



中國金融發展(控股)有限公司

CHINA SUCCESS FINANCE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 3623

2018

Annual Report 年報

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. ZHANG Tiewei (*Chairman*)
Mr. LI Bin (*Chief Executive Officer*)
Ms. DAI Jing
Mr. XU Kaiying
Mr. PANG Haoquan

Non-executive Director

Mr. HE Darong

Independent Non-executive Directors

Mr. TSANG Hung Kei
Mr. AU Tien Chee Arthur
Mr. XU Yan
Mr. ZHOU Xiaojiang

BOARD COMMITTEES

Audit Committee

Mr. TSANG Hung Kei (*Chairman*)
Mr. AU Tien Chee Arthur
Mr. XU Yan

Remuneration Committee

Mr. XU Yan (*Chairman*)
Mr. ZHANG Tiewei
Mr. TSANG Hung Kei

Nomination Committee

Mr. ZHANG Tiewei (*Chairman*)
Mr. TSANG Hung Kei
Mr. XU Yan

COMPANY SECRETARY

Mr. PANG Chung Fai Benny

董事會

執行董事

張鐵偉先生(主席)
李斌先生(行政總裁)
戴菁女士
徐凱英先生
龐浩泉先生

非執行董事

何達榮先生

獨立非執行董事

曾鴻基先生
區天旂先生
許彥先生
周小江先生

董事委員會

審核委員會

曾鴻基先生(主席)
區天旂先生
許彥先生

薪酬委員會

許彥先生(主席)
張鐵偉先生
曾鴻基先生

提名委員會

張鐵偉先生(主席)
曾鴻基先生
許彥先生

公司秘書

彭中輝先生

Corporate Information

公司資料

AUTHORISED REPRESENTATIVES

Mr. Li Bin
Mr. Pang Chung Fai Benny

REGISTERED OFFICE

Fourth Floor, One Capital Place
P.O. Box 847, Grand Cayman
KY1-1103
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE

Office Units Nos. 10 and 11
11th Floor
Harbour Centre
No. 25 Harbour Road
Hong Kong

STOCK CODE

3623

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

AUDITORS

KPMG

授權代表

李斌先生
彭中輝先生

註冊辦事處

Fourth Floor, One Capital Place
P.O. Box 847, Grand Cayman
KY1-1103
Cayman Islands

根據公司條例第16部登記的香港主要營業地點

香港
港灣道25號
海港中心
11樓
10號及11號辦公室

股份代號

3623

開曼群島股份過戶登記總處

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

香港證券登記處

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

核數師

畢馬威會計師事務所

Corporate Information

公司資料

LEGAL ADVISERS

As to Hong Kong law:

Benny Pang & Co.

PRINCIPAL BANKERS

China Merchants Bank Co. Ltd., Foshan Branch
Foshan Rural Commercial Bank Co. Ltd., Jinlan Branch

COMPANY WEBSITE ADDRESS

<http://www.chinasuccessfinance.com>

法律顧問

有關香港法律：

Benny Pang & Co.

主要往來銀行

招商銀行股份有限公司佛山分行
佛山農村商業銀行股份有限公司
金瀾分行

公司網址

<http://www.chinasuccessfinance.com>

Financial Highlights

財務概要

		FOR THE YEAR ENDED 31 DECEMBER 2018 截至二零一八年 十二月三十一日 止年度 (RMB'000) (人民幣千元)	FOR THE YEAR ENDED 31 DECEMBER 2017 截至二零一七年 十二月三十一日 止年度 (RMB'000) (人民幣千元)	CHANGE IN 變動
Revenue	收益	56,078	89,822	-37.6%
Other revenue	其他收益	4,964	2,983	66.4%
Profit before taxation	除稅前溢利	23,181	32,343	-28.3%
Profit for the year	年內溢利	5,281	15,651	-66.3%
Total comprehensive income for the year	年度全面收入總額	8,003	11,522	-30.5%
Basic earnings per share (RMB per share)	每股基本盈利 (每股人民幣元)	0.01	0.03	-66.7%

