及責任按下圖予以限定。

Oversight: Board of Directors
監督：董事會

Ownership: Corporate Management
所有權：公司管理人員

Audit Committee
審核委員會

1st Line of Defence
第一道防線

- Ongoing Identification, Assessment, Monitoring and Reporting of Risks in Respective Areas
- Plan and Implement Actions to Manage Risks
- Escalate Risks According to the Escalation Requirements
- 持續鑒定、評估、監控及呈報各個方面的風險
- 規劃並實施行動以管理風險
- 根據升級規定將風險升級

Risk Owners
風險責任人

2nd Line of Defence
第二道防線

- Periodic review on the whole risk management process
- Intermediary role for risk reporting to audit committee and board of directors
- Facilitate the risk management process
- 定期審核整個風險管理流程
- 向審核委員會及董事會做風險報告的中間方
- 促進風險管理程序進行

Risk & Compliance Committee
風險及合規委員會

3rd Line of Defence
第三道防線

- Provide an independent perspective on process controls and design
- Review the effectiveness of controls in place to manage risks
- 於程序控制及設計上提供獨立的觀點
- 審核已有控制的有效性以管理風險

Internal Audit
內部審計處



Corporate Governance Report 企業管治報告

The Risk & Compliance Committee, which co-ordinates enterprise risk management activities and reviews significant aspects of risk management for the Group, reports to the senior management at each regularly scheduled meeting including amongst other things, significant risks of the Group and the appropriate mitigation and/or transfer of identified risks. The operating units of the Group, as risk owners, identify, analyze, prioritize and monitor their own risks, and report such risk management activities to Risk & Compliance Committee on a regular basis. Proper escalation mechanism with well-defined threshold and tolerance level is communicated to risk owners.

The senior management of the Group, supported by the Risk & Compliance Committee and Internal Audit, is responsible for the design, implementation and monitoring of the risk management and internal control systems, and for providing regular reports to the Board and the Audit Committee on the effectiveness of these systems.

The Group has embedded its risk management systems into the core operating practices of the business. On an ongoing basis, the respective operating units will review and assess the status of potential risks which may impact on their ability to achieve their business objectives. This review process includes assessment as to whether the existing system of internal controls continues to remain relevant, adequately addresses potential risks, and/or should be supplemented. The results of these reviews are recorded in the operating units risk registers for monitoring and incorporated into the Group's consolidated risk register for analysis of potential strategic implications and for regular reporting to the senior management.

During 2016, the Board has engaged an external consultant to perform a review services of the effectiveness of the systems of internal controls of the Group's brokerage business operations focusing on operational and compliance controls as well as general controls environment on its information systems. The assessment results and proposed improvement opportunities were discussed and agreed with management and were reported to the Audit Committee. The Company considers the above-mentioned risk management and internal control systems of the Group during the Year are effective and adequate.

風險及合規委員會負責協調企業風險管理工作及就本集團的重大風險管理範疇進行檢討，並就此於每個定期安排的會議上向高級管理層匯報，匯報事項包括但不限於本集團的重大風險以及如何適當減低及／或轉移已識別的風險。本集團的各個營運單位（作為風險承擔單位）識別、分析、區分優先次序及監察其各自的風險，以及定期向風險及合規委員會匯報該等風險管理工作。並向風險承擔單位傳遞門檻及承受水平清晰的上報機制。

本集團高級管理層在風險及合規委員會以及內部審計處的協助下負責風險管理及內部監控制度的設計、實施及監察，以及向董事會及審核委員會提交有關該等制度成效的定期報告。

本集團已把其風險管理系統融入業務的核心營運常規。相關營運單位將持續檢討及評估可能影響其實現本身經營目標的能力的潛在風險狀況。該檢討程序包括評估現行內部監控制度是否仍然適當、是否能夠充分處理潛在風險，及／或是否需要增補。該等檢討結果會記錄於營運單位風險登記冊以作監察，並會載入本集團綜合風險登記冊以分析對策略的潛在影響及定期向高級管理層匯報。

於二零一六年，董事會已委聘外部顧問就本集團經紀業務的內部監控制度的有效性作出檢討，注重營運及合規監控以及其信息系統的一般監控環境。評估結果及改善建議已經與管理層討論及確認，並向審核委員會匯報。本公司認為上述本集團於年內的風險管理及內部監控制度屬有效且充分。

General Meetings

During the year 2016, the Company held three general meetings (including the annual general meeting). Individual resolution has been proposed by the Chairman in the general meetings for each substantial issue. At these general meetings, the Chairman of the Company and/or the members of the Board (including Independent Non-executive Directors) were available to answer questions raised by shareholders. The attendance of each Director at the general meetings of the Company for the Year is set out below:

股東大會

於二零一六年度，本公司舉行了三次股東大會(包括股東週年大會)。主席已就各項重大事宜在股東大會上提呈個別決議案。於該等股東大會上，本公司主席及／或董事會成員(包括獨立非執行董事)均有出席股東大會並回答股東提問。各董事於本年度出席本公司股東大會的情況載列如下：

<u>Executive Directors</u>	<u>Attendance</u>	<u>執行董事</u>	<u>出席率</u>
Ko Po Ming (appointed with effect from 8 September 2016)	1/1	高寶明(於二零一六年九月八日獲委任)	1/1
Chang Tat Joel (appointed with effect from 8 September 2016)	1/1	鄭達祖(於二零一六年九月八日獲委任)	1/1
Lui Choi Yiu Angela (appointed with effect from 26 April 2016)	2/3	雷彩姚(於二零一六年四月二十六日獲委任)	2/3
Man Wai Cheun	3/3	文惠存	3/3
Zhang Yongdong (resigned with effect from 26 April 2016)	0/0	張永東(於二零一六年四月二十六日辭任)	0/0
Cheung Ka Yee (resigned with effect from 26 April 2016)	0/0	張嘉儀(於二零一六年四月二十六日辭任)	0/0
Cheung Wing Ping (resigned with effect from 8 September 2016)	2/2	張榮平(於二零一六年九月八日辭任)	2/2
<u>Non-executive Directors</u>		<u>非執行董事</u>	
Tong Tang Joseph (appointed with effect from 8 September 2016)	2/3	唐登(於二零一六年九月八日獲委任)	2/3
Hui Mei Mei Carol (appointed with effect from 5 October 2016)	0/1	許薇薇(於二零一六年十月五日獲委任)	0/1
Xia Xiaoning (resigned with effect from 19 September 2016)	1/2	夏曉寧(於二零一六年九月十九日辭任)	1/2
<u>Independent Non-executive Directors</u>		<u>獨立非執行董事</u>	
Lam Yiu Kin	3/3	林耀堅	3/3
Yuen Kwok On	0/3	袁國安	0/3
Tian Ren Can (appointed with effect from 26 April 2016)	0/3	田仁燦(於二零一六年四月二十六日獲委任)	0/3
Antonio Maria Santos (resigned with effect from 26 April 2016)	0/0	杜東尼(於二零一六年四月二十六日辭任)	0/0



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Code provision A.6.7 states that the independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. However, during the Year, two of the independent non-executive directors, Mr. Yuen Kwok On and Mr. Tian Ren Can, did not attend any of the general meetings held by the Company due to their other business commitments. Mr. Lam Yiu Kin, an independent non-executive director, however attended all the general meetings of the Company held during the Year to represent the non-executive directors in developing a balanced understanding of the views of the shareholders at those general meetings.

All resolutions put forward at the general meetings of the Company were voted by way of poll and the announcement on the poll vote results was made by the Company after the general meetings in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Shareholders' Rights - Enquiries

Shareholders may put enquiries to the Board or put forward proposals relating to the operations, strategy and/or management of the Group to be discussed at shareholders' meetings. Shareholders' enquiries or proposals can be directed in writing to the Board or the Company Secretary at Units 4708-10, 47/F, The Center, 99 Queen's Road Central, Hong Kong or by email to info@masonhk.com.

Shareholders' Rights - Meetings

Pursuant to Article 69 of the Articles of Association of the Company and Section 566 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), shareholder(s) of the Company holding not less than 5% of the total voting rights of the Company may request the Board of Directors of the Company to convene a general meeting by way of depositing a written request at the registered office of the Company (Units 4708-10, 47/F, The Center, 99 Queen's Road Central, Hong Kong) or by email to info@masonhk.com. The objects of the meeting must be stated in the related requisition which must be authenticated by the requisitioner(s).

Under Section 615 of the Companies Ordinance, shareholder(s) holding not less than 2.5% of the total voting rights or not less than 50 shareholders may propose any resolution at the annual general meeting by way of depositing a written notice authenticated by the requisitioner(s) at the registered office of the Company (Units 4708-10, 47/F, The Center, 99 Queen's Road Central, Hong Kong) or by email to info@masonhk.com not less than six weeks before the meeting. The notice shall contain a description of the proposed resolution desired to be put forward at the meeting, the reasons for such proposal and any material interest of the proposing shareholder(s) in such proposal.

守則條文A.6.7條載明，獨立非執行董事應出席股東大會，並對股東之意見有公正之了解。然而，於年內，兩名獨立非執行董事袁國安先生及田仁燦先生因彼等之其他事務未出席本公司召開之任何股東大會。而獨立非執行董事林耀堅先生於年內代表獨立非執行董事出席本公司召開之所有股東大會，於該等股東大會上對股東之意見有公正之了解。

提呈本公司股東大會的所有決議案均以投票方式表決，本公司亦已根據上市規則第13.39(5)條規定所述方式於股東大會結束後公佈投票表決的結果。

股東權利－查詢

股東可就將於股東大會上討論之本集團之業務、政策及／或管理向董事會作出查詢或提呈議案。股東之查詢或議案可書面寄送至董事會或公司秘書（地址為香港皇后大道中99號中環中心47樓4708-10室）或電郵至info@masonhk.com。

股東權利－會議

根據本公司章程細則第69條及香港法例第622章公司條例第566條，本公司持有不少於本公司投票權總數5%之股東可通過向本公司之註冊辦事處（香港皇后大道中99號中環中心47樓4708-10室）或電郵至info@masonhk.com遞交書面要求之方式向本公司董事會要求召開股東大會。會議主旨須於經有關遞呈要求人士認證之相關要求內註明。

根據公司條例第615條，持有投票權總數不少於2.5%之股東，或不少於50名股東可於大會前不少於六個星期通過向本公司之註冊辦事處（香港皇后大道中99號中環中心47樓4708-10室）或電郵至info@masonhk.com遞交由遞呈要求人士認證之書面通告之方式於股東週年大會上提呈任何決議案。通告應載有擬於大會上提呈之建議決議案之詳情、有關建議之理由及建議股東於有關建議內之任何重大權益。

Environmental, Social and Governance Report

環境、社會及管治報告

Mason Financial Holdings Limited (“**Mason**” or the “**Company**”) and its subsidiaries (together, the “**Group**”) are principally engaged in securities brokerage, commodities brokerage, bullion trading services, provision of securities margin financing, provision of investment and corporate finance advisory services, investment in securities trading, money lending and investment holding with dedication to provide financial services with the highest quality to our clients. In order to grasp the opportunity behind the new two-child policy of China, Mason actively expanded its healthcare and medical business through acquisitions and well prepared for its future development in healthcare and the “mother-infant-children” related industries.

The Group endeavors to be an environment-friendly organization and to fulfill its responsibilities to the environment and community, whilst maintaining its position as a global service provider.

ENVIRONMENTAL PROTECTION

Mitigating the effect on the environment

As a financial company, its business bears low impact on carbon emission. Throughout the year, the Group fully complied with all of the relevant environmental laws and regulations. The Group promotes environmental protection by introducing a number of measures to enhance awareness of environmental protection among its employees, encouraging them to develop environment-friendly working habits and to take action in protecting the precious environment.

Although Mason’s business has no significant impact on the environment, certain clinical waste are generated from the associated healthcare operations and services, medical laboratory analysis and medical and related research. The Group is fully aware of the risk of pollution and potential health hazards that may have arisen from the operation of clinical and scientific services. Although our laboratory and medical waste is not significant, Mason has implemented proper clinical waste management and mitigating measures in full accordance with the Code of Practice imposed by the Environmental Protection Department of Hong Kong and is in compliance with the legal requirements of waste disposal. For example, clinic and laboratory waste are segregated, packed and temporarily stored to be collected by licensed medical waste collectors. All of the disposals are properly recorded for future follow-up if necessary.

The Group reviews its environmental policy from time to time and will consider implementing further eco-friendly measures and practices in the operation of the Group’s businesses to enhance environmental sustainability.

民信金控有限公司(「民信」或「本公司」)及其附屬公司(「本集團」)，主要從事證券交易，商品經紀，黃金交易服務，提供證券保證金融資、提供投資和企業融資諮詢服務，證券買賣投資，放債和投資控股，致力於為客戶提供高質量的金融服務。為了抓住中國二孩新政策帶來的機遇，民信通過併購積極擴大其健康保健和醫療業務，並且已經為其醫療保健和「母嬰及兒童」相關行業的未來發展做好了充分的準備。

本集團致力於成為一個環境友好型組織，在保持其作為全球服務提供商的地位的同時踐行對環境和社區承擔的責任。

環境保護

減輕對環境的影響

作為一個金融公司，其業務對碳排放的影響比較小。本集團全年充分遵守與環境相關的所有法律法規。本集團通過一系列措施來提高員工的環保意識藉此促進環境保護，鼓勵員工養成環保的工作習慣並且採取實際行動保護寶貴的環境。

儘管民信的業務對環境不會產生重大影響，但還是會產生與健康保健的經營和服務、醫學實驗室分析以及醫學和相關研究有關的某些臨床廢物。本集團充分知曉臨床和科研服務過程中可能產生的污染物風險和潛在的健康危害。雖然實驗室和醫療廢物量並不大，民信已經完全按照香港環境保護署頒佈的行為守則實施適當的臨床廢物管理和減排措施並且遵守關於廢物處理的法律要求。例如，將臨床和實驗室廢物隔離、打包、暫時存儲，然後由具有相應醫療垃圾許可的收集人收集。所有的處理均妥善記錄以方便後續的跟進。

在不時評審其環境政策的基礎上集團考慮在經營業務的過程中實施進一步的環保措施和實踐以加強環境的可持續性。



Environmental, Social and Governance Report

環境、社會及管治報告

Use of Resources

The Group attaches great importance to efficient utilization of resources by introducing various measures. It understands that the participation of staff is the key to achieve such goals. As a part of such effort, green leafy plants are used as one of the office decoration to provide a green and lively working environment. The Group strives to build up a working environment that emphasises the “Environmental 4Rs” of Reduce, Reuse, Recycle and Replace.

For the healthcare and medical sector, there are clear instructions for staff to follow, so as to promote efficiency in utilising the raw materials during the pharmaceutical process. Hence, medical waste is reduced through careful and smart ways of handling of different related resources.

The Group promotes the idea of “green office” by introducing more paperless solutions in its daily operations to reduce the volume of paper and printed materials being used. The Group introduces knowledge on environmental protection to all employees and encourages them to think before printing. For example, double-sided printing and copying is implemented by encouraging employees to use paper more efficiently through the reuse of single sided non-confidential print out. On top of that, the Group actively promotes the use of email to replace traditional mails. Email is used among staff whenever possible. The Group has also replaced most fax machines with e-fax. All these measures are geared at reducing paper consumption to help mitigate the global greenhouse effect.

In addition, the Group also adopts electronic corporate communication, and shareholders of the Company are encouraged to receive corporate communication documents using electronic means through the Company’s website.

The Group promotes energy saving awareness among its staff by posting related reminders or messages through emails, calling their attention to switch off all the lights, as well as computers and printers, by the end of the work day. The Group encourages all of its employees to set their computers to sleep mode automatically when left idle for a certain period of time. Under these measures, it is believed that less electricity will be consumed.

資源利用

本集團高度重視並且通過引入各種措施實現資源的高效利用。本集團認為員工的參與是實現這些目標的關鍵。作為努力的一部分，綠葉植物被作為辦公室的裝飾品之一，用以提供一個綠色活潑的工作環境。集團致力於建立一個強調「環保四個再」的工作環境，即再降低、再利用、再循環和再更換。

在健康保健和醫療部門，員工可以在製藥過程中遵循明確的指示以促進原材料的利用效率。因此，通過採取謹慎智慧的方式處理不同的相關資源減少了醫療廢物。

本集團倡導「綠色辦公」的理念，在其日常運營中通過引入更多的無紙化解決方案來減少紙張和印刷材料的使用量。集團向全體員工介紹環保知識，並鼓勵他們在打印之前思考是否必要。例如，實施雙面打印和複印，鼓勵員工重複使用非保密資料的單面打印更有效地利用紙張。更為重要的是，集團積極提倡以電子郵件代替傳統的郵件。要求員工盡可能地使用電子郵件。集團還以電子傳真取代大部分傳真機。所有這些措施均旨在降低紙張消耗量，以幫助緩解全球溫室效應。

此外，本集團還採用了公司電子化溝通模式，鼓勵公司股東利用電子渠道通過公司網站獲得公司通訊文件。

本集團在電子郵件中發佈相關提醒或信息以此提升員工的節能意識，提醒員工在下班時注意關閉所有的燈、電腦和打印機。本集團鼓勵所有員工在電腦閒置時設置為自動睡眠模式。在這些措施下，相信將會消耗更少的電力。

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In order to keep pace with the market trends, the Group regularly upgrades its existing facilities such as replacing outdated computers, phones and other electrical appliances to meet the needs of our customers, as well as enhancing operational efficiency. The Group adheres to environmental protection principles and waste reduction principles for its upgrading processes, and reuses existing facilities and materials wherever possible, so as to reduce waste. Meanwhile, it also actively use eco-friendly equipment for any replacement.

EMPLOYMENT AND LABOUR PRACTICES

Labour Rights

The Group pays special attention to its employees' rights and strictly complies with labour laws and other related regulations in Hong Kong. Relevant terms of employment in accordance with the Employment Ordinance are stated in its standard employment contract. Any changes of employment terms or benefits will be notified and agreed in writing to protect the lawful rights and interests of all employees.

The Group recognises that the most valuable asset is its employees and hence it treats its employees fairly based on a series of standardised internal policies and procedures in a proactive manner. The Group updates and improves these policies and procedures regularly by taking into consideration the health and well-being of its employees. All employees are kept abreast of any updated policies and practices through emails, and details are also available from the Human Resources Department.

In respect of the Group's hiring process, objective basis for judgement during interviews is detailed in the interview assessment form, which contains key qualities and requirements to allow the hiring manager to comprehensively assess the suitability of the candidate and to avoid risks of discrimination or bias.

Apart from the usual job advertisements, job openings will also be offered to all qualified employees with good work records, so as to promote career advancement among employees as well. Consistent criteria will be applied for assessing both internal and external candidates regardless of age, sex, race, national origin or physical disabilities to ensure fair judgment and avoid any risk of favoritism or discrimination.

為了跟上市場趨勢，集團定期升級現有設施，例如更換過時的電腦、手機和其他電器，以滿足客戶的需求並且提高運營效率。在升級過程中集團堅持環境保護和減少廢物原則，盡可能地重複使用現有的設備和材料，以減少浪費。與此同時，還積極更換使用環保設備。

僱傭和勞動實踐

勞動權利

本集團特別關注員工的權利，嚴格遵守香港勞動法和其他有關規定。香港僱傭條例中關於僱傭的條款均規定於其標準僱傭合同中。僱傭條款或福利如果發生任何變化，均會通知所有員工並取得其書面同意以保護員工的合法權益。

本集團認識到員工是最有價值的資產，因此它基於一系列標準化的內部政策和程序以積極主動的方式公平地對待每位員工。集團定期更新和完善這些政策和程序，並將員工的健康和福祉考慮在內。所有員工都可以通過電子郵件瞭解政策和實踐方面的任何更新，也可以從人力資源部門瞭解更詳細的情況。

關於本集團的招聘過程，面試評估表中詳細列明瞭面試過程中所依據的客觀判斷基礎，其中包含能夠讓招聘經理全面評估候選人的適宜度並避免歧視或偏見風險的關鍵品質和要求。

除了發佈通常的招聘廣告，也會將空缺職位提供給所有符合條件並且具有良好工作記錄的員工，以促進員工的職業發展。在評估時，將對內部和外部候選人適用一致的標準，無論年齡、性別、種族、國籍或是否身體殘疾，以確保作出公平的判斷並避免發生任何徇私或歧視的風險。



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環境、社會及管治報告

The Group has established a sound performance appraisal system and promotion mechanism, under which outstanding employees will be recognised through various means such as remuneration, bonus, incentives and other benefits, as well as promotion, so as to recognise their contribution and encourage them to keep up their good performance. Under such system of recognition, annual performance appraisals are used as a channel for evaluating employees' capability and potential to take up more responsibilities in a higher position. The evaluation of individual's work performance will be agreed among managers and their subordinates. Employees are encouraged to discuss their progress towards their career goals, and objectives set for the forthcoming period to optimise their potential and development. All employees are able to get a fair promotions through satisfactory performance, together with recommendations from their direct managers. The appraisal will also be a channel for considering the needs of training and compensation review.

The Group has set up a well-developed job grading system to differentiate the levels of employees, as well as establishing a fair compensation program for each particular level of position. The Group endeavors to offer its employees competitive remuneration which are in line with the market trends. In order to understand the market pay structure, salary benchmarking exercise is conducted each year by the Human Resources Department. A number of reliable and reputable salary surveys are selected from professional bodies and recruitment agencies to provide up-to-date salary data for our the annual review of salary and reward system.

The Group's management attaches great importance to the needs and opinions of its employees. There are different means for the employees to communicate with the management, by which a good relation can be maintained between the management and employees. The Group has established an open door policy which promotes open dialogues with line managers and the senior management. Employees are encouraged to consult with their direct managers for any work-related matters. Under our well-developed escalation procedures, in cases of disputes or disagreements between employees and their direct managers, the Head of HR will be involved and the matters will be escalated to the Executive Committee for decision when necessary.

本集團建立了一個完善的績效考核體系和晉升機制，據此通過各種方式對優秀員工予以認可，如報酬、獎金、獎勵和其他福利以及晉升，以此承認他們的貢獻，鼓勵他們保持良好的業績。在該等認可體系下，將年度績效評估作為評估員工能力以及是否具備就任更高職位承擔更多責任的潛力的一個渠道。對個人工作表現的評估將由經理及其下屬一致確定。鼓勵員工參照其所設定的近期職業目標討論已經取得的進步，以便充分發揮潛能實現發展。通過取得令人滿意的業績，加上其直接經理的推薦，所有員工都能得到公平的晉升。評估也將作為考慮是否需要進行培訓和薪酬審查的一個渠道。

本集團建立了一個良好的工作分級體系用以區分員工的級別，並為每一個特定級別的職位確定了一套公平的薪酬方案。集團努力為其員工提供符合市場趨勢的具有競爭力的薪酬。為了瞭解市場薪酬結構，由人力資源部門每年進行工資基準運動，從專業團體和人才機構篩選一些可靠有信譽的薪水調查為我們薪水和獎金體系的年度審查提供最新的薪資數據。

本集團的管理層高度重視員工的需求和意見。員工可以通過不同的方式與管理層溝通，藉此保持管理層和員工之間良好的關係。本集團已經制定了一項溝通開放政策以促進與直線經理和高級管理人員的開放性對話。鼓勵員工向直接經理諮詢任何與工作相關的問題。按照我們成熟的升級程序，在直接經理和員工之間產生爭端或分歧的情況下，人力資源部負責人將會介入，在必要時可以將該事項升級到執行委員會決定。

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With the belief that a harmonious workplace and the sense of belonging among employees are essential for the development of the Group, it actively promotes team building development by encouraging employees to participate in various charity and social activities. During the year, the Group has held various employee activities, such as Christmas party, reunion dinners, management and department gatherings and Annual Dinner to enhance team spirit and strengthen relationship between employees and their connection with the Company. The Group attempts to meet its employees' needs in all aspects, so as to cultivate loyalty and dedication.

Occupational Health and Safety

As the proverb saying goes, "Prevention is better than cure", the Group takes into consideration every precaution to establish a healthy and safe working environment for its employees. The Group strictly complies with the rules and guidelines stipulated by the Labour Department and other related laws to create and maintain a healthy and safe workplace for our employees. Reviews will be conducted with immediate follow-up and improvement whenever necessary. For our laboratories, safety guidelines are in place as well.

The Group ensures that its employees are able to conduct their daily work in a comfortable environment by accommodating their requests whenever possible, and installing or replacing office equipments whenever there is a need. Employees are required to participate in the annual fire evacuation drill and safety talks organised by the property management of the office premises. Through these efforts, employees are adequately knowledgeable of the office's evacuation procedures.

During the office renovation, the Company took every possible safety measure for its employees, e.g. use of renovation materials and products that fulfill the safety standard without harmful effects to humans.

Development and Training

The Group recognises that the continuous development of its employees is the key to its success. Each new employee will undergo a formal induction to welcome and prepare him/her for his/her new role and responsibilities. Employees are encouraged to participate in appropriate in-house and external trainings for their skills improvement or enhancement. Eligible employees will be offered financial assistance for qualified training programs to support their personal growth and career advancement.

相信和諧的工作環境和員工的歸屬感對集團的發展是必不可少的，本集團積極促進團隊建設發展，鼓勵員工參加各種慈善和社會活動。年內，本集團舉辦了各種員工活動，如聖誕晚會、團圓飯、管理層和部門聚會以及年度晚宴來增強團隊精神，加強員工之間的關係以及他們與公司之間的關聯。集團嘗試滿足員工各方面的需求，以培養忠誠和奉獻精神。

職業健康和安

正如諺語所說，「預防勝於治療」，本集團兼顧各項預防措施為員工構建健康和安全的工作環境。本集團嚴格遵守勞動部門制定的規則和指導方針以及其他相關法律，為員工創建並維護健康安全的工作場所。本集團將在必要時進行審查並及時地作出跟進和改進。我們的實驗室也制定了相應的安全指導方針。

本集團盡可能地適應員工的需求，確保他們能夠在舒適的環境中進行日常工作，並在必要時安裝或更換辦公設備。要求員工參加辦公室所屬的物業管理部門組織的年度消防疏散演習和安全會談。通過這些努力，使員工充分瞭解辦公室的疏散程序。

辦公室裝修期間，本公司出於為員工考慮，採取了所有可行的安全措施，如使用符合安全標準而不危害人類健康的裝修材料和產品。

發展和培訓

本集團認識到，員工的不斷發展是其成功的關鍵。每位新員工都將接受一個正式的歡迎儀式以此為他/她即將承擔的新角色和新職責做好準備。鼓勵員工參與適當的內部和外部培訓以便完善或加強個人技能。本集團將為合格的員工提供參加合適培訓項目的資金援助用以支持他們的個人成長和職業發展。



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The Human Resources Department and Compliance Department will provide assistance in coordinating internal trainings organised by the Group.

The Group adopted a systematic performance-based appraisals system, of which employees' performance is measured against the preset objectives and key performance indicators. Managers are responsible for closely monitoring and coaching their subordinates throughout the year, while the Human Resources Department will assist in identifying the proper job-related trainings for areas that require enhancement or improvement. This will ensure that the performance of its employees can meet the job requirements. Furthermore, suitable and up-to-date trainings will be offered to the employees to enhance their knowledge and skills for performance upgrading. Sponsorship in post-graduate courses locally and abroad is even offered for our laboratory staff. They are also encouraged and sponsored to attend local and overseas scientific conferences and seminars.

The trainings provided by the Group cover a wide scope, from general financial knowledge to leadership, management and communication skills. For example, in-house training for CPT fulfilment or rules updates are conducted by the Compliance Department regularly and are available to all employees. Latest market knowledge and updates will also be addressed to all employees by means of seminars or internal circulation of informational documents. In realising that the Group's strategy is to serve the Asian and the Greater China region, the Mandarin language is an inevitably important business language, therefore the Human Resources Department has organised Mandarin training sessions for the Group's senior executives.

Labour Standards

The Group not only strictly complies with labour legislations in Hong Kong, but also implements specific measures to ensure equal opportunities in employment. We respect the rights and interests of every employee, and strictly prohibit the employment of minors under the age of 18. Organizations that are found to be engaging child labour or forced labour will be reported to the management to terminate the corresponding business dealings. There is a comprehensive internal monitoring system to prevent the Group from forcing employees to work by way of violence or illegal restriction of personal freedom.

人力資源部門和合規部門將幫助協調本集團組織的內部培訓。

本集團應用了以績效為基礎的系統性評估體系，參照預設目標和關鍵業績指標來衡量員工的績效。經理負責全年密切監督和指導下屬，而人力資源部門將針對需要完善或改進的領域協助確定與工作相關的適當培訓。這將確保員工的業績水平能夠符合工作的要求。此外，將向員工提供適當的最新培訓以加強其知識和技能水平實現業績提升。我們甚至贊助了四名實驗室工作人員在國內和國外參加的研究生課程，並且還鼓勵和贊助他們參加在本地及海外舉辦的科學會議和研討會。

本集團提供的培訓範圍很廣，從通用金融知識到領導、管理和溝通技巧。例如，合規管理部門定期向所有員工進行關於CPT履行或法規更新的內部培訓。另外，還通過召開研討會或發佈內部信息文件的方式向所有員工提供最新的市場知識更新。在認知到集團服務於亞洲及大中華地區的戰略規劃後，普通話成為不可或缺的重要商務語言，因此人力資源部為集團的高管組織了普通話培訓。

勞工標準

本集團不僅在香港嚴格遵守勞動法規，還執行了確保平等的僱傭機會的具體措施。我們尊重每一位員工的權益，並嚴格禁止僱傭18歲以下的未成年人。一旦發現存在使用童工或強制勞動的組織，將匯報給管理層並終止相應的業務交易。本集團採納全面的內部監督體系防止集團通過暴力或非法限制人身自由的方式迫使員工勞動。

OPERATING PRACTICES

Supply Chain Management

As part of its commitment to environmental and corporate responsibility, the Group attaches great importance to supplier management and monitoring by formulating internal procedures and guidelines for managing environmental and social risks of the supply chain. It undertakes regular reviews on its supply chain to ensure that its partners will not have significant impact on the environment and society. When selecting suppliers, all potential suppliers must be reviewed on environmental and corporate management, and only those fulfilling certain standards will be adopted as our suppliers. For example, the Group only purchases electrical equipment from suppliers with energy-saving labels.

Product Responsibility

The Group is committed to providing quality and customer-centred medical and healthcare services, as well as financial services. We continue to cultivate a corporate culture which emphasises the provision of fair and just services for its customers. For the medical and healthcare sector, the companies acquired in 2016 are all well established and are leading private assisted reproductive service providers in Hong Kong. They have sound management and quality monitoring in different stages of processes with full statutory compliance, so as to ensure that all products and services are strictly safe, without any hazards or risks to human.

For the financial sector, the Group strives to expand its product mix to meet the needs of customers with high-quality services. The Group has set up internal control procedures to protect the Group, its customers and employees from financial loss arising from theft, fraud, and other dishonest acts, professional misconduct or omissions. All of its services are in strict accordance with all applicable laws, rules and regulations, as well as customer requirements.

The Group's complaint handling policy is strictly in accordance with regulatory standards to ensure that customers' opinions are heard and responded in a timely manner. Complaint officers are in place to be a channel for customers to reach the Group with any issues they may have encountered. All customers' complaints will be considered, with corresponding follow-up procedures being conducted in accordance with internal procedures and guidelines. Relevant investigation will be taken and settlement may be made if appropriate, and improvement will be made whenever necessary. The Group believes that complaints are a valuable opportunity for it to obtain feedback from the community and customers, so as to identify the need for service and policy improvement.

經營實踐

供應鏈管理

作為本集團所承擔的環境和企業責任的一部分，本集團高度重視供應商管理和監督，通過制定內部程序和指南來管理供應鏈方面存在的環境和社會風險。本集團對供應鏈進行定期評審，以確保其合作夥伴不會對環境和社會造成重大影響。在選擇供應商時，我們必須審查所有潛在供應商的環境和企業管理行為，只有在滿足一定標準的前提下才能成為我們的供應商。例如，本集團僅從具有節能標籤的供應商處購買電氣設備。

產品責任

本集團致力於提供以客戶為中心的優質醫療、健康保健以及金融服務。我們持續培養重視為客戶提供公平、公正服務的企業文化。本公司於二零一六年收購的醫療和健康保健部門都是香港信譽良好且市場領導的私人輔助生殖服務提供商。他們在不同階段充分按照法律的規定進行良好的管理和質量監督，以確保所有的產品和服務絕對安全，不存在危害人類健康的任何危險或風險。

對於金融部門，本集團努力擴大其產品組合以滿足客戶對高品質服務的需求。集團已經建立了內部控制程序，以保障集團及其客戶和員工不會遭受因盜竊、欺詐等不誠實行為以及職業不當行為或疏漏帶來的經濟損失。集團嚴格按照所有適用的法律、法規以及客戶的需求提供所有的服務。

本集團嚴格按照監管標準制定關於投訴處理的政策確保客戶的意見得到及時的傾聽和反饋，並且設置投訴官作為客戶向本集團反映他們可能遇到的任何問題的一個渠道。所有客戶的投訴本集團均會予以考慮，並依照內部程序和指導方針進行相應的跟進。本集團會據此開展相關的調查，在適當的情況下予以解決並且作出必要的改進。本集團認為投訴是其獲得社區和客戶反饋的一個寶貴機會，以便確定是否需要對服務和政策作出必要的改進。



Environmental, Social and Governance Report

環境、社會及管治報告

Anti-corruption

The Group holds itself to the highest level of integrity and emphasises ethical standards upon its businesses. Therefore, it formulates a set of policy guidelines and codes of conduct for the employees, under which any kinds of bribery and corruption practices are strictly forbidden. There is also a comprehensive system for declaration of interests, as well as a sound reporting mechanism for any suspicious activity.

The current policy adopted by the Group regarding anti-corruption is incorporated into the internal Code of Conduct for staff, including general framework of anti-bribery laws, rules and regulations in Hong Kong. The Group and each of its member companies strictly prohibit staff to solicit and accept advantages without prior approval by the Group, and actively encourage staff to avoid situations which may constitute bribery, so as to prevent any kinds of corruption at the very beginning.

The Group also constantly reminds all its employees of the importance of complying with the Code of Conduct. Each employee is required to sign an annual declaration form of his/her compliance with the Code of Conduct. In addition to the declaration, written records of all personal benefits received by employees and relevant management approval are kept for compliance with the internal policies.

On the road to fight against bribery and corruption, nothing is better than education. Therefore, emphasis is also placed on different kinds of trainings and education. For example, a continuous professional training on anti-corruption was organised for the employees on 30 November 2016.

Contribution to society

The Group's success comes from the society, and its philosophy is to contribute back into the society through available resources and efforts. Employees are encouraged to volunteer at different charity organizations to express their concerns for specific issues and to support for these organizations. For instance, the Group actively participates in the Flag Selling Day and the Dress Casual Day organised by the Community Chest by encouraging its employees to participate in these meaningful charity activities.

反腐敗

集團堅持高度的廉潔性，在其業務過程中重視道德標準。因此，其為員工制定了一系列的政策方針和行為準則，嚴格禁止任何類型的賄賂和腐敗行為。集團還設置了全面的權益申報體系和良好的可疑活動舉報機制。

本集團將當前執行的反腐敗政策納入員工的內部行為準則，包括香港反賄賂法律和規章制度的總體框架中。本集團及其各成員公司嚴格禁止員工未經集團事先批准索取和接受任何利益，並且積極鼓勵員工避免可能構成賄賂的情況，防止出現任何類型的腐敗端倪。

本集團還不斷提醒所有員工遵守行為準則的重要性。每位員工需要簽署一份關於他／她遵守行為準則情況的年度聲明。除了聲明，還按照內部政策保存關於員工收到的所有個人利益和相關經理審批的書面記錄。

在打擊賄賂和腐敗的道路上，沒有什麼比教育更有效。因此，集團也將重點放在不同的培訓和教育上。例如，二零一六年十一月三十日為員工組織了連續的反腐敗專業培訓。

對社會的貢獻

本集團的成功來自於社會，其秉承通過可獲得的資源努力回報社會的理念。鼓勵員工作為不同慈善組織的志願者來表達他們對具體問題的擔憂，並為這些組織提供支持。例如，本集團積極參與公益金組織的賣旗日和便服日，鼓勵員工參加這些有意義的慈善活動。

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

At the Group, the focus is on the outcomes of each of its corporate social responsibility programs. It has set up some metrics such as “dollars contributed”, “employees engaged”, so that the effectiveness of these programs can be measured as a reference for future engagement or improvement, e.g. the number of employees attended was one of the measuring metrics for the Flag Selling Day organised by Community Chest; the amount of donation funds was another measuring metrics used for Dress Casual day event organised by Community Chest and the charity event of Women’s Foundation’s Gala Dinner.

As learning modestly means possible improvement ahead, the Group constantly encourages its employees at all levels to continually learn from each other. Every year, it delegates relevant employees to attend various corporate social responsibility conferences in Hong Kong, so as to promote knowledge and best practices of its employees. Furthermore, the Company maintains an open channel of communication with its stakeholders and communities to understand their motivations, goals, and needs through continuous conversation and social media polling, so that the Group’s contributions in corporate social responsibility activities will truly meet the needs.

本集團注重每項企業社會責任項目的效果。它已經確立了一些效果評價指標，如「捐款數額」、「員工參與人數」等，這樣可以評估該等項目的有效性為將來的參與或改進提供參考，例如員工參與人數是公益金組織的賣旗日的一個衡量指標；捐款數額是公益金組織的便服日和慈善活動婦女基金會慶祝晚宴的一個衡量指標。

謙虛地學習意味著提升的空間，本集團不斷鼓勵各級員工不斷互相學習。本公司每年指派相關員工在香港參加各種企業社會責任相關的會議，以增強員工的知識和最佳實踐。此外，本公司保持與其利益相關者和社區之間開放的溝通渠道，通過持續的對話和社交媒體調查瞭解他們的動機、目標和需求，以便本集團在企業社會責任活動中的貢獻真正滿足這些需求。



Independent Auditor's Report

獨立核數師報告



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To the members of
Mason Financial Holdings Limited
(incorporated in Hong Kong with limited liability)

致民信金控有限公司股東
(於香港註冊成立之有限公司)

Opinion

We have audited the consolidated financial statements of Mason Financial Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 85 to 222, which comprise the consolidated statement of financial position as at 31 December 2016, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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 for the year ended 31 December 2016. 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.

意見

吾等已審核載於第85至222頁之民信金控有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於二零一六年十二月三十一日之綜合財務狀況報表、截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流轉表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表乃按照香港會計師公會(「香港會計師公會」)發佈的香港財務報告準則(「香港財務報告準則」)真實公平地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況及 貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例妥為編製。

意見基準

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。吾等於該等準則項下責任會在本報告中「核數師就審核綜合財務報表須承擔的責任」中進一步詳述。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已根據守則履行吾等的其他專業道德責任。吾等相信，吾等所獲得的審計憑證能充足及適當地為吾等的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對截至二零一六年十二月三十一日止年度綜合財務報表之審計最為重要的事項。這些事項是在吾等審計整體綜合財務報表及出具意見時進行處理的。吾等並無對這些事項提供單獨的意見。

Independent Auditor's Report 獨立核數師報告

Key Audit Matter	How our audit addressed the key audit matter	關鍵審計事項	吾等的審計是 如何處理關鍵 審計事項
<p>Significant business combinations Refer to note 30(a) to the consolidated financial statements.</p> <p>During the year, the Group acquired respective equity interests in (i) Mason Securities Limited, Mason Futures Limited and Mason Bullion Limited (collectively referred to as "Mason Financial Group"); (ii) Reproductive HealthCare Limited, Victory "Art" Laboratory Limited and Leader Enterprise Limited (collectively referred to as "Jubilant Link Group"); and (iii) Shining Time Holdings Limited and its subsidiaries (collectively referred to as "Shining Time Group") at total cash considerations of HK\$1,156.1 million. The acquisitions constituted business combinations for accounting purposes.</p> <p>The accounting for business combinations is an area of focus due to the significance of the transactions and the judgements involved, including the identification and valuation of assets acquired and liabilities assumed. Any error made in the identification and/or valuation of these assets and liabilities may have a significant impact on the consolidated financial statements.</p> <p>Management appointed valuation specialists to estimate the acquisition-date value of intangible assets and other net assets acquired amounting to HK\$781.7 million and HK\$74.3 million respectively and recognised goodwill amounting to HK\$542.9 million at the dates of acquisitions.</p>	<p>Our key procedures included:</p> <p>a) Evaluating the valuation specialists' competence, capabilities and objectivity;</p> <p>b) Reviewing the appropriateness of the bases in the identification of assets acquired and liabilities assumed;</p> <p>c) Assessing the appropriateness of the valuation methodologies used by the valuation specialists and management to estimate the acquisition date value of identifiable assets (including intangible assets) and liabilities;</p> <p>d) Challenging the reasonableness of key assumptions based on our knowledge and understanding of the businesses and markets; and</p> <p>e) Reconciling input data to supporting evidence, such as approved budgets and evaluating the reasonableness of the budgets.</p>	<p>重大業務合併 參閱綜合財務報表附註30(a)。</p> <p>於年內，貴集團已按總現金代價1,156,100,000港元分別收購(i)民信證券有限公司、民信期貨有限公司和民信金業有限公司（統稱為「民信金融集團」）；(ii)Reproductive HealthCare Limited、勝利輔助生育所有有限公司及領勝企業有限公司（統稱為「欣連集團」）；及(iii)亮時控股有限公司及其附屬公司（統稱為「亮時集團」）的股權。收購事項就會計計算而言構成業務合併。</p> <p>由於交易及所涉及的判斷（包括鑒定已收購資產及已承擔負債以及對資產及負債之估值）之重要性，業務合併的會計計算是重點領域。鑒定及／或估值該等資產及負債中出現的任何差錯均可能對綜合財務報表產生重大影響。</p> <p>管理層已委任估值專家分別對無形資產及其他資產淨額之收購日期價值進行估計，分別達781,700,000港元及74,300,000港元，並於收購日期確認542,900,000港元之商譽。</p>	<p>吾等的關鍵程序包括：</p> <p>a) 評估估值專家的才能、能力及客觀性；</p> <p>b) 審閱已收購資產及已承擔負債的鑒定基準的適合性；</p> <p>c) 評估估值專家及管理層估計可識別資產（包括無形資產）及負債的收購日之估值使用的估值方法之適合性；</p> <p>d) 根據吾等對業務及市場的了解質疑關鍵假設的合理性；及</p> <p>e) 將輸入數據與證明文件對賬，如經批准預算，並評估預算之合理性。</p>



Independent Auditor's Report

獨立核數師報告

Key Audit Matter	How our audit addressed the key audit matter	關鍵審計事項	吾等的審計是 如何處理關鍵 審計事項
<p><i>Impairment of goodwill and intangible assets</i> Refer to notes 15, 16 and 30(a) to the consolidated financial statements.</p>	<p>Our key procedures included:</p> <p>a) Evaluating the valuation specialists' competence, capabilities and objectivity;</p> <p>b) Assessing the appropriateness of the valuation methodologies, including the VIU calculations and the assets-based approach, used by the valuation specialists and management to estimate the recoverable amount of the CGUs;</p> <p>c) Challenging the reasonableness of key assumptions based on our knowledge and understanding of the businesses and markets;</p> <p>d) Reconciling input data to supporting evidence, such as approved budgets and evaluating the reasonableness of the budgets; and</p> <p>e) Evaluating the sensitivity of the impairment tests to changes in key assumptions.</p>	<p>商譽及無形資產減值</p> <p>參閱綜合財務報表附註15、16及30(a)。</p> <p>貴集團已於本年度確認自收購民信金融集團、欣連集團及亮時集團產生的商譽542,900,000港元及無形資產781,700,000港元。</p> <p>管理層已參考估值專家之報告進行減值測試，認為商譽及無形資產並無減值虧損，惟於本年度已分別就民信金融集團的商譽及無形資產確認67,500,000港元及1,200,000港元之減值虧損除外。本結論乃以現金產生單位（「現金產生單位」）的可回收數額之估計為根據，並採用使用價值（「使用價值計算」）模式或以資產基礎法（須就估值模型之輸入作出重大判斷）。</p>	<p>吾等的關鍵程序包括：</p> <p>a) 評估估值專家的才能、能力及客觀性；</p> <p>b) 評估估值專家及管理層估計現金產生單位的可回收數額使用的估值方法，包括使用價值計算及資產為基礎的方法之適合性；</p> <p>c) 根據吾等對業務及市場的了解對關鍵假設的合理性作出質疑；</p> <p>d) 將輸入數據與證明文件對賬，如經批准預算，並評估預算之合理性；及</p> <p>e) 評估關鍵假設變動的減值測試的敏感度。</p>

Key Audit Matter	How our audit addressed the key audit matter	關鍵審計事項	吾等的審計是 如何處理關鍵 審計事項
<p>Recoverability assessment of loans receivables and trade and accounts receivables</p>		<p>應收貸款、貿易及其他 應收款項之可回收性評估</p>	
<p>Refer to notes 22 and 23 to the consolidated financial statements.</p>		<p>參閱綜合財務報表附註 22及23。</p>	
<p>The carrying amount of the Group's loans receivables and trade and accounts receivables amounted to HK\$910.5 million and HK\$648.4 million (net of allowance for doubtful debts of HK\$100.5 million) at 31 December 2016 respectively.</p>	<p>Our key procedures included:</p>	<p>於二零一六年十二月三十一日，貴集團的應收貸款、貿易及其他應收款項之賬面值分別達910,500,000港元及648,400,000港元（扣除呆賬撥備100,500,000港元）。</p>	<p>吾等的關鍵程序包括：</p>
<p>Given that the recoverability assessment of these receivables required significant judgements based on a number of factors including the debtors' current creditworthiness, past collection history, subsequent settlement and ageing analysis and the value of any collateral assets/guarantees obtained, it is an area of focus.</p>	<p>a) Evaluating the Group's credit risk policies and testing the associated processes used by management to assess credit exposures, assign internal credit ratings and report to the appropriate level of governance to ensure they worked as designed;</p> <p>b) Evaluating management's recoverability assessment; and</p> <p>c) Challenging the reasonableness of key assumptions made by management in the recoverability assessment.</p>	<p>考慮到該等應收款項之可回收性評估須以眾多因素（包括債務人的當前信譽狀況及過往還款記錄、期後還款、賬齡分析以及所取得的任何抵押資產／擔保的價值）為基礎進行重大判斷，其乃重點領域。</p>	<p>a) 評估貴集團的信貸風險政策並對管理層評估信貸風險、進行內部信用評級使用的相關程序進行測試，並向適當的治理層匯報以確保彼等按計劃工作；</p> <p>b) 對管理層的可回收性評估進行評價；及</p> <p>c) 質疑管理層於可回收性評估中所作的關鍵假設的合理性。</p>

Independent Auditor's Report

獨立核數師報告

Key Audit Matter	How our audit addressed the key audit matter	關鍵審計事項	吾等的審計是如何處理關鍵審計事項
<p><i>Impairment of available-for-sale financial assets</i></p>		<p>可供出售財務資產之減值</p>	
<p><i>Refer to note 19 to the consolidated financial statements.</i></p>		<p>參閱綜合財務報表附註19。</p>	
<p>The Group acquired a number of available-for-sale financial assets during the year. The carrying amount of the Group's available-for-sale financial assets amounted to HK\$665.5 million (net of impairment loss of HK\$50.9 million) at 31 December 2016, which are stated at cost less impairment losses. Given that the recoverability assessment of financial assets required significant judgements based on a number of factors including macro-economic and market environment and the investees' financial status, it is an area of focus.</p>	<p>Our key procedures included:</p> <ul style="list-style-type: none"> a) Performing a review on the latest financial information of the investee companies; b) Evaluating management's recoverability assessment; and c) Challenging the reasonableness of key assumptions made by management in the recoverability assessment. 	<p>貴集團於本年度收購了大量可供出售財務資產。二零一六年十二月三十一日，貴集團可供出售財務資產之賬面值達665,500,000港元（扣除減值虧損50,900,000港元），乃按成本減減值虧損呈列。考慮到財務資產之可回收性評估須以眾多因素（包括宏觀經濟及市場環境以及投資對象之財務狀況）為基礎進行重大判斷，其乃重點領域。</p> <p>本年度已於損益中確認減值虧損125,900,000港元。</p>	<p>吾等的關鍵程序包括：</p> <ul style="list-style-type: none"> a) 對投資對象公司的最新財務資料進行審核； b) 對管理層的可回收性評估進行評價；及 c) 質疑管理層於可回收性評估中所作的關鍵假設的合理性。
<p>An impairment loss of HK\$125.9 million has been recognised to profit or loss during the year.</p>			

Independent Auditor's Report 獨立核數師報告

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's 2016 annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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

貴公司董事須對其他資料承擔責任，其他資料包括 貴公司二零一六年年報中所載之資料，但不包括綜合財務報表及吾等就此發出之核數師報告。

吾等對綜合財務報表發表之意見並未涵蓋其他資料，吾等不對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等之責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉之資料存在重大不符，或似乎存在重大錯誤陳述。

倘若吾等基於已完成的工作認為其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事及治理層就綜合財務報表承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例編製真實公允的綜合財務報表，及負責董事認為編製綜合財務報表所必須的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關之事項(如適用)。除非董事有意將 貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

治理層須負責監督 貴集團財務報告過程。



Independent Auditor's Report 獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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 HKSAs 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 HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

核數師就審核綜合財務報表須承擔的責任

吾等的目標是合理確定整體上綜合財務報表是否不存在由於欺詐或錯誤而導致之重大錯誤陳述，並發出載有吾等意見之核數師報告。吾等僅根據香港公司條例第405條向閣下(作為整體)報告，除此之外，本報告別無其他目的。吾等不會就本報告之內容向任何其他人士負上或承擔任何責任。

合理確定屬高層次的核證，但不能保證根據香港審計準則進行的審核在某一重大錯誤陳述存在時總能發現。重大錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，被視為重大錯誤陳述。

吾等根據香港審計準則進行審核的工作之一，是運用專業判斷，在整個審核過程中保持職業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯報風險，因應這些風險設計及執行審核程序，獲得充足及適當的審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯報風險比未能發現由於錯誤而導致的重大錯報風險更高。
- 了解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團的內部控制的有效性發表意見。

Independent Auditor's Report 獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估所用會計政策是否恰當，以及董事所作出的會計估算和相關披露是否合理。
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘若吾等總結認為有重大不確定因素，吾等需要在核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論是基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表的整體列報、架構和內容，包括披露資料，以及綜合財務報表是否已公平地反映及列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督和執行貴集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

We communicate with 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.

吾等與治理層溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括吾等在審核期間識別出內部控制的任何重大問題。



Independent Auditor's Report 獨立核數師報告

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.

Mazars CPA Limited
Certified Public Accountants
Hong Kong, 30 March 2017

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

Chan Wai Man
Practising Certificate Number: P02487

吾等亦向治理層提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與他們溝通所有合理地被認為會影響吾等獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

從與治理層溝通的事項中，吾等決定哪些事項對本期間綜合財務報表的審核最為重要，因而構成關鍵審核事項。吾等會在核數師報告中描述這些事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在吾等報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，吾等將不會在此等情況下在報告中溝通該事項。

瑪澤會計師事務所有限公司
執業會計師
香港，二零一七年三月三十日

出具本獨立核數師報告的審計項目董事：

陳偉文
執業證書編號：P02487

Consolidated Statement of Comprehensive Income 綜合全面收益表

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

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
CONTINUING OPERATIONS				
Revenue	持續經營業務 收入	5	66,501	166,517
Other income	其他收入	6	4,314	3,605
Employee benefits expenses	僱員福利支出	8 & 9	(65,837)	(15,524)
Amortisation of intangible assets	無形資產攤銷	15	(14,850)	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14	(3,955)	(440)
Write off of/Loss on disposal of property, plant and equipment	撇銷/出售物業、廠房及設備之虧損	14	(5,232)	(1,659)
Provision for allowance for doubtful debts, net	呆賬撥備計提淨額	23(d)	(98,355)	(26,725)
Gain on disposal of interests in subsidiaries	出售附屬公司權益之收益	31	357,006	156,926
Gain on disposal of interests in an associate	出售聯營公司權益之收益		-	323,767
Gain (Loss) arising from changes in shareholding in associates	聯營公司股權變動產生之收益(虧損)		3,233	(163,534)
Loss on disposal of available-for-sale financial assets, net	出售可供出售財務資產之虧損淨額		-	(4,210)
Net fair value loss on financial assets held for trading	持作買賣財務資產之公平值虧損淨額		(689,657)	(91,386)
Impairment loss on available-for-sale financial assets	可供出售財務資產之減值虧損	19(e)	(125,916)	-
Impairment loss on goodwill and intangible assets	商譽及無形資產之減值虧損	15 & 16	(68,695)	-
Other operating expenses	其他經營支出		(113,610)	(35,020)
Finance costs	融資成本	8	(13,838)	(2,782)
Share of results of associates	應佔聯營公司之業績	18	(23,945)	(136,140)
Share of results of a joint venture	應佔一家合營公司之業績		-	68,929
(Loss) Profit before taxation	除稅前(虧損)溢利	8	(792,836)	242,324
Income tax credit (expense)	所得稅抵免(開支)	11	2,340	(263)
(Loss) Profit for the year from continuing operations	年內持續經營業務所得(虧損)溢利		(790,496)	242,061
DISCONTINUED OPERATIONS	終止經營業務			
Loss for the year from discontinued operations	年內終止經營業務所得虧損		-	(673)
(Loss) Profit for the year	年內(虧損)溢利		(790,496)	241,388



Consolidated Statement of Comprehensive Income

綜合全面收益表

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

	Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Other comprehensive (loss) income:			
<i>Items that are reclassified or may be reclassified subsequently to profit or loss</i>			
Net fair value gain on available-for-sale financial assets		-	533,444
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of available-for-sale financial assets		-	(155,241)
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of subsidiaries	31	(9,587)	(397,500)
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of an associate		-	4,595
Derecognition of foreign currency translation reserve upon disposal of subsidiaries	31	(2,788)	8,716
Derecognition of capital reserve upon disposal of subsidiaries	31	(10,075)	-
Share of other comprehensive income (loss) of associates	18	9,906	(3,173)
Share of other comprehensive income of a joint venture		-	5,401
Other comprehensive loss for the year		(12,544)	(3,758)
Total comprehensive (loss) income for the year		(803,040)	237,630

Consolidated Statement of Comprehensive Income 綜合全面收益表

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

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) Profit attributable to:	(虧損)溢利來自：			
Equity holders of the Company	本公司權益持有人			
– Continuing operations	– 持續經營業務		(472,022)	357,821
– Discontinued operations	– 終止經營業務		–	(673)
			(472,022)	357,148
Non-controlling interests	非控股權益	17		
– Continuing operations	– 持續經營業務		(318,474)	(115,760)
(Loss) Profit for the year	年內(虧損)溢利		(790,496)	241,388
Total comprehensive (loss) income attributable to:	全面(虧損)收入總額來自：			
Equity holders of the Company	本公司權益持有人			
– Continuing operations	– 持續經營業務		(490,756)	354,063
– Discontinued operations	– 終止經營業務		–	(673)
			(490,756)	353,390
Non-controlling interests	非控股權益	17		
– Continuing operations	– 持續經營業務		(312,284)	(115,760)
Total comprehensive (loss) income for the year	年內全面(虧損)收入總額		(803,040)	237,630
(Loss) Earnings per share	每股(虧損)盈利			<i>(adjusted)</i> <i>(經調整)</i>
Basic and diluted	基本及攤薄	13		
– Continuing operations	– 持續經營業務		HK(2.65) cents (2.65) 港仙	HK2.18 cents 2.18 港仙
– Discontinued operations	– 終止經營業務		–	HK(0.01) cents (0.01) 港仙
– Continuing and discontinued operations	– 持續及終止經營業務		HK(2.65) cents (2.65) 港仙	HK2.17 cents 2.17 港仙



Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016 於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	36,241	1,869
Intangible assets	無形資產	15	773,306	–
Goodwill	商譽	16	475,398	–
Interests in associates	於聯營公司之權益	18	–	485,872
Available-for-sale financial assets	可供出售財務資產	19	665,461	90,000
Non-current deposits paid and prepayments	已付非流動按金及預付款項		7,051	–
Deposits paid for acquisition of subsidiaries	就收購附屬公司已付按金		–	223,556
Deposit paid for acquisition of available-for-sale financial assets	就收購可供出售財務資產已付按金		–	63,472
Deferred tax assets	遞延稅項資產	27	306	–
			1,957,763	864,769
Current assets	流動資產			
Inventories	存貨	20	220,101	–
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	21	499,093	2,898,407
Loans receivables	應收貸款	22	910,510	155,968
Trade and other receivables	貿易及其他應收款項	23	781,032	45,038
Pledged bank deposits	已抵押銀行存款	24	22,359	–
Bank balances and cash	銀行結餘及現金	24	651,419	444,684
			3,084,514	3,544,097
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	25	1,006,361	36,718
Interest-bearing borrowings	計息借款	26	300,000	296,143
Tax payables	應付稅款		5,632	781
			1,311,993	333,642
Net current assets	淨流動資產		1,772,521	3,210,455
Total assets less current liabilities	總資產減流動負債		3,730,284	4,075,224
Non-current liabilities	非流動負債			
Interest-bearing borrowings	計息借款	26	20,000	20,000
Deferred tax liabilities	遞延稅項負債	27	157,206	–
			177,206	20,000
NET ASSETS	淨資產		3,553,078	4,055,224

Consolidated Statement of Financial Position 綜合財務狀況報表

At 31 December 2016 於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	28	3,277,443	2,550,372
Reserves	儲備		(21,002)	476,092
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		3,256,441	3,026,464
Non-controlling interests	非控股權益	17	296,637	1,028,760
TOTAL EQUITY	總權益		3,553,078	4,055,224

Approved and authorised for issue by the Board of Directors on 30 March 2017 and signed on its behalf by

由董事會於二零一七年三月三十日批准及授權刊發，並由下列代表簽署：

Ko Po Ming
高寶明
Director
董事

Lui Choi Yiu, Angela
雷彩姚
Director
董事



Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Reserves 儲備								
		Share capital	Capital reserve	Available- for-sale financial assets revaluation reserve	Foreign currency translation reserve	Accumulated profits (losses)	Total reserves	Sub-total	Non- controlling interests	Total
		股本	資本儲備	可供出售 財務資產 重估儲備	外幣 匯兌儲備	累計溢利 (虧損)	儲備總額	分計	非控股權益	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
			(note 29(a)) (附註29(a))	(note 29(b)) (附註29(b))	(note 29(c)) (附註29(c))					
At 1 January 2015	於二零一五年一月一日	2,400,372	10,075	21,694	(9,277)	142,738	165,230	2,565,602	-	2,565,602
Profit (Loss) for the year	年內溢利(虧損)	-	-	-	-	357,148	357,148	357,148	(115,760)	241,388
Other comprehensive income (loss)	其他全面收入(虧損)									
<i>Items that have been reclassified or may be reclassified subsequently to profit or loss</i>	<i>已重新分類或其後可能重新分類至損益之項目</i>									
Net fair value gain on available-for-sale financial assets	可供出售財務資產公平值之收益淨額	-	-	533,444	-	-	533,444	533,444	-	533,444
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of available-for-sale financial assets	出售可供出售財務資產時終止確認可供出售財務資產重估儲備	-	-	(155,241)	-	-	(155,241)	(155,241)	-	(155,241)
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of a subsidiary	出售一家附屬公司時終止確認可供出售財務資產重估儲備	-	-	(397,500)	-	-	(397,500)	(397,500)	-	(397,500)
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of an associate	出售一家聯營公司時終止確認可供出售財務資產重估儲備	-	-	4,595	-	-	4,595	4,595	-	4,595
Derecognition of foreign currency translation reserve upon disposal of a subsidiary	出售一家附屬公司時終止確認外幣匯兌儲備	-	-	-	8,716	-	8,716	8,716	-	8,716
Share of other comprehensive loss of associates	應佔聯營公司其他全面虧損	-	-	(715)	(2,458)	-	(3,173)	(3,173)	-	(3,173)
Share of other comprehensive income (loss) of a joint venture	應佔一家合營公司其他全面收入(虧損)	-	-	7,989	(2,588)	-	5,401	5,401	-	5,401
Other comprehensive (loss) income for the year	年內其他全面(虧損)收入	-	-	(7,428)	3,670	-	(3,758)	(3,758)	-	(3,758)
Total comprehensive (loss) income for the year	年內全面(虧損)收入總額	-	-	(7,428)	3,670	357,148	353,390	353,390	(115,760)	237,630
Transactions with equity holders	與權益持有人之交易									
<i>Contributions and distributions</i>	<i>供款及分派</i>									
Issue of share capital	發行股本	150,000	-	-	-	-	-	150,000	-	150,000
<i>Changes in ownership interests</i>	<i>所有權變動</i>									
Capital injections from non-controlling interests	非控股權益注資	-	-	-	-	(42,528)	(42,528)	(42,528)	282,528	240,000
Deemed disposal of interests in subsidiaries	視作出售附屬公司權益	-	-	-	-	-	-	-	861,992	861,992
		150,000	-	-	-	(42,528)	(42,528)	107,472	1,144,520	1,251,992
At 31 December 2015	於二零一五年十二月三十一日	2,550,372	10,075	14,266	(5,607)	457,358	476,092	3,026,464	1,028,760	4,055,224

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔										
		Reserves 儲備					Non-controlling interests			Total		
Note 附註		Share capital	Capital reserve	Available-for-sale financial assets revaluation reserve	Foreign currency translation reserve	Accumulated profits (losses)	Total reserves	Sub-total	Non-controlling interests	Total		
		股本 HK\$'000 千港元	資本儲備 HK\$'000 千港元 (note 29(a)) (附註29(a))	可供出售 財務資產 重估儲備 HK\$'000 千港元 (note 29(b)) (附註29(b))	外幣 匯兌儲備 HK\$'000 千港元 (note 29(c)) (附註29(c))	累計溢利 (虧損) HK\$'000 千港元	儲備總額 HK\$'000 千港元	分計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	總計 HK\$'000 千港元		
	At 1 January 2016	於二零一六年一月一日	2,550,372	10,075	14,266	(5,607)	457,358	476,092	3,026,464	1,028,760	4,055,224	
	Loss for the year	年內虧損	-	-	-	-	(472,022)	(472,022)	(472,022)	(318,474)	(790,496)	
	Other comprehensive (loss) income	其他全面(虧損)收入										
	<i>Items that are reclassified or may be reclassified subsequently to profit or loss</i>	<i>已重新分類或其後可能重新分類至損益之項目</i>										
	Derecognition of available-for-sale financial assets revaluation reserve upon disposal of subsidiaries	出售附屬公司時終止確認可供出售財務資產重估儲備	31	-	-	(9,587)	-	-	(9,587)	(9,587)	-	(9,587)
	Derecognition of foreign currency translation reserve upon disposal of subsidiaries	出售附屬公司時終止確認外幣匯兌儲備	31	-	-	-	(2,788)	-	(2,788)	(2,788)	-	(2,788)
	Derecognition of capital reserve upon disposal of subsidiaries	出售附屬公司時終止確認資本儲備	31	-	(10,075)	-	-	-	(10,075)	(10,075)	-	(10,075)
	Share of other comprehensive (loss) income of associates	應佔聯營公司其他全面(虧損)收入	18	-	-	(4,679)	8,395	-	3,716	3,716	6,190	9,906
	Other comprehensive (loss) income for the year	年內其他全面(虧損)收入		-	(10,075)	(14,266)	5,607	-	(18,734)	(18,734)	6,190	(12,544)
	Total comprehensive (loss) income for the year	年內全面(虧損)收入總額		-	(10,075)	(14,266)	5,607	(472,022)	(490,756)	(490,756)	(312,284)	(803,040)
	Transactions with equity holders	與權益持有人之交易										
	<i>Contributions and distributions</i>	<i>供款及分派</i>										
	Issue of share capital	發行股本	28	727,071	-	-	-	-	727,071	-	727,071	
	<i>Changes in ownership interests</i>	<i>所有權變動</i>										
	Deemed disposal of interests in subsidiaries without loss of control	視作出售附屬公司權益(不導致失去控制權)	31	-	-	-	-	995	995	995	14,913	15,908
	Partial disposal of interests in a subsidiary without loss of control	部分出售附屬公司權益(不導致失去控制權)	31	-	-	-	-	(7,333)	(7,333)	(7,333)	207,333	200,000
	Disposal of interests in subsidiaries	出售附屬公司權益	31	-	-	-	-	-	-	-	(935,950)	(935,950)
	Capital injection from non-controlling interests	非控股權益注資		-	-	-	-	-	-	-	11,400	11,400
	Non-controlling interests arising from acquisition of subsidiaries	於收購附屬公司產生之非控股權益	30(a)&(b)	-	-	-	-	-	-	-	282,465	282,465
	Total transactions with equity holders	與權益持有人之交易總額		727,071	-	-	-	(6,338)	(6,338)	720,733	(419,839)	300,894
	At 31 December 2016	於二零一六年十二月三十一日		3,277,443	-	-	-	(21,002)	(21,002)	3,256,441	296,637	3,553,078



Consolidated Statement of Cash Flows

綜合現金流轉表

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

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務			
(Loss) Profit before taxation	除稅前(虧損)溢利		(792,836)	241,651
Amortisation of intangible assets	無形資產攤銷	15	14,850	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊		3,955	440
Write off of/Loss on disposal of property, plant and equipment	撇銷/出售物業、廠房及設備之虧損		5,232	1,659
Provision for allowance for doubtful debts, net	呆賬撥備計提淨額	23(d)	98,355	26,725
Write off of intangible assets	無形資產撇銷		3	–
Gain on disposal of interests in subsidiaries	出售附屬公司權益之收益	31	(357,006)	(156,963)
Gain on disposal of interests in an associate	出售聯營公司權益之收益		–	(323,767)
(Gain) Loss arising from changes in shareholding in associates	聯營公司股權變動產生之(收益)虧損	18	(3,233)	163,534
Loss on disposal of available-for-sale financial assets, net	出售可供出售財務資產之虧損淨額		–	4,210
Net fair value loss on financial assets held for trading	持作買賣財務資產之公平值虧損淨額		689,657	91,386
Impairment loss on available-for-sale financial assets	可供出售財務資產之減值虧損	19(e)	125,916	–
Impairment loss on goodwill and intangible assets	商譽及無形資產之減值虧損	15 & 16	68,695	–
Interest income, other than from loans receivables	利息收入(不包括來自應收貸款者)		(2,551)	(1,249)
Finance costs	融資成本		13,838	2,829
Share of results of associates	應佔聯營公司之業績	18	23,945	136,140
Share of results of a joint venture	應佔一家合營公司之業績		–	(68,929)
Changes in working capital:	營運資金變動:			
Inventories	存貨		(480)	–
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產		135,188	(2,519,194)
Loans receivables	應收貸款		(1,006,913)	137,680
Trade and other receivables	貿易及其他應收款項		(125,942)	(43,731)
Trade and other payables	貿易及其他應付款項		(9,438)	28,600
Cash used in operations	經營所用現金		(1,118,765)	(2,278,979)
Tax paid	已付稅項		(817)	–
Interest received, other than from loans receivables	已收利息(不包括來自應收貸款者)		2,551	1,249
Net cash used in operating activities	經營業務所用現金淨額		(1,117,031)	(2,277,730)

Consolidated Statement of Cash Flows 綜合現金流轉表

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

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
INVESTING ACTIVITIES				
	投資業務			
Purchase of property, plant and equipment	購買物業、廠房及設備	14	(7,561)	(3,486)
Purchase of available-for-sale financial assets	購買可供出售財務資產		(577,988)	(250,000)
Purchase of investment properties	購買投資物業		-	(51,308)
Dividend received from an associate	自一家聯營公司收取之股息		-	1,341,199
Subscription of share capital in associates	認購聯營公司股本		-	(121,000)
Repayment of promissory note received from disposal of share of associate	償還自出售聯營公司股份收取之承兌票據		-	259,862
Repayment of three-month zero coupon note received from buy-back of share of associate	償還自購回聯營公司股份收取之三個月零息票據		-	509,991
Net cash inflow from disposal of subsidiaries	出售附屬公司現金流入淨額	31	1,398,447	376,400
Net cash (outflow) inflow from acquisition of subsidiaries	收購附屬公司現金(流出)流入淨額	30(a)&(b)	(341,744)	339
Balancing amount paid for acquisition of yacht	就收購遊艇已付餘額		-	(39,702)
Deposits paid for acquisition of subsidiaries	就收購附屬公司已付按金		-	(223,556)
Deposits paid for acquisition of available-for-sale financial assets	就收購可供出售財務資產已付按金		-	(63,472)
Capital injections from non-controlling interests	非控股權益注資		-	240,000
Net cash from investing activities	投資業務所得現金淨額		471,154	1,975,267



Consolidated Statement of Cash Flows

綜合現金流轉表

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

	Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
FINANCING ACTIVITIES			
Issue of share capital	28	727,071	150,000
Issue of convertible bonds, included in disposal of subsidiaries		176,000	–
Issue of notes payables		300,000	–
New bank loans raised		1,040,000	315,343
New other loans raised		350,000	–
Repayment of bank loans		(1,561,143)	(76)
Repayment of convertible bonds, included in disposal of subsidiaries		(45,000)	–
Repayment of other loans		(350,000)	–
Proceeds from partial disposal of interests in a subsidiary without loss of control	31	200,000	–
Proceeds from disposal of available-for-sale financial assets		–	108,388
Capital injections from non-controlling interests		27,308	–
Interest paid		(11,624)	(2,829)
Net cash from financing activities		852,612	570,826
Net increase in cash and cash equivalents		206,735	268,363
Cash and cash equivalents at the beginning of the reporting period		444,684	176,321
Cash and cash equivalents at the end of the reporting period, represented by bank balances and cash		651,419	444,684

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

Mason Financial Holdings Limited (the “Company”) is a public company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and the principal place of business of the Company are disclosed in the corporate information of the annual report for year 2016. The principal activities of the Group are described in notes 5 and 7 to the consolidated financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

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

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2015 consolidated financial statements except for the adoption of the following new/revised HKFRSs that are relevant to the Group and effective from the current year.

Adoption of new/revised HKFRSs

Amendments to HKAS 1: Disclosure Initiative

The amendments include changes in the following five areas: (1) materiality; (2) disaggregation and subtotals; (3) structure of notes; (4) disclosure of accounting policies; (5) presentation of items of other comprehensive income arising from investments accounted for using equity method.