		AS AT 31 DECEMBER 2018 於二零一八年 十二月三十一日 (RMB'000) (人民幣千元)	AS AT 31 DECEMBER 2017 於二零一七年 十二月三十一日 (RMB'000) (人民幣千元)	CHANGE IN 變動
Total assets	資產總值	1,938,278	1,037,051	86.9%
Total equity	權益總值	978,237	959,915	1.9%

Five-year Financial Summary

五年財務概要

For the year ended 31 December
截至十二月三十一日止年度

		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
Profitability data (RMB'000)	盈利能力資料 (人民幣千元)					
Revenue	收益	56,078	89,822	90,331	72,599	58,901
Profit from operation	經營溢利	5,674	32,542	32,416	30,009	32,588
Profit before taxation	除稅前溢利	23,181	32,343	32,023	35,216	39,814
Profit for the year	年內溢利	5,281	15,651	19,045	24,333	26,354
Basic earnings per share (RMB per share)	每股基本盈利 (每股人民幣元)	0.01	0.03	0.04	0.06	0.06
Profitability ratios (%)	盈利比率(%)					
Operating profit margin (Note 1)	經營溢利率(附註1)	41.3	36.0	35.5	48.5	67.7
Net profit margin (Note 2)	純利率(附註2)	9.4	17.4	21.1	33.5	44.7
Effective tax rate (Note 3)	實際稅率(附註3)	77.2	51.6	40.5	30.9	33.8
Return on total assets (Note 4)	資產總額回報(附註4)	0.3	1.5	1.9	2.8	3.6
Return on shareholders' equity (Note 5)	股東權益回報(附註5)	0.5	1.6	2.0	2.9	3.8
Cost to income ratio (Note 6)	成本收入比(附註6)	93.6%	58.5%	62.1%	60.9%	53.0%
Operating ratios (as percentage of turnover) (%)	經營比率(佔營業額 百分比)(%)					
Staff costs	員工成本	43.0	30.7	28.0	25.6	24.8
Assets and liabilities data (RMB'000)	資產及負債數據 (人民幣千元)					
Total assets	資產總值	1,938,278	1,037,051	991,100	878,939	733,621
Total liabilities	負債總值	960,041	77,136	34,784	36,112	42,209
Net assets	資產淨值	978,237	959,915	956,316	842,827	691,412
Assets and Working Capital data (%)	資產及營運資金數據(%)					
Return on assets (Note 7)	資產回報(附註7)	0.3	1.6	2.0	2.8	3.6
Return on equity (Note 8)	權益回報(附註8)	0.6	1.7	2.2	3.2	3.8

Five-year Financial Summary

五年財務概要

Notes:

1. Operating profit margin is calculated based on dividing profit before taxation by revenue and multiplied by 100%.
2. Net profit margin is calculated based on dividing the profit for the year by revenue and multiplied by 100%.
3. Effective income tax rate is calculated based on dividing the income tax by the profit before taxation and multiplied by 100%.
4. Return on total assets is calculated based on dividing profit for the year by the total assets and multiplied by 100%.
5. Return on shareholders' equity is calculated based on dividing profit for the year by the total equity and multiplied by 100%.
6. Cost to income ratio is calculated based on dividing operating expenses after deducting tax and surcharges by revenue and multiplied by 100%.
7. Return on assets is calculated based on dividing profit attributable to equity shareholders of our Company by total asset and multiplied by 100%.
8. Return on equity is calculated based on dividing profit attributable to equity shareholder of our Company by the weighted average balance of total equity as at the beginning and end of the relevant year and multiplied by 100%.

附註：

1. 經營溢利率乃按除稅前溢利除以收益乘以 100% 計算
2. 純利率乃按年內溢利除以收益乘以 100% 計算
3. 實際所得稅率乃按所得稅除以除稅前溢利乘以 100% 計算
4. 資產總額回報乃按年內溢利除以資產總額乘以 100% 計算
5. 股東權益回報乃按年內溢利除以權益總額乘以 100% 計算
6. 成本收入比乃以扣除稅金及附加的經營開支除以收益乘以 100% 計算
7. 資產回報乃按本公司權益股東應佔溢利除以資產總額乘以 100% 計算
8. 權益回報乃按本公司權益股東應佔溢利除以權益總額於有關年初及年末的加權平均結餘乘以 100% 計算

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the “**Board**”) of China Success Finance Group Holdings Limited (the “**Company**” or “**China Success Finance**”), I am pleased to present the audited annual results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2018.

In 2018, the global economic and political instability, such as the elevated protectionism, the extended China-U.S. trade war, the indefinite results of Brexit, as well as the returning interest rate hike cycle, brought uncertainties to the global economy. As a result, the global economy showed signs of slowdown, polarising performances among countries and heightened downside risks. Multiple unfavourable factors created negative impacts to global economic development, thus leading to persisting anxiety over the global economic prospects. Fortunately, China and the U.S. were back at the negotiating table since the end of year, gradually alleviating the negative externalities.

China's economy made significant progress in refining structure, shifting dynamics and enhancing efficiency while continuing to strengthen the supply-side structural reform and expanding effective demand, as well as maintaining production, employment, income and price at stable levels. China's Gross Domestic Product (**GDP**) grew at a reasonable level by 6.6% year-on-year in 2018.

Leveraging the development of the country, the Group actively grasped the market opportunities and steadily advanced business operations in the year, while timely reallocating resources and continuously improving the business structure. During the reporting period, The Group steadily developed the traditional businesses and drew the layout for business transformation, gradually propelling the development of the innovative business.

各位股東：

本人謹代表中國金融發展(控股)有限公司(「本公司」或「中國金融發展」)董事會(「董事會」)，欣然呈報本公司及其附屬公司(「本集團」)截至二零一八年十二月三十一日止年度之經審核全年業績。

二零一八年，環球經濟政治動盪，全球貿易保護主義抬頭、中美貿戰風波持續、英國脫歐存在變數、加息週期重臨等，各種議題均令環球經濟充斥著不明朗因素，環球經濟呈現出增速放緩、分化明顯、下行風險加大等特點。多個不利因素對全球經濟發展構成負面影響，市場對環球經濟前景仍然感到憂慮。幸而，自年底中美雙方重新就貿易問題進行磋商，外圍不利因素正逐步緩和。

中國經濟繼續深化供給側結構性改革，同時擴大有效需求，在結構優化、動能轉換和效益提升方面取得重大進展，基本保持生產、就業、收入和價格的平穩運行態勢。二零一八年，中國經濟運行保持在合理區間，國內生產總值(**GDP**)增長6.6%。

在過去一年，本集團抓緊國家發展趨勢，積極把握市場機遇，扎實推進各項工作；同時適時調整資源配置，持續完善業務架構。報告期內，本集團穩健發展傳統業務，並為業務轉型進行佈局，逐步推進創新業務的增長。

Chairman's Statement 主席報告

Capitalising on the remarkable results of the Group's financial services business and the increase in the fair value of its financial assets, the financial performance of the Group for the second half of 2018 generally improved and recorded a turnaround to profit, as compared with the first half of the year. However, there were additional interest expenses due to the issuance of the convertible bonds during the period. As the Group strived to transform its business, its income from both interest penalty and financial consultancy service declined as compared with the same period of last year, whilst part of the income from the financial technology business and commercial guarantee business remained to be recognized as deferred income and could not be fully reflected in the profits of the Group in 2018. Therefore, the Group's total revenue and profit for the year decreased to approximately RMB61.0 million and RMB5.3 million respectively. Meanwhile, the Group's cash and various bank deposits almost doubled from 30 June 2018 to 31 December 2018.

For guarantee business, Guangdong Success Finance Guarantee Company Limited (“**Success Guarantee**”) pursued healthy, standardised and professional development by continuously providing credit enhancement services to small and medium sized enterprises, in response to the state's supportive policies for them.