1. 一般資料

民信金控有限公司(「本公司」)為於香港註冊成立之公眾公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處及主要營業地點的地址於二零一六年年報之公司資料中披露。本集團之主要業務載述於綜合財務報表附註5及7。

2. 主要會計政策

編製基準

本綜合財務報表按照香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)(包括所有適用的香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)及香港公認會計原則與香港公司條例編製。本綜合財務報表亦符合聯交所證券上市規則(「上市規則」)的適用披露規定。

本綜合財務報表根據與二零一五年綜合財務報表所採用會計政策一致的基準編製，惟採納以下與本集團有關且於本年度生效的新訂／經修訂香港財務報告準則除外。

採納新訂／經修訂香港財務報告準則

香港會計準則第1號之修訂：披露計劃

修訂包括下列五個範圍內的變動：(1)重要性；(2)不合計與小計；(3)附註結構；(4)會計政策披露；(5)以權益法核算投資而產生的其他全面收入項目的呈列。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Adoption of new/revised HKFRSs (Cont'd)

Amendments to HKASs 16 and 38: Clarification of Acceptable Methods of Depreciation and Amortisation

HKAS 16 and HKAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The amendments to HKAS 16 clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The amendments to HKAS 38 clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

Amendments to HKAS 27 (2011): Equity Method in Separate Financial Statements

The amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)

香港會計準則第16號及第38號之修訂：澄清折舊及攤銷的可接納方法

香港會計準則第16號及香港會計準則第38號確立折舊及攤銷之基準原則為資產未來經濟利益之預期消耗模式。香港會計準則第16號之修訂澄清使用收益法計算資產折舊並不適合，因為包括使用資產之活動產生之收益通常反映資產內所含經濟利益之消耗以外之因素。

香港會計準則第38號之修訂澄清收益通常被假定為消耗及計量無形資產內所含經濟利益之不恰當基準。然而，該假定在若干限定情況下可予推翻。

香港會計準則第27號之修訂(二零一一年)：獨立財務報表之權益法

該等修訂容許實體使用權益法，於其獨立的財務報表中入賬處理於附屬公司、合營公司及聯營公司的投資。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Adoption of new/revised HKFRSs (Cont'd)

*Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011):
Investment Entities – Applying the Consolidation Exception*

The amendments:

- (1) introduce relief to permit a non-investment entity investor, that has an interest in an associate or joint venture that is an investment entity, to retain the fair value through profit or loss measurement applied by the associate or joint venture to its interests in its subsidiaries.
- (2) amend HKAS 28 (2011) and HKFRS 10 respectively so that the exemption from applying the equity method and preparing consolidated financial statements as set out in paragraph 17 of HKAS 28 (2011) and paragraph 4(a) of HKFRS 10 is available to an entity that is a subsidiary of an investment entity which measures all of its subsidiaries at fair value through profit or loss in accordance with HKFRS 10.
- (3) amend HKFRS 10 to clarify that only subsidiaries of an investment entity that are not themselves an investment entity and whose main purpose and activities are providing services that relate to the investment entity's investment activities are consolidated by the investment entity.
- (4) amend HKFRS 12 to clarify that the relevant disclosure requirements therein apply to an investment entity.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(二零一一年)之修訂：投資實體－應用合併豁免

該等修訂：

- (1) 引入寬免，容許於屬投資實體的聯營公司或合營公司中擁有權益的非投資實體投資者，沿用該聯營公司或合營公司對於其於其附屬公司中的權益所應用的按公平值計入損益的計量方法。
- (2) 分別修訂香港會計準則第28號(二零一一年)及香港財務報告準則第10號，致使香港會計準則第28號(二零一一年)第17段及香港財務報告準則第10號第4(a)段所載的權益法應用及綜合財務報表編製豁免，適用於根據香港財務報告準則第10號透過損益按公平值計量所有附屬公司的投資實體旗下的附屬公司。
- (3) 修訂香港財務報告準則第10號，澄清投資實體合併計算的附屬公司，必須本身並非投資實體，以及其主要業務及活動必須為提供與該投資實體的投資活動相關的服務。
- (4) 修訂香港財務報告準則第12號，澄清該準則所載的相關披露規定適用於投資實體。



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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Adoption of new/revised HKFRSs (Cont'd)

Amendments to HKFRS 11: Accounting for Acquisitions of Interests in Joint Operations

The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify that the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in HKFRS 3, shall apply all of the principles on business combinations accounting in HKFRS 3 and other HKFRSs except for those principles that conflict with the guidance in HKFRS 11. In addition, the acquirer shall disclose the information required by HKFRS 3 and other HKFRSs in relation to business combinations.

Annual Improvements Project – 2012-2014 Cycle

1) *HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations: Changes in Methods of Disposal*

These amendments clarify the accounting for a change in an entity's disposal plan from a plan to sell to a plan to distribute a dividend in kind to its shareholders (or vice versa). Such a reclassification shall not be treated as a change to a plan of sale (or distribution to owners) and accounted for as such. Consequently, such a change in classification is considered as a continuation of the original plan of disposal and the entity will not follow the accounting for a change to the plan. Besides, to address the lack of guidance in circumstances when an asset no longer meets the criteria for held for distribution to owners, the amendments clarify that an entity should cease to apply held-for-distribution accounting in the same way as it ceases to apply the held-for-sale accounting when the asset no longer meets the held-for-sale criteria.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第11號之修訂： 收購合營業務權益的會計法

該等修訂加入有關入賬處理收購構成一項業務的合營業務的權益的新指引。該等修訂訂明合營業務(其活動構成香港財務報告準則第3號所界定的業務)權益的收購人，須應用香港財務報告準則第3號及其他香港財務報告準則中有關業務合併會計法之所有原則，惟與香港財務報告準則第11號之指引有衝突的原則除外。此外，收購人應披露香港財務報告準則第3號及其他香港財務報告準則要求有關業務合併的資料。

年度改進項目：二零一二年至二零一四年週期

1) 香港財務報告準則第5號持作出售的非流動資產及已終止經營業務：處置方法的變動

該等修訂澄清實體的處置計劃由出售計劃轉變為向其股東分派實體股息(反之亦然)的會計法。有關的重新分類不應被視為改變出售(或向擁有人分派)計劃及按此入賬處理。因此，有關的分類變動被視為持續進行原先計劃，而實體不應依循改變計劃的會計法。此外，針對未對資產不再符合持作出售向擁有人分派的條件情況下作出指引，該等修訂澄清實體應終止應用持作出售會計法，如同其於資產不再符合持作出售條件時終止應用持作出售會計法一樣。

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綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Adoption of new/revised HKFRSs (Cont'd)

2) HKFRS 7 Financial Instruments: Disclosures

a) Servicing contracts

These amendments clarify what kind of servicing contracts may constitute continuing involvements for the purposes of applying the disclosure requirements for transferred financial assets that are derecognised in their entirety.

b) Applicability of the Amendments to HKFRS 7 concerning Offsetting to Condensed Interim Financial Statements

These amendments also clarify that the additional disclosure required by the amendments to HKFRS 7 concerning offsetting is not specifically required for all interim periods.

3) HKAS 19 Employee Benefits: Discount rate: regional market issue

The amendment clarifies that the depth of the market for high quality corporate bonds used to determine the discount rate for post-employment benefit obligations should be assessed at a currency level and not at country level.

The adoptions of the above new/revised HKFRSs that are relevant to the Group and effective during the current year did not have any significant impact on the consolidated financial statements.

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

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)

2) 香港財務報告準則第7號金融工具：披露

a) 服務合約

該等修訂澄清就應用整體終止確認的已轉讓財務資產的披露要求而言，可能構成持續參與的服務合約的種類。

b) 有關簡明中期財務報表之抵銷的香港財務報告準則第7號之修訂之適用性

該等修訂亦澄清有關抵銷的香港財務報告準則第7號之修訂所要求的額外披露並無明確要求適用於所有中期期間。

3) 香港會計準則第19號僱員福利：折現率－區域市場事項

該修訂澄清，用於釐定退休福利承擔折現率之優質企業債券之市場深度應從貨幣而非國家層面評估。

採納以上與本集團有關且於當前年度生效的新訂／經修訂香港財務報告準則對綜合財務報表並無任何重大影響。

本集團採納的主要會計政策之概要載列如下。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for financial assets at fair value through profit or loss and certain available-for-sale financial assets, which are measured at fair value as explained in the principal accounting policies set out below.

Basis of consolidation

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

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

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

Allocation of total comprehensive income

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

2. 主要會計政策(續)

計量基準

除按公平值計入損益之財務資產及若干可供出售財務資產按下文所載主要會計政策所述之公平值計量外，本綜合財務報表按歷史成本法編製。

綜合基準

本綜合財務報表包括本公司及其所有附屬公司之財務報表。其附屬公司之財務報表均按與本公司相同之報告年度及一致之會計政策編製。

所有集團內公司間之結餘、交易與集團內公司間交易所產生的收支及損益均全數抵銷。附屬公司業績自本集團取得控制權當日起綜合入賬，直至本集團不再擁有控制權當日為止。

非控股權益於綜合全面收益表內及綜合財務狀況表權益內與本公司權益持有人分開呈列。屬現時擁有權權益並賦予持有人於被收購公司清盤時按比例分佔被收購公司的非控股權益初步按公平值或按現時擁有權工具應佔被收購公司可識別淨資產確認金額比例計量。計量基準依個別收購事項而選擇。

分配全面收入總額

本公司權益持有人及非控股權益分佔損益及其他全面收入之各部分。即使會導致非控股權益有虧絀結餘，全面收入總額須分配予本公司權益持有人及非控股權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Basis of consolidation (Cont'd)

Changes in ownership interest

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

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

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 assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

2. 主要會計政策(續)

綜合基準(續)

所有權權益之變動

本集團所持附屬公司所有權變更(未導致失去控制權)作為股權交易入賬。控股及非控股權益的賬面值根據所持附屬公司相關權益的變更而調整。非控股權益所調整的金額與所付或所收代價公平值的差額直接於權益確認，歸屬本公司權益持有人。

本集團失去附屬公司的控制權時，出售的收益或虧損按(i)失去控制權當日釐定的所收代價總公平值及保留權益公平值與(ii)失去控制權當日附屬公司的資產(包括商譽)及負債及非控股權益的賬面值之間的差額計算。先前於其他全面收入所確認有關所出售附屬公司的金額按猶如本集團直接出售相關資產或負債的方式入賬。於原附屬公司保留的任何投資或原附屬公司所欠或應付原附屬公司的任何金額自失去控制權當日起作為財務資產、聯營公司、合營公司或其他(如適當)入賬。

業務合併

收購業務採用收購法入賬。業務合併所轉讓的代價按公平值計量，而計算方法為本集團所轉讓的資產、本集團向被收購方原擁有人產生的負債及本集團於交換被收購方的控制權發行的權益於收購日之公平值總額。有關收購的成本一般於產生時在損益賬中確認。



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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Business combinations (Cont'd)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, 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 share-based payment arrangements of the acquiree or share based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- Assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

2. 主要會計政策(續)

業務合併(續)

於收購日期，所收購可識別資產及所承擔負債按其公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的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；
- 與被收購方以股份支付安排或本集團訂立以股份支付安排取代被收購方以股份支付安排有關的負債或股本工具，於收購日期根據香港財務報告準則第2號「以股份支付款項」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」分類為持作出售的資產(或出售組合)根據該項準則計量。

商譽乃以所轉讓的代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方(倘有)股權公平值的總和超出所收購可識別資產及所承擔負債於收購日期的淨值的部分計量。倘經過重新評估後，所收購可識別資產及所承擔負債於收購日期的淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方(倘有)股權公平值的總和，則超出部分即時於損益賬內確認為議價收購收益。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Business combinations (Cont'd)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

When the consideration transferred by the Group 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 included 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 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 at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interests were disposed of.

2. 主要會計政策(續)

業務合併(續)

屬現時所有權權益且於清盤時讓持有人有權按比例分佔實體資產淨值的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別的非控股權益乃按其公平值或(如適用)另一項香港財務報告準則規定的基準計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價按其於收購日期之公平值計量並作為業務合併中的已轉讓代價之部分入賬。符合資格為計量期間調整之或然代價公平值變動將予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」(不可超過自收購日期起計一年)取得有關於收購日期已存在之事實及情況之額外資料產生之調整。

不合資格為計量期間調整之或然代價公平值變動後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於後續報告日期重新計量，其後續結算亦於權益內入賬。分類為資產或負債之或然代價將於後續報告日期重新計量，相應之盈虧於損益內確認。

倘業務合併分階段達成，本集團以往所持的被收購方股本權益按收購日期(即本集團取得控制權當日)公平值重新計量，所產生的盈虧(如有)在損益賬中確認。倘出售於被收購方權益，則以往在其他全面收益中確認的從該等於被收購方的權益於收購日期前產生的金額重新分類至損益(如此處理方法合適)。



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綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Business combinations (Cont'd)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

2. 主要會計政策(續)

業務合併(續)

倘業務合併的初步會計處理於合併產生的呈報期結算日仍未完成，則本集團會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間(見上文)內作出調整，以及確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於當日確認的金額。

商譽

收購業務產生的商譽作為獨立資產確認，並按成本減累計減值虧損列賬。

就減值測試而言，商譽會分配至預期可從合併的協同效益中獲益的各個現金產生單位(或現金產生單位組合)。

獲分配商譽的現金產生單位會每年進行減值測試，或於有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於報告期間因收購產生的商譽而言，獲分配商譽的現金產生單位會於該報告期間結束前進行減值測試。倘現金產生單位的可回收金額少於其賬面值，則減值虧損會先用作減低任何分配至該單位的商譽的賬面值，其後則按該單位內各項資產賬面值的比例分配至該單位的其他資產。任何商譽減值虧損直接於損益賬內確認。就商譽確認的減值虧損不會於其後期間撥回。

於出售相關現金產生單位時，商譽應佔金額於釐定出售時的損益金額時計入在內。

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Subsidiaries

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

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

Associates and joint ventures

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

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is a contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group reassesses whether it has joint control of an arrangement and whether the type of joint arrangement in which it is involved has changed, if facts and circumstances change.

2. 主要會計政策(續)

附屬公司

附屬公司是指受本集團控制之實體。當本集團須承擔或享有參與有關實體業務所得可變動回報之風險或權利，並能透過其在該實體之權力影響該等回報，即本集團對該實體具有控制權。本集團於有關事實及情況表明一項或多項控制權因素出現變動時，重新評估其是否對實體具有控制權。

附註呈列之本公司財務狀況報表內，於附屬公司之投資按成本減累計減值虧損列賬。如投資賬面值超過可收回金額，則按個別投資項目撇減至可收回金額，而附屬公司之業績則由本公司按已收及應收股息列賬。

聯營公司及合營公司

聯營公司指本集團對其有重大影響之實體。重大影響是有權參與投資對象之財務及經營政策決策，但並非對該等政策之控制或共同控制。

合營公司為一項合營安排，據此，對該安排擁有共同控制權之訂約方有權享有該安排之資產淨值。合營安排為兩方或以上擁有共同控制權之安排。共同控制權為訂約協定分享一項安排之控制權，僅在相關活動需要享有共同控制權之訂約方一致同意方能作出決定之情況下存在。倘有事實及情況改變，本集團會重新評估其是否擁有一項安排之共同控制權及其參與之合營安排之類別有否改變。



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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Associates and joint ventures (Cont'd)

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

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

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

2. 主要會計政策(續)

聯營公司及合營公司(續)

本集團於聯營公司或合營公司之投資乃根據權益會計法入賬。根據權益法，投資先以成本入賬，其後，就本集團佔該承資公司淨資產在收購後的變動及與該項投資有關的任何減值虧損作出調整。當本集團應佔承資公司之虧損份額等於或超出其於承資公司權益(包括任何實質上為本集團於承資公司淨投資部分的長期權益)之賬面值，本集團會終止確認其應佔進一步虧損，惟本集團已招致法定或推定責任或代表承資公司付款之情況除外。

本集團與聯營公司或合營公司交易產生之未變現溢利及虧損以本集團所持聯營公司或合營公司之權益為限予以抵銷，惟該未變現虧損證明已轉讓資產出現減值除外，在此情況下，則即時於損益內確認相關虧損。

收購聯營公司或合營公司產生之商譽乃按投資成本超出本集團於所收購聯營公司或合營公司分佔之可識別資產及負債之公平值淨額計量。收購聯營公司或合營公司產生之商譽計入於聯營公司或合營公司之權益。另一方面，本集團於其可識別資產及負債超出投資成本之任何公平值淨額作為收益即刻於損益中確認。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Property, plant and equipment

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

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

Leasehold improvements	Over the lease terms
Furniture and fixtures	3 – 5 years
Computer and office equipment	3 years
Medical equipment	3 – 7 years
Motor vehicles	5 years

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

2. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及累計減值虧損列賬。物業、廠房及設備項目之成本包括購買價及使資產投入運作及運至現址作擬定用途之任何直接應佔費用。其他維修及保養費用在產生期間於損益扣除。

物業、廠房及設備之折舊自可供使用當日起於估計使用年限載列如下並計及其估計剩餘價值後，以直線法撇銷其成本減累計減值虧損撥備。倘物業、廠房及設備項目各部分具不同使用年限，則按合理基準分配有關項目的成本，並單獨計提折舊：

租賃物業裝修	租期內
傢俬及裝置	3 – 5年
電腦及辦公室設備	3年
醫療設備	3 – 7年
汽車	5年

物業、廠房及設備項目於出售或預期持續使用該等資產將不會產生未來經濟利益時終止確認。終止確認資產所產生的盈虧(按出售所得款項淨額與該項目賬面值之差額計算)於終止確認項目期間計入損益。

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Intangible assets

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. Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it 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 they are available for use and their estimated lives are as follows:

Trademarks	10 years
Customer and franchisee relationships	5 years
Computer software and systems	3 – 5 years

Both the period and method of amortisation are review annually.

Intangible assets are not amortised if their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above. Intangible assets with indefinite useful life are tested for impairment at least annually.

Financial instruments

Recognition and derecognition

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

2. 主要會計政策(續)

無形資產

本集團已收購的無形資產按成本減去累計攤銷(倘估計可使用年限為有限)及減值虧損列賬。內部產生商譽及品牌的開支於產生期間確認為開支。

具有有限可使用年限的無形資產攤銷按資產估計可使用年限以直線法自損益扣除。以下使用壽命有限的無形資產自其可使用日期起進行攤銷，其預期使用壽命如下：

商標	10年
客戶與特許經營商關係	5年
電腦軟件及系統	3 – 5年

攤銷的期間及方法均每年檢討。

倘無形資產的預期使用壽命不確定，則不進行攤銷。本集團在每個會計期間對使用壽命不確定的無形資產的使用壽命進行覆核，以確定實際情況是否能夠繼續支持該資產使用期限為無限的認定。如果有證據表明無形資產的使用壽命是有限的，則估計其使用壽命，並按上述使用壽命有限的無形資產處理。使用壽命不確定的無形資產至少每年進行一次減值測試。

金融工具

確認及終止確認

僅於本集團成為工具合約條款之訂約方時，財務資產及財務負債將按交易日之基準確認。

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Recognition and derecognition (Cont'd)

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

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

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

1) Financial assets or financial liabilities at fair value through profit or loss

Financial assets or financial liabilities at fair value through profit or loss include financial assets held for trading, financial assets or financial liabilities designated upon initial recognition as at fair value through profit or loss, and financial assets or financial liabilities resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resulting gain and loss recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in revenue in the consolidated statement of comprehensive income.

2. 主要會計政策(續)

金融工具(續)

確認及終止確認(續)

財務資產僅於(i)本集團自該財務資產獲取未來現金流轉之合約權利屆滿或(ii)本集團轉讓該財務資產且(a)將其所有權之絕大部分風險及回報轉讓，或(b)本集團無轉讓或保留財務資產所有權之絕大部分風險及回報但並無保留對該財務資產之控制權時，方終止確認。

而財務負債則僅於負債消除(即相關合約訂明之責任解除、取消或到期)時，方終止確認。

分類及計量

財務資產或財務負債(倘其並非屬於按公平值計入損益的財務資產或財務負債)須於首次確認時按公平值加購買或發行財務資產或財務負債之直接應佔交易成本列賬。

1) 按公平值計入損益之財務資產或財務負債

按公平值計入損益之財務資產或財務負債包括持作買賣之財務資產、於首次確認時指定為按公平值計入損益之財務資產或財務負債以及適用香港財務報告準則第3號的業務合併之或然代價安排所產生的財務資產或財務負債。該等財務資產或負債按公平值列賬，並於損益中確認所產生之任何收益及虧損。於損益確認之收益或虧損淨額不包括財務資產所賺取之任何股息或利息，且入賬綜合全面收益表之收入。



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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Classification and measurement (Cont'd)

1) *Financial assets or financial liabilities at fair value through profit or loss (Cont'd)*

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

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

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

2. 主要會計政策(續)

金融工具(續)

分類及計量(續)

1) *按公平值計入損益之財務資產或財務負債(續)*

倘財務資產或財務負債(i)被收購之主要目的為於不久將來出售；(ii)為本集團集中管理之可識別金融工具組合之一部分，並已於近期形成短期獲利之實際模式；或(iii)並非財務擔保合約或指定為有效對沖工具之衍生工具，則分類為持作買賣。

僅在符合以下條件時，財務資產或財務負債方可於首次確認時指定按公平值計入損益：(i)該指定抵銷或大幅減少按不同基準計量資產或負債或確認收益或虧損所產生之不一致處理結果；或(ii)有關財務資產或財務負債為一組根據明文訂立之風險管理策略管理，並按公平值基準評估表現之財務資產及／或財務負債組合之一部分；或(iii)該等財務資產或財務負債包含須單獨入賬之嵌入式衍生工具。

倘合約包括一項或多項嵌入式衍生工具，整份組合合約可指定為按公平值計入損益的財務資產，惟該嵌入式衍生工具對現金流轉並無重大影響或明確禁止單獨計量嵌入式衍生工具則除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

2) Loans and receivables

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

3) Available-for-sale financial assets

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

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

2. 主要會計政策(續)

金融工具(續)

2) 貸款及應收款項

貸款及應收款項(包括應收貸款、應收貿易及其他應收款項及銀行結餘及現金)為具固定或可釐定付款金額之非衍生財務資產，且於活躍市場並無報價及並非持作買賣用途。其以實際利率法按攤銷成本計量，惟倘應收款項為免息貸款且無任何固定還款期或折現影響並不重大，則應收款項按成本扣除減值虧損列賬。所計算之攤銷成本已計及直至到期日止之期間的任何收購折讓或溢價。於終止確認、減值時或於攤銷過程中產生之盈虧均計入損益。

3) 可供出售財務資產

可供出售財務資產為指定為可供出售或並非歸類為其他財務資產類別之任何一類的非衍生財務資產，並按公平值計量，而公平值之變動則確認為權益之獨立部分，直至該資產被出售、收回或另行處置或直至該資產被釐定為已減值為止，屆時先前於其他全面收入呈報之累計盈虧則重新分類至損益，列作重新分類調整。

於活躍市場並無報價且公平值無法可靠計量的可供出售財務資產須按成本扣除減值虧損列賬。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

4) Financial liabilities

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

5) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period respectively. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability respectively, or where appropriate, a shorter period.

6) Financial guarantee contracts

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

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not measured at fair value through profit or loss, are carried at the higher of (i) the amount of the obligation under the contract, as determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised.

2. 主要會計政策(續)

金融工具(續)

4) 財務負債

本集團之財務負債包括貿易及其他應付款項及計息借款。所有財務負債(按公平值計入損益之財務負債除外)於首次確認時按公平值列賬，其後以實際利率法按攤銷成本計量，除非折現之影響不甚重大，則按成本列賬。

5) 實際利率法

實際利率法是計算財務資產或財務負債攤銷成本以及在相關期間內分別分配利息收入或利息開支的一種方法。實際利率是指分別將財務資產或負債在預計存續期或更短期間內(如適當)的估計未來現金收入或付款額恰好折現所使用的利率。

6) 財務擔保合約

財務擔保合約即合約訂約方在指定債務人未能按照債務文據條款支付到期款項以致授約方蒙受損失時，須向授約方償付指定款項之合約。

本集團簽訂之財務擔保合約初步按公平值計量，倘並非指定為按公平值計入損益，則按(i)根據香港會計準則第37號：撥備、或然負債及或然資產釐定之合約的債務金額；及(ii)以首次確認之金額減(倘適用)確認累計攤銷，兩者中之較高者列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Impairment of financial assets

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

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

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

2. 主要會計政策(續)

金融工具(續)

財務資產減值

於呈報期結算日，本集團評估是否有客觀證據顯示財務資產(按公平值計入損益之財務資產除外)出現減值。以攤銷成本列賬之財務資產減值虧損乃按資產賬面值與按財務資產原有實際利率折現之估計未來現金流轉現值兩者之差額計量。倘於確認減值後發生客觀地相關連之事件，以致資產可收回金額增加，該減值虧損可於隨後期間透過損益撥回，惟該資產於撥回減值當日之賬面值不得超逾倘無確認該減值而應有之攤銷成本。

倘可供出售財務資產出現減值，其購買成本(已扣除本金償還款及攤銷)與當前公平值之差額減去先前於損益確認之減值虧損的金額由權益重新分類至損益列作重新分類調整。已計入損益的可供出售股本工具的減值虧損不可透過損益撥回。可供出售股本工具於確認減值虧損後的任何公平值增加須於權益內確認。倘於確認減值虧損後發生客觀地相關連之事件，以致債務工具的公平值增加，則可供出售債務工具的減值虧損撥回可透過損益撥回。

按成本列賬的可供出售財務資產之減值虧損，可按財務資產賬面值與同類財務資產當前市場回報率折現之估計未來現金流轉現值兩者之差額計量。有關減值虧損不可撥回。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Derivative financial instruments

Derivative financial instruments are initially measured at fair value at the date derivative contracts are entered into and are subsequently measured at their fair value at the end of reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Fair values are obtained from quoted market prices in active market or are determined using valuation techniques, including discounted cash flow model and options pricing model as appropriate.

Derivative embedded in non-derivative host contracts are treated as separate derivative when their characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

Cash equivalents

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

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably and on the following bases:

Net income from the sale of investments at fair value through profit or loss is recognised on the transaction date when the relevant sale and purchase contract is entered into.

2. 主要會計政策(續)

衍生金融工具

衍生金融工具初始按訂立衍生工具合同之日的公平值計量，隨後以其呈報期結算日的公平值計量。產生的收益或虧損立即於損益中確認，除非衍生工具被指定為有效的對沖工具，於該種情況下，於損益中確認的時間取決於對沖關係的性質。公平值可根據活躍市場報價或使用估值技術(包括現金流量折現模型及期權定價模型(如適用))確定。

倘嵌入非衍生主合同的衍生工具的特徵及風險未與主合同緊密相關，且主合同並非以公平值計量且其變動計入損益時，則嵌入衍生工具將作為單獨衍生工具處理。

現金等值

在綜合現金流轉表，現金等值指可隨時兌換為已知數額現金，且價值變化風險不大的短期高流動投資。

收入確認

收入乃於經濟利益可能流向本集團，而收入與成本(如適用)能可靠計量時按以下基準確認：

出售按公平值計入損益之投資所得收益淨額於訂立有關買賣合約之交易日確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Revenue recognition (Cont'd)

Net income from trading of securities and options and commodities contracts are recognised on the transaction date when the relevant sale and purchase contract is entered into.

Medical consultation and laboratory services income is recognised when services are rendered.

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Foreign currencies translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars ("HK\$"), which is also the Company's functional currency, and rounded to the nearest thousands unless otherwise stated.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

2. 主要會計政策(續)

收入確認(續)

買賣證券、期權及商品合約所得收益淨額於相關買賣合約簽訂之交易日確認。

醫療諮詢及實驗室服務收入於服務提供時確認。

財務資產之利息收入經參考未償還本金及按適用實際利率以時間基準累計。

投資之股息收入於本集團收取款項之權利確立時確認。

外幣換算

本集團各公司財務報表所包括項目以有關公司經營所在主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以本公司功能貨幣港元(「港元」)呈列。除非另有說明，報表數值約整至最接近千位數。

外幣交易按交易日的匯率換算為功能貨幣。結算該等交易及按期末結算日匯率換算以外幣計值的貨幣資產及負債所產生的匯兌盈虧於損益確認。重新換算按公平值列賬的非貨幣項目所產生的匯兌盈虧計入損益，惟重新換算盈虧直接於權益確認之非貨幣項目產生者，則匯兌盈虧亦直接於權益確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Foreign currencies translation (Cont'd)

The results and financial position of all the group entities that have a functional currency different from the presentation currency (“foreign operations”) are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at the end of the reporting period.
- Income and expenses for each statement of comprehensive income are translated at average exchange rate.
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group’s net investment in a foreign operation are recognised as a separate component of equity.
- On the disposal of a foreign operation, which includes a disposal of the Group’s entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.

2. 主要會計政策(續)

外幣換算(續)

所有功能貨幣有別於呈列貨幣的集團公司(「境外業務」)的業績及財務狀況按以下方式換算為呈列貨幣：

- 各財務狀況表呈列的資產及負債以及(倘適用)收購境外業務所產生商譽及資產及負債賬面值之公平值調整(視作該境外業務的資產及負債)按呈報期結算日的收市匯率換算。
- 各全面收益表的收支以平均匯率換算。
- 上述交易所產生所有匯兌差額及屬於本集團於境外業務投資淨額的貨幣項目所產生的匯兌差額確認為權益的獨立部分。
- 於出售海外業務(包括出售本集團於海外業務之全部權益、涉及失去對一間附屬公司(包括海外業務)之控制權之出售或部分出售於合營安排或聯營公司之權益(包括其保留權益不再入賬列為股權之海外業務)時，有關於其他全面收入確認且於權益中獨立部分累計之海外業務之匯兌差額之累計款項，於出售盈虧獲確認時自權益重新分類至損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Foreign currencies translation (Cont'd)

- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and is not reclassified to profit or loss.
- On all other partial disposals, which includes partial disposal of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

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

2. 主要會計政策(續)

外幣換算(續)

- 於部分出售本集團於一間包括有海外業務之附屬公司的權益(但本集團並無因此而失去對該附屬公司之控制權)時,於權益的獨立部分中確認的累計匯兌差額的比例份額會由該海外業務的非控股權益重新分佔且不會重新分類至損益。
- 於所有其他部分出售(包括對聯營公司或合營公司的部分出售,而該出售不會導致本集團失去重大影響或共同控制權)時,於權益之獨立部分中確認的累計匯兌差額之比例份額會重新分類至損益。

存貨

存貨乃按成本值與可變現淨值兩者中的較低者列賬。成本乃按加權平均成本方法計算,包括全部購貨成本以及(倘適用)將存貨運至現時地點及達致現時狀況而產生的其他成本。可變現淨值為日常業務中的估計售價減估計出售所需的成本。

當出售存貨時,該等存貨的賬面值於確認有關收益的期間確認為開支。將存貨撇減至可變現淨值的金額及存貨的所有虧損均於撇減及錄得虧損的期間確認為開支。存貨撇減撥回的金額將於撥回期間確認為支出列賬,即確認為存貨價值之減少。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible assets and investments in subsidiaries may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whenever there is an indication that those assets may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

The accounting policy for recognition and reversal of the impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2. 主要會計政策(續)

其他資產減值

於各呈報期結算日，本集團檢討內部及外間資訊來源，以評估其物業、廠房及設備、無形資產及於附屬公司之投資是否存在減值跡象或先前確認之減值虧損已不再存在或可能減少。倘存在任何上述跡象，其可收回金額將以該資產之公平值減銷售成本或使用價值(以較高者為準)估算。此外，本集團透過每年評估其可收回款項及該資產出現減值跡象的任何時間對其具有不確定限期可用年限的無形資產及暫不可供使用的無形資產進行減值測試。倘無法估算個別資產之可收回金額，本集團則估算能獨立產生現金流轉之最小資產組合(即現金產生單位)之可收回金額。

減值虧損撥回之金額不得超逾該資產或現金產生單位倘在過往年度並無確認減值虧損而應有之賬面值。減值虧損撥回即時於損益確認為收入。

確認及撥回商譽之減值虧損的會計政策於本附註前文有關商譽的會計政策中陳述。

借貸成本

借貸成本於產生時扣除購買、建設或生產合資格資產(即需花費一段較長期間方可供作擬定用途或出售的資產)之直接相關的指定借貸之暫時投資的任何投資收入後，撥作該等資產成本一部分。當該等資產大致可供作擬定用途或出售時，停止將該等借貸成本資本化。所有其他借貸成本於產生期間確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessee

Rentals payable/receivable under operating leases are charged/credited to profit or loss on a straight-line basis over the term of the relevant leases.

Employee benefits

Short-term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement scheme and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

Defined contribution scheme

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independent administered fund.

In accordance with the rules and regulations in the People's Republic of China (the "PRC"), the employees of the Group's entities established in the PRC are required to participate in defined contribution retirement plans organised by local governments. Contributions to those plans are expensed as incurred and other than these monthly contributions, the Group has no further obligation for the payment of retirement benefits to its employees.

2. 主要會計政策(續)

租約

凡租約條款將擁有權絕大部分風險及回報轉予承租人之租約均分類為融資租約。所有其他租約則分類為經營租約。

作為承租人

根據經營租約之應付／應收租金於有關租約期間內按直線法於損益中扣除／計入。

僱員福利

短期僱員福利

薪金、年度花紅、帶薪年假、界定供款退休計劃供款及非金錢福利之成本，於僱員提供相關服務之期間累計。

界定供款計劃

向界定供款退休計劃供款之責任於產生時列為開支計入損益。該計劃之資產與本集團之資產分開持有並存放於獨立管理基金。

根據中華人民共和國(「中國」)法律法規之規定，於中國成立之本集團實體之僱員須參加由當地政府組織的界定供款退休計劃。該計劃之供款於其發生時支銷，除該等月供款外，本集團概無向其僱員支付其退休福利之進一步法定義務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Employee benefits (Cont'd)

Long service payments

The Group's net obligation in respect of long service payments under the Hong Kong Employment Ordinance is the amounts of future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including those retirement scheme benefit.

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on the tax rates and the tax laws that have been enacted or substantively enacted at the end of the reporting period.

2. 主要會計政策(續)

僱員福利(續)

長期服務金

本集團根據香港僱員條例之長期服務金為僱員於本期間及過往期間之服務所得之未來利益回報計算其承擔淨額。該承擔數額按預計單位信託法計算，並於扣除任何相關資產(包括退休計劃福利)之公平值後折現至現值。

稅項

現時利得稅開支根據期內業績就毋須課稅或減免項目調整後釐定。稅項按呈報期結算日已生效或實質生效之稅率計算。

遞延稅項根據負債法按呈報期結算日資產及負債之稅基與綜合財務報表所示之賬面值兩者之所有暫時差額計提撥備。然而，初步確認商譽或交易(非業務合併)的其他資產或負債所產生且交易時既不影響會計溢利亦不影響應課稅溢利或虧損的任何遞延稅項，則不予確認。

遞延稅項資產及負債按收回資產或清償負債期間之預期適用稅率，並根據於呈報期結算日已生效或實質生效之稅率及稅法計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Taxation (Cont'd)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the holding company of the Group.

2. 主要會計政策(續)

稅項(續)

倘未來可能有應課稅溢利抵銷可動用之可扣除暫時差額、稅項虧損及抵免，則確認遞延稅項資產。

除本集團能控制暫時差額撥回時間及不大可能於可見未來撥回暫時差額外，則就附屬公司、聯營公司及合營公司之投資所產生之暫時差額計提遞延稅項撥備。

關連人士

關連人士指與本集團有關連的個人或實體。

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團之主要管理層成員或本集團之控股公司。



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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Related parties (Cont'd)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third-party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the holding company of the Group.