Grasping the development trend of technology, the Group actively reallocated its resources to explore financial technology business with an innovative mindset, thereby realising a major breakthrough. Capitalising on the technical team's advanced technology, the Group accelerated innovation and enhancement of product structure with a data-oriented approach, to provide customers with professional, personalised and efficient products and guarantee services. Moreover, the Group collaborated with reputable and sizable high-quality platforms, expanding its business scope beyond geographical limitations to grow rapidly across the entire country with the help of internet technology, whilst widening customer base, thus creating a new growth impetus of the business. During the reporting period, the number of new business partners and customers increased substantially. Although such achievement was not reflected in the income statement of 2018, it brought a huge cash flow to the Group, lending a great support to the Group's continued endeavour to explore new businesses and extend its business scope to meet the growing market demand. During the year, the increasing of registered capital further elevated Success Guarantee's financial strength, thus presenting opportunities for large-scale business cooperation and laying a solid foundation for new business development.

受惠於本集團金融服務業務的業績理想及所持有的金融資產公允值上升，本集團於二零一八年下半年的財務表現較中期業績整體有所改善並扭虧為盈。不過，由於本集團於期內增加發行可換股債券所產生的額外利息費用的開支，加上本集團佈局業務轉型，罰息收入及財務顧問服務收入較去年同期下跌，而科技金融業務及商業擔保業務的部分收入被確認為遞延收益，未能於二零一八年的盈利水平中全面反映。因此，本集團的總體收入和期內溢利相應減少，分別錄得約人民幣61.0百萬元和約人民幣5.3百萬元。然而，於二零一八年十二月三十一日，本集團現金及各類銀行存款較於二零一八年六月三十日顯著上升約一倍之多。

擔保業務方面，廣東集成融資擔保有限公司（「集成擔保」）繼續按照健康化、規範化和專業化的主題發展，持續為中小微企業提供增信服務，以響應國家對中小微企業的相關扶持政策。

本集團把握科技創新的發展趨勢，積極調整資源配置，以創新思維開拓科技金融業務，並在此領域實現重大突破。憑藉技術團隊的先端技術，本集團以數據為導向，加快創新和優化產品結構，為客戶提供專業、個性化、高效率的產品和擔保服務。另外，本集團與信譽良好、規模龐大的優質平台達成合作共識，並通過互聯網技術突破地理區域限制，擴大客戶群規模，令業務得以在全國快速增長，為本集團創造新的業務增長點。期內，新業務合作機構和客戶數量均形成規模，雖然年內未能反映於利潤表，但為本集團帶來巨額現金流，大力支持本集團繼續開拓新業務和擴大業務範疇，以回應市場需求。年內，透過增加註冊資本金，集成擔保的資本實力進一步提升，為更大規模的業務合作及新型業務市場的開拓做好準備。

Chairman's Statement

主席報告

During the reporting period, Shenzhen Success Financial Leasing Company Limited (“**Success Financial Leasing**”) optimised its product structure of the financial leasing business and maintained a stable development of the factoring business. For asset management business, the professional team in Mainland China continued to provide asset value appreciation services to clients, while the team in Hong Kong made use of asset management license to offer asset management services to Hong Kong and overseas investors, forging synergistic development of asset management operations in both Mainland China and Hong Kong. Drawing on its resources in Mainland China and Hong Kong, the Group bolstered its cooperation mechanism, set up a framework for inclusive financial services, cooperated with reputable companies and refined the risk management mechanism, as well as provided data-oriented service to enhance long-term cooperation between enterprises and maintained customer relationship.

Looking forward to 2019, upon enjoying a relatively strong recovery in global economy, with uncertainties of macroscopic policies looming large and financial risks piling up, the global economic growth is set to be hampered. However, China will continue to focus on the supply side reform, further deepen the marketisation reform, widen the opening up of the economy, and speed up the establishment of a modern economic system, meanwhile support the business development of micro, small and medium sized enterprises by propelling the rapid development of financial inclusion, in order to ensure rational economic development.

With new policies pertaining, the Group will continue to ensure a steady development of its traditional businesses, whilst further evolving the financial technology business by new means. The Group will provide integrated financing services to micro, small and medium sized enterprises to accommodate the demands of the market through launching innovative products. Meanwhile, it will also continue to strengthen other businesses such as traditional guarantee and financial leasing, as well as developing greater competence of the Group through investing in merger and acquisitions, thereby fostering a rapid development and further enhancing its core competitiveness.

報告期內，深圳市集成融資租賃有限公司（「集成融資租賃」）優化融資租賃業務的產品結構，同時維持保理業務穩定發展。資管業務方面，內地的精英團隊持續為客戶提供資產增值服務，香港團隊通過香港資管牌照為香港及境外投資者提供資產管理服務，兩地業務協同發展。本集團利用內地和香港兩地資源優勢，積極拓寬並深化合作渠道，佈局普惠金融服務框架，與信譽良好的公司展開合作，不斷優化風控手段，提供數據導向的服務，增強企業間長期合作與客戶維護。

展望二零一九年，環球經濟在經歷了較為強勁的復蘇後，宏觀政策高度不確定和金融風險不斷積累均拖累全球經濟增長。幸而，中國將繼續以供給側改革為主線，進一步深化市場化改革、擴大高水平開放，加快建設現代化經濟體系，同時大力發展普惠金融，扶持中小微企業發展，保持經濟運行在合理區間。

在新的政策形勢下，本集團將繼續穩健發展傳統業務，並在傳統業務中以新手段持續發展創新的金融科技業務，並透過推出創新產品，為中小微企業提供更全面的融資服務，以滿足市場要求。同時，本集團將繼續兼顧傳統擔保、融資租賃等業務，擇機以投資併購方式增強集團實力等途徑，實現本集團快速發展，進一步提升核心競爭力。

Chairman's Statement 主席報告

Following the unveiling of the Greater Bay Area Integrated Financial Service Scheme, the Group will also seize the development opportunities and offer comprehensive and diversified financial service to enterprises in the Bay Area according to the national development policy, making contributions to the construction of the Bay Area.

Last but not least, on behalf of the Board, I would like to express my sincere gratitude to all shareholders, clients and business partners for their strong support. The Group will endeavour to continuously strengthen its core competitiveness and expand businesses, meanwhile exploring new business growth impetuses, and ultimately maximising returns for investors and shareholders.

Zhang Tiewei
Chairman and Executive Director

29 March 2019

隨著《粵港澳大灣區發展規劃綱要》出台，本集團亦會抓緊發展機遇，全力配合國家發展方針，為灣區內企業提供全方位、多元化的金融服務支持，為粵港澳大灣區建設貢獻力量。

最後，本人謹代表董事會，向本集團股東、客戶及合作夥伴的鼎力支持衷心致謝。本集團承諾會竭盡所能，繼續鞏固公司的核心競爭力及開拓業務，同時發掘新的業務增長點，致力為投資者及股東創造更豐厚的回報。

主席及執行董事
張鐵偉

二零一九年三月二十九日

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Overview

In 2018, the world economy witnessed a mild growth while showed signs of deceleration. While certain economies, such as the U.S., enjoyed a stronger growth, Eurozone and other economies suffered a slowdown at various levels. On the whole, the global economic and political turmoil and further escalation of protectionism brought uncertainties to the global economy and slowed down the global economic growth, with a greater division among countries and heightened downside risks; which led to persisting anxiety over the global economic prospects.

In 2018, China remained rational economic development despite being impacted by unstable external economic environment. The total GDP exceeded RMB 90 trillion, an increase of 6.6% over previous year. In 2018, China's economy made significant progress in refining structure, shifting dynamics and enhancing efficiency while continuously strengthening the supply-side structural reform and expanding effective demand, as well as maintaining production, employment, income and price at stable levels. Meantime, the central government built a better business environment for the small and medium sized enterprises through implementing devolution of power, reduction of taxes and fees and providing guidance to finance sector for supporting the real economy. In particular, in response to the rising financing costs and difficulties in financing, the government lowered the required reserve ratio four times, which effectively alleviated the pressure of rising financing costs, to address the capital shortage issue faced by private companies and small and micro sized enterprises with multi-pronged approach.