2. 主要會計政策(續)

關連人士(續)

- (b) 倘符合下列任何條件，則該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各控股公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一間實體為另一實體之聯營公司或合營公司(或為另一實體所屬集團旗下成員公司之聯營公司或合營公司)。
 - (iii) 兩間實體均為同一第三方之合營公司。
 - (iv) 一間實體為第三方實體之合營公司，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關聯的實體就僱員福利設立的離職後僱員福利計劃。倘該計劃為實體獨立實施，則出資僱主亦於本集團有關連。
 - (vi) 實體受(a)內所識別人士控制或共同控制。
 - (vii) (a)(i)內所識別人士對實體有重大影響力或為該實體(或該實體之控股公司)之主要管理層成員。
 - (viii) 實體或該實體所屬集團旗下任何成員公司向本集團或本集團控股公司提供主要管理人員服務。

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綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Related parties (Cont'd)

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided to the Group's chief operating decision makers for the purpose 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 services, the type or class of customers, the methods used to provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2. 主要會計政策(續)

關連人士(續)

一名人士之近親指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員，包括：

- (a) 該名人士的子女及配偶或同居伴侶；
- (b) 該名人士的配偶或同居伴侶的子女；及
- (c) 該名人士或該名人士的配偶或同居伴侶的受養人。

根據關連人士的定義，聯營公司包括有關聯營公司的附屬公司，而合營公司包括有關合營公司的附屬公司。

分部報告

綜合財務報表所呈報之經營分部及各分部項目金額與提供予本集團首席經營決策者以作出有關本集團各類業務單位及地理位置的資源分配及表現評估的財務資料屬一致。

個別重大經營分部就財務呈報目的而言不予合併，除非分部具有類似經濟特點且服務性質、客戶類型或類別、提供服務所使用的方法及監管環境性質相似。並非個別重大的經營分部如同時滿足大部分上述標準，則可合併成一類。

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綜合財務報表附註

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3. FUTURE CHANGES IN HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKAS 7	<i>Disclosure Initiative</i> ^[1]
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ^[1]
Annual Improvements to HKFRSs	<i>2014-2016 Cycle</i> ^[2]
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ^[3]
HKFRS 15	<i>Revenue from Contracts with Customers</i> ^[3]
HKFRS 9 (2014)	<i>Financial Instruments</i> ^[3]
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ^[3]
HKFRS 16	<i>Leases</i> ^[4]
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ^[5]

^[1] Effective for annual periods beginning on or after 1 January 2017

^[2] Effective for annual periods beginning on or after 1 January 2017 or 2018 where applicable

^[3] Effective for annual periods beginning on or after 1 January 2018

^[4] Effective for annual periods beginning on or after 1 January 2019

^[5] The effective date of the amendments which was originally intended to be effective for annual periods beginning on or after 1 January 2016 has been deferred/removed

3. 香港財務報告準則之未來變動

本集團並未提早採納於本綜合財務報表獲批准之日香港會計師公會已頒佈但本年度尚未生效之多項新訂／經修訂香港財務報告準則。

香港會計準則 第7號之修訂本	<i>披露計劃</i> ^[1]
香港會計準則 第12號之修訂本	<i>為未實現虧損確認 遞延稅項資產</i> ^[1]
香港財務報告準則 之年度改進	<i>二零一四年至二零 一六年週期</i> ^[2]
香港財務報告準則 第2號之修訂本	<i>股份付款交易之分 類及計量</i> ^[3]
香港財務報告準則 第15號	<i>客戶合約收益</i> ^[3]
香港財務報告 準則第9號 (二零一四年)	<i>金融工具</i> ^[3]
香港財務報告準則 第4號之修訂本	<i>應用香港財務報告 準則第9號金融 工具及香港財 務報告準則第4 號保險合約</i> ^[3]
香港財務報告準則 第16號	<i>租賃</i> ^[4]
香港財務報告準則 第10號之修訂本及 香港會計準則第28 號之修訂本(二零 一一年)	<i>投資者與其聯營公 司或合營公司 之間的資產出 售或注資</i> ^[5]

^[1] 於二零一七年一月一日或之後開始之年度生效

^[2] 於二零一七年或二零一八年一月一日或之後開始之年度期間生效(倘適用)

^[3] 於二零一八年一月一日或之後開始之年度期間生效

^[4] 於二零一九年一月一日或之後開始之年度期間生效

^[5] 修訂原訂於二零一六年一月一日或之後開始之年度期間生效，而該日期已延後／取消

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3. FUTURE CHANGES IN HKFRSs (Cont'd)

The Company is in the process of making an assessment on the impact of HKFRS 9 (2014) and HKFRS 15.

HKFRS 16 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard will affect primarily the accounting for the Group's operating leases. As at the end of the reporting period, the Group has non-cancellable operating lease commitments of HK\$115,626,000 (see note 39). Accordingly, the Group expects the new standard to have a significant impact on the Group's consolidated financial statements. The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

The adoption of other new/revised HKFRSs is not expected to have a significant impact on the Group.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of these consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

3. 香港財務報告準則之未來變動(續)

本公司正在對香港財務報告準則第9號(二零一四年)及香港財務報告準則第15號之影響進行評估。

香港財務報告準則第16號將引致絕大部分租賃於財務狀況表確認，此乃由於經營與融資租賃之間的區別被移除。根據新訂準則，一項資產(使用租賃項目的權利)及支付租金的金融義務予以確認。唯一的例外情況為短期及低價值租賃。出租人會計處理將無重大變動。該準則將主要影響本集團經營租賃的會計處理。於呈報期結算日，本集團的不可撤銷經營租賃承擔為115,626,000港元(見附註39)。因此，本集團預測新準則將對本集團綜合財務報表產生重大影響。新訂準則於二零一九年一月一日或之後開始的財政年度強制施行。於此階段，本集團不擬於其生效日期前採納該準則。

採用新訂／經修訂香港財務報告準則預期不會對本集團產生重大影響。

4. 主要會計估計及判斷

編製本綜合財務報表時，管理層作出有關未來之估計及假設以及有關判斷，對本集團會計政策之應用、資產、負債、收支之呈報金額，以及所作出之披露有所影響，並持續予以評估。有關估計、假設及判斷基於經驗及有關因素(包括對有關情況下應屬合理之未來事項之預期)作出。於適當情況下，會計估計之修訂會在修訂期間及未來期間(倘有關修訂亦影響未來期間)予以確認。



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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

Key sources of estimation uncertainty

(a) *Useful lives of property, plant and equipment*

The management determines the estimated useful lives of the Group's property, plant and equipment based on the historical experience of the actual useful lives of the relevant assets of similar nature and functions. The estimated useful lives could be different as a result of technical innovations which could affect the related depreciation charges included in profit or loss.

(b) *Intangible assets and amortisation*

The management determines the estimated useful lives and related amortisation for the Group's intangible assets. The useful lives of intangible assets are assessed to be either finite or indefinite, based on the expected usage and technical obsolescence from the changes in the market demands or services output from the assets. Intangible assets are not amortised when their useful lives are assessed to be indefinite. The conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment. The Group may need to amortise intangible assets in future periods or recognise impairment losses on intangible assets if events and circumstances indicate that the useful life is not indefinite. Intangible assets with finite useful lives are amortised over the expected useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired.

4. 主要會計估計及判斷(續)

估計不明朗因素的主要來源

(a) *物業、廠房及設備的可使用年期*

管理層根據有關具有類似性質及功能的有關資產的實際可使用年期的歷史經驗確定本集團物業、廠房及設備的估計可使用年期。估計可使用年期可能因技術革新(可能會對計入損益的相關折舊費用產生影響)而有所不同。

(b) *無形資產及攤銷*

管理層就其無形資產釐定估計可使用年期及相關攤銷。無形資產之可使用年期按市場需求變動或資產輸出服務之預期用途及技術陳舊程度為基準而評估為有限或無限。由於無形資產之可使用年期評估為無限期，故其不作攤銷。倘無形資產被評估為具無限可使用年期，則會每年審閱以釐定事件及情況會否繼續支持有關無限可使用年期的評估。倘有關事件及情況顯示可使用年期並非無限，則本集團或須於未來期間攤銷無形資產或確認無形資產之減值虧損。有限可使用年期之無形資產隨預期可使用經濟年期攤銷，並於有跡象顯示無形資產可能已減值時作出減值測試。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(c) *Impairment of non-current assets, excluding intangible assets with indefinite useful lives and goodwill*

Non-current assets excluding intangible assets with indefinite useful lives and goodwill are carried at cost less accumulated depreciation/amortisation, where appropriate, and impairment losses. These carrying amounts are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which the non-current asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In estimating the recoverable amounts of the non-current assets, various assumptions, including future cash flows to be associated with the non-current assets and discount rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will need to be revised, and this may have an impact on the Group's results of operations or financial position.

(d) *Impairment of intangible assets with indefinite useful lives*

Determining whether intangible assets with indefinite useful lives of the Group are impaired requires an estimation of recoverable amount of the cash-generating units to which intangible assets with indefinite useful lives have been allocated, which is the higher of the related fair value less costs of disposal and value-in-use. The calculations require the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the recoverable amounts.

4. 主要會計估計及判斷(續)

估計不明朗因素的主要來源(續)

(c) *非流動資產(不包括無限可使用年期之無形資產及商譽)減值*

非流動資產(不包括無限可使用年期之無形資產及商譽)按成本減累計折舊／攤銷(如適用)及減值虧損列賬。當發生任何事件或環境出現變化，顯示賬面值可能無法收回時，則會檢討該等項目之賬面值是否已減值。若非流動資產賬面值超過其可收回金額，則會就其差額確認減值虧損。可收回金額乃資產公平值減出售成本及使用價值之較高者。在估計非流動資產之可收回金額時作出多項假設，包括與非流動資產有關之未來現金流量及折現率。倘未來事項與該等假設不符，可收回金額將需要作出修訂，此等修訂可能影響本集團之經營業績或財務狀況。

(d) *無限可使用年期之無形資產減值*

釐定本集團無限可使用年期之無形資產是否已減值須估計已獲分配無限可使用年期之無形資產的現金產生單位之可收回金額，即相關公平值減出售成本及使用價值之較高者。計算時，管理層須估計預期可自現金產生單位。獲得之未來現金流量及適當折現率，從而計算可收回金額。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(e) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating unit to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of the estimates used to calculate the recoverable amount are given in note 16 to the consolidated financial statements.

(f) Allowance for inventories

The Group's management reviews the condition of inventories at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

4. 主要會計估計及判斷(續)

估計不明朗因素的主要來源(續)

(e) 商譽減值

本集團至少每年釐定商譽是否減值。釐定商譽是否減值須對獲分派商譽之現金產生單位之使用價值作出估計。估計使用價值要求管理層估計預期產生自現金產生單位之日後現金流量及選擇適合之折現率以計算該等現金流的現值。計算可回收金額所使用之估計詳情載於綜合財務報表附註16。

(f) 存貨撥備

本集團之管理層於各呈報期結算日檢討存貨情況，就確認為過時、滯銷或不可能回收或不適合用於生產的存貨作出撥備。本集團就各項產品逐一檢討存貨，並根據市場價格及現行市況作出撥備。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(g) Allowance for bad and doubtful debts

The provisioning policy for bad and doubtful debts of the Group is based on the evaluation by management of the collectability of loans receivables, trade and other receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including assessing the current creditworthiness and the past collection history of each debtor. If the financial conditions of these debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance will be required.

(h) Impairment of investments and receivables

The Group assesses annually if investments in subsidiaries and associates have suffered any impairment in accordance with HKAS 36 and follows the guidance of HKAS 39 in determining whether amounts due from these entities and available-for-sale financial assets measured at cost less impairment are impaired. Details of the approach are stated in the respective accounting policies.

The assessment requires an estimation of future cash flows, including expected dividends from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

4. 主要會計估計及判斷(續)

估計不明朗因素的主要來源(續)

(g) 呆壞賬撥備

本集團之呆壞賬撥備政策乃基於管理層對應收貸款之可收回程度評估。評估該等應收款項之最終變現能力(包括評估各借款人當前信譽狀況及過往還款記錄)時須作出大量判斷。倘若該等借款人之財務狀況惡化,令其還款能力減弱,則須計提額外撥備。

(h) 投資及應收款項減值

本集團按香港會計準則第36號每年評估於附屬公司、聯營公司之投資有否減值,並遵循香港會計準則第39號之指引釐定應收該等公司之款項及按成本減減值計量之可供出售財務資產有否減值。方法詳情載於相關會計政策。

該項評估須估計資產之未來現金流轉(包括預期股息)及選用恰當折現率。該等公司未來財務表現及狀況之變動會影響減值虧損估計,以致須調整其賬面值。



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5. REVENUE

Revenue recognised from the principal activities of the Group during the year including trading of investments, provision of financing services, provision of financial brokerage and related services, provision of medical consultation and laboratory services and investment holding is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Brokerage commission income from:	經紀佣金收入來自：		
– securities dealing	– 證券買賣	18,485	–
– underwriting and placing commission income	– 包銷及配售佣金收入	7,608	–
Financial advisory fee income	財務顧問費收入	100	–
Margin facility and loan facility handling fee income	孖展融資及貸款融資手續費收入	4,760	–
Medical consultation and laboratory services income	醫療諮詢及實驗室服務收入	23,651	–
(Loss) Gain from the sale of financial assets at fair value through profit or loss, net*	出售按公平值計入損益之財務資產(虧損)收益淨額*	(74,535)	133,393
Dividend income from financial assets at fair value through profit or loss	按公平值計入損益之財務資產股息收入	31,874	15,604
Interest income from:	利息收入來自：		
– margin financing	– 孖展融資	33,014	–
– financial assets at fair value through profit or loss	– 按公平值計入損益之財務資產	982	1,247
– loans receivables	– 應收貸款	20,562	16,273
		66,501	166,517
Discontinued operations	終止經營業務		
Rental income	租金收入	–	193
		66,501	166,710

* Represented the proceeds from the sale of financial assets at fair value through profit or loss of HK\$312,996,000 (2015: HK\$1,567,789,000) less relevant costs and carrying value of the financial assets sold of HK\$387,531,000 (2015: HK\$1,434,396,000).

5. 收入

本集團於本年度內經營之主要業務(包括買賣投資、提供融資服務、提供金融經紀及其他相關服務、提供醫療諮詢及實驗室服務以及投資控股)所確認之收入如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Brokerage commission income from:	經紀佣金收入來自：		
– securities dealing	– 證券買賣	18,485	–
– underwriting and placing commission income	– 包銷及配售佣金收入	7,608	–
Financial advisory fee income	財務顧問費收入	100	–
Margin facility and loan facility handling fee income	孖展融資及貸款融資手續費收入	4,760	–
Medical consultation and laboratory services income	醫療諮詢及實驗室服務收入	23,651	–
(Loss) Gain from the sale of financial assets at fair value through profit or loss, net*	出售按公平值計入損益之財務資產(虧損)收益淨額*	(74,535)	133,393
Dividend income from financial assets at fair value through profit or loss	按公平值計入損益之財務資產股息收入	31,874	15,604
Interest income from:	利息收入來自：		
– margin financing	– 孖展融資	33,014	–
– financial assets at fair value through profit or loss	– 按公平值計入損益之財務資產	982	1,247
– loans receivables	– 應收貸款	20,562	16,273
		66,501	166,517
Discontinued operations	終止經營業務		
Rental income	租金收入	–	193
		66,501	166,710

* 指出售按公平值計入損益之財務資產所得款項312,996,000港元(二零一五年：1,567,789,000港元)減相關成本及已出售財務資產的賬面值387,531,000港元(二零一五年：1,434,396,000港元)。

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6. OTHER INCOME

Interest income from financial institutions	來自金融機構的利息收入
Interest income from promissory notes	來自承兌票據的利息收入
Management and handling fee income	管理及手續費收入
Corporate guarantee fee	公司擔保費
Commission income	佣金收入
Others	其他

6. 其他收入

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	1,569	2
	-	1,355
	2,727	-
	-	139
	-	1,691
	18	418
	4,314	3,605

7. SEGMENT INFORMATION

The directors have been identified as the chief operating decision makers to evaluate the performance of operating segments and to allocate resources to those segments based on the Group's internal reporting in respect of these segments. The directors consider trading of investments, provision of financing services, provision of financial brokerage and related services, provision of medical and laboratory services, franchisor of mother-infant-children products and investment holding are the Group's major operating segments. Segment results represent the profit earned or loss incurred by each segment.

7. 分部資料

董事為主要經營決策者，基於本集團各業務分部的內部申報安排，衡量業務分部表現及分配業務分部的資源。董事認為買賣投資、提供融資服務、提供金融經紀及相關服務、提供醫療及實驗室服務、母嬰童產品特許運營商及投資控股乃本集團主要業務分部。分部業績指各業務分部賺取的溢利或產生的虧損。

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7. SEGMENT INFORMATION (Cont'd)

Operating segments of the Group comprise the following:

Continuing operations

- Trading of investments : Purchase and sale of securities
- Provision of financing : Provision of loan financing services services
- Provision of financial : Dealing in securities, provision brokerage and related of securities, commodities and services bullion brokerage services and financial advisory services
- Provision of medical : Provision of medical consultation and laboratory services relating to assisted reproductive technology services
- Franchisor of mother- : Franchising retail stores operating infant-children and managing mother-infant- children products products
- Investment holding : Holding investments for dividend and investment income and capital appreciation

Discontinued operations

- Property investment : Holding properties for rental and capital appreciation

7. 分部資料(續)

本集團之業務分部包括下列各項：

持續經營業務

- 買賣投資 : 買賣證券
- 提供融資 : 提供貸款融資服務服務
- 提供金融 : 證券買賣、提供證經紀及券、商品及貴金相關服務屬買賣服務以及融資顧問服務
- 提供醫療 : 提供醫療諮詢及輔及實驗室助生殖技術相關的實驗室服務
- 母嬰童產 : 特許零售店運營及品特許管理母嬰童產品運營商
- 投資控股 : 為賺取股息、投資收入及資本增值而持有投資

終止經營業務

- 物業投資 : 為賺取租金收入及資本增值而持有物業

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7. SEGMENT INFORMATION (Cont'd)

7. 分部資料(續)

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

(a) 分部收入及業績

本集團按經營分部劃分的收入及業績分析載列如下：

		Continuing operations					Discontinued operations		Total		
		Trading of investments	Provision of financing services	Provision of financial brokerage and related services	Provision of medical and laboratory services	Franchisor of mother-infant children products	Investment holding	Unallocated		Property investment	
		買賣投資	提供融資服務	提供金融經紀及相關服務	提供醫療及實驗室服務	特許運營商	投資控股	未分類	分計	物業投資	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
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度										
Segment revenue	分部收入	(41,828)	23,362	61,167	23,651	-	149	-	66,501	-	66,501
(Loss) Profit for the year before following items:	未計以下各項之年內(虧損)溢利:	(731,834)	11,938	(145,285)	6,513	-	(53,376)	(3,405)	(915,449)	-	(915,449)
Write off of property, plant and equipment	撇銷物業、廠房及設備	-	-	(5,232)	-	-	-	-	(5,232)	-	(5,232)
Gain on disposal of interests in subsidiaries	出售附屬公司權益之收益	-	-	-	-	-	357,006	-	357,006	-	357,006
Gain arising from changes in shareholding in associates	聯營公司股權變動產生之收益	-	-	-	-	-	3,233	-	3,233	-	3,233
Impairment loss on available-for-sale financial assets	可供出售財務資產之減值虧損	-	-	-	-	-	(125,916)	-	(125,916)	-	(125,916)
Impairment loss on goodwill and intangible assets	商譽及無形資產之減值虧損	-	-	(68,695)	-	-	-	-	(68,695)	-	(68,695)
Finance costs	融資成本	-	(2,214)	(2,426)	-	-	(9,198)	-	(13,838)	-	(13,838)
Share of results of associates	應佔聯營公司之業績	-	-	-	-	-	(23,945)	-	(23,945)	-	(23,945)
(Loss) Profit before taxation	除稅前(虧損)溢利	(731,834)	9,724	(221,638)	6,513	-	147,804	(3,405)	(792,836)	-	(792,836)
Income tax credit (expense)	所得稅抵免(開支)	-	10	2,758	(428)	-	-	-	2,340	-	2,340
Segment results	分部業績	(731,834)	9,734	(218,880)	6,085	-	147,804	(3,405)	(790,496)	-	(790,496)

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7. SEGMENT INFORMATION (Cont'd)

7. 分部資料(續)

(a) Segment revenue and results (Cont'd)

(a) 分部收入及業績(續)

		Continuing operations					Discontinued operations		Property investment	Total	
		Trading of investments	Provision of financing services	Provision of financial brokerage and related services	Provision of medical and laboratory services	Franchisor of mother-infant-children products	Investment holding	Unallocated			Sub-total
		買賣投資	提供融資服務	提供金融經紀及相關服務	提供醫療及實驗室服務	特許運營商	投資控股	未分類	分計	物業投資	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
Year ended 31 December 2015	截至二零一五年十二月三十一日止年度										
Segment revenue	分部收入	150,244	16,273	-	-	-	-	-	166,517	193	166,710
Profit (Loss) for the year before following items:	未計以下各項之年內溢利(虧損):	27,540	(5,937)	-	-	-	14,229	(34,805)	1,027	(663)	364
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	-	-	-	-	-	-	(1,659)	(1,659)	-	(1,659)
Gain on disposal of interests in subsidiaries	出售附屬公司權益之收益	-	-	-	-	-	156,926	-	156,926	37	156,963
Gain on disposal of interests in an associate	出售聯營公司權益之收益	-	-	-	-	-	323,767	-	323,767	-	323,767
Loss arising from changes in shareholding in associates	聯營公司股權變動產生之虧損	-	-	-	-	-	(163,534)	-	(163,534)	-	(163,534)
Loss on disposal of available-for-sale financial assets, net	出售可供出售財務資產之虧損淨額	-	-	-	-	-	(4,210)	-	(4,210)	-	(4,210)
Finance costs	融資成本	(1,782)	-	-	-	-	(1,000)	-	(2,782)	(47)	(2,829)
Share of results of associates	應佔聯營公司之業績	-	-	-	-	-	(136,140)	-	(136,140)	-	(136,140)
Share of results of a joint venture	應佔一家合營公司之業績	-	-	-	-	-	68,929	-	68,929	-	68,929
Profit (Loss) before taxation	除稅前溢利(虧損)	25,758	(5,937)	-	-	-	258,967	(36,464)	242,324	(673)	241,651
Income tax expense	所得稅開支	-	-	-	-	-	(263)	-	(263)	-	(263)
Segment results	分部業績	25,758	(5,937)	-	-	-	258,704	(36,464)	242,061	(673)	241,388

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

7. SEGMENT INFORMATION (Cont'd)

(a) Segment revenue and results (Cont'd)

Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in both years.

Revenue and expenses are allocated to the reporting segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation/amortisation of assets attributable to those segments.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 2 to the consolidated financial statements. Segment results represent the results achieved by each segment without allocation of central administration costs including directors' emoluments. This is the measurement method reported to the chief operating decision makers for the purpose of resources allocation and assessment of segment performance.

7. 分部資料(續)

(a) 分部收入及業績(續)

上表所呈列分部收入指來自外部客戶的收入。上述兩個年度概無分部間收入。

收入及開支基於該等報告分部產生之收入及開支或該等分部應佔之資產折舊／攤銷所產生的開支後分配至所呈報的業務分部。

業務分部的會計政策與綜合財務報表附註2所述本集團所採用的會計政策一致。分部業績指各業務分部取得的業績(未扣除應分擔的董事酬金等中央管理成本)。此乃為分配資源及評估業務分部表現而向主要經營決策者呈報所用計量方法。



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

7. SEGMENT INFORMATION (Cont'd)

(b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by operating segments is set out below.

7. 分部資料(續)

(b) 分部資產及負債

本集團的資產及負債按經營分部分析如下。

		Trading of investments	Provision of financing services	Provision of financial brokerage and related services	Provision of medical and laboratory services	Franchisor of mother-infant-children products	Investment holding	Total
		買賣投資	提供融資服務	金融經紀及相關服務	提供醫療及實驗室服務	母嬰童產品特許運營商	投資控股	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2016	於二零一六年十二月三十一日							
Assets before following items:	未計以下各項之資產：	482,225	900,861	664,813	235,546	1,026,875	959,828	4,270,148
Goodwill	商譽	-	-	26,587	183,296	265,515	-	475,398
Segment assets	分部資產	482,225	900,861	691,400	418,842	1,292,390	959,828	4,745,546
Unallocated assets	未分配資產							296,731
Total assets	總資產							5,042,277
Liabilities	負債							
Segment liabilities	分部負債	-	(302,314)	(41,220)	(44,277)	(1,067,646)	(28,192)	(1,483,649)
Unallocated liabilities	未分配負債							(5,550)
Total liabilities	總負債							(1,489,199)

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7. SEGMENT INFORMATION (Cont'd)

(b) Segment assets and liabilities (Cont'd)

		Trading of investments	Provision of financing services	Provision of financial brokerage and related services 提供 金融經紀及 相關服務	Provision of medical and laboratory services 提供醫療及 實驗室服務	Franchisor of mother- infant- children products 母嬰童產品 特許運營商	Investment holding	Total
		買賣投資 HK\$'000 千港元	融資服務 HK\$'000 千港元	相關服務 HK\$'000 千港元	提供醫療及 實驗室服務 HK\$'000 千港元	母嬰童產品 特許運營商 HK\$'000 千港元	投資控股 HK\$'000 千港元	總計 HK\$'000 千港元
At 31 December 2015	於二零一五年十二月三十一日							
Assets	資產							
Segment assets	分部資產	3,003,703	156,836	-	-	-	533,737	3,694,276
Interests in associates	於聯營公司之權益	-	-	-	-	-	485,872	485,872
Unallocated assets	未分配資產							228,718
Total assets	總資產							4,408,866
Liabilities	負債							
Segment liabilities	分部負債	(330,273)	(532)	-	-	-	(22,787)	(353,592)
Unallocated liabilities	未分配負債							(50)
Total liabilities	總負債							(353,642)

7. 分部資料(續)

(b) 分部資產及負債(續)

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

7. SEGMENT INFORMATION (Cont'd)

(b) Segment assets and liabilities (Cont'd)

For the purpose of monitoring segment performance and allocating resources between segments:

- Segment assets include mainly all tangible assets, intangible assets, goodwill, interests in associates, available-for-sale financial assets, deferred tax assets, financial assets at fair value through profit or loss, inventories, loans receivables, trade and other receivables, pledged bank deposits, bank balances and cash. All assets are allocated to operating segments other than unallocated head office and corporate assets as these assets are managed on a group basis.
- Segment liabilities include trade and other payables, interest-bearing borrowings, tax payables and deferred tax liabilities. All liabilities are allocated to operating segments other than unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

7. 分部資料(續)

(b) 分部資產及負債(續)

為監察業務分部表現及安排業務分部間之資源分配：

- 分部資產主要包括所有有形資產、無形資產、商譽、於聯營公司之權益、可供出售財務資產、遞延稅項資產、按公平值計入損益之財務資產、存貨、應收貸款、貿易及其他應收款項、已抵押銀行存款、銀行結餘及現金。除按集團基準管理而不分配的總部及企業資產外，所有資產均分配至業務分部。
- 分部負債包括貿易及其他應付款項、計息借款、應付稅款及遞延稅項負債。除按集團基準管理而不分配的總部及企業負債外，所有負債均分配至業務分部。

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7. SEGMENT INFORMATION (Cont'd)

7. 分部資料(續)

(c) Other segment information

(c) 其他分部資料

	Continuing operations 持續經營業務							Discontinued operations 終止經營業務		
	Trading of investments	Provision of financing services	Provision of financial brokerage and related services	Provision of medical and laboratory services	Franchisor of mother-infant-children products	Investment holding	Unallocated	Sub-total	Property investment	Total
	買賣投資	提供融資服務	金融經紀及相關服務	提供醫療及實驗室服務	母嬰童產品特許運營商	投資控股	未分類	分計	物業投資	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
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度									
Additions of specified non-current assets*	增加指定非流動資產*									
	-	-	211,660	388,573	774,710	-	868	1,375,811	-	1,375,811
Amortisation of intangible assets	無形資產攤銷									
	-	-	(14,850)	-	-	-	-	(14,850)	-	(14,850)
Depreciation of property, plant and equipment	物業、廠房及設備折舊									
	-	-	(2,796)	(512)	-	-	(647)	(3,955)	-	(3,955)
Interest income included in revenue and other income	計入收入及其他收入的利息收入									
	835	20,562	34,478	-	-	251	1	56,127	-	56,127
Provision for allowance for doubtful debts, net	呆賬撥備計提淨額									
	-	-	(98,354)	(1)	-	-	-	(98,355)	-	(98,355)
Net fair value loss on financial assets held for trading	持作買賣財務資產之公平值虧損淨額									
	(689,657)	-	-	-	-	-	-	(689,657)	-	(689,657)

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

7. SEGMENT INFORMATION (Cont'd)

(c) Other segment information (Cont'd)

	Continuing operations 持續經營業務					Discontinued operations 終止經營業務		Sub-total	Property investment	Total
	Trading of investments	Provision of financing services	Provision of financial brokerage and related services	Provision of medical laboratory services	Franchisor of mother-infant-children products	Investment holding	Unallocated			
	買賣投資	提供融資服務	提供金融經紀及相關服務	提供醫療及實驗室服務	母嬰童產品特許運營商	投資控股	未分類	分計	物業投資	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
Year ended 31 December 2015	截至二零一五年十二月三十一日止年度									
Additions of specified non-current assets*	-	570	-	-	-	2,050	782	3,402	53,796	57,198
Depreciation of property, plant and equipment	-	(55)	-	-	-	(200)	(156)	(411)	(29)	(440)
Interest income included in revenue and other income	1,249	16,273	-	-	-	1,355	-	18,877	-	18,877
Provision for allowance for doubtful debts, net	-	(26,725)	-	-	-	-	-	(26,725)	-	(26,725)
Net fair value loss on financial assets held for trading	(91,386)	-	-	-	-	-	-	(91,386)	-	(91,386)

* Including additions of property, plant and equipment, intangible assets and goodwill directly or through acquisition of subsidiaries.

* 包括直接或透過收購附屬公司添置物業、廠房及設備、無形資產及商譽。

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7. SEGMENT INFORMATION (Cont'd)

(d) Geographical information

The following table provides an analysis of the Group's revenue from external customers by locations of operations and non-current assets (excluding financial instruments and deferred tax assets) by locations of assets ("Specified non-current assets"):

		Revenue from external customers		Specified non-current assets	
		來自外部客戶之收益	指定非流動資產	來自外部客戶之收益	指定非流動資產
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 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
Continuing operations	持續經營業務				
Hong Kong	香港	66,501	166,517	516,969	487,741
PRC	中國	-	-	775,027	-
		66,501	166,517	1,291,996	487,741
Discontinued operations	終止經營業務				
Hong Kong	香港	-	193	-	-
Total	總計	66,501	166,710	1,291,996	487,741

(e) Information about major customers

During the year, no revenue from a single customer of the Group accounted for over 10% of total revenue of the Group. During the year ended 31 December 2015, included in the revenue arising from provision of financing services and property investment segments of HK\$16,466,000 were revenue arose from interest income from customers A, B, C and D of HK\$2,110,000, HK\$1,926,000, HK\$1,732,000 and HK\$1,095,000 respectively, which contributed individually 10% or more of revenue.

7. 分部資料(續)

(d) 地區資料

下表載列本集團按業務位置劃分來自外部客戶之收入及按資產位置劃分之非流動資產(不包括金融工具及遞延稅項資產)(「指定非流動資產」)之分析：

(e) 主要客戶之資料

本年度內，概無單一客戶收益貢獻佔本集團總收益的10%以上。截至二零一五年十二月三十一日止年度，提供金融服務及物業投資分部產生的收益為16,466,000港元，而自客戶A、B、C及D的利息收入，分別為2,110,000港元、1,926,000港元、1,732,000港元及1,095,000港元，各客戶收入佔10%或以上。

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8. (LOSS) PROFIT BEFORE TAXATION

This is stated after charging:

8. 除稅前(虧損)溢利

經扣除下列項目：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Finance costs	融資成本		
Interest on bank and other borrowings	銀行及其他借款之利息	13,838	2,782
Other items	其他項目		
Staff costs (excluding directors' emoluments)	員工成本(不包括董事薪酬)		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	53,908	7,782
Severance payments	遣散費	-	3,826
Contributions to defined contribution retirement schemes	定額供款退休計劃供款	1,485	224
		55,393	11,832
Auditor's remuneration (including other audit fee, primarily in respect of audits of financial statements of subsidiaries)	核數師酬金(包括其他審計費用(主要與附屬公司財務報表審計有關))	2,910	1,258
Write off of intangible assets	無形資產撇銷	3	-
Operating lease payments on equipment	設備之經營租約費用	19	72
Operating lease payments on premises	樓宇之經營租約費用	20,489	10,081

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

9. DIRECTORS' EMOLUMENTS

The emoluments received or receivable by the Company's directors are as follows:

Year ended 31 December 2016

9. 董事酬金

本公司董事已收或應收之酬金如下：

截至二零一六年十二月三十一日止年度

Directors' fees	Salaries, allowances and benefits in kind	Contributions to defined contribution retirement schemes	Total
董事袍金 HK\$'000 千港元	薪金、津貼及實物利益 HK\$'000 千港元	定額供款 退休計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
Executive directors 執行董事			
Chang Tat Joel (appointed on 8 September 2016)	鄭達祖(於二零一六年九月八日獲委任)	6	1,890
Cheung Ka Yee (resigned on 26 April 2016)	張嘉儀(於二零一六年四月二十六日辭任)	-	-
Cheung Wing Ping (resigned on 8 September 2016)	張榮平(於二零一六年九月八日辭任)	-	165
Ko Po Ming (appointed on 8 September 2016)	高寶明(於二零一六年九月八日獲委任)	6	5,882
Lui Choi Yiu Angela (appointed on 26 April 2016)	雷彩姚(於二零一六年四月二十六日獲委任)	13	1,074
Man Wai Chuen	文惠存	-	240
Zhang Yongdong (resigned on 26 April 2016)	張永東(於二零一六年四月二十六日辭任)	4	81
Non-executive directors 非執行董事			
Hui Mei Mei, Carol (appointed on 5 October 2016)	許薇薇(於二零一六年十月五日獲委任)	-	57
Tong Tang, Joseph (appointed on 26 April 2016)	唐登(於二零一六年四月二十六日獲委任)	-	163
Xia Xiaoning (resigned on 19 September 2016)	夏曉寧(於二零一六年九月十九日辭任)	-	172
Independent non-executive directors 獨立非執行董事			
Antonio Maria Santos (resigned on 26 April 2016)	杜東尼(於二零一六年四月二十六日辭任)	-	77
Lam Yiu Kin	林耀堅	-	240
Tian Ren Can (appointed on 26 April 2016)	田仁燦(於二零一六年四月二十六日獲委任)	-	163
Yuen Kwok On	袁國安	-	240
		29	10,444

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9. DIRECTORS' EMOLUMENTS (Cont'd)

Year ended 31 December 2015

9. 董事酬金(續)

截至二零一五年十二月三十一日止年度

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益	Severance payments* 遣散費*	Contributions to defined contribution retirement schemes 退休計劃供款 定額供款	Total 總計	
	Directors' fees 董事袍金	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Executive directors	執行董事					
Chuang Yueheng, Henry (resigned on 1 August 2015)	莊友衡(於二零一五年 八月一日辭任)	-	180	390	2	572
Cheung Ka Yee	張嘉儀	-	376	198	11	585
Cheung Wing Ping	張榮平	-	526	99	12	637
Man Wai Chuen	文惠存	-	714	317	12	1,043
Zhang Yongdong (appointed on 1 August 2015)	張永東(於二零一五年 八月一日獲委任)	-	100	-	5	105
Non-executive directors	非執行董事					
Xia Xiaoning (appointed on 1 August 2015)	夏曉寧(於二零一五年 八月一日獲委任)	100	-	-	-	100
Independent non-executive directors	獨立非執行董事					
Antonio Maria Santos	杜東尼	240	-	-	-	240
Frank H. Miu (resigned on 16 October 2015)	繆希(於二零一五年 十月十六日辭任)	190	-	-	-	190
Lam Yiu Kin (appointed on 1 August 2015)	林耀堅(於二零一五年 八月一日獲委任)	100	-	-	-	100
Yau Yan Ming, Raymond (resigned on 1 August 2015)	邱恩明(於二零一五年 八月一日辭任)	70	-	-	-	70
Yuen Kwok On (appointed on 16 October 2015)	袁國安(於二零一五年 十月十六日獲委任)	50	-	-	-	50
		750	1,896	1,004	42	3,692

* Severance payments paid for resignation as employees of the subsidiaries of the Company.

* 支付本公司附屬公司辭任僱員之遣散費。

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

9. DIRECTORS' EMOLUMENTS (Cont'd)

There was no arrangement under which a director waived or agreed to waive any remuneration for the year ended 31 December 2016. For the year ended 31 December 2015, there was no arrangement under which a director waived or agreed to waive any remuneration, except for Chuang Yueheng, Henry, Cheung Ka Yee, Cheung Wing Ping and Man Wai Chuen waived emoluments of HK\$1,080,000, HK\$227,000, HK\$318,000 and HK\$432,000 respectively. In addition, no emoluments were paid by the Group to any directors as an inducement to join, or upon joining the Group or as a compensation for loss of office for the years ended 31 December 2016 and 2015.

10. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group during the year included three (2015: four) directors, details of whose remunerations are in note 9 to the consolidated financial statements. Details of the remunerations of the remaining two (2015: one) highest paid individuals, who are not a director of the Company, for the year are as follows:

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and benefits in kind	2,534	1,259
Contributions to defined contribution retirement schemes	26	10
	2,560	1,269

The above two (2015: one) highest paid individuals fell within the band of HK\$1,000,001 to HK\$1,500,000.

9. 董事酬金(續)

截至二零一六年十二月三十一日止年度概無董事放棄或同意放棄酬金安排。截至二零一五年十二月三十一日止年度，除莊友衡、張嘉儀、張榮平及文惠存分別放棄酬金1,080,000港元、227,000港元、318,000港元及432,000港元外，概無任何董事放棄或同意放棄酬金安排。此外，截至二零一六年及二零一五年十二月三十一日止年度，本集團概無向任何董事支付酬金以吸引彼等加入本集團或作為加入本集團的獎勵或離職補償。

10. 五名最高薪人士

年內，本集團五名最高薪人士包括三名(二零一五年：四名)董事，彼等之薪酬詳情載於綜合財務報表附註9。年內，餘下兩名(二零一五年：一名)最高薪人士(非本公司董事)之薪酬如下：

上述兩名(二零一五年：一名)最高薪人士的薪酬介乎1,000,001港元至1,500,000港元範圍內。

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11. TAXATION

Hong Kong Profits Tax has been provided at the rate of 16.5% (2015: 16.5%) on the Group's estimated assessable profit arising from Hong Kong during the year.

11. 稅項

年內，香港利得稅按本集團來自香港之估計應課稅溢利以16.5%（二零一五年：16.5%）之稅率作出撥備。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong Profits Tax	香港利得稅		
Current year provision	本年度撥備	610	263
Over provision in prior year	過往年度超額撥備	(30)	-
		580	263
Deferred taxation	遞延稅項		
Reversal of taxable temporary differences, net (note 27)	應課稅暫時性差額淨值之撥回(附註27)	(2,920)	-
Tax (credit) expense for the year	年內稅項(抵免)開支	(2,340)	263

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11. TAXATION (Cont'd)

Reconciliation of income tax (credit) expense

		所得稅(抵免)開支對賬	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) Profit before taxation	除稅前(虧損)溢利	(792,836)	241,651
Income tax at applicable tax rate of 16.5% (2015: 16.5%)	按16.5%(二零一五年: 16.5%)之適用稅率計算之所得稅	(130,818)	39,872
Non-deductible expenses	不可扣除支出	164,191	43,977
Tax exempt revenue	稅項豁免收益	(66,945)	(82,141)
Unrecognised tax losses	未確認稅項虧損	27,728	23,511
Utilisation of previously unrecognised tax losses	動用過往未確認之稅項虧損	(87)	(35,936)
Effect of share of results of associates	應佔聯營公司業績之影響	3,951	22,463
Effect of share of results of a joint venture	應佔一家合營公司業績之影響	-	(11,373)
Overprovision of previous year	過往年度超額撥備	(30)	-
Others	其他	(330)	(110)
Tax (credit) expense for the year	年內稅項(抵免)開支	(2,340)	263

11. 稅項(續)

12. DIVIDEND

The directors of the Company do not recommend the payment of a dividend for both years.

12. 股息

本公司董事不建議派付兩個年度之股息。

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13. (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share is based on (loss) profit attributable to equity holders of the Company and the weighted average number ordinary shares in issue during the year as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) Profit attributable to equity holders of the Company	本公司權益擁有人應佔 (虧損)溢利		
Continuing operations	持續經營業務	(472,022)	357,821
Discontinued operations	終止經營業務	-	(673)
		(472,022)	357,148
		2016 二零一六年 No. of shares '000 股份數目 千股	2015 二零一五年 No. of shares '000 (adjusted) 股份數目 千股 (經調整)
Issued ordinary shares at the beginning of the reporting period	於呈報期初已發行 普通股	16,971,564	15,590,815
Effect of shares issued during the year	年內已發行股份之影響	816,116	851,147
Weighted average number of ordinary shares for basic (loss) earnings per share	普通股之加權平均數 (就每股基本(虧損) 盈利而言)	17,787,680	16,441,962

The Company had no dilutive potential ordinary shares for both years. Accordingly, the diluted (loss) earnings per share was same as the basic (loss) earnings per share for both years.

The basic and diluted (loss) earnings per share for current and prior reporting periods have been adjusted as a result of rights issue and bonus issue effected in February 2017 as set out in note 41(a) to the consolidated financial statements.

13. 每股(虧損)盈利

每股基本(虧損)盈利乃按年內本公司權益擁有人應佔(虧損)溢利及已發行普通股之加權平均數計算如下：

本公司於兩個年度並無潛在攤薄普通股。因此，於兩個年度之每股攤薄(虧損)盈利與每股基本(虧損)盈利相同。

因於二零一七年二月生效之供股及紅股發行(載於綜合財務報表附註41(a))，當前及過往呈報期間每股基本及攤薄(虧損)盈利已經調整。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold improvements	Furniture and fixtures	Computer and office equipment	Medical equipment	Motor vehicles	Total
		租賃物業裝修 HK\$'000 千港元	傢俬及裝置 HK\$'000 千港元	電腦及 辦公室設備 HK\$'000 千港元	醫療設備 HK\$'000 千港元	汽車 HK\$'000 千港元	合計 HK\$'000 千港元
Reconciliation of carrying amount - year ended 31 December 2015	賬面值對賬－截至 二零一五年 十二月三十一日止年度						
At the beginning of the reporting period	於呈報期初	275	27	355	-	-	657
Additions	添置	1,803	617	1,066	-	-	3,486
Disposals	出售	(1,327)	(48)	(284)	-	-	(1,659)
Disposals - disposal of subsidiaries	出售－出售附屬公司	(86)	-	(89)	-	-	(175)
Depreciation	折舊	(171)	(61)	(208)	-	-	(440)
At the end of the reporting period	於呈報期結算日	494	535	840	-	-	1,869
Reconciliation of carrying amount - year ended 31 December 2016	賬面值對賬－ 截至二零一六年 十二月三十一日止年度						
At the beginning of the reporting period	於呈報期初	494	535	840	-	-	1,869
Additions	添置	4,808	914	1,689	150	-	7,561
Additions - acquisition of subsidiaries (note 30(a)&(b))	添置－收購附屬公司 (附註30(a)及(b))	18,707	5,657	6,853	2,430	2,351	35,998
Write off	撇銷	(4,381)	(189)	(662)	-	-	(5,232)
Depreciation	折舊	(1,061)	(463)	(2,186)	(245)	-	(3,955)
At the end of the reporting period	於呈報期結算日	18,567	6,454	6,534	2,335	2,351	36,241
At January 2016	於二零一六年一月						
Cost	成本	573	583	916	-	-	2,072
Accumulated depreciation	累計折舊	(79)	(48)	(76)	-	-	(203)
Net carrying amount	賬面值淨額	494	535	840	-	-	1,869
At 31 December 2016	於二零一六年 十二月三十一日						
Cost	成本	19,707	6,965	8,593	2,580	2,351	40,196
Accumulated depreciation	累計折舊	(1,140)	(511)	(2,059)	(245)	-	(3,955)
Net carrying amount	賬面值淨額	18,567	6,454	6,534	2,335	2,351	36,241

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15. INTANGIBLE ASSETS

15. 無形資產

		Brand names	Licenses and trading rights	Trademarks	Customer and franchisee relationships	Computer software and systems	Total
		品牌名稱	牌照及經營權	商標	客戶與特許經營商關係	電腦軟件及系統	合計
		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
Reconciliation of carrying amount - year ended 31 December 2016	賬面值之對賬 - 截至二零一六年十二月三十一日止年度						
At the beginning of the reporting period	於呈報期初	-	-	-	-	-	-
Additions - acquisition of subsidiaries (note 30(a)&(b))	添置 - 收購附屬公司 (附註30(a)及(b))	640,811	21,774	145	94,042	32,596	789,368
Write off	撇銷	-	-	-	-	(3)	(3)
Amortisation	攤銷	-	-	-	(13,846)	(1,004)	(14,850)
Impairment loss	減值虧損	-	-	-	(1,209)	-	(1,209)
At the end of the reporting period	於呈報期結算日	640,811	21,774	145	78,987	31,589	773,306
At 1 January 2016	於二零一六年一月一日						
Cost	成本	-	-	-	-	-	-
Accumulated amortisation	累計攤銷	-	-	-	-	-	-
		-	-	-	-	-	-
At 31 December 2016	於二零一六年十二月三十一日						
Cost	成本	640,811	21,774	145	94,042	32,586	789,358
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	-	-	-	(15,055)	(997)	(16,052)
		640,811	21,774	145	78,987	31,589	773,306

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15. INTANGIBLE ASSETS (Cont'd)

Brand names

Brand names represented the trading names of the medical and laboratory business and the franchisor of mother-infant-children products business, which were acquired by the Group as a result of business combinations during the year. As at the dates of acquisitions, these intangible assets were valued based on an income-based approach by an independent professional valuer, Avista Valuation Advisory Limited (“Avista”). Key valuation assumptions and estimations used in the valuation included discount rate, indefinite useful life of the brand names, royalty rate, etc. Estimated future economic benefits attributed to the brand names were discounted at a rate which reflected the business risks in relation to the business operated under the brand names. The brand names were estimated as having indefinite useful life and subsequently measured at cost less accumulated impairment losses as the directors of the Company consider that there is no foreseeable limit on the period of time over which the brand names can be used to generate economic benefits to the Group.

Licenses and trading rights

Licenses and trading rights comprise the rights to trade on or through the Stock Exchange and Hong Kong Futures Exchange Limited, which were acquired by the Group as a result of business combination and acquisition of assets during the year. At the dates of acquisitions, these intangible assets were valued based on a market-based approach by an independent professional valuer, Roma Appraisals Limited (“Roma”) or the directors of the Company. The market-based approach values an intangible asset by comparison of the prices at which other similar intangible assets or interests changed hands in arm’s length transactions. The directors of the Company determined that the licenses and trading rights have indefinite useful life and subsequently measured at cost less accumulated impairment losses because the directors of the Company consider that there is no foreseeable limit on the period of time over which the licenses and trading rights can be used to generate economic benefits to the Group.

15. 無形資產(續)

品牌名稱

品牌名稱指醫療及實驗室業務之商業名稱及母嬰童產品業務特許運營商，該等業務由本集團於年內因業務合併而收購。於收購日期，該等無形資產乃根據收入法由獨立專業估值師艾華迪評估諮詢有限公司(「艾華迪」)估值。估值所使用之主要估值假設及估計包括貼現率、品牌名稱的無限使用年期及專利稅等。品牌名稱之估計未來經濟利益乃按有關根據品牌名稱經營業務之業務風險所反映之利率貼現。品牌名稱估計擁有無限使用年期，且其後按成本減累計減值虧損計量，因為本公司董事認為，品牌名稱可為本集團帶來經濟利益的期間內，並無可預見限制。

牌照及經營權

牌照及經營權包括於或透過聯交所及香港期貨交易所有限公司交易之權利，乃由本集團於年內因業務合併及收購資產而收購。於收購日期，該等無形資產乃根據市場法由獨立專業估值師羅馬國際評估有限公司(「羅馬」)或本公司董事估值。市場法透過比較於公平交易中易手之其他類似無形資產或權益之價格評估無形資產。本公司董事釐定牌照及經營權具有無限使用年期，且其後按成本減累計減值虧損計量，因為本公司董事認為，牌照及經營權可為本集團帶來經濟利益的期間內，並無可預見限制。



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15. INTANGIBLE ASSETS (Cont'd)

Impairment

At the end of the reporting period, the intangible assets were tested for impairment. Certain intangible assets are part of cash-generating units (“CGUs”) and the details of the impairment tests are disclosed in note 16 to the consolidated financial statements.

16. GOODWILL

The amounts of goodwill capitalised by the Group and recognised in the consolidated statement of financial position arising from the acquisition of subsidiaries are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Reconciliation of carrying amount	賬面值之對賬		
At the beginning of the reporting period	於呈報期初	–	–
Acquisition of subsidiaries (note 30(a))	收購附屬公司(附註30(a))	542,884	–
Impairment losses	減值虧損	(67,486)	–
At the end of the reporting period	於呈報期結算日	475,398	–
At 31 December	於十二月三十一日		
Cost	成本	542,884	–
Accumulated impairment losses	累計減值虧損	(67,486)	–
Net carrying amount	賬面值淨額	475,398	–

Goodwill arose because the consideration paid for the acquisitions effectively included amounts in relation to the benefit of revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

15. 無形資產(續)

減值

於呈報期結算日，無形資產進行減值測試。若干無形資產為現金產生單位(「現金產生單位」)之一部分，減值測試之詳情披露於綜合財務報表附註16。

16. 商譽

由本集團資本化並於綜合財務狀況表中確認的商譽(自收購附屬公司產生)之數額如下：

商譽產生，乃由於有關收購已支付之代價包括有關收益增長利益、未來市場發展及組合勞動力的款項。該等利益並未自商譽單獨確認，因為彼等並未符合可識別無形資產之確認標準。已確認商譽預期不能作出所得稅扣減。

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16. GOODWILL (Cont'd)

The carrying amount of goodwill and intangible assets was allocated to the Group's CGUs identified according to the nature of business as follows for impairment test:

16. 商譽(續)

商譽及無形資產之賬面值根據業務性質分配至本集團已識別的現金產生單位以進行減值測試：

		2016 二零一六年		
		Goodwill	Intangible assets with indefinite useful life 無限使用年期的無形資產	Intangible assets with finite useful life 有限使用年期的無形資產
		商譽	的無形資產	的無形資產
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial brokerage and related services	金融經紀及相關服務			
– Securities	– 證券	26,587	10,550	68,875
– Commodities	– 商品	–	3,517	9
– Bullion	– 貴金屬	–	–	64
Medical and laboratory services	醫療及實驗室服務	183,296	201,900	–
Franchisor of mother-infant-children products	母嬰童產品特許運營商	265,515	438,911	41,773
		475,398	654,878	110,721

Goodwill associated with the above businesses arose when the business combinations were completed, details of which are set out in note 30(a) to the consolidated financial statements.

與上述業務有關的商譽於業務合併完成時產生，其詳情載列於綜合財務報表附註30(a)。



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16. GOODWILL (Cont'd)

The recoverable amount of the CGU of commodities brokerage and related services is fair value less cost of disposal, which is determined by the assets-based approach. The marketability discount rate of 16.11% has been adopted to account for the lower marketability and cost of disposal in arriving at the fair value of the CGU. The directors intend to cease the business of the CGU of bullion brokerage and related services and the recoverable amount is fair value less cost of disposal, which approximates the carrying amount of tangible assets of the CGU. The fair value measurements of both CGUs are at Level 3 of the fair value hierarchy.

The recoverable amount of the CGUs of securities brokerage and related services, medical and laboratory services and franchisor of mother-infant-children products has been determined by the value-in-use calculation. Cash flow projections are based on financial budgets approved by the board of directors covering a 5-year period. Cash flows beyond the 5-year period have been extrapolated using a 3% long-term growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

At the end of the reporting period, the Group assessed the recoverable amount of the CGUs, and determined that the goodwill associated with the CGUs of securities, commodities and bullion brokerage and related services were impaired by approximately HK\$50,692,000, HK\$16,554,000 and HK\$240,000 respectively and the customer relationship included in intangible assets associated with the CGU of commodities brokerage and related services was impaired by HK\$1,209,000 in light of keen competition in the market of the provision of the financial brokerage and related services in Hong Kong and the continuous reduction in the customer portfolio maintained by the CGUs. The recoverable amount of the CGUs of securities and commodities brokerage and related services is approximately HK\$697,600,000 and HK\$21,003,000 respectively. The recoverable amount of the CGU of bullion brokerage and related services is insignificant.

16. 商譽(續)

商品經紀及相關服務現金產生單位之可回收金額為公平值減出售成本，乃根據資產法釐定。於達致現金產生單位公平值時已採納市場流動性折現率16.11%入賬列作低市場流動性及出售成本。董事計劃終止貴金屬買賣及相關服務現金產生單位之業務，而可收回金額為公平值減出售成本，乃與現金產生單位有形資產賬面值相若。以上現金產生單位之公平值計量為公平值層級第3級。

證券經紀及相關服務、醫療及實驗室服務以及母嬰童產品特許營運商之現金產生單位之可回收金額已透過使用價值計算釐定。現金流預測乃基於董事會批准之五年期財務預算。超出五年之現金流已使用3%的長期增長率預測。此增長率乃基於相關行業預測，且並未超過相關行業的平均長期增長率。

於呈報期結算日，本集團評估現金產生單位的可收回金額，並釐定證券、商品及貴金屬買賣服務以及相關服務現金產生單位相關商譽分別減值約50,692,000港元、16,554,000港元及240,000港元，包括在商品買賣服務及相關服務現金產生單位相關無形資產內的客戶關係減值1,209,000港元，乃由於香港提供金融經紀及相關服務市場競爭激烈以及現金產生單位持有客戶組合持續削減。證券及商品買賣服務及相關服務現金產生單位可收回金額分別約697,600,000港元及21,003,000港元。貴金屬買賣服務及相關服務可收回金額並無重大。

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綜合財務報表附註

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16. GOODWILL (Cont'd)

The recoverable amount of the CGUs of medical and laboratory business and the franchisor of mother-infant-children products based on value-in-use calculations exceeded their carrying amount. Accordingly, the related goodwill and intangible assets were not impaired for the year (2015: N/A).

Key assumptions used for value-in-use calculations are as follows:

		Securities brokerage and related services 證券經紀及 相關服務	Medical and laboratory services 醫療及 實驗室服務	Franchisor of mother- infant-children products 母嬰童產品 特許運營商
Gross profit margin	毛利率	n/a 不適用	40% – 92%	16%
Average growth rate	平均增長率	30%	10%	23%
Long-term growth rate	長期增長率	3%	3%	3%
Discount rate	貼現率	20%	15%	20%

Management determined the budgeted gross profit margin based on past performance and its expectation of market development. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

16. 商譽(續)

根據使用價值計算的醫療及實驗室業務以及母嬰童產品特許營運商之現金產生單位之可收回款項超過彼等賬面值。因此，相關商譽及無形資產於年內並未減值(二零一五年：不適用)。

使用價值計算所用之主要假設如下：

管理層根據過往表現及其預期市場發展釐定預算毛利率。所使用之貼現率為稅前貼現率並反映相關現金產生單位之特定風險。

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綜合財務報表附註

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16. GOODWILL (Cont'd)

Sensitivity of key assumptions

The management identified the following key assumptions in which a reasonably possible change on an individual basis would cause any or additional impairment loss.

Reasonable possible changes that individually cause additional impairment loss:

		Decrease 減少	Increase of impairment 減值增加 HK\$'000 千港元
CGU: Securities brokerage and related services	現金產生單位：證券經紀及相關服務		
Growth rate	增長率	1%	13,577
CGU: Medical and laboratory services	現金產生單位：醫療及實驗室服務		
Growth rate	增長率	1%	8,345
CGU: Franchisor of mother-infant-children products	現金產生單位：母嬰童產品營運商		
Growth rate	增長率	1%	13,648

17. SUBSIDIARIES

Particulars of subsidiaries of the Company

In the opinion of the directors, a complete list of the particulars of all subsidiaries will be of excessive length and therefore the table below lists the principal subsidiaries at the end of the reporting period which materially affect the result or assets of the Group.

16. 商譽(續)

主要假設之敏感度

管理層識別以下主要假設，單獨合理可能變動之主要假設將導致任何或額外減值虧損。

單獨導致額外減值虧損的合理可能變動：

17. 附屬公司

本公司附屬公司詳情

董事認為，由於完整呈列所有附屬公司之詳情將會過於冗長，故下表僅呈列於呈報期結算日對本集團業績或資產有重大影響之主要附屬公司。

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綜合財務報表附註

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17. SUBSIDIARIES (Cont'd)

17. 附屬公司(續)

Particulars of subsidiaries of the Company (Cont'd)

本公司附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ type of legal entity 註冊成立地點/ 法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足 普通股本之詳情	Ownership interests			Principal activities 主要業務
			Held by the Company 由本公司 持有 %	Held by a subsidiary 由附屬公司 持有 %	Group's effective interest# 本集團實際 利益# %	
Enerchine Investment Management Limited ("Enerchine")	Hong Kong/ Limited liability company	1,000,000 shares of HK\$1,000,000 with no par value	-	100	100	Provision of securities advisory and asset management services
威華投資管理有限公司(「威華」)	香港/有限公司	1,000,000股1,000,000 港元無面值的股份				提供證券顧問及資產管 理服務
Jubilant Link Limited ("Jubilant Link")	British Virgin Islands/ Limited liability company	20,000 shares of US\$1 each	-	55.02	55.02	Investment holding
欣連有限公司(「欣連」)	英屬處女群島/有限公司	20,000股每股1美元的 股份				投資控股
Hong Kong Mortgage Solutions Limited ("HKMS")	Hong Kong/ Limited liability company	500 shares of HK\$75,000,000 with no par value	-	47 (note) (附註)	32.90	Investment holding
香港按揭金融服務有限公司 (「香港按揭」)	香港/有限公司	500股75,000,000港元 無面值的股份				投資控股
Leader Enterprise Limited ("Leader")	Hong Kong/ Limited liability company	10,000 shares of HK\$10,000 with no par value	-	60	33.01	Provision of medical consultation services and laboratory services relating to assisted reproductive technologies
領勝企業有限公司(「領勝」)	香港/有限公司	10,000股10,000港元 無面值的股份				提供醫療顧問服務及與 輔助生殖技術有關的 實驗室服務
Mason Administrative Services Limited	Hong Kong/ Limited liability company	1 share of HK\$1 with no par value	-	100	100	Provision of administrative services
民信服務有限公司	香港/有限公司	1股1港元無面值的 股份				提供行政服務

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17. SUBSIDIARIES (Cont'd)

Particulars of subsidiaries of the Company (Cont'd)

Name of subsidiaries	Place of incorporation/ type of legal entity	Particulars of issued and paid up ordinary share capital
附屬公司名稱	註冊成立地點/ 法定實體類別	已發行及繳足 普通股本之詳情
Mason Bullion Limited (formerly known as GuocoCapital Bullion Limited, "Mason Bullion")	Hong Kong/ Limited liability company	1,000,000 shares of HK\$1,000,000 with no par value
民信金業有限公司(前稱國浩資本金業有限公司,「民信金業」)	香港/有限公司	1,000,000股1,000,000 港元無面值的股份
Mason Capital Investments Limited ("MCIL")	British Virgin Islands/ Limited liability company	38,000,000 shares of HK\$1 each
民信資本投資有限公司 (「民信資本」)	英屬處女群島/有限公司	38,000,000股 每股1港元的股份
Mason Capital Strategic Holdings Limited ("Mason Capital Strategic")	British Virgin Islands/ Limited liability company	1 share of US\$1
民信資本策略控股有限公司 (「民信資本策略」)	英屬處女群島/有限公司	1股1美元的股份
Mason Financial Services Group Limited	Cayman Islands/Limited liability company	1 share of US\$1
民信金服集團有限公司	開曼群島/有限公司	1股1美元的股份
Mason Futures Limited (formerly known as GuocoCapital Futures Limited, "Mason Futures")	Hong Kong/Limited liability company	100,000 shares of HK\$10,000,000 with no par value
民信期貨有限公司(前稱為國浩資本期貨有限公司,「民信期貨」)	香港/有限公司	100,000股10,000,000 港元無面值的股份

17. 附屬公司(續)

本公司附屬公司詳情(續)

Ownership interests			Principal activities
所有權權益			主要業務
Held by the Company	Held by a subsidiary	Group's effective interest#	
由本公司 持有 %	由附屬公司 持有 %	本集團實際 利益# %	

-	100	100	Provision of bullion trading services
			提供貴金屬買賣服務
-	70	70	Investment holding
			投資控股
-	100	100	Investment holding
			投資控股
100	-	-	Investment holding
			投資控股
-	100	100	Provision of commodities brokerage services
			提供商品經紀服務

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17. SUBSIDIARIES (Cont'd)

17. 附屬公司(續)

Particulars of subsidiaries of the Company (Cont'd)

本公司附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ type of legal entity 註冊成立地點/ 法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足 普通股本之詳情	Ownership interests			Principal activities 主要業務
			Held by the Company 由本公司 持有 %	Held by a subsidiary 由附屬公司 持有 %	Group's effective interest# 本集團實際 利益# %	
Mason Resources Finance Limited	Hong Kong/Limited liability company	10,000 shares of HK\$10,000 with no par value	-	100	100	Provision of financing services
民信資源財務有限公司	香港/有限公司	10,000股10,000港元無面值的股份				提供融資服務
Mason Securities Limited (formerly known as GuocoCapital Limited, "Mason Securities")	Hong Kong/Limited liability company	5,120,000 shares of HK\$512,000,000 with no par value	-	100	100	Dealing in securities, provision of securities margin financing and provision of investment corporate finance advisory services
民信證券有限公司(前稱為國浩資本有限公司,「民信證券」)	香港/有限公司	5,120,000股512,000,000港元無面值的股份				買賣證券、提供證券孖展融資以及提供投資企業融資顧問服務
Nice Hill International Limited	British Virgin Islands/Limited liability company	35,256,411 shares of US\$1 each	-	100	100	Trading of investments
	英屬處女群島/有限公司	35,256,411股每股1美元的股份				買賣投資

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17. SUBSIDIARIES (Cont'd)

Particulars of subsidiaries of the Company (Cont'd)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ type of legal entity 註冊成立地點/ 法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足 普通股本之詳情	Ownership interests			Principal activities 主要業務
			Held by the Company 由本公司 持有 %	Held by a subsidiary 由附屬公司 持有 %	Group's effective interest# 本集團實際 利益# %	
Pioneer Leap Investment Limited ("Pioneer Leap") 鋒躍投資有限公司(「鋒躍」)	Independent State of Samoa/Limited liability company 薩摩亞/有限公司	1 share of US\$1 1股1美元的股份	-	100	100	Investment holding 投資控股
Reproductive HealthCare Limited ("RHL")	Hong Kong/Limited liability company 香港/有限公司	10,000 shares of HK\$10,000 with no par value 10,000股10,000港元 無面值的股份	-	100	55.02	Provision of medical consultation services 提供醫療顧問服務
Thomas Global Financial Services Limited (formerly known as Thomas Securities Company Limited, "Thomas Global") 石匠環球服務有限公司(前稱為康州 證券有限公司,「石匠環球」)	Hong Kong/Limited liability company 香港/有限公司	7,500,000 shares of HK\$7,500,000 with no par value 7,500,000股7,500,000 港元無面值的股份	-	100	100	Provision of brokerage services 提供經紀服務
Shining Time Holdings Limited ("Shining Time") 亮時控股有限公司(「亮時」)	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	10,000 shares of US\$1 each 10,000股每股1美元的 股份	-	55	55	Investment Holding 投資控股

17. 附屬公司(續)

本公司附屬公司詳情(續)

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17. SUBSIDIARIES (Cont'd)

17. 附屬公司(續)

Particulars of subsidiaries of the Company (Cont'd)

本公司附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ type of legal entity 註冊成立地點/ 法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足 普通股本之詳情	Ownership interests			Principal activities 主要業務
			Held by the Company 由本公司 持有 %	Held by a subsidiary 由附屬公司 持有 %	Group's effective interest# 本集團實際 利益# %	
Victory "Art" Laboratory Limited ("Victory")	Hong Kong/Limited liability company	10,000 shares of HK\$10,000 with no par value	-	100	55.02	Provision of laboratory services relating to assisted reproductive technologies
勝利輔助生育所有有限公司(「勝利」)	香港/有限公司	10,000股10,000港元 無面值的股份				提供輔助生殖技術相關 的實驗室服務
Zhuhai Aiyingdao Business Chain Limited*	PRC/Limited liability company	Paid-up capital of Renminbi ("RMB") 6,650,000	-	100	55	Franchisor of mother- infant-children products
珠海市愛嬰島商貿連鎖有限公司	中國/有限公司	已繳足股本人民幣 (「人民幣」) 6,650,000元				母嬰童產品特許運營商
Aiyingdao Wuhan Supply Chain Management Limited*	PRC/Limited liability company	Paid-up capital of RMB1,000,000	-	100	55	Franchisor of mother- infant-children products
武漢愛嬰島供應鏈管理有限公司	中國/有限公司	已繳足股本人民幣 1,000,000元				母嬰童產品特許運營商

Principal subsidiaries disposed of during the year ended 31 December 2016

於截至二零一六年十二月三十一日止年度已出售之主要附屬公司

Co-lead Holdings Limited ("Co-Lead")	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	5,653 shares of US\$1 each 5,653股每股1美元的 股份	-	52.69	52.69	Investment holding 投資控股
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綜合財務報表附註

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

17. SUBSIDIARIES (Cont'd)

Particulars of subsidiaries of the Company (Cont'd)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ type of legal entity 註冊成立地點/ 法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足 普通股本之詳情	Ownership interests			Principal activities 主要業務
			Held by the Company 由本公司 持有 %	Held by a subsidiary 由附屬公司 持有 %	Group's effective interest# 本集團實際 利益# %	
High Rhine Limited	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	100 shares of US\$1 each 100股 每股1美元的股份	-	100	52.69	Trading of investments 買賣投資
Pearl Decade Limited	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	9,615,387 shares of US\$1 each 9,615,387股 每股1美元的股份	-	100	100	Trading of investments 買賣投資
Rawcliffe International Limited	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	35,256,411 shares of US\$1 each 35,256,411股 每股1美元的股份	-	100	100	Investment holding 投資控股
Willie Link Limited ("Willie Link")	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	100 shares of US\$1 each 100股 每股1美元的股份	-	100	100	Investment holding 投資控股

17. 附屬公司(續)

本公司附屬公司詳情(續)

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綜合財務報表附註

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

17. SUBSIDIARIES (Cont'd)

Particulars of subsidiaries of the Company (Cont'd)

* *English name for identification purpose only*

Excluding the interests that are attributable to non-controlling interests

All of the above subsidiaries operate principally in Hong Kong and the PRC.

None of the subsidiaries had any debt securities outstanding at the end of the reporting period, or at any time during the year.

Note:

Although MCIL's equity interests in HKMS is 47%, in the opinion of the directors, the Group has 51% voting power of HKMS at the meetings of shareholders and has obtained control over HKMS, details of which are set out in note 30(b) to the consolidated financial statements.

Financial information of subsidiaries with individually material NCI

The following table shows the information relating to the non-wholly owned subsidiaries, MCIL and its subsidiaries ("MCIL Group"), Jubilant Link and its subsidiaries ("Jubilant Link Group"), Co-Lead and its subsidiaries ("Co-Lead Group") and Shining Time and its subsidiaries ("Shining Time Group"), that have material non-controlling interests ("NCI") during the year. The summarised financial information of each of material NCI for the period from the later of the beginning of the reporting period and the date of acquisition to the earlier of the date of disposal and the end of the reporting period represents amounts before inter-company eliminations and excluding the related goodwill.

17. 附屬公司(續)

本公司附屬公司詳情(續)

不包括歸屬於非控股權益的權益

上述所有附屬公司主要於香港及中國經營業務。

概無附屬公司於呈報期結算日或年內的任何時間持有任何尚未償還債務證券。

附註：

雖然民信資本於香港按揭之股權為47%，董事認為，本集團於股東大會上擁有香港按揭的51%投票權，並對香港按揭行使控制權，有關詳情載於綜合財務報表附註30(b)。

個別擁有重大非控股權益之附屬公司財務資料

下表列示年內擁有重大非控股權益(「非控股權益」)之非全資附屬公司民信資本及其附屬公司(統稱「民信資本集團」)、欣連及其附屬公司(統稱「欣連集團」)、Co-Lead及其附屬公司(統稱「Co-Lead集團」)以及亮時及其附屬公司(統稱「亮時集團」)之有關資料。各重大非控股權益自呈報期開始與收購日期中較後者起至出售之日與呈報期結算日中較早者止的財務資料概要列示抵銷前之金額，不包括相關商譽。

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17. SUBSIDIARIES (Cont'd)

Financial information of subsidiaries with individually material NCI (Cont'd)

17. 附屬公司(續)

個別擁有重大非控股權益之附屬公司財務資料(續)

		MCIL Group	Jubilant Link Group	Shining Time Group	Co-Lead Group Co-Lead Group
		民信資本集團 HK\$'000 千港元	欣連集團 HK\$'000 千港元	亮時集團 HK\$'000 千港元	集團 集團 HK\$'000 千港元
At 31 December 2016	於二零一六年十二月三十一日				
Proportion of NCI's ownership interests	非控股權益所有權之比例	30%	44.98%	45%	*46.93% – 47.31%
Non-current assets	非流動資產	74,926	205,073	509,512	–
Current assets	流動資產	3,347	30,473	517,363	–
Current liabilities	流動負債	(631)	(12,200)	(563,881)	–
Non-current liabilities	非流動負債	–	(33,314)	(112,469)	–
Total equity	總權益	77,642	190,032	350,525	–
NCI of subsidiaries of within the respective groups	相關集團內附屬公司之非控股權益	39,709	4,244	–	–
Carrying amount of NCI	非控股權益之賬面值	51,089	87,812	157,736	–
					Co-Lead Group Co-Lead集團 HK\$'000 千港元
At 31 December 2015	於二零一五年十二月三十一日				
Proportion of NCI's ownership interests	非控股權益所有權之比例				46.93%
Non-current assets	非流動資產				90,000
Current assets	流動資產				2,427,051
Current liabilities	流動負債				(324,975)
Total equity	總權益				2,192,076
Carrying amount of NCI	非控股權益之賬面值				1,028,760

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綜合財務報表附註

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

17. SUBSIDIARIES (Cont'd)

17. 附屬公司(續)

Financial information of subsidiaries with individually material NCI (Cont'd)

個別擁有重大非控股權益之附屬公司財務資料(續)

		MCIL Group	Jubilant Link Group	Shining Time Group	Co-Lead Group Co-Lead Group
		民信資本集團 HK\$'000 千港元	欣連集團 HK\$'000 千港元	亮時集團 HK\$'000 千港元	集團 集團 HK\$'000 千港元
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度				
Proportion of NCI's ownership interests	非控股權益所有權之比例	30%	44.98%	45%	*46.93% – 47.31%
Revenue	收益	-	23,651	-	(598,883)
Expenses	開支	(100)	(18,164)	-	(82,297)
(Loss) Profit and total comprehensive (loss) income	(虧損)溢利及全面(虧損)收入總額	(100)	5,487	-	(681,180)
Attributable to:	以下應佔:				
- Equity holders of the respective groups	- 相關集團之股權持有人	(67)	4,843	-	(681,180)
- NCI of subsidiaries within the respective groups	- 相關集團內附屬公司之非控股權益	(33)	644	-	-
(Loss) Profit and total comprehensive (loss) income attributable to NCI	非控股權益應佔(虧損)溢利及全面(虧損)收入總額	(53)	2,825	-	(321,501)
Net cash inflow (outflow) from	下述各項現金流入(流出)淨額				
Operating activities	經營活動	25	7,147	-	5,642
Investing activities	投資活動	-	(151)	-	-
Financing activities	融資活動	-	-	-	(5,573)
Total cash inflows	現金流入總額	25	6,996	-	69
Dividend paid to NCI	支付予非控股權益之股息	-	-	-	-

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

17. SUBSIDIARIES (Cont'd)

Financial information of subsidiaries with individually material NCI (Cont'd)

Year ended 31 December 2015	截至二零一五年十二月三十一日止年度	
Proportion of NCI's ownership interests	非控股權益所有權之比例	27.01% – 46.93%
Revenue	收益	143,617
Expenses	開支	(240,845)
Loss and total comprehensive loss	虧損及全面虧損總額	(97,228)
Loss and total comprehensive loss attributable to NCI	非控股權益應佔虧損及全面虧損總額	(115,760)
Net cash (outflow) inflow from Operating activities	下述各項現金(流出)流入淨額 經營活動	(2,520,005)
Investing activities	投資活動	2,011,377
Financing activities	融資活動	510,074
Total cash inflows	現金流入總額	1,446
Dividend paid to NCI	支付予非控股權益之股息	–

* Upon completion of share subscription of Co-Lead in 2016, the equity interests in Co-Lead held by the Group changed from 53.07% to 52.69%. Details are set out in note 31 to the consolidated financial statements.