In order to actively seize market opportunities, the Group adhered to the operation philosophy of "strategic planning, close connection and balanced development". In response to China's economic condition in the 40th anniversary of the economic reform, the Group gradually propelled the strategic transition of financial services in the prevailing trend. The Group concentrated its efforts in four aspects, namely steadily developing traditional businesses, developing asset management business, innovating financial services for development of enterprises in the Greater Bay Area, and reinforcing cooperation mechanism. Meanwhile, the Group promptly reallocated resources to charting a new path unflaggingly and improving its financial structure continuously, with a view to developing itself into an excellent credit platform that serves the real economy, with pursuing reciprocity and mutual development with clients.

業務回顧

概覽

二零一八年，全球經濟延續溫和增長態勢，但動能呈現出放緩態勢。各經濟體經濟增速也出現較明顯分化，其中美國經濟表現相對強勁，歐元區等經濟體經濟增速均出現不同程度放緩。整體來看，各種議題如環球經濟政治動盪和貿易保護主義抬頭等為環球經濟增添不明朗因素，環球經濟呈現出增速放緩、分化明顯、下行風險加大等特點，市場對環球經濟前景仍然感到憂慮。

二零一八年，中國經濟受到外部經濟環境不穩影響，但經濟運行仍保持在合理區間，全年GDP增長6.6%，總量突破90萬億元。二零一八年，中國經濟基本保持生產、就業、收入和價格的平穩運行態勢，並繼續深化供給側結構性改革的同時擴大有效需求，在結構優化、動能轉換和效益提升方面取得重要進展。同時，中央政府著力簡政放權、減稅降費，引導金融支持實體經濟，為中小企業的發展提供了更好的營商環境。其中，政府針對融資難融資貴問題，先後4次降低存款準備金率，有效緩和融資成本上升壓力，多措並舉緩解民營和小微企業資金緊張狀況。

本集團為主動把握市場機遇，依照佈局為先，環環相扣，均衡發展的經營理念，依據國家經濟形勢，立足改革開放40周年的新起點，在大趨勢下逐步推進金融服務的戰略轉型。在穩健發展傳統業務、發展大資管業務、金融創新服務灣區企業發展、拓寬深化合作渠道四方面同時發力；同時及時調整資源配置，堅定不移地走新道路，不斷完善金融架構，致力於發展成為一個優秀的信用平台，服務實體經濟，以合作共贏為最大追求，與客戶共同發展。

Management Discussion and Analysis

管理層討論與分析

During the reporting period, the financial performance of the Group generally improved and recorded a turnaround to profit. The Group drew the layout for business transformation and moderately invested in resources, thereby the Group's net income from financial guarantee services in 2018 increased by approximately 365.5% as compared with 2017. However, there were additional interest expenses rose due to the issuance of the convertible bonds during the period. As the Group strived to transform its business, its income from both interest penalty and financial consultancy service declined as compared to the same period of last year, whilst part of the income from financial technology business and commercial guarantee business remained to be recognized as deferred income and could not be fully reflected in the profits of the Group in 2018. The Group's total revenue and profit for the year decreased to approximately RMB61.0 million and RMB5.3 million respectively. Meanwhile, the Group's cash and various bank deposits increased by approximately 105.7% from 30 June 2018 to 31 December 2018. It does not only reflect the Group's significantly improved financial condition, but also supports the Group's new customers development and expansion in its business scope.

Industry and Business Review

Guarantee Business

The four supporting rules of the “Regulation on the Supervision and Administration of Financing Guarantee Companies” newly promulgated in April 2018 regulated the types of financial guarantee business and incorporated internet loan guarantee as part of these governed businesses. Banks and licensed guarantee companies started guarantee business with a focus on small and micro sized enterprises and the “Three Rural”, thereby offering preferential terms on aspects including risk tolerance, financing costs and fee rates. With the Regulation and the four supporting rules in effect, stringent supervision on financial guarantee organisations led to reduced number of financial guarantee organisations. Companies not fulfilling the rules and regulations will gradually be eliminated from the market, and creating a better environment for qualified guarantee companies. In view of the continued fine-tuning of the pertinent law system, guarantee companies are to step up their efforts in innovating business, expand the scope of guarantee business, construct an established self-protection mechanism, forge multi-parties cooperation, and build a more reasonable partnership model with banks.

報告期內，本集團的財務表現較中期業績整體有所改善並扭虧為盈。透過致力佈局業務轉型和適當投入資源，二零一八年本集團來自融資擔保服務的淨收益較二零一七年度增長約365.5%。不過，由於本集團於期內增加發行可換股債券所產生的額外利息費用的開支，加上本集團業務重心轉移，罰息收入及財務顧問服務收入較去年同期下跌，而科技金融及商業擔保業務的部分收入被確認為遞延收益，未能於二零一八年的盈利水平中全面反映。本集團於年內錄得總體收入和期內溢利有所減少，分別約人民幣61.0百萬元和人民幣5.3百萬元。另外，於二零一八年十二月三十一日，本集團現金及各類銀行存款較於二零一八年六月三十日增幅約105.7%，反映本集團財務狀況顯著改善，能為本集團繼續開拓新客戶和擴大業務範疇提供有力支撐。

行業及業務回顧

擔保業務

二零一八年四月新頒佈的《融資擔保公司監督管理條例》四項配套制度，規範了融資擔保業務範圍類型，互聯網借貸擔保納入相關範疇，銀行與持牌擔保公司開展擔保業務，且業務向小微企業和「三農」進行傾斜，對於風險容忍度、融資成本、費率等予以優惠條件。隨著條例及四項配套制度的施行，對於融資擔保機構的監管趨嚴也成為常態，融資擔保機構呈現減少的趨勢，不達標、不規範的公司將逐步退出市場，真正優質的擔保公司將得以更好地發展。在相關法律制度不斷完善的基礎上，擔保公司要在業務創新上下功夫，拓寬擔保業務領域，建立完善的自我保護機制，促進多方協作，建立更合理的銀擔合作模式。

Management Discussion and Analysis

管理層討論與分析

During the reporting period, Success Guarantee pursued healthy, standardised and professional development by continuing to provide credit enhancement services to small and medium sized enterprises, adjusting to the development trend of the industry and actively allocating resources, with a view to expanding business operation with innovative mindset.

During the reporting period, the Group actively explored the field of financial technology. Success Guarantee devoted more resources and put together a talented technical team to actively develop financial technology business. Success Guarantee collaborated with large and reputable platforms to expand its business scope beyond geographical limitations and bolster its business to the entire country utilising internet technology, in order to provide professional and efficient financial guarantee services to clients. During the reporting period, as the number of new business partners and customers grew significantly, the Group realised satisfactory income which laid solid foundation for future business development. In addition, Success Guarantee actively responded to the government's policy in supporting small and medium sized enterprises, through maintaining traditional operations and sustaining volume. It also proactively initiated multi-parties' cooperation, innovated and improved product structure in order to offer customised products to clients. Capitalising on the well developing big data environment, the Group developed new business model by applying technology, and enriched product chains in the guarantee segment, thereby further enhancing its core competitiveness and expanding market share. On the other hand, faced with the increasingly stringent market compliance requirements, Success Guarantee increased the registered capital by RMB100 million to RMB 430 million for business expansion. This further enhanced the financial strength of Success Guarantee, thus providing opportunities for large-scale business cooperation and laying a solid foundation for new business development.

Financial Leasing and Factoring Business

With gradually growing penetration in the financial leasing market in China, Success Financial Leasing gave full play to its integrated development advantages to optimise product structure, and provided professional and customised financial leasing services to clients. Success Financial Leasing established its factoring business in 2016, which further enriched the product chain of financial leasing.