17. 附屬公司(續)

個別擁有重大非控股權益之附屬公司財務資料(續)

Co-Lead Group
Co-Lead集團
HK\$'000
千港元

* 於二零一六年完成Co-Lead的股份認購後，本集團所持Co-Lead股權由53.07%變更為52.69%。有關詳情載於綜合財務報表附註31。

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綜合財務報表附註

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18. INTERESTS IN ASSOCIATES

18. 聯營公司權益

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unlisted shares	非上市股份		
Share of net assets	應佔資產淨值	-	485,872

As at 31 December 2015, interests in associates of HK\$485,872,000 represented 21.33% equity interests in Freewill Holdings Limited ("Freewill"), a company incorporated in the Republic of the Marshall Islands with limited liability. The principal activity of Freewill and its subsidiaries (together "Freewill Group") is investment holding. During the year, Freewill issued 35,400,000 ordinary shares to several investors, which reduced the Group's interests in Freewill from 21.33% to 20.01%, resulting in a gain of HK\$3,233,000 arising from changes in shareholding of associates recognised in profit or loss. The associates were disposed of upon the disposal of the Group's subsidiary, Willie Link, as mentioned in note 31 to the consolidated financial statements.

The associates operated principally in Hong Kong and were accounted for using equity method in the consolidated financial statements until the disposal.

於二零一五年十二月三十一日，於聯營公司之權益485,872,000港元指於Freewill Holdings Limited (「Freewill」，一家於馬紹爾群島共和國註冊成立之有限公司)之21.33%股權。Freewill及其附屬公司(合稱「Freewill集團」)之主要業務為投資控股。於年內，Freewill向若干投資者發行35,400,000股普通股，將本集團於Freewill的權益從21.33%減少至20.01%，導致聯營公司股權變動產生之收益3,233,000港元於損益內確認。誠如綜合財務報表附註31所述，聯營公司於出售本集團附屬公司Willie Link後被處置。

聯營公司主要於香港經營業務，且於綜合財務報表中使用權益法入賬，直至出售為止。



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18. INTERESTS IN ASSOCIATES (Cont'd)

Financial information of individually material associates (Cont'd)

18. 聯營公司權益(續)

個別重大聯營公司之財務資料(續)

		Freewill Group Freewill集團	
		From 1 January 2016 to date of disposal 二零一六年 一月一日 至出售日期 HK\$'000 千港元	Year ended 31 December 2015 截至 二零一五年 十二月三十一日 止年度 HK\$'000 千港元
Gross amounts	總額		
Revenue	收益	151,555	8
Loss	虧損	(111,694)	(420,383)
Other comprehensive income	其他全面收入	49,365	20,260
Total comprehensive loss	全面虧損總額	(62,329)	(400,123)
Group's ownership interests	本集團之所有權	*20.01% – 21.33%	*21.33% – 34.70%
Group's share of loss of associates	本集團應佔聯營公司權益	(23,945)	(113,362)
Group's share of other comprehensive income of associates	本集團應佔聯營公司其他全面收入	9,906	4,611
Dividend received from associates	自聯營公司收取之股息	-	-

* Upon completion of share subscriptions of Freewill, the equity interests in Freewill Group changed from 21.33% to 20.01% (2015: 34.7% to 21.33%).

* 於完成Freewill股份認購後，於Freewill集團之股權由21.33%變更為20.01% (二零一五年：34.7%變更為21.33%)。



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19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

19. 可供出售財務資產

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unlisted investments, at cost	非上市投資，以成本計			
Equity securities	股本證券	(a)	630,525	90,000
Debt instrument	債務工具	(b)	74,926	–
Private funds	私募基金	(c)	10,935	–
		(d)	716,386	90,000
Impairment losses	減值虧損	(e)	(50,925)	–
			665,461	90,000

Notes:

- (a) As at 31 December 2016, the unlisted investment of HK\$630,525,000 represented 15% equity interests in 申港證券股份有限公司 (Shengang Securities Company Limited*, “Shengang”), a company incorporated in the PRC with limited liability. Shengang is principally engaged in securities related business with full licences approved by the China Securities Regulatory Commission in the PRC. In light of the adverse change of foreign currency in which the investment is denominated, an impairment loss of HK\$50,925,000 has been recognised in profit or loss during the year ended 31 December 2016.

As at 31 December 2015, unlisted investments of HK\$90,000,000 represented 4.27% equity interests in Joint Global Limited (“Joint Global”), a company incorporated in the Republic of the Marshall Islands with limited liability. The principal activity of Joint Global is investment holding. The investment has generated substantial losses in 2016 and the directors are of the opinion that the probability to recover fully the investment would be remote. An impairment loss of HK\$74,991,000 has been recognised in profit or loss during the year ended 31 December 2016. The Group has disposed of its investment in Joint Global upon the disposal of subsidiaries as mentioned in note 31 to the consolidated financial statements.

* English name for identification purpose only

附註：

- (a) 於二零一六年十二月三十一日，非上市投資630,525,000港元指於申港證券股份有限公司（「申港」，一間於中國註冊成立之有限公司）之15%股權。申港於獲得中國證券監督管理委員會批准授出的全部牌照後主要從事證券相關業務。截至二零一六年十二月三十一日止年度期間，鑒於投資計值外幣之不利變化，已於損益內確認減值虧損50,925,000港元。

於二零一五年十二月三十一日，非上市投資90,000,000港元指於Joint Global Limited（「Joint Global」，一家於馬紹爾群島共和國註冊成立之有限公司）之4.27%股權。Joint Global之主要業務為投資控股。於二零一六年度，該投資已產生重大虧損且董事認為悉數收回投資的可能性非常小。截至二零一六年十二月三十一日止年度期間，已於損益內確認減值虧損74,991,000港元。誠如綜合財務報表附註31所述，本集團已於出售附屬公司時出售其於Joint Global的投資。

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19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Cont'd)

Notes: (Cont'd)

(b) In October 2016, the Group acquired a subsidiary, HKMS, which has available-for-sale financial assets with carrying amount of HK\$74,926,000 (see note 30(b)). In April 2016, HKMS entered into a junior facility agreement with a third-party, pursuant to which HKMS agrees to grant a loan with the principal amount of HK\$75 million. The borrower applies all money borrowed under the facility towards origination and funding of mortgage loans, purchase of mortgage insurance and payment of related fees and expenses. The borrower intends to securitise (subject to the prior written consent of the Group) or the private sales of the asset-back collateral pool, in each case repay all loans under the agreement. The loan facility was drawdown in October 2016, which is unsecured and repayable 18 months from the first day from the loan being made. The aggregate interest on the loan should be an amount equal to any amounts held by the borrower after paying off the senior loan lenders and any expenses less USD1,500 (equivalent to HK\$12,000). In the opinion of the directors, the financial assets are not with fixed or determinable payments and have been classified as available-for-sale financial assets.

(c) Included in the private funds was fund contribution of US\$1,400,000 (equivalent to HK\$10,897,000) to Agate-JT Healthcare Fund L.P. ("Agate Fund"). In December 2016, Mason Capital Strategic, a wholly-owned subsidiary of the Group, entered into a subscription agreement with Agate Fund to subscribe limited partnership interest at a total contribution commitment of US\$20,000,000 (equivalent to HK\$156,000,000), which represented 20% of total capital of Agate Fund. At the end of the reporting period, Mason Capital Strategic has paid US\$1,400,000 (equivalent to HK\$10,897,000) as the paid-up capital of Agate Fund, which represented 7% of total contribution commitment. The fund is established for achieving capital appreciation through making equity investments in and dispositions of, mainly Israeli and Israeli-related healthcare technologies companies. Agate Fund is not treated as an associate because the Group did not have the right to exercise significant influence over Agate Fund.

(d) The directors are of the opinion that as the variability in the range of reasonable fair value estimates for the unlisted investments is significant and the probability of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, these investments are stated at cost less any impairment loss.

19. 可供出售財務資產(續)

附註:(續)

(b) 於二零一六年十月，本集團收購附屬公司香港按揭，該公司擁有賬面值74,926,000港元之可供出售財務資產(見附註30(b))。於二零一六年四月，香港按揭與第三方訂立初級融資協議，據此，香港按揭同意授出本金額75,000,000港元的貸款。借款人根據發放及提供按揭貸款、購買按揭保險及支付相關費用及開支作出融資，從而動用借來的全部款項。借款人擬抵押(須本集團提前書面同意)或私自出售資產支持的抵押品池，於任何情況下須根據協議償還全部貸款。貸款融資於二零一六年十月提取，無抵押並自作出貸款首日起18個月內償還。貸款總利息應為一筆相當於借款人償清高級貸款貸款人後所持任何款項及任何開支少於1,500美元(相當於12,000港元)之款項。董事認為，財務資產並無固定或可釐定款項，且已分類為可供出售財務資產。

(c) 私募基金包括給予Agate-JT Healthcare Fund L.P. (「Agate Fund」)的基金供款1,400,000美元(相等於10,897,000港元)。二零一六年十二月，本集團全資附屬公司民信資本策略與Agate Fund訂立認購協議以認繳出資總額20,000,000美元(相等於156,000,000港元)(佔Agate Fund資本總額的20%)認購有限合夥權益。於呈報期結算日，民信資本策略已支付1,400,000美元(相等於10,897,000港元)作為Agate Fund之實繳資本，佔認繳出資總額的7%。設立該基金乃為透過主要向以色列及以色列相關醫療保健技術公司進行股權投資及處置有關公司實現資本增值。因本集團無權對Agate Fund行使重大影響力，故Agate Fund不被視為聯營公司。

(d) 董事認為，由於非上市投資之估計合理公平值範圍波動重大，且該範圍內各項估值可能無法合理評估而無法用於評估公平值，故該等投資以成本減任何減值虧損列賬。



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19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Cont'd)

Notes: (Cont'd)

(e) Movements in the provision for impairment loss are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the reporting period	於呈報期初	–	14,751
Impairment loss recognised	已確認減值虧損	125,916	–
Derecognition upon disposal of subsidiaries	於出售附屬公司時終止確認	(74,991)	(1,520)
Reversal of provision for impairment loss upon redemption of unlisted investment	於贖回非上市投資時撥回減值虧損撥備	–	(13,231)
At the end of the reporting period	於呈報期結算日	50,925	–

20. INVENTORIES

Merchandise for resale 轉售商品
Consumables 消耗品

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Merchandise for resale	轉售商品	214,051	–
Consumables	消耗品	6,050	–
		220,101	–

All inventories are stated at cost at the end of the reporting period.

19. 可供出售財務資產(續)

附註:(續)

(e) 減值虧損撥備變動如下:

20. 存貨

所有存貨均以呈報期結算日之成本呈列。

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21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Analysis of financial assets at fair value through profit or loss:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Investments held for trading	持作買賣投資		
Equity securities – listed in Hong Kong	股本證券 – 於香港上市	499,093	2,866,198
Bonds – listed overseas	債券 – 於海外上市	–	32,209
		499,093	2,898,407

The fair values of listed equity securities and listed bonds are based on quoted market prices in active markets.

按公平值計入損益之財務資產之分析如下：

上市股本證券及上市債券之公平值按於活躍市場所報市價計算。

22. LOANS RECEIVABLES

Loans granted to borrowers are repayable according to repayment schedules.

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short term loans receivables	應收短期貸款		
From third parties	來自第三方	910,510	30,000
From an associate	來自聯營公司	–	125,968
		910,510	155,968

22. 應收貸款

授予借款人之貸款按還款時間表償還。

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

22. LOANS RECEIVABLES (Cont'd)

Notes:

- (a) At the end of the reporting period, loans receivables (i) include an aggregate amount of HK\$838,084,000 and HK\$64,098,000 (2015: HK\$Nil and HK\$Nil), which is collateralised by securities of companies listed on the Stock Exchange and secured by corporate/personal guarantee provided by equity holders of the borrowers and secured by personal guarantee respectively and the remaining balances are unsecured; (ii) carry variable and fixed interest rates and have effective interest rates ranging from around 8.5% to 22% per annum (2015: from around 5% to 24% per annum); (iii) are within the respective maturity dates.

The aggregate fair values of the collateralised securities of companies listed on the Stock Exchange are HK\$868,352,000 (2015: HK\$Nil) and are readily convertible into cash as at the end of the reporting period.

The directors assessed the collectability of loans receivables at the end of the reporting period individually with reference to borrowers' past settlement history and current creditworthiness. No loans receivables were determined to be impaired as a result of the assessment for both years. In the opinion of the directors, there was no indication of deterioration in the collectability of the loans receivables of HK\$910,510,000 (2015: HK\$155,968,000) and thus no allowance for doubtful debts was considered necessary.

No loans receivables were past due but not impaired as at 31 December 2016 and 2015. Loans receivables that were neither past due nor impaired related to several borrowers for whom there was no history of default.

- (b) As at 31 December 2015, the loan receivable due from an associate was unsecured, interest-bearing at fixed rate of 1% per month and repayable within two months from drawdown date. The amount was fully settled in January 2016.

22. 應收貸款(續)

附註：

- (a) 於呈報期結算日，應收貸款(i)包括總金額838,084,000港元及64,098,000港元(二零一五年：零港元及零港元)，乃分別由於聯交所上市公司的證券擔保及由借款方之權益持有人提供的企業／個人擔保以及個人擔保抵押，餘下結餘無擔保；(ii)按浮動利率及固定利率計息，實際年利率介乎約8.5厘至22厘(二零一五年：年利率介乎約5厘至24厘)；(iii)於各自償還到期日內。

於呈報期結算日，於聯交所上市公司有擔保證券之公平值總額為868,352,000港元(二零一五年：零港元)且可轉換為現金。

董事於呈報期結算日參考借款人之過往還款記錄及目前信譽，個別評估應收貸款之可收回狀況。經評估後，董事確定該兩個年度均無應收貸款出現減值。董事認為，應收貸款910,510,000港元(二零一五年：155,968,000港元)之可收回狀況並無惡化跡象，因此毋須考慮呆賬撥備。

於二零一六年及二零一五年十二月三十一日，並無已逾期但未作出減值的應收貸款。既未逾期亦無減值之應收貸款涉及無拖欠記錄之借款人。

- (b) 於二零一五年十二月三十一日，應收聯營公司之應收貸款並無抵押，按固定利率每月1厘計息，並須於提取當日起計兩個月內償還。該款項已於二零一六年一月全數償還。

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綜合財務報表附註

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

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade receivables from:	應收以下公司貿易款項：			
– third parties	– 第三方		56,336	–
– former subsidiaries of non-controlling interests of a subsidiary	– 附屬公司非控股權益之前附屬公司		105,931	–
			162,267	–
Accounts receivables from third parties arising from provision of securities and commodities brokerage services:	就提供證券及商品經紀服務產生的應收第三方賬款：	(a)		
– custodian clients	– 託管客戶	(b)	14,977	–
– margin clients	– 孖展客戶	(b)	569,255	–
– clearing houses and brokers	– 結算所及經紀	(b)	2,462	–
			748,961	–
Allowance for doubtful debts	呆賬撥備	(d)	(100,517)	–
		(c)	648,444	–
Deposits and prepayments	存款及預付款		31,293	4,893
Other receivables	其他應收賬款	(e)	90,098	15,145
Due from related companies/party	應收關聯公司／方款項	(f)	11,197	–
Promissory notes	承兌票據		–	25,000
			132,588	45,038
			781,032	45,038



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. TRADE AND OTHER RECEIVABLES (Cont'd)

Notes:

(a) Settlement terms of trade receivables

The Group offers to trade debtors a credit period from 1 day to 90 days from the invoice date. The trade receivables from former subsidiaries of non-controlling interests of a subsidiary have no fixed repayment term.

(b) Settlement terms of accounts receivables

Accounts receivables arising from the ordinary course of business of brokering in securities and commodities in respect of cash clients and margin clients are two or three trading days after the transaction dates.

Accounts receivables arising from the ordinary course of business of brokering in index, commodity and currency futures contracts represent the margin deposits maintained with futures clearing house, options clearing house or brokers to meet the margin requirements of open contracts. Margin calls from clearing house and brokers are settled on a daily basis. The excess amounts over the required margin deposits stipulated are repayable on demand.

The credit facility limits to margin clients are determined by the discounted market value of the collateral securities accepted by the Group.

The majority of the loans to margin clients which are secured by the underlying pledged securities are interest bearing. The Group maintains a list of approved stocks for margin lending at a specified loan to collateral ratio.

Any excess in the lending ratio will trigger a margin call which the customers have to make up the shortfall.

Loans to margin clients as at the end of the reporting period were secured by the customers' securities to the Group as collateral with undiscounted market value of approximately HK\$1,679,677,000 (2015: HK\$Nil).

23. 貿易及其他應收款項(續)

附註：

(a) 貿易應收款項結算條款

本集團提供予貿易債權人的信貸期為自發票日期起1至90天。應收非控股權益附屬公司之前附屬公司貿易款項並無固定償還期限。

(b) 應收賬款結算條款

就現金客戶及孖展客戶而言，從證券及商品經紀業務之日常業務過程中產生之應收賬款須於交易日後兩個或三個交易日內結算。

就指數、商品及貨幣期貨合約之經紀業務在日常業務過程中產生之應收賬款，乃指存放於期貨結算所、期權結算所或經紀之保證金，已符合平倉合約之保證金要求。結算所及經紀之追求保證金乃每日交收。超過所規定保證金之金額則按要求退還。

孖展客戶信貸融資限額乃按本集團所收取的抵押證券折讓市值釐定。

大部分給予孖展客戶的貸款(由相關已抵押證券作抵押)計息。本集團設有一份經認可股份清單，以按特定貸款抵押品比率給予孖展借款。

超逾借款比率將觸發按金追繳通知，客戶須追補該差額。

於呈報期結算日給予孖展客戶之貸款由客戶給予本集團作抵押品的折讓市值約為1,679,677,000港元(二零一五年：零港元)的證券擔保。

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綜合財務報表附註

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23. TRADE AND OTHER RECEIVABLES (Cont'd)

Notes: (Cont'd)

(b) Settlement terms of accounts receivables (Cont'd)

The Group determines the allowance for impaired debts based on the evaluation of collectability and ageing analysis of accounts receivables and on management's judgement including the assessment of change in credit quality, collateral and the past collection history of each client. The concentration of credit risk is limited due to the customer base being large and unrelated.

Trading limits are set for customers. The Group seeks to maintain tight control over its outstanding accounts receivables in order to minimise the credit risk. Overdue balances are regularly monitored by management.

(c) Ageing analysis

The ageing analysis of the trade and accounts receivables by overdue date that are neither individually nor collectively considered to be impaired is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Neither past due nor impaired	既無逾期亦無減值	646,692	-
Less than 1 month past due	逾期少於一個月	766	-
1 month to 3 months past due	逾期一至三個月	140	-
3 months to 6 months past due	逾期三至六個月	846	-
		1,752	-
		648,444	-

Accounts receivables as at 31 December 2016 (2015: N/A) related to a number of customers and clients that have a good track record with the Group and were not impaired. Based on past experience, the directors are of the opinion that no provision for allowance for doubtful debts 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 as at 31 December 2016 (2015: N/A).

23. 貿易及其他應收款項(續)

附註:(續)

(b) 應收賬款結算條款(續)

本集團根據應收賬款可回收性及賬齡之評估，以及管理層之判斷(包括對信貸質素變化之評估、抵押品及各客戶之收款記錄)而決定減值債務之撥備。本集團的信貸集中風險有限，因為客戶基礎龐大並且互無關連。

客戶均設有交易限額。本集團對未償還應收賬款採取嚴謹監控措施，以將信貸風險減至最低。逾期款項由管理層定期檢討。

(c) 賬齡分析

並未個別及共同被視作減值的貿易應收賬款的賬齡按逾期日期分析如下：

二零一六年十二月三十一日與數位與本集團有良好往期記錄的顧客及客戶有關的應收賬款(二零一五年：不適用)並無減值。根據以往經驗，董事認為無需就該等結餘計提呆賬撥備，原因為信貸素質並無重大變動且該等結餘於二零一六年十二月三十一日仍被視為可悉數收回(二零一五年：不適用)。



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綜合財務報表附註

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

23. TRADE AND OTHER RECEIVABLES (Cont'd)

Notes: (Cont'd)

(c) Ageing analysis (Cont'd)

No ageing analysis by trade/invoice date has been disclosed in respect of accounts receivables arising from the ordinary course of brokerage business as, in the opinion of the directors, it does not give additional value in view of the business's nature.

At the end of the reporting period, the ageing analysis of trade receivables, by invoice date is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than 1 month	少於一個月	28,631	-
1 month to 3 months	一至三個月	13,918	-
3 month to 6 months	三至六個月	38,021	-
6 months to 12 months	六至十二個月	81,697	-
		162,267	-

(d) Allowance for doubtful debts

Movements in the provision for allowances are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the reporting period	於呈報期初	-	-
Addition – acquisition of subsidiaries	增加 – 收購附屬公司	2,162	-
Increase in allowance	撥備增加	98,355	-
At the end of the reporting period	於呈報期結算日	100,517	-

Included in the allowance for doubtful debts are specific accounts receivables from several margin clients with a balance of HK\$98,355,000 (2015: HK\$Nil). The individually impaired accounts receivables relating to margin clients that were default in payments.

23. 貿易及其他應收款項(續)

附註：(續)

(c) 賬齡分析(續)

概無披露有關自經紀日常業務中產生的應收賬款按交易/發票日期之賬齡分析，原因為董事認為，考慮到業務性質，其並不會產生額外價值。

於呈報期結算日，按發票日期之貿易應收款項的賬齡分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than 1 month	少於一個月	28,631	-
1 month to 3 months	一至三個月	13,918	-
3 month to 6 months	三至六個月	38,021	-
6 months to 12 months	六至十二個月	81,697	-
		162,267	-

(d) 呆賬撥備

計提撥備變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the reporting period	於呈報期初	-	-
Addition – acquisition of subsidiaries	增加 – 收購附屬公司	2,162	-
Increase in allowance	撥備增加	98,355	-
At the end of the reporting period	於呈報期結算日	100,517	-

呆賬撥備包括應收數位孖展客戶之特定款項，結餘為98,355,000港元（二零一五年：零港元），個別減值應收賬款與拖欠還款之孖展客戶有關。

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綜合財務報表附註

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23. TRADE AND OTHER RECEIVABLES (Cont'd)

Notes: (Cont'd)

- (e) Included in other receivables were input value-added tax of HK\$38,036,000 (2015: HK\$Nil), dividend receivables of HK\$21,039,000 (2015: HK\$Nil) from former subsidiaries of non-controlling interests of the Group's subsidiary and current accounts with franchisees of HK\$12,296,000 (2015: HK\$Nil) as at the end of the reporting period.
- (f) The amounts due from companies owned by non-controlling interests of a subsidiary of HK\$655,000 and a beneficial owner of non-controlling interests of a subsidiary of HK\$10,542,000 are unsecured, interest-free and have no fixed repayment term. The carrying value of the amounts due approximate their fair value.

24. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Pledged bank deposits (note)	已抵押銀行存款(附註)
Bank balances and cash	銀行結餘及現金

Note:

At 31 December 2016, the bank deposits of RMB20,000,000 (equivalent to HK\$22,359,000) were pledged to a bank for bills payables.

23. 貿易及其他應收款項(續)

附註：(續)

- (e) 於呈報期結算日，其他應收賬款包括增值稅進項稅額38,036,000港元(二零一五年：零港元)、應收本集團非控股權益附屬公司之前附屬公司股息21,039,000港元(二零一五年：零港元)及應收特許經營商流動賬目12,296,000港元(二零一五年：零港元)。
- (f) 應收非控股權益附屬公司擁有之公司的款項655,000港元及非控股權益附屬公司之實益擁有人10,542,000港元為無擔保、免息且無固定還款期限。到期賬款的賬面值與其公平值相若。

24. 已抵押銀行存款／銀行結餘及現金

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Pledged bank deposits (note)	已抵押銀行存款(附註)	22,359	-
Bank balances and cash	銀行結餘及現金	651,419	444,684
		673,778	444,684

附註：

二零一六年十二月三十一日，已就應付票據向銀行抵押人民幣20,000,000元(相當於22,359,000港元)之銀行存款。

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

25. TRADE AND OTHER PAYABLES

25. 貿易及其他應付款項

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade and bills payables to third parties	應付第三方貿易賬款及應付票據	(b)	110,319	–
Accounts payables to third parties arising from provision of securities and commodities brokerage services:	就提供證券及商品經紀服務產生之應付第三方賬款：			
– custodian clients	– 託管客戶	(a)	488,556	–
– margin clients	– 孖展客戶	(a)	359,976	–
– clearing houses and brokers	– 清算所及經紀人	(a)	4,941	–
			963,792	–
Less: cash held on behalf of clients	減：代表客戶持有現金	(c)	(835,266)	–
			128,526	–
Other payables	其他應付款項	(d)	466,767	3,269
Deposits received and receipts in advance	已收按金及預收款項		53,166	117
Due to security brokers	應付證券經紀款項		–	33,332
Due to related companies	應付關聯公司款項	(e)	357,902	–
			877,835	36,718
			1,006,361	36,718

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綜合財務報表附註

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

25. TRADE AND OTHER PAYABLES (Cont'd)

Notes:

(a) Settlement terms of accounts payables

Accounts payables arising from the ordinary course of business of brokering in securities in respect of cash clients and margin clients are two or three trading days after the transaction dates.

Accounts payables arising from the ordinary course of business brokering in index, commodity and currency futures contracts represent the margin deposits received from clients for their trading in futures contracts. The excess over the required margin deposits stipulated are repayable to clients on demand.

No ageing analysis has been disclosed in respect of accounts payables arising from the ordinary course of brokerage business, as in the opinion of the directors, it does not give additional value in view of the business's nature.

(b) Ageing analysis of trade payables

At the end of the reporting period, the ageing analysis of trade and bills payables by date of issue of invoice/bills is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than 1 month	少於一個月	2,989	-
1 month to 3 months	一至三個月	22,368	-
3 months to 6 months	三至六個月	62,604	-
6 month to 12 months	六至十二個月	22,358	-
		110,319	-

25. 貿易及其他應付款項(續)

附註：

(a) 應付賬款結算條款

就現金客戶及孖展客戶而言，從證券經紀業務之日常業務過程中產生之應付賬款須於交易日後兩個或三個交易日內結算。

就指數、商品及貨幣期貨合約之經紀業務在日常業務過程中產生之應付賬款，乃指就客戶的期貨合約交易自彼等收取的孖展按金。超過規定孖展按金的部分則按要求退還給客戶。

概無披露有關經紀日常業務中產生的應付賬款之賬齡分析，原因為董事認為，基於經紀業務的業務性質，此分析並不會產生額外價值。

(b) 貿易應付款項賬齡分析

於呈報期結算日，貿易應付款項及應付票據按開具發票／票據日的賬齡分析如下：

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

25. TRADE AND OTHER PAYABLES (Cont'd)

Notes:

- (c) The Group maintains segregated accounts with banks and authorised institutions to hold cash held on behalf of clients arising from its normal course of business in provision for brokerage services.
- (d) Included in other payables was part of the cash consideration of HK\$391,296,000 payable for the acquisition of Shining Time Group, details of which are set out in note 30(a) to the consolidated financial statements, current accounts maintained with franchisees, salaries and bonus payables and professional advisory fee payables.
- (e) The amounts due to companies owned by non-controlling interests of a subsidiary are unsecured, interest-free and have no fixed repayment term. The carrying value of the amounts due approximate their fair value.

26. INTEREST-BEARING BORROWINGS

	Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest-bearing borrowings	計息借款		
– Unsecured fixed coupon notes	– 無抵押固定票息票據 (a)	300,000	–
– Unsecured bonds	– 無抵押債券 (b)	20,000	20,000
– Secured bank loans	– 抵押銀行貸款 (c)	–	296,143
		320,000	316,143
Less: Balance repayable within one year or on demand	減：須於一年內或按要求償還結餘	(300,000)	(296,143)
Non-current portion	非流動部分	20,000	20,000

25. 貿易及其他應付款項(續)

附註：

- (c) 本集團於銀行及獲授權機構開立獨立賬戶，以持有正常經紀服務項下需要代表客戶持有的現金。
- (d) 其他應付賬款包括收購亮時集團之部份應付現金代價391,296,000港元，其詳情載於綜合財務報表附註30(a)，特許經商存置之流動賬目，應付薪金及紅利以及應付專業顧問費。
- (e) 應付非控股權益附屬公司擁有之公司之款項為無抵押、免息且無固定還款期限。到期款項的賬面值與其公平值相若。

26. 計息借款

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

26. INTEREST-BEARING BORROWINGS (Cont'd)

Notes:

- (a) In November 2016, the Group issued two unsecured fixed coupon notes of HK\$100,000,000 and HK\$200,000,000 respectively. The notes carry fixed interest rate of 8% per annum payable annually in arrears and mature within 1 year.
- (b) At the end of the reporting period, there are two outstanding unsecured bonds with the principal amount of HK\$10,000,000 each issued in 2014 to two third-party investors separately. The bonds are interest-bearing at 5% per annum payable annually in arrears and repayable in 2021.
- (c) As at 31 December 2015, the bank loan which carried interest rates of 1.5% to 3.25% above the bank's cost of funds for relevant currency per annum was secured by the Group's financial assets at fair value through profit or loss and bank balance of HK\$1,646,138,000 and HK\$50,000 respectively and repayable within one to three months from the date of drawdown. The loan facilities granted to the Group amounted to HK\$500,000,000, of which HK\$296,143,000 was utilised as at 31 December 2015. The bank loan was fully repaid during the year ended 31 December 2016.

26. 計息借款(續)

附註：

- (a) 二零一六年十一月，本集團分別發行兩份金額為100,000,000港元及200,000,000港元的無抵押固定票息票據。該票據按固定年利率8厘計息，須在每週年期末支付並於一年內償還。
- (b) 於呈報期結算日，本公司尚有兩項分別向兩名第三方投資者於二零一四年發行的本金額為10,000,000港元之未贖回無抵押債券。該債券按年利率5厘計息，須在每週年期末支付，並須於二零二一年償還。
- (c) 於二零一五年十二月三十一日，按銀行相關貨幣資金成本另加1.5厘至3.25厘年利率計息的銀行貸款由本集團按公平值計入損益之財務資產及銀行結餘作抵押，分別為1,646,138,000港元及50,000港元，須於提取日期起計一至三個月內償還。本集團獲授的貸款融資額500,000,000港元中，296,143,000港元於二零一五年十二月三十一日前已動用。截至二零一六年十二月三十一日止年度，銀行貸款已悉數償還。



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27. DEFERRED TAXATION

Movements for the year in the Group's net deferred tax position are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Recognised net deferred tax liabilities	已確認遞延稅項負債淨額		
At the beginning of the reporting period	於呈報期初	-	59
Addition – acquisition of subsidiaries (note 30(a))	增加 – 收購附屬公司 (附註30(a))	159,820	-
Credited to profit or loss (note 11)	自損益扣除(附註11)	(2,920)	-
Derecognition upon disposal of a subsidiary	終止確認出售一家 附屬公司	-	(59)
At the end of the reporting period	於呈報期結算日	156,900	-

27. 遞延稅項

本年度本集團遞延稅項淨額水平之變動如下：

Recognised net deferred tax liabilities at the end of the reporting period represent the following:

於呈報期結算日之已確認遞延稅項負債淨額如下：

		Assets 資產		Liabilities 負債	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 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
Depreciation allowances	備抵折舊	306	-	-	-
Intangible assets	無形資產	-	-	(157,206)	-
Deferred tax asset (liabilities)	遞延稅項資產(負債)	306	-	(157,206)	-

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

27. DEFERRED TAXATION (Cont'd)

27. 遞延稅項(續)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unrecognised deferred tax assets arising from	未確認的遞延稅項資產來自		
Deductible temporary differences	可扣稅暫時性差額	5,822	947
Tax losses	稅項虧損	277,080	800,218
At the end of the reporting period	於呈報期結算日	282,902	801,165

Neither the tax losses nor the deductible temporary differences expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

During the year, the Group disposed of several subsidiaries, which had tax losses of HK\$712,404,000 and acquired several subsidiaries, which had tax losses of HK\$160,331,000, both of which have not been recognised in previous years and current year respectively.

根據現行稅法，稅項虧損及可扣稅暫時性差額均不會到期。由於本集團不大可能利用未來應課稅溢利抵銷從中可用的利益，因此並無就該等項目確認遞延稅項資產。

於年內，本集團出售若干附屬公司(稅項虧損712,404,000港元)及收購若干附屬公司(稅項虧損160,331,000港元)，於過往年度及本年度均未確認。



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28. SHARE CAPITAL

28. 股本

		Number of ordinary shares in issue 已發行 普通股數目	Share capital 股本 HK\$'000 千港元
Issued and fully paid ordinary shares:	已發行及繳足普通股：		
At 1 January 2015	於二零一五年一月一日	14,114,452,875	2,400,372
Issue of share capital	發行股本	1,250,000,000	150,000
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日 及二零一六年一月一日	15,364,452,875	2,550,372
Issue of share capital (note)	發行股本(附註)	3,072,880,000	727,071
At 31 December 2016	於二零一六年十二月三十一日	18,437,332,875	3,277,443

Note:

In September 2016, the Company entered into a share subscription agreement with a third-party investor to allot and issue 3,072,880,000 ordinary shares at the subscription price of HK\$0.24 under general mandate. The issue of shares was completed in October 2016. The issued share capital of the Company was increased to HK\$3,277,443,000. The closing price of the Company's share as at the issue date was HK\$0.28. The proceeds of HK\$737,491,000, net of subscription expense of HK\$10,420,000, were used for financing the Group's future investments and providing general working capital of the Group.

All new shares issued during the year rank pari passu in all respects with the existing shares.

附註：

於二零一六年九月，本公司與一名第三方投資者訂立股份認購協議，根據一般授權按認購價0.24港元配發及發行3,072,880,000股普通股。股份發行已於二零一六年十月完成。本公司已發行股本增至3,277,443,000港元。本公司股份於發行日期之收市價為0.28港元。所得款項737,491,000港元(扣除認購費用10,420,000港元)已用於撥付本集團未來投資及提供本集團一般營運資金。

年內發行之所有新股份在所有方面與現有股份享有同等地位。

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29. RESERVES

- (a) The capital reserve was arisen from acquisition of interest in subsidiaries in prior years.
- (b) The available-for-sale financial assets revaluation reserve is arisen from changes in the fair value of available-for-sale financial assets of the Group and/or its associates and joint ventures.
- (c) The foreign currency translation reserve comprises exchange differences relating to the translation of the financial statements of the foreign operations of the Group and/or its associates and joint ventures from their functional currency to the Group's presentation currency which are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.
- (d) As at 31 December 2016, no reserves were available for distribution to the equity holders of the Company. As at 31 December 2015, the aggregate amount of reserves available for distribution to the equity holders of the Company comprising the accumulated profits amounted to HK\$181,221,000.

29. 儲備

- (a) 資本儲備乃由過往年度收購附屬公司權益而產生。
- (b) 可供出售財務資產重估儲備由本集團及／或其聯營公司及合營公司可供出售財務資產公平值變動而產生。
- (c) 外幣匯兌儲備包括關於將本集團及／或其聯營公司及合營公司境外業務公司之財務報表從其功能貨幣換算為本集團呈列貨幣之匯兌差額(直接在其他全面收入中確認以及在外幣匯兌儲備中累計)。
- (d) 於二零一六年十二月三十一日，概無可供分派予本公司權益持有人的儲備。於二零一五年十二月三十一日，可供分派予本公司權益持有人的儲備總額包括累計溢利181,221,000港元。



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30. ACQUISITION OF SUBSIDIARIES

(a) Business combinations

Acquisition of Mason Financial Group

In November 2015, the Group entered into a sale and purchase agreement with a third-party to acquire 100% equity interests of Mason Securities, Mason Futures and Mason Bullion (collectively referred to as “Mason Financial Group”) at an aggregate cash consideration of HK\$415,069,000.

The principal activities of Mason Financial Group are set out in note 17 to the consolidated financial statements. The acquisition of Mason Financial Group was completed in February 2016.

Acquisition-related costs amounting to HK\$8,409,000 have been excluded from the consideration transferred and have been recognised as an expense in profit or loss under “other operating expenses”.

In respect of the acquisition of Mason Financial Group, the fair value of trade and other receivables acquired amounted to HK\$428,945,000. The gross contractual amount of the receivables is HK\$430,361,000, HK\$1,416,000 of which is expected to be uncollectible.

The Group appointed an independent professional valuer, Roma, to perform valuations at the date of acquisition for the purposes of accounting for the acquisition of Mason Financial Group according to HKFRS 3 (Revised) *Business Combination*. The fair value of the identifiable assets acquired and liabilities assumed has been determined based on the valuation approach as determined by Roma. The fair value of the customer of HK\$83,075,000 is determined by income-based approach using the discount rate of 29% per annum. The fair value of the licenses and trading rights of HK\$14,067,000 is determined by direct comparison. The fair value of computer software and system approximates its carrying amount of HK\$1,935,000.

30. 收購附屬公司

(a) 業務合併

收購民信金融集團

於二零一五年十一月，本集團與一名第三方訂立買賣協議，收購民信證券、民信期貨和民信金業(統稱為「民信金融集團」) 100%股權，合共現金代價為415,069,000港元。

民信金融集團之主要業務載於綜合財務報表附註17。收購民信金融集團已於二零一六年二月完成。

收購相關成本8,409,000港元已自轉讓代價中扣除，並已於損益中確認為「其他經營支出」項下的支出。

就收購民信金融集團而言，貿易及其他應收款項公平值達428,945,000港元。應收款項總合約金額為430,361,000港元，其中1,416,000港元預期不可收回。

本集團委聘獨立專業估值師羅馬於收購日進行估值，以根據香港財務報告準則第3號(經修訂)業務合併將收購民信金融集團入賬。已收購可識別資產及所承擔負債公平值乃基於羅馬所釐定估值方式進行釐定。客戶公平值83,075,000港元乃按收益法使用按年折現率29%釐定。牌照及經營權公平值14,067,000港元乃透過直接比較釐定。電腦軟件及系統公平值與其賬面值1,935,000港元相若。

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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) Business combinations (Cont'd)

Acquisition of Mason Financial Group (Cont'd)

Since acquisition, Mason Financial Group has contributed revenue of HK\$61,023,000 and a loss of HK\$136,922,000 to the Group. If the acquisition of Mason Financial Group effected during the year had been taken place at the beginning of the year, the revenue and loss of the Group would have been HK\$72,480,000 and HK\$791,856,000 respectively.

Acquisition of Jubilant Link Group

In September 2016, Jubilant Link entered into two sale and purchase agreements with certain third parties to acquire 100% equity interests of RHL, 100% equity interests of Victory and 60% equity interests of Leader (collectively referred to as “Jubilant Link Group”) at a cash consideration of HK\$282,776,000 and allotment of 8,996 issued shares of Jubilant Link, representing 44.98% of total issued share capital of Jubilant Link, upon the completion of the acquisition.

The principal activities of Jubilant Link Group are set out in note 17 to the consolidated financial statements. The acquisition of Jubilant Link Group was completed in November 2016.

Acquisition-related costs amounting to HK\$1,322,000 have been excluded from the consideration transferred and have been recognised as an expense in profit or loss under “other operating expenses”.

30. 收購附屬公司(續)

(a) 業務合併(續)

收購民信金融集團(續)

自收購後，民信金融集團已為本集團貢獻收益61,023,000港元及虧損136,922,000港元。倘於年內進行的民信金融集團收購於年初進行，則本集團的收益及虧損將分別為72,480,000港元及791,856,000港元。

收購欣連集團

於二零一六年九月，欣連與若干第三方訂立兩份買賣協議，收購RHL 100%股權、勝利100%股權及領勝60%股權（統稱為「欣連集團」），現金代價282,776,000港元及配發欣連8,996股已發行股份，佔欣連於收購完成後全部已發行股份44.98%。

欣連集團之主要業務載於綜合財務報表附註17。收購欣連集團已於二零一六年十一月完成。

收購相關成本1,322,000港元已自轉讓代價中扣除，並已於損益中確認為「其他經營支出」項下的支出。



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綜合財務報表附註

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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) Business combinations (Cont'd)

Acquisition of Jubilant Link Group (Cont'd)

In respect of the acquisition of Jubilant Link Group, the fair value of trade and other receivables acquired amounted to HK\$4,272,000. The gross contractual amount of the receivables is HK\$4,418,000, HK\$146,000 of which is expected to be uncollectible.

The Group appointed an independent professional valuer, Avista, to perform valuations at the date of acquisition for the purpose of accounting for the acquisition of Jubilant Link Group according to HKFRS 3 (Revised). The fair value of the identifiable assets acquired and liabilities assumed has been determined based on the valuation approach as determined by Avista. The fair value of the brand name called “Reproductive HealthCare” of HK\$201,900,000 is determined by income-based approach using the discount rate of 15% per annum.

The Group has selected to measure the non-controlling interests at their proportionate interests in the identifiable assets and liabilities of Jubilant Link Group.

Since acquisition, Jubilant Link Group has contributed revenue of HK\$23,651,000 and a profit of HK\$5,487,000 to the Group. If the acquisition of Jubilant Link Group effected during the year had been taken place at the beginning of the year, the revenue and loss of the Group would have been HK\$179,867,000 and HK\$762,792,000 respectively.

30. 收購附屬公司(續)

(a) 業務合併(續)

收購欣連集團(續)

就收購欣連集團而言，貿易及其他應收款項公平值達4,272,000港元。應收款項總合約金額為4,418,000港元，其中146,000港元預期不可收回。

本集團委聘獨立專業估值師艾華迪於收購日進行估值，以根據香港財務報告準則第3號(經修訂)將收購欣連集團入賬。已收購可識別資產及所承擔負債公平值乃基於艾華迪所釐定估值方式進行釐定。品牌名稱「寶德醫務」公平值201,900,000港元乃按收益法使用按年折現率15%釐定。

本集團已選擇按非控股權益於欣連集團可識別資產及負債中的權益比例計量非控股權益。

自收購後，欣連集團已為本集團貢獻收益23,651,000港元及溢利5,487,000港元。倘於年內進行的欣連集團收購於年初進行，則本集團的收益及虧損將分別為179,867,000港元及762,792,000港元。

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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) Business combinations (Cont'd)

Acquisition of Shining Time Group

In December 2016, Pioneer Leap entered into an investment agreement with two third parties to acquire 55% equity interests of Shining Time and its subsidiaries (collectively referred to as “Shining Time Group”) at an aggregate consideration of RMB409,200,000 (equivalent to approximately HK\$458,304,000) as a loan to the vendors. The burden of the loan was simultaneously novated to Shining Time and settled by the allotment and issuance of 5,500 ordinary shares of Shining Time (the “Consideration Shares”) to Pioneer Leap, representing 55% of equity interests of Shining Time upon completion of the acquisition, at the issue price of RMB74,400 (equivalent to approximately HK\$83,328) per share.

If the results attributable to the equity holders of Shining Time Group for the years ended/ending 31 December 2016, 2017 and 2018 have been/would have been less or more than RMB62,000,000 (equivalent to approximately HK\$69,440,000), RMB85,000,000 (equivalent to approximately HK\$95,200,000) and RMB120,000,000 (equivalent to approximately HK\$134,400,000) by 5% (“Target Results”) respectively, the number of the Consideration Shares is required to be adjusted. In any event, if the transfer of the Consideration Shares to/from the vendors leads to the shareholding percentage of Pioneer Leap in Shining Time falls below 50%, Pioneer Leap has the option to pay cash in lieu of the Consideration Shares. Given that Shining Time Group did not achieve the lower limit of Target Result for the year ended 31 December 2016, the number of Consideration Shares is not adjusted. In the opinion of the directors, the probability of achieving the upper limit of Target Results by Shining Time Group for the years ending 31 December 2017 and 2018 is remote.

30. 收購附屬公司(續)

(a) 業務合併(續)

收購亮時集團

於二零一六年十二月，鋒躍與兩名第三方訂立投資協議，收購亮時及其附屬公司(「亮時集團」)之55%股權，合共代價為人民幣409,200,000元(相當於約458,304,000港元)，作為付予賣方之貸款。貸款責任將同時更替至亮時，並透過按發行價每股人民幣74,400元(相當於約83,328港元)向鋒躍配發及發行5,500股亮時普通股(「代價股份」，佔收購完成後亮時股權的55%)清償。

倘截至二零一六年、二零一七年及二零一八年十二月三十一日止年度亮時集團權益持有人應佔業績少於或多於人民幣62,000,000元(相當於約69,440,000港元)、人民幣85,000,000元(相當於約95,200,000港元)及人民幣120,000,000元(相當於約134,400,000港元)(浮動5%)(「目標業績」)，代價股份數目須作出調整。於任何情況下，倘代價股份轉至／轉自賣方導致鋒躍於亮時的股權百分比低於50%，鋒躍可選擇以現金支付代價股份。由於亮時集團未能達到截至二零一六年十二月三十一日止年度的目標業績下限，並未就代價股份數目作出調整。董事認為，亮時集團達至截至二零一七年及二零一八年十二月三十一日止年度目標業績上限的可能性渺茫。



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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) Business combinations (Cont'd)

Acquisition of Shining Time Group (Cont'd)

At the end of the reporting period, the consideration of RMB60,000,000 (equivalent to approximately HK\$67,008,000) has been paid and the balance of consideration of RMB349,200,000 (equivalent to approximately HK\$391,296,000) has been recognised in “trade and other payables” in the consolidated financial statements and Pioneer Leap has received 5,500 ordinary shares of Shining Time.

Pursuant to the investment agreement, Pioneer Leap also granted a loan of RMB140,800,000 (equivalent to approximately HK\$157,696,000) to one of the vendors, which has a maturity period of 36 months and carries interest at a rate of 8% per annum. At the end of the reporting period, none of the loan facility has been drawdown by the vendor. Upon completion of the acquisition, the vendor becomes a connected entity of the Group, details of which are set out in note 35 to the consolidated financial statements.

The principal activities of Shining Time Group are franchising of mother-infant-children products through a regional network of corporate and franchise retail stores in the PRC. The acquisition of Shining Time Group was completed in December 2016.

30. 收購附屬公司(續)

(a) 業務合併(續)

收購亮時集團(續)

於呈報期結算日，已支付代價人民幣60,000,000元(相當於約67,008,000港元)，餘下代價人民幣349,200,000元(相當於約391,296,000港元)已於綜合財務報表內「貿易及其他應付款項」項下確認，鋒躍已收到亮時5,500股普通股。

根據投資協議，鋒躍亦向賣方授出貸款人民幣140,800,000元(相當於約157,696,000港元)，36個月到期及按年利率8厘計息。於呈報期結算日，賣方概無提取貸款融資。於收購完成後，賣方成為本集團關聯實體，有關詳情載於綜合財務報表附註35。

亮時集團之主要業務為透過中國區域企業及特許運營商零售店進行母嬰童產品特許運營。收購亮時集團已於二零一六年十二月完成。



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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) Business combinations (Cont'd)

Acquisition of Shining Time Group (Cont'd)

The Group appointed an independent professional valuer, Avista, to perform valuations at the date of acquisition for the purpose of accounting for the acquisition of Shining Time Group at the date of acquisition according to HKFRS 3 (Revised). The fair value of the identifiable assets acquired and liabilities assumed has been determined based on the valuation approach as determined by Avista. The fair value of brand name called “愛嬰島” of HK\$438,911,000 and franchisee relationship of HK\$10,967,000 are determined by income-based approach using the discount rates of 20.5% and 19% per annum respectively. The fair value of computer software and system approximates its carrying amount of HK\$30,661,000. The fair value of the contingency in respect of the adjustment on the number of Consideration Shares is minimal in view of the fact that the probability of achieving the upper limit Target Results of Shining Time Group for the years ending 31 December 2017 and 2018 is remote.

Acquisition-related costs amounting to HK\$2,481,000 have been excluded from the consideration transferred and have been recognised as an expense in profit or loss under “other operating expenses”.

30. 收購附屬公司(續)

(a) 業務合併(續)

收購亮時集團(續)

本集團委聘獨立專業估值師艾華迪於收購日進行估值，以根據香港財務報告準則第3號(經修訂)將收購亮時集團入賬。已收購可識別資產及所承擔負債公平值乃基於艾華迪所釐定估值方式進行釐定。品牌名稱「愛嬰島」公平值438,911,000港元及特許經營商關係10,967,000港元乃按收益法分別使用按年折現率20.5%及19%釐定。電腦軟件及系統公平值與其賬面值30,661,000港元相若。鑒於亮時集團取得截至二零一七年及二零一八年十二月三十一日止年度目標業績上限的可能性渺茫，調整代價股份數目相關或然事項公平值微小。

收購相關成本2,481,000港元已自轉讓代價中扣除，並已於損益中確認為「其他經營支出」項下的支出。



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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) Business combinations (Cont'd)

Acquisition of Shining Time Group (Cont'd)

In respect of the acquisition of Shining Time Group, the fair value of trade and other receivables acquired amounted to HK\$273,170,000. The gross contractual amount of the receivables is HK\$273,170,000, none of which is expected to be uncollectible.

The Group has selected to measure the non-controlling interests at their proportionate interests in identifiable assets and liabilities of Shining Time Group.

Since acquisition, Shining Time Group has no contribution to the revenue and results of the Group. If the acquisition of Shining Time Group effected during the year had been taken place at the beginning of the year, the revenue and loss of the Group would have been HK\$192,678,000 and HK\$775,726,000 respectively.

30. 收購附屬公司(續)

(a) 業務合併(續)

收購亮時集團(續)

就收購亮時集團而言，貿易及其他應收款項公平值達273,170,000港元。應收款項總合約金額為273,170,000港元，預期當中概無不可收回。

本集團已選擇按非控股權益於亮時集團可識別資產及負債中的權益比例計量非控股權益。

自收購後，亮時集團並無為本集團貢獻收益及業績。倘於年內進行的亮時集團收購於年初進行，則本集團的收益及虧損將分別為192,678,000港元及775,726,000港元。

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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

30. 收購附屬公司(續)

(a) Business combinations (Cont'd)

(a) 業務合併(續)

The following summarises the consideration paid, the assets acquired and liabilities assumed and non-controlling interest recognised at the date of the respective acquisitions:

以下概述於相關收購日期的已付代價、已收購資產、所承擔負債及已確認非控股權益：

		Mason Financial Group 民信金融集團 HK\$'000 千港元	Jubilant Link Group 欣連集團 HK\$'000 千港元	Shining Time Group 亮時集團 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Consideration	代價				
Cash consideration	現金代價	415,069	282,776	458,304	1,156,149
Recognised amounts of identifiable assets acquired and liabilities assumed	確認收購之可識別資產及所承擔負債之金額				
Property, plant and equipment	物業、廠房及設備	4,259	3,228	28,510	35,997
Intangible assets	無形資產	99,077	201,900	480,684	781,661
Deferred tax assets	遞延稅項資產	-	165	-	165
Other non-current deposits paid	已付其他非流動按金	7,023	-	318	7,341
Inventories	存貨	-	2,167	217,454	219,621
Trade and other receivables	貿易及其他應收款項	428,945	4,272	273,170	706,387
Tax recoverable	可收回稅項	-	329	-	329
Pledged bank deposits	已抵押銀行存款	-	-	22,359	22,359
Bank balances and cash – general accounts	銀行結餘及現金 – 一般賬戶	221,597	17,020	4,379	242,996
Bank balances and cash – trust and segregate accounts	銀行結餘及現金 – 信託及獨立賬戶	639,673	-	-	639,673
Trade and bills payables	貿易及應付票據	(688,494)	(3,051)	(107,451)	(798,996)
Other payables	其他應付款項	(1,882)	(6,575)	(452,595)	(461,052)
Interest-bearing borrowings	計息借款	(375,000)	-	-	(375,000)
Tax payables	應付稅項	-	(1,674)	(3,834)	(5,508)
Deferred tax liabilities	遞延稅項負債	(14,202)	(33,314)	(112,469)	(159,985)
Total identifiable net assets	可識別淨資產總額	320,996	184,467	350,525	855,988
Non-controlling interests	非控股權益	-	(84,987)	(157,736)	(242,723)
Goodwill arising on acquisitions (note 16)	收購產生之商譽 (附註16)	94,073	183,296	265,515	542,884
		415,069	282,776	458,304	1,156,149
Net cash flow on acquisition of subsidiaries	收購附屬公司現金流轉淨額				
Cash acquired from subsidiaries	自附屬公司取得之現金	221,597	17,020	4,379	242,996
Cash consideration	現金代價	(415,069)	(282,776)	(458,304)	(1,156,149)
Add: Deposits for acquisition of subsidiaries paid in previous year	加：過往年度收購附屬公司之已付按金	219,556	-	-	219,556
Add: Consideration payable (note 25(d))	加：應付代價(附註25(d))	-	-	391,296	391,296
Net inflow (outflow) of cash and cash equivalents	現金及現金等值流入(流出)淨額	26,084	(265,756)	(62,629)	(302,301)



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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) Business combinations (Cont'd)

Goodwill arising from the above acquisitions is attributable to the expected revenue growth, future market development and assembled workforce that cannot be separately recognised due to their nature. None of goodwill recognised is expected to be deductible for income tax purposes.

(b) Acquisition of assets

In August 2015, the Group entered into a sale and purchase agreement with two third parties to acquire the entire equity interests of Thomas Global at an aggregate cash consideration of HK\$7,085,000. The principal activity of Thomas Global is provision of brokerage services. The acquisition of Thomas Global was completed in February 2016.

In June 2015, the Group entered into a sale and purchase agreement with two third parties to acquire the entire equity interests of Enerchine at an aggregate cash consideration of HK\$10,000,000. The principal activity of Enerchine is provision of securities advisory and asset management services. The acquisition of Enerchine was completed in June 2016.

30. 收購附屬公司(續)

(a) 業務合併(續)

上述收購產生之商譽歸因於預期收益增加、未來市場開發以及因其屬性無法單獨確認之配套勞動力。已確認之商譽預期並未就所得稅作出扣減。

(b) 收購資產

於二零一五年八月，本集團與兩名第三方訂立買賣協議，以收購石匠環球的全部股權，總現金代價為7,085,000港元。石匠環球的主要業務為提供經紀服務。收購石匠環球於二零一六年二月完成。

於二零一五年六月，本集團與兩名第三方訂立買賣協議，以收購威華的全部股權，總現金代價為10,000,000港元。威華的主要業務為提供證券諮詢及資產管理服務。收購威華於二零一六年六月完成。

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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(b) Acquisition of assets (Cont'd)

In October 2016, the Group entered into a subscription and capitalisation agreement with two third parties and a sale and purchase agreement with one of these two third parties, who is the original shareholder of HKMS ("HKMS Founder"), to acquire 47% equity interests of HKMS at an aggregate cash consideration of HK\$35,250,000. The principal activity of HKMS is investment holding. The acquisition of HKMS was completed in October 2016. Pursuant to the subscription and capitalisation agreement, the voting power of 4% equity interests in HKMS held by HKMS Founder is given to the Group and HKMS Founder would for this purpose entering into any documents including proxy forms as required by the Group from time to time. In the opinion of the directors, the Group has 51% voting power of HKMS and has obtained control over HKMS upon completion of the acquisition.

The above acquisitions have been accounted for as acquisitions of assets and liabilities during the year as they are not business combination.

30. 收購附屬公司(續)

(b) 收購資產(續)

於二零一六年十月，本集團與兩名第三方訂立認購及資本化協議，及與該等兩名第三方之一(香港按揭之原始股東(「香港按揭創始人」))訂立買賣協議，以收購香港按揭47%的股權，總現金代價為35,250,000港元。香港按揭之主要業務為投資控股。收購香港按揭於二零一六年十月完成。根據認購及資本化協議，香港按揭創始人所持香港按揭4%股權的投票權被授予本集團，且香港按揭創始人將就此不時訂立本集團規定的任何文件(包括代表委任表格)。董事認為，本集團擁有香港按揭51%的投票權，且於完成收購後對香港按揭擁有控股權。

由於彼等並無業務合併，上述收購於年內並未入賬列作收購資產及負債。



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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(b) Acquisition of assets (Cont'd)

The following summarises the consideration paid and the assets acquired and liabilities assumed at the date of acquisitions:

		Thomas Global 石匠環球 HK\$'000 千港元	Enerchine 威華 HK\$'000 千港元	HKMS 香港按揭 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Consideration	代價				
Cash consideration	現金代價	7,085	10,000	35,250	52,335
Recognised amounts of identifiable assets acquired and liabilities assumed	確認收購之可識別資產及所承擔負債之金額				
Property, plant and equipment	物業、廠房及設備	1	-	-	1
Intangible assets	無形資產	3,110	4,597	-	7,707
Available-for-sale financial assets	可供出售財務資產	-	-	74,926	74,926
Other non-current deposits paid	已付其他非流動按金	200	-	-	200
Accounts and other receivables	應收及其他應收款項	232	750	550	1,532
Bank balances and cash	銀行結餘及現金				
- general accounts	- 一般賬戶	3,837	4,999	56	8,892
Accounts payables	應付款項	(147)	-	-	(147)
Other payables	其他應付款項	(148)	(174)	(540)	(862)
Tax payables	應付稅項	-	(172)	-	(172)
Total identifiable net assets	可識別淨資產總額	7,085	10,000	74,992	92,077
Non-controlling interests	非控股權益	-	-	(39,742)	(39,742)
		7,085	10,000	35,250	52,335
Net cash flow on acquisition of subsidiaries	收購附屬公司現金流轉淨額				
Cash acquired from subsidiaries	自附屬公司取得之現金	3,837	4,999	56	8,892
Cash consideration	現金代價	(7,085)	(10,000)	(35,250)	(52,335)
Add: Deposits for acquisition of subsidiaries paid in previous year	加：過往年度收購附屬公司之已付按金	1,000	3,000	-	4,000
Net outflow of cash and cash equivalents	現金及現金等值流出淨額	(2,248)	(2,001)	(35,194)	(39,443)

30. 收購附屬公司(續)

(b) 收購資產(續)

以下概述於收購日期的已付代價、已收購資產及所承擔負債：

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30. ACQUISITION OF SUBSIDIARIES (Cont'd)

(b) Acquisition of assets (Cont'd)

In respect of acquisitions of above subsidiaries, the fair value of account and other receivables acquired amounted to HK\$1,532,000. The gross contractual amount of the receivables is HK\$2,132,000, HK\$600,000 of which is expected to be uncollectible.

Since acquisition, the above subsidiaries have contributed revenue of HK\$144,000 and a loss of HK\$1,586,000 to the Group. If the acquisition of the above subsidiaries effected during the year had been taken place at the beginning of the year, the revenue and loss for the Group would have been HK\$66,657,000 and HK\$791,230,000 respectively.

31. DISPOSAL OF SUBSIDIARIES

Disposal of Mind Stone & Co-Lead Group

In January 2016, Co-Lead, a non-wholly owned subsidiary, issued 41 ordinary shares to a third-party investor at a cash consideration of HK\$15,908,000. Upon completion of the share subscription, the Group's equity interests in Co-Lead were reduced from 53.07% to 52.69%, resulting in an increase in non-controlling interests of HK\$14,913,000 and an increase in equity attributable to equity holders of the Company of HK\$995,000.

In March 2016, the Group entered into a share transfer agreement with a third-party, to dispose of i) its 100% equity interests in Mind Stone Investments Limited, which in turn held 9.54% equity interests in Co-Lead; ii) 43.15% equity interests in Co-Lead (collectively referred to as the "Mind Stone & Co-Lead Group"), representing a total of 52.69% equity interests in Co-Lead, at an aggregate cash consideration of HK\$1,200,000,000. The principal activities of the Mind Stone & Co-Lead Group are trading of investments, provision of financing services and investment holding. The disposal transaction was completed in July 2016.

30. 收購附屬公司(續)

(b) 收購資產(續)

就收購上述附屬公司而言，已取得賬款及其他應收款項之公平值為1,532,000港元。應收款項之總合約款項為2,132,000港元，其中600,000港元預期不可收回。

自收購起，上述附屬公司向本集團貢獻收益144,000港元及虧損1,586,000港元。倘於年內收購上述附屬公司已於年初完成，本集團之收益及虧損分別為66,657,000港元及791,230,000港元。

31. 出售附屬公司

出售Mind Stone及Co-Lead集團

於二零一六年一月，非全資附屬公司Co-Lead向一名第三方投資者發行41股普通股，現金代價為15,908,000港元。股份認購完成後，本集團於Co-Lead之股權由53.07%減少至52.69%，導致非控股權益增加14,913,000港元，本公司權益持有人應佔權益增加995,000港元。

於二零一六年三月，本集團與一名第三方訂立股份轉讓協議，出售i)其於Mind Stone Investments Limited (持有Co-Lead的9.54%股權)的100%股權；ii)Co-Lead的43.15%股權(統稱為「Mind Stone及Co-Lead集團」)，相當於合共Co-Lead52.69%股權，總現金代價為1,200,000,000港元。Mind Stone及Co-Lead集團的主要業務為買賣投資、提供融資服務及投資控股。出售交易於二零一六年七月完成。



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31. DISPOSAL OF SUBSIDIARIES (Cont'd)

Disposal of Willie Link

In March 2016, the Group entered into a sale and purchase agreement with a third-party to dispose of 45 ordinary shares of Willie Link (representing 45% of issued share capital) at an aggregate cash consideration of HK\$200,000,000. Upon completion of the disposal, the Group's equity interests in Willie Link were reduced from 100% to 55%, resulting in an increase in non-controlling interests of HK\$207,333,000 and a decrease in equity attributable to equity holders of the Company of HK\$7,333,000.

In November 2016, the Group entered into a sale and purchase agreement with a third-party to dispose of the remaining 55 ordinary shares of Willie Link (representing 55% of issued share capital) at an aggregate cash consideration of HK\$200,000,000. The disposal was completed in December 2016.

31. 出售附屬公司(續)

出售Willie Link

二零一六年三月，本集團與第三方訂立買賣協議以出售Willie Link 45股普通股(相當於已發行股本的45%)，總現金代價為200,000,000港元。出售完成後，本集團於Willie Link之股權由100%減少至55%，導致非控股權益增加207,333,000港元，本公司權益持有人應佔權益減少7,333,000港元。

二零一六年十一月，本集團與第三方訂立買賣協議以出售Willie Link 55股普通股(相當於已發行股本的55%)，總現金代價為200,000,000港元。出售於二零一六年十二月完成。

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31. DISPOSAL OF SUBSIDIARIES (Cont'd)

The following summarises the consideration received and the carrying amount of the assets and liabilities at the date of disposal:

31. 出售附屬公司(續)

以下概述出售日期之已收代價以及資產及負債之賬面值：

		Mind Stone & Co-Lead Group Mind Stone 及Co-Lead 集團 HK\$'000 千港元	Willie Link Willie Link HK\$'000 千港元	Other subsidiaries 其他附屬公司 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Net assets disposed of	被出售之淨資產				
Interests in an associate	一家聯營公司之權益	-	475,066	-	475,066
Available-for-sale financial assets	可供出售財務資產	15,009	-	-	15,009
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	1,574,469	-	-	1,574,469
Loans receivables	應收貸款	252,371	-	-	252,371
Other receivables	其他應收款項	-	-	2	2
Bank balances and cash	銀行結餘及現金	1,515	-	88	1,603
Other payables	其他應付款項	(35,746)	-	(67)	(35,813)
Convertible bonds	可換股債券	(131,000)	-	-	(131,000)
Interest-bearing borrowings	計息銀行借款	(150,000)	-	-	(150,000)
Tax payables	應付稅項	(263)	-	-	(263)
		1,526,355	475,066	23	2,001,444
Non-controlling interests at date of disposal	於出售日期之非控股權益	(722,170)	(213,780)	-	(935,950)
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of subsidiaries	出售附屬公司時終止確認可供出售財務資產	(9,587)	-	-	(9,587)
Derecognition of foreign currency translation reserve upon disposal of subsidiaries	出售附屬公司時終止確認外幣匯兌差額	-	(2,788)	-	(2,788)
Derecognition of capital reserve upon disposal of subsidiaries	出售附屬公司時終止確認資本儲備	-	(10,075)	-	(10,075)
Gain (Loss) on disposal of subsidiaries	出售附屬公司之收益(虧損)	405,402	(48,423)	27	357,006
		1,200,000	200,000	50	1,400,050
Consideration received	已收代價				
Cash consideration	現金代價	1,200,000	200,000	50	1,400,050
Net cash flow on disposal of subsidiaries	出售附屬公司之現金流轉淨額				
Cash consideration	現金代價	1,200,000	200,000	50	1,400,050
Cash and cash equivalents disposed of	被出售之現金及現金等值	(1,515)	-	(88)	(1,603)
Net inflow (outflow) of cash and cash equivalents	現金及現金等值之流入(流出)淨額	1,198,485	200,000	(38)	1,398,447



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32. SHARE OPTION SCHEME

On 22 May 2012, with approval by the shareholders, the Company adopted a share option scheme (the “Scheme”) for a period of ten years to replace the share option scheme approved on 20 November 2002 that would otherwise expire on 20 November 2012. Under the Scheme, the board of directors of the Company may grant options to eligible employees including directors of the Company and its subsidiaries and any other persons including consultants, advisors, agents, customers, suppliers, etc. to subscribe for shares in the Company. The purpose of the Scheme is to provide participants with the opportunity to acquire proprietary interest in the Company and to encourage the participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and the shareholders as a whole.

The maximum number of shares in respect of which options may be granted and yet to be exercised under the Scheme and other share option scheme of the Company is not permitted to exceed 10% of the total number of shares of the Company in issue from time to time, without prior approval from the Company’s shareholders, which was 1,843,733,288 shares. The total number of shares which may be issued upon exercise of all options to be granted under the Scheme to any individual in any 12-month period is not permitted to exceed 1% of the total number of shares of the Company in issue, without prior approval from the Company’s shareholders. Options granted to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates in excess of 0.1% of the Company’s shares in issue and having an aggregate value in excess of HK\$5,000,000 must be subject to prior approval by the Company’s shareholders.

32. 購股權計劃

於二零一二年五月二十二日經股東批准，本公司採納十年期購股權計劃（「該計劃」），以代替於二零零二年十一月二十日批准之購股權計劃（其於二零一二年十一月二十日屆滿）。根據該計劃，本公司董事會可授出購股權予合資格僱員（包括本公司及其附屬公司之董事）及任何其他人士（包括顧問、諮詢人、代理人、客戶、供應商等），以認購本公司股份。該計劃旨在向參與者提供機會以獲取本公司的股本權益，並鼓勵參與者為提高本公司及其股份價值而作出努力，以符合本公司及股東的整體利益。

未經本公司股東事先批准，根據該計劃及本公司任何其他購股權計劃授出但尚未行使之購股權所涉及之股份最多不得超過本公司不時已發行股份總數之10%，即1,843,733,288股股份。未經本公司股東事先批准，於任何十二個月期間因行使該計劃授出之所有購股權而可能發行予任何個人之股份總數不得超過本公司已發行股份總數之1%。倘授予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士之購股權所涉及之股份數目超過本公司已發行股份之0.1%，且總價值超過5,000,000港元，則必須經本公司股東預先批准。

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32. SHARE OPTION SCHEME (Cont'd)

Under the Scheme, an amount of HK\$1 is payable on the grant of an option. Options may be exercised no later than ten years from the date of grant of the share option. The exercise price is determined by the directors of the Company, and will not be less than the higher of the closing price of the Company's shares on the date of grant and the average closing price of the shares for the five business days immediately preceding the date of grant.

No share options under the Scheme were granted/exercised for both years nor outstanding as at 31 December 2016 and 2015.

33. RETIREMENT SCHEME

The Group has provided for its eligible employees a defined contribution retirement scheme under Mandatory Provident Fund Scheme (the "MPF Scheme"). The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund managed by independent trustees. Under the MPF Scheme, the Group and each of the employees make monthly contributions to the scheme at 5% of the employees' relevant income as defined under the Mandatory Provident Fund legislation, which are subject to a cap of HK\$1,500.

During the year, the amount of employer's contributions made by the Group to the defined contribution retirement scheme was approximately HK\$1,514,000 (2015: HK\$266,000).

34. MAJOR NON-CASH TRANSACTION

As mentioned in note 30(a) to the consolidated financial statements, part of the consideration for the acquisition of Jubilant Link Group is settled by 8,996 ordinary shares of Jubilant Link, representing 44.98% of total issued capital of Jubilant Link.

32. 購股權計劃(續)

根據該計劃，獲授每份購股權須支付1港元。購股權可自購股權授出日期起十年內行使。行使價由本公司董事釐定，須不低於本公司股份於授出日期之收市價及股份於緊接授出日期前五個營業日之平均收市價兩者中之較高者。

於截至二零一六年及二零一五年十二月三十一日止兩個年度並無根據該計劃授出／行使任何購股權，而截至該日亦無該計劃所涉購股權尚未行使。

33. 退休計劃

本集團為其合資格僱員安排參與強制性公積金計劃(「強積金計劃」)的界定供款退休計劃。強積金計劃的資產與本集團資產分開，存放於獨立受託人獨立管理的基金。根據強積金計劃，本集團及各僱員每月按強積金計劃法規界定的僱員相關收入之5%向該計劃供款，惟以1,500港元作上限。

於本年度內，本集團向界定供款退休計劃所作僱主供款數額約為1,514,000港元(二零一五年：266,000港元)。

34. 主要非現金交易

誠如綜合財務報表附註30(a)所述，收購欣連集團的部分代價以欣連的8,996股普通股(相當於欣連已發行股本總額的44.98%)結算。



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35. CONTINUING CONNECTED TRANSACTION AND RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with connected and related parties during the year:

Continuing connected transaction

Loan granted to a non-controlling shareholder of a subsidiary

The Group granted a loan of RMB140,800,000 (equivalent to approximately HK\$157,696,000) to one of the vendors of Shining Time on 31 December 2016, which has a maturity period of 36 months and carries interest at a rate of 8% per annum. At the end of the reporting period, none of the loan has been drawdown by the vendor. Upon the completion of the acquisition, the vendor becomes a connected entity of the Group. The loan granted to the non-controlling shareholder of a subsidiary constitutes a continuing connected transaction under the Listing Rules and the relevant disclosures are made in the directors' report in the Company's 2016 annual report.

Related party transactions

Compensation of key management personnel

The remuneration of the Company's directors during the year is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Directors' fees	董事袍金	1,757	750
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	8,658	1,896
Severance payments	遣散費	-	1,004
Contributions to defined contribution retirement schemes	定額供款退休計劃 供款	29	42
		10,444	3,692

The remuneration of the Company's directors is reviewed by the Remuneration Committee having regard to the performance of individuals and market trends.

Further details of the emoluments of the Company's directors are included in note 9 to the consolidated financial statements.

35. 持續關連交易及關聯方交易

除於綜合財務報表其他部分所披露外，本集團於本年度內與關連及關聯方進行之交易如下：

持續關連交易

授予附屬公司之非控股股東之貸款

本集團於二零一六年十二月三十一日向亮時之賣方授予貸款人民幣140,800,000元(相當於約157,696,000港元)，到期日為36個月，按年利率8厘計息。於呈報期結算日，賣方並未提取貸款。於完成收購後，賣方成為本集團的關連實體。授予附屬公司非控股股東之貸款構成上市規則項下之持續關連交易，而相關披露乃於本公司二零一六年年報的董事報告中作出。

關聯方交易

主要管理人員之酬金

本年度內，本公司董事之酬金如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Directors' fees	1,757	750
Salaries, allowances and benefits in kind	8,658	1,896
Severance payments	-	1,004
Contributions to defined contribution retirement schemes	29	42
	10,444	3,692

本公司董事之酬金由薪酬委員會參考個人表現及市場趨勢作出檢討。

本公司董事酬金的進一步詳情載於綜合財務報表附註9。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's financial instruments include financial assets at fair value through profit or loss, loans receivables, trade and other receivables, available-for-sale financial assets, pledged bank deposits, bank balances and cash, interest-bearing borrowings, trade and other payables. The accounting policies for financial instruments have been applied to the line items below.

36. 財務風險管理目標及政策

本集團之金融工具包括按公平值計入損益之財務資產、應收貸款、貿易及其他應收款項、可供出售財務資產、已抵押銀行存款、銀行結餘及現金、計息借款以及貿易及其他應付款項。金融工具的會計政策已應用於以下項目中。

		Loans and receivables 貸款及應收款項 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值計入損益之財務資產 HK\$'000 千港元	Available-for-sale financial assets 可供出售財務資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2016					
Financial assets					
Available-for-sale financial assets	可供出售財務資產	-	-	665,461	665,461
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	-	499,093	-	499,093
Loans receivables	應收貸款	910,510	-	-	910,510
Trade and other receivables	貿易及其他應收款項	742,156	-	-	742,156
Pledged bank deposits	已抵押銀行存款	22,359	-	-	22,359
Bank balances and cash	銀行結餘及現金	651,419	-	-	651,419
Total	總計	2,326,444	499,093	665,461	3,490,998
		Amortised cost 攤銷成本 HK\$'000 千港元			
Financial liabilities					
Trade and other payables	貿易及其他應付款項				1,006,361
Interest-bearing borrowings	計息借款				320,000
Total	總計				1,326,361

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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd) 36. 財務風險管理目標及政策(續)

		Loans and receivables	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Total
		貸款及應收款項	計入損益之財務資產	可供出售財務資產	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31 December 2015	於二零一五年十二月三十一日				
Financial assets	財務資產				
Available-for-sale financial assets	可供出售財務資產	-	-	90,000	90,000
Deposit paid for acquisition of subsidiaries	就收購附屬公司已付按金	223,556	-	-	223,556
Deposit paid for acquisition of available-for-sale financial assets	就收購可供出售財務資產已付按金	63,472	-	-	63,472
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	-	2,898,407	-	2,898,407
Loans receivables	應收貸款	155,968	-	-	155,968
Other receivables	其他應收款項	40,145	-	-	40,145
Bank balances and cash	銀行結餘及現金	444,684	-	-	444,684
Total	總計	927,825	2,898,407	90,000	3,916,232
				Amortised cost	
				攤銷成本	
				HK\$'000	
				千港元	
Financial liabilities	財務負債				
Other payables	其他應付款項				36,601
Interest-bearing borrowings	計息借款				316,143
Total	總計				352,744

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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, equity price risk, credit risk and liquidity risk. The Group does not have any written risk management policies and guidelines except for monitoring the credit risk on loans receivables and trade and accounts receivables. However, the board of directors generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's loans receivables and interest-bearing borrowings. The Group does not use derivative financial instruments to hedge its interest rate risk.

At the end of the reporting period, if interest rates had been 100 basis points (2015: 100 basis points) higher or lower while all other variables were held constant, the Group's net loss for the year would decrease or increase by approximately HK\$6,300,000 (2015: net profit for the year would decrease or increase by approximately HK\$2,961,000).

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 all financial instruments in existence at that date. The 100 basis points (2015: 100 basis points) 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 was performed on the same basis for 2015.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

36. 財務風險管理目標及政策(續)

本集團金融工具所產生之主要風險為利率風險、外幣風險、股本價格風險、信貸風險及流動資金風險。除監察應收貸款以及貿易及應收賬款相關信貸風險外，本集團並無任何明文之風險管理政策及指引。然而，董事會一般就其風險管理採取保守策略，並將本集團所承擔之風險限制在最低水平。董事會檢討及同意管理上述各種風險之相關政策，各風險概述如下。

利率風險

本集團因利率變動而承擔之市場風險主要與本集團應收貸款及計息借款有關。本集團並無使用衍生金融工具對沖利率風險。

於呈報期結算日，倘利率上升或下降100個基點(二零一五年：100個基點)而其他所有變量維持不變，本集團之淨虧損將減少或增加約6,300,000港元(二零一五年：年度淨溢利減少或增加約2,961,000港元)。

上述敏感度分析之釐定乃假設利率變動於呈報期結算日發生，並已將該變動套用於該日存在之所有金融工具面對之利率風險。增加或減少100個基點(二零一五年：100個基點)指管理層評估利率於直至下一年度呈報期結算日期間之合理可能的變動。二零一五年之分析乃按相同基準進行。

本集團管理層認為，由於呈報期結算日之風險並不反映本年度之風險，故敏感度分析不代表固有利率風險。



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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

Foreign currency risk

The Group mainly operates in Hong Kong and the PRC with majority of business transactions being denominated in Hong Kong dollar, United States dollar and Renminbi.

Certain financial assets and financial liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore, exposed to foreign currency risk. The carrying amounts of those financial assets and liabilities are analysed as follows:

Sensitivity analysis

The following table indicates the approximate change in the Group's loss before taxation (2015: profit before taxation) and equity in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of the reporting period.

		2016 二零一六年		2015 二零一五年	
		Increase/ (decrease) in foreign exchange rates	Effect on loss before taxation and accumulated losses 對除稅前虧損 及累計虧損 之影響	Increase/ (decrease) in foreign exchange rates	Effect on profit before taxation and accumulated profits 對除稅前溢利 及累計溢利 之影響
		%	HK\$'000 千港元	%	HK\$'000 千港元
Renminbi	人民幣	5	N/A 不適用	5	N/A 不適用
		(5)	31,526	(5)	(3,174)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at the date, and that all other variables, in particular interest rates, remain constant.

36. 財務風險管理目標及政策(續)

外幣風險

本集團主要於香港及中國經營大部分業務交易，該等交易均以港元、美元及人民幣計值。

本集團若干財務資產及財務負債乃以各集團實體功能貨幣以外之貨幣計值，因而面臨外幣風險。該等財務資產及負債之賬面值分析如下：

敏感度分析

下表列出於呈報期結算日具重大風險之匯率出現可能合理變動時，本集團除稅前虧損(二零一五年：除稅前溢利)及權益之概約變動。

敏感度分析乃假設匯率變動於呈報期結算日已經發生，並已經應用於本集團各實體就於該日存在的金融工具而面對的貨幣風險，所有其他變量(尤其是利率)保持不變。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

Foreign currency risk (Cont'd)

Sensitivity analysis (Cont'd)

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of the next reporting period. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' profit after tax and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes. The analysis is performed on the same basis for 2015.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent foreign currency risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

Equity price risk

The Group is exposed to equity price risk arising from trading of listed equity securities and financial assets classified as investments held for trading. The sensitivity analysis has been determined based on the exposure to equity price risk.

At the end of the reporting period, if the quoted market prices of the equity securities had been 10% (2015: 15%) higher or lower while all other variables were held constant, the Group's loss before taxation would decrease or increase by approximately HK\$49,909,000 (2015: profit before taxation would increase or decrease by approximately HK\$429,930,000) as a result of changes in fair value of investments.

36. 財務風險管理目標及政策(續)

外幣風險(續)

敏感度分析(續)

上述變動為管理層對匯率於截至下一個年度結算日止期間內的合理可能變動的評估。就此而言，已假設美元價值相對其他貨幣的任何變動不會對港元與美元的掛鈎匯率產生重大影響。上表所載分析結果指為呈列目的而將以對應功能貨幣計量的本集團實體除稅後溢利及權益按呈報期結算日現行匯率兌換為港元的綜合即時影響。於二零一五年之分析乃按相同基準進行。

本集團管理層認為，由於呈報期結算日之風險並不反映本年度之風險，故敏感度分析不代表固有外幣風險。

股本價格風險

本集團之股本價格風險乃來自分類為持作買賣投資之上市股本證券及財務資產。敏感度分析乃基於所承擔之股本價格風險釐定。

於呈報期結算日，倘股本證券之市場報價上升或下降10% (二零一五年：15%) 而其他所有變量維持不變，本集團之除稅前虧損將因投資之公平值變動而減少或增加約49,909,000港元(二零一五年：除稅前溢利將增加或減少約429,930,000港元)。



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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

Equity price risk (Cont'd)

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock prices had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the investments of the Group would change in accordance with the market price and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant market price over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2015.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

Credit risk

The Group's credit risk is primarily attributable to loans receivables, trade and other receivables and bank balances and cash. The carrying amounts of these balances substantially represent the Group's maximum exposure to credit risk at the end of the reporting period.

Credit quality analysis for provision of financing services

The Group regards a loan receivable as impaired if there is objective evidence that a loss event has occurred since initial recognition and the loss event has an impact on future estimated cash flows from the asset.

A loan receivable that has been renegotiated due to a deterioration in the borrower's credit/financial condition is usually considered to be impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

36. 財務風險管理目標及政策(續)

股本價格風險(續)

敏感度分析之釐定乃假設股價之合理可能變動於呈報期結算日已經發生，並已將該變動套用於該日存在之股本價格風險。同時假設本集團投資項目之公平值會隨市價變化，並假設所有其他變量維持不變。所列示之變動指管理層評估相關市價於直至下一年度呈報期結算日期間之合理可能變動。二零一五年之分析乃按相同基準進行。

本集團管理層認為，由於呈報期結算日之風險並不反映本年度之風險，故敏感度分析不代表固有股本價格風險。

信貸風險

本集團信貸風險主要來自應收貸款、貿易及其他應收款項及銀行結餘及現金。該等結餘之賬面值主要指本集團於呈報期結算日所承擔之最大信貸風險。

提供融資服務的信貸質素分析

倘有客觀證據顯示自首次確認以來已發生虧損事件，且虧損事件已對未來估計自資產獲得之現金流量產生影響，則本集團視應收貸款為已減值。

因借款人信貸／財務狀況惡化而重新協定之應收貸款通常被視為已減值，除非有證據顯示無法收取合約現金流量之風險已顯著降低且並無其他減值跡象。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

Credit risk (Cont'd)

Credit quality analysis for provision of financing services (Cont'd)

Management has money lending policies in place and the exposure to the credit risk is monitored on an ongoing basis. The Group provides financing services only with recognised and creditworthy third parties. It is the Group's policy that all these borrowers are subject to credit verification procedures.

Loans receivables that are past due but not impaired are those for which principal payments are past due but the Group believes that impairment is not appropriate on the basis of the level of security or collateral available and/or the stage of collection owed to the Group, if any.

Credit quality for business other than provision of financing services

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

The Group performs credit evaluations on accounts receivables from all clients, including cash clients, margin clients. Accounts receivables from cash client are due within the settlement date commonly adopted by the relevant market convention, which is usually a few days from trade date. Because of the short settlement period involved, credit risk arising from accounts receivables due from cash clients is considered as low. The Group normally obtains liquid securities as collaterals from margin clients of its financial brokerage business.

The Group normally enters into transactions with brokers and clearing houses which are registered with regulatory bodies and with sound reputation in the industry.

36. 財務風險管理目標及政策(續)

信貸風險(續)

提供融資服務的信貸質素分析(續)

管理層已實施借貸政策，並不斷監察信貸風險程度。本集團僅為獲認可且信譽良好之第三方提供融資服務。本集團之政策規定，所有該等借款人均須通過信用核實程序。

已逾期但未減值之應收貸款乃為本金已逾期，但本集團基於現有擔保或抵押品及／或本集團收款階段(若有)認為作出減值並不合適。

提供融資服務以外的業務信貸質素

本集團僅與獲公認兼信譽可靠之第三方進行交易。按照本集團之政策，所有擬按信貸期進行交易的客戶，必須先通過信貸核實程序。

本集團就應收所有客戶(包括現金客戶及孖展客戶)的賬款進行信貸評估。應收現金客戶之賬款乃於相關市場慣例普遍採用之結算日期，一般為交易日後數天內。由於所涉及結算期短，故應收現金客戶賬款產生之信貸風險甚微。本集團一般會向其財務經紀業務的客戶取得流動證券作為抵押品。

本集團一般與已向監管機構註冊並於業內享有良好聲譽之經紀及結算所進行交易。



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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

Credit risk (Cont'd)

Credit quality for business other than provision of financing services (Cont'd)

The Group has limited credit risk with its money deposited in financial institutions and brokers, which are leading and reputable and are assessed as having low credit risk. The Group has not suffered any significant losses arising from the non-performance by these parties in the past and management does not expect this position to change in the future.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each client, customer and borrower. The default risk of the industry in which clients, customers and borrowers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group had a concentration of credit risk as 100% (2015: 100%) and 40% (2015: Nil) of the total loans receivables and trade and accounts receivables respectively, which were due from the Group's five (2015: two) largest borrowers and five (2015: Nil) largest customers.

The Group does not provide any other guarantee which would expose the Group to material credit risk.

The carrying amount of financial assets recorded in the consolidated financial statements, which is net of impairment losses, represented the Group's maximum exposure to credit risk without taken into account the value of any collateral obtained.

36. 財務風險管理目標及政策(續)

信貸風險(續)

提供融資服務以外的業務信貸質素(續)

本集團將其款項存放於領先、知名及據評估信貸風險低之金融機構及證券經紀，故所承擔之信貸風險有限。本集團過往並無因該等人士不履行合約而蒙受任何重大損失，而管理層預期未來該狀況不會變動。

本集團承受信貸風險之程度主要因各客戶、顧客及借人之特性而異。客戶、顧客及借人所從事行業出現拖欠風險亦影響信貸風險，但程度較微。於呈報期結算日，本集團應收其五大(二零一五年：兩大)借人及五大(二零一五年：無)客戶之應收貸款總額以及貿易及應收賬款之信貸風險集中度分別為100%(二零一五年：100%)及40%(二零一五年：無)。

本集團並無提供可能令本集團承受重大信貸風險之任何其他擔保。

記錄於綜合財務報表的財務資產之賬面值(已扣除減值虧損)，指本集團並未計其所得任何抵押物價值的最大信貸風險。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility principally through bank and other borrowings. The Group closely monitors its exposure to liquidity risk by reviewing the cash position report on a daily basis and analysing the efficiency of fund management.

At the end of the reporting period, the Group had loan facility of HK\$75,000,000 (2015: HK\$500,000,000) and margin facilities of HK\$10,000,000 (2015: HK\$328,885,000) from certain financial institutions and brokers to maintain funding flexibility and meet liquidity needs and none (2015: HK\$296,143,000 and HK\$33,332,000) of the facilities were utilised at the end of the reporting period.

The maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period, based on contractual undiscounted payments, and the Group's financial liabilities as at the end of the reporting period, based on the remaining contractual maturities, are summarised below:

		On demand or less than 3 months 按要求或 少於3個月 HK\$'000 千港元	3-12 months 3至12個月 HK\$'000 千港元	1 - 5 years 1至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未折現 現金流總額 HK\$'000 千港元	Total carrying value 總賬面值 HK\$'000 千港元
At 31 December 2016	於二零一六年十二月三十一日						
Trade and other payables	貿易及其他應付款項	1,005,842	519	-	-	1,006,361	1,006,361
Interest-bearing borrowings	計息借款	-	302,833	24,000	-	326,833	320,000
		1,005,842	303,352	24,000	-	1,333,194	1,326,361
At 31 December 2015	於二零一五年十二月三十一日						
Other payables	其他應付款項	35,547	1,054	-	-	36,601	36,601
Interest-bearing borrowings	計息借款	296,143	619	4,000	21,000	321,762	316,143
		331,690	1,673	4,000	21,000	358,363	352,744

36. 財務風險管理目標及政策(續)

流動資金風險

本集團之目標為主要透過銀行及其他借款，在資金延續性與靈活性之間保持平衡。本集團每日審閱現金狀況報告並分析資金管理效益，密切監控流動資金風險。

於呈報期結算日，本集團已獲若干金融機構及證券經紀提供貸款融資75,000,000港元(二零一五年：500,000,000港元)及孖展融資10,000,000港元(二零一五年：328,885,000港元)以保持資金靈活性及應付流動資金需求，且於呈報期結算日並無動用(二零一五年：296,143,000港元及33,332,000港元)。

本集團於呈報期結算日按合約未折現付款計算之非衍生財務負債及本集團於呈報期結算日按餘下合約到期日計算之財務負債之到期情況概述如下：



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37. FAIR VALUE MEASUREMENT

The following presents the assets and liabilities that are measured at fair value or required to disclose their fair value in these financial statements on a recurring basis at 31 December 2016 across the three levels of the fair value hierarchy defined in HKFRS 13 *Fair Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

(a) Fair value hierarchy

Assets and liabilities measured at fair value

		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2016	於二零一六年 十二月三十一日				
Financial assets at fair value through profit or loss	按公平值計入損益之 財務資產				
- investments held for trading (note 21)	- 持作買賣投資 (附註21)	499,093	-	-	499,093
At 31 December 2015	於二零一五年 十二月三十一日				
Financial assets at fair value through profit or loss	按公平值計入損益之 財務資產				
- investments held for trading (note 21)	- 持作買賣投資 (附註21)	2,898,407	-	-	2,898,407

There were neither transfers between Level 1 and Level 2 fair value measurements nor transfers into and out of Level 3 fair value measurement during both reporting periods.

37. 公平值計量

以下以公平值計量或需經常性於本財務報表內披露其公平值之資產及負債於二零一六年十二月三十一日按香港財務報告準則第13號公平值計量所界定之公平值三個等級呈列，而公平值計量是按最低等級輸入數據對其計量有重大影響作整體分類。所界定之輸入等級如下：

- 第1級(最高等級)：本集團於計量日可取得相同資產或負債在活躍市場之報價(未經調整)；
- 第2級：除包括於第1級別之報價外，對於資產或負債之輸入數據乃是可直接或間接從觀察所得；
- 第3級(最低等級)：對於資產或負債之輸入數據乃是非可觀察的。

(a) 公平值等級

按公平值計量之資產及負債

兩個呈報期內，第1級及第2級公平值計量之間並無轉撥，亦無轉入或轉出第3級公平值計量。

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37. FAIR VALUE MEASUREMENT (Cont'd)

(b) Fair values of financial assets and liabilities carried at other than fair value

Except for certain available-for-sale financial assets for which fair value cannot be measured reliably, the carrying amount of the Group's loans receivables, trade and other receivables, trade and other payables that are carried at cost or amortised cost are not materially different from their fair value as at the end of reporting period.

38. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividends to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. The capital structure of the Group consists of net debts, cash and cash equivalents and equity attributable to shareholders (comprising issued share capital and reserves). No changes were made in the objectives, policies or processes during the years ended 31 December 2016 and 2015.

Certain subsidiaries of the Group, which are engaged in the brokerage of securities and commodities and related services, are entities regulated by the Securities and Futures Ordinance and subject to the respective minimum capital requirements.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure to be maintained, taking into consideration the future capital requirements of these subsidiaries. The minimum capital requirements for these subsidiaries were complied with during the year.

37. 公平值計量(續)

(b) 非按公平值列賬之財務資產及負債之公平值

除若干可供出售財務資產之公平值無法可靠計量之外，本集團按成本或攤銷成本列賬之應收貸款、貿易及其他應收款項、貿易及其他應付款項之賬面值與其於呈報期結算日之公平值並無重大差異。

38. 資本管理

本集團資本管理之目標為保障本集團之持續經營能力及為股東提供回報。本集團管理及調整其資本架構，包括向股東派息、向股東退還股本或發行新股或出售資產以減少債務。本集團的資本架構包括債務淨額、現金及現金等值以及股東應佔股權(包括已發行股本及儲備)。截至二零一六年及二零一五年十二月三十一日止年度，有關目標、政策及程序概無變動。

本集團若干附屬公司(從事證券及商品經紀及相關服務)為受證券及期貨條例監管之實體，並須遵守相關最低資本規定。

經考慮該等附屬公司之未來資本需求後，本集團積極及定期審閱及管理其資本架構，以確保保持最優資本架構。於年內乃符合該等附屬公司之最低資本規定。



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39. COMMITMENTS

Capital expenditure commitments

At the end of the reporting period, the Group had the following capital expenditure commitments:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracted but not provided for, net of deposit paid:	已訂閱但未撥備，扣除已付按金：		
– Acquisition of property, plant and equipment	– 收購物業、廠房及設備	792	–
– Acquisition of intangible assets – computer software and systems	– 收購無形資產 – 電腦軟件及系統	2,268	
– Subscription of interests in Agate Fund (note 19(c))	– 認購Agate Fund之權益 (附註19(c))	145,103	–
		148,163	–

Commitments under operating lease

The Group as lessee

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases in respect of office equipment and premises, which are payable as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	45,023	5,437
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	70,603	7,702
		115,626	13,139

39. 承擔

資本開支承擔

於呈報期結算日，本集團具有以下資本開支承擔：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracted but not provided for, net of deposit paid:		
– Acquisition of property, plant and equipment	792	–
– Acquisition of intangible assets – computer software and systems	2,268	
– Subscription of interests in Agate Fund (note 19(c))	145,103	–
	148,163	–

經營租約承擔

本集團作為承租人

於呈報期結算日，本集團就有關辦公室設備及樓宇之不可撤銷經營租約之應付未來最低租金總額如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	45,023	5,437
In the second to fifth year inclusive	70,603	7,702
	115,626	13,139

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39. COMMITMENTS (Cont'd)

Commitments under operating lease (Cont'd)

The Group as lessor

At the end of the reporting period, the Group had total future minimum rental receivables under non-cancellable operating leases in respect of sub-lease of premises are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	1,220	-
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	1,832	-
		3,052	-

40. CONTINGENT LIABILITIES

At the end of the reporting period, the Company had provided corporate guarantees to a subsidiary in respect of its fixed coupon notes with the principal amount of HK\$300,000,000 (2015: HK\$Nil) and the accrued interest payable of HK\$2,214,000 (2015: HK\$Nil). The directors assessed the fair value of overall exposure of the corporate guarantees granted by the Company and considered that it is immaterial to the Company. At the end of the reporting period, the directors do not consider that a claim will be made against the Company under any of the guarantees.

39. 承擔(續)

經營租約承擔(續)

本集團作為出租人

於呈報期結算日，本集團於不可撤銷經營租賃項下的有關分租物業的未來最低租賃應收款項總額如下：

40. 或然負債

於呈報期結算日，本集團就其固定息票向一間附屬公司提供公司擔保，本金額為300,000,000港元(二零一五年：零港元)及應付利息為2,214,000港元(二零一五年：零港元)。董事評估本公司授出公司擔保整體風險的公平值，認為其對本公司並不重大。於呈報期結算日，董事認為並不會根據任何擔保對本公司提出申索。

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41. EVENTS AFTER REPORTING PERIOD

The Group had the following events after the end of the reporting period:

a) Rights issue and bonus issue

In October 2016, the Group proposed to i) issue 22,124,799,450 shares (“Rights Shares”) of the Company to the qualifying shareholders, on the basis of six Rights Shares for every five shares held by qualifying shareholders at the date for determining their entitlements to participate, at subscription price of HK\$0.13 per share (the “Rights Issue”); and ii) issue 4,056,213,232 new shares (“Bonus Shares”) of the Company to certain qualifying shareholders, on the basis of one Bonus Share for every ten shares held by the qualifying shareholders at the date for determining their entitlements (the “Bonus Issue”). Upon completion of the Rights Issue and the Bonus Issue, the number of issued shares of the Company increased from 18,437,332,875 shares to 44,618,345,557 shares. The Rights Issue and the Bonus Issue were approved in the shareholders’ general meeting held on 30 December 2016 and in a board meeting held on 23 February 2017 respectively, and both were completed in February 2017.

b) Acquisition of molecular diagnostics business

In December 2016, the Group entered into two sale and purchase agreements with two third parties, pursuant to which the Group has agreed to acquire 100% issued share capital of two companies at considerations of HK\$187,500,000 and HK\$26,716,000 respectively. The principal activities of these companies are holding investments in companies, which operating laboratory testing related business. At the date of authorisation of the consolidated financial statements, the acquisition is not completed.

41. 呈報期後事項

本集團之呈報期後事項如下：

a) 供股發行及紅股發行

於二零一六年十月，本集團建議i)向合資格股東發行本公司22,124,799,450股股份(「供股股份」)，基準為合資格股東於釐定彼等參與權利當日每持有五股股份獲發行六股供股股份，認購價為每股股份0.13港元(「供股發行」)；及ii)向若干合資格股東發行本公司4,056,213,232股股份(「紅股股份」)，基準為合資格股東於釐定彼等權利當日每持有十股股份獲發行一股紅股股份(「紅股發行」)。於供股發行及紅股發行完成後，本公司之已發行股份數目由18,437,332,875股股份增至44,618,345,557股股份。供股及紅股發行已於二零一六年十二月三十日舉行之股東大會及二零一七年二月二十三日舉行之董事會會議上獲批准，並於二零一七年二月完成。

b) 收購分子診斷業務

於二零一六年十二月，本集團與兩名第三方訂立兩份買賣協議，據此，本集團已同意收購兩間公司之100%已發行股本，代價分別為187,500,000港元及26,716,000港元。該等公司之主要業務為運營實驗室檢測相關業務之公司進行控股投資。於綜合財務報表獲授權當日，有關收購尚未完成。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

41. EVENTS AFTER REPORTING PERIOD (Cont'd)

(c) Fund subscription

The Group entered into a subscription agreement with J6 Children's Fund in February 2017 to subscribe limited partnership interest of HK\$57,000,000 for investment purpose.

d) Bank and other loans raised

In December 2016, a subsidiary of the Group entered into a facility agreement with a third-party lender, pursuant to which the lender granted a term loan facility of HK\$160,000,000 for a period of 6 months from the date of drawdown and carrying interest of 6.3% per annum. The loan is secured by 11,004 shares (representing 55.02% equity interests) in Jubilant Link and the Group's financial assets at fair value through profit or loss with carrying amount of HK\$172,673,000 as at 31 December 2016 and corporate guarantee issued by the Group. Both the facility agreement and the share charge deeds were executed in February 2017 and the loan was drawdown in February 2017 to provide for additional working capital of the Group.

In January 2017, a subsidiary of the Group entered into a loan agreement with two third-party lenders, pursuant to which the lenders granted an unsecured term loan of HK\$81,000,000 for a period of 6 months from the date of drawdown and carrying interest rate of 5% per annum. The loan was drawdown in January 2017.

41. 呈報期後事項(續)

(c) 基金認購

本集團於二零一七年二月與 J6 Children's Fund 訂立認購協議並認購 57,000,000 港元有限合夥權益作投資目的。

d) 所籌集銀行及其他貸款

於二零一六年十二月，本集團一間附屬公司與一名第三方貸方訂立融資協議，據此，貸方授出金額為 160,000,000 港元的定期貸款融資，期限自提取日期起為期六個月，按年利率 6.3 厘計息。該貸款由收連的 11,004 股股份（相當於 55.02% 股權）及本集團於二零一六年十二月三十一日賬面值為 172,673,000 港元的按公平值計入損益之財務資產以及本集團發出的公司擔保進行擔保。融資協議及股份質押契據均於二零一七年二月簽署，該貸款於二零一七年二月提取，為本集團提供額外營運資金。

於二零一七年一月，本集團一間附屬公司與兩名第三方貸方訂立一份貸款協議，據此貸方授出 81,000,000 港元無抵押定期貸款，期限為自提款日期起六個月，按年利率 5 厘計息。該項貸款已於二零一七年一月提取。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

41. EVENTS AFTER REPORTING PERIOD (Cont'd)

d) Bank and other loans raised (Cont'd)

In March 2017, a subsidiary of the Group entered into facility agreement with a bank, pursuant to which the bank granted a term loan facility of RMB40,000,000 (equivalent to approximately HK\$44,800,000) for a period of 6 months from the date of drawdown and carrying interest of 6.3% per annum. The facility is secured by the subsidiary's bank balances maintained with the bank. The loan were drawdown in March 2017 to provide for additional working capital of the Group to finance the operations of Shining Time Group.

42. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

(a) Loans, quasi-loans and other dealings in favour of directors

There are no loans, quasi-loans or other dealings in favour of the directors of the Company that were entered into or subsisted during the years ended 31 December 2016 and 2015.

(b) Directors' material interests in transactions, arrangements or contracts

After consideration, the directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 December 2016 and 2015.

41. 呈報期後事項(續)

d) 所籌集銀行及其他貸款(續)

於二零一七年三月，本集團附屬公司與一間銀行訂立一份融資協議，據此該銀行授出人民幣40,000,000元(相當於約44,800,000港元)的定期貸款融資，期限為自提款日期起六個月，按年利率6.3厘計息。該項融資由附屬公司存置於銀行的銀行結餘擔保。該項貸款已於二零一七年三月提取以為本集團提供額外營運資金，為亮時集團之營運撥資。

42. 有關董事利益的資料

(a) 以董事為受益人之貸款、準貸款及其他交易

截至二零一六年及二零一五年十二月三十一日止年度，並無訂立亦無現存以本公司董事為受益人的貸款、準貸款或其他交易。

(b) 董事於交易、安排或合約的重大利益

董事經考慮認為，本年底及截至二零一六年及二零一五年十二月三十一日止年度任何時間，本公司董事概無持有本集團所訂立有關本集團業務的任何重大交易、安排及合約之直接或間接重大權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 43. 本公司財務狀況表

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司之權益	2,482,057	4,272,394
Available-for-sale financial assets	可供出售財務資產	579,600	-
Deposit paid for acquisition of a subsidiary	就收購一家附屬公司已付按金	-	1,000
Deposit paid for acquisition of available-for-sale financial assets	就收購可供出售財務資產已付按金	-	63,472
		3,061,657	4,336,866
Current assets	流動資產		
Other receivables	其他應收款項	1,567	2,456
Bank balances and cash	銀行結餘及現金	270,267	437,982
		271,834	440,438
Current liabilities	流動負債		
Other payables	其他應付款項	279,584	2,025,711
		279,584	2,025,711
Net current liabilities	淨流動負債	(7,750)	(1,585,273)
Total assets less current liabilities	總資產減流動負債	3,053,907	2,751,593
Non-current liabilities	非流動負債		
Interest-bearing borrowings	計息借款	20,000	20,000
NET ASSETS	淨資產	3,033,907	2,731,593
Capital and reserves	資本及儲備		
Share capital	股本	3,277,443	2,550,372
Reserves	儲備	(243,536)	181,221
TOTAL EQUITY	總權益	3,033,907	2,731,593

Approved and authorised for issue by the Board of Directors on 30 March 2017 and signed on its behalf by

由董事會於二零一七年三月三十日批准及授權刊發，並由下列代表簽署：

Ko Po Ming
高寶明
Director
董事

Lui Choi Yiu, Angela
雷彩姚
Director
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Cont'd)

Note: Movements of reserves of the Company

43. 本公司財務狀況表(續)

附註：本公司儲備變動

		Available- for-sale financial assets revaluation reserve 可供出售 財務資產 重估儲備 HK\$'000 千港元	Accumulated profits (losses) 累計溢利 (虧損) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	19,297	57,518	76,815
Profit for the year	年內溢利	-	123,703	123,703
Other comprehensive income (loss) <i>Items that are or may be reclassified subsequently to profit or loss</i>	其他全面收入(虧損) <i>其後可能重新分類至損益之 項目</i>			
Net fair value gain on available-for-sale financial assets	可供出售財務資產公平值之 收益淨額	135,944	-	135,944
Derecognition of available-for-sale financial assets revaluation reserve upon disposal of available-for-sale financial assets	出售可供出售財務 資產時終止確認 可供出售財務資產 重估儲備	(155,241)	-	(155,241)
Other comprehensive loss for the year	年內其他全面 虧損	(19,297)	-	(19,297)
Total comprehensive (loss) income for the year	年內全面(虧損) 收入總額	(19,297)	123,703	104,406
At 31 December 2015 and at 1 January 2016	於二零一五年十二月三十一日 及二零一六年一月一日	-	181,221	181,221
Loss for the year and total comprehensive loss for the year	年內虧損及年內全面虧損 總額	-	(424,757)	(424,757)
At 31 December 2016	於二零一六年十二月三十一日	-	(243,536)	(243,536)

Summary of Financial Information 財務資料摘要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate, is set out below.

以下為本集團於過去五個財政年度之業績與資產及負債摘要，摘錄自經審核綜合財務報表並經適當重新分類。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Revenue	收益					
Continuing operations	持續經營業務	66,501	166,517	567,458	44,924	27,583
Discontinued operations	終止經營業務	–	193	430	422	297
		66,501	166,710	567,888	45,346	27,880
(Loss) Profit before taxation	除稅前(虧損)溢利	(792,836)	241,651	744,146	82,436	(153,590)
Income tax credit (expense)	所得稅抵免(開支)	2,340	(263)	(16)	(43)	40
(Loss) Profit for the year	年內(虧損)溢利	(790,496)	241,388	744,130	82,393	(153,550)
Non-controlling interests	非控股權益	318,474	115,760	–	–	(36)
(Loss) Profit for the year attributable to equity holders of the Company	本公司權益持有人應佔(虧損)溢利	(472,022)	357,148	744,130	82,393	(153,586)

Summary of Financial Information

財務資料摘要

ASSETS AND LIABILITIES

資產及負債

At 31 December
於十二月三十一日

		2016	2015	2014	2013	2012
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		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
Total assets	總資產	5,042,277	4,408,866	2,599,181	1,818,336	1,707,705
Total liabilities	總負債	(1,489,199)	(353,642)	(33,579)	(7,022)	(6,491)
		3,553,078	4,055,224	2,565,602	1,811,314	1,701,214
Equity holders' funds	股權持有人資金	3,256,441	3,026,464	2,565,602	1,811,314	1,701,214
Non-controlling interests	非控股權益	296,637	1,028,760	–	–	–
		3,553,078	4,055,224	2,565,602	1,811,314	1,701,214