報告期內，集成擔保按照健康化、規範化和專業化的主題發展，持續為中小微企業提供增信服務，順承行業發展趨勢，積極調整資源配置，以創新思路成功拓展業務。

報告期內，本集團積極探索科技金融領域。集成擔保投入更多資源，建立優秀的技術團隊，以積極拓展科技金融業務。集成擔保與信譽良好、有規模的優質平台達成合作共識，突破常規業務地理區域限制，通過互聯網技術將業務範圍擴展至全國，為客戶提供專業、高效的融資擔保服務。期內，新業務合作機構和客戶數量均形成規模，不但實現理想收入，更為未來業務拓展奠定穩固基礎。除此以外，集成擔保積極響應國家對中小微企業的相關扶持政策，一方面維持傳統業務、保持存量，另一方面積極開展多方合作，對產品結構進行創新和優化，為客戶提供個性化產品，並依附日益完善的大數據環境，運用科技手段開發新型業務模式，豐富擔保板塊產品鏈，進一步提升核心競爭力和擴大市場分額。此外，在市場合規性要求逐步提升的情況下，為進一步拓寬市場，集成擔保增加1億人民幣註冊資本金至4.3億元人民幣。通過此次增資，集成擔保資本實力有了進一步提升，為更大規模的業務合作提供了可能，也為新型業務市場的開拓奠定了堅實的基礎。

融資租賃及商業保理業務

伴隨著我國融資租賃市場滲透率的逐步上升，集成融資租賃利用自身綜合發展的資源優勢，優化產品結構，為客戶提供專業化、特色化的融資租賃服務。集成融資租賃於二零一六年獲批開展保理業務，進一步豐富融資租賃產品鏈。

Management Discussion and Analysis

管理層討論與分析

Financial Consultancy and Housing Financing Business

In response to the macro trend, the Group reduced its financial consultancy business and gradually retreated from its housing financing business, while promptly diverting its development and concentrating on further development of new businesses.

Developing Asset Management Business

2018 was a year of reform for the asset management industry in Mainland China. The overhaul of the regulatory system reshaped the industry chain of the asset management industry. With the promulgation of the new regulations and related rules on asset management in Mainland China, control measures such as maturity matching and limited management were imposed on non-standardised debt assets. For product management, implicit guarantee was clearly stated as illegal with explicit punitive standard, asset management businesses that are deemed illegal and non-compliance were regulated. With the stringent principles in place, the asset management market gradually moved towards standardisation.

The Group seized the opportunities brought by the reform and leveraged the distinct edge in terms of resources from Mainland China and Hong Kong to propel the development of its asset management business. Its professional team in Mainland China continued to provide asset value appreciation services to clients, while the team in Hong Kong made use of asset management license to provide asset management services to Hong Kong and overseas investors; bringing synergistic development between Mainland China and Hong Kong operations.

Innovating Financial Services for Development of Enterprises in the Bay Area

According to the Greater Bay Area Integrated Financial Service Scheme issued by the Central Bank in July 2018, the Group made use of the resources of Mainland China and Hong Kong to actively provide professional and high-quality resource allocation services, contributing to the construction of the Guangdong-Hong Kong-Macao Greater Bay Area.

Reinforcing Cooperation Mechanism

During the reporting period, the Group strived to explore new business models by tapping financial technology whilst preserving traditional business channels, and establishing solid partnership with various technological platforms, thereby enhancing the core competitiveness of the Group.

財務顧問及房圈融資業務

本集團順應宏觀趨勢，減少財務顧問業務，逐步退出房圈融資業務，把握發展方向並作出及時調整，集中精力繼續開拓新業務。

發展大資管業務

二零一八年是內地資管行業的變革之年。監管體制重大改革紛紛落地，重塑資管行業產業鏈。內地資管新規及相關細則陸續出台，在非標準化債權資產方面，提出期限匹配、限額管理等監管措施；在產品管理方面，明確了剛性兌付非法性及處罰認定標準；同時對違法違規開展的資管業務進行規範清理。秉承嚴字當先的原則，國內大資管市場逐步從非標向標準化轉型。

本集團抓住改革機遇，充分利用內地、香港資源優勢，推進大資管業務。內地的精英團隊持續為客戶提供資產增值服務，香港團隊通過香港資管牌照為香港及境外投資者提供資產管理服務，兩地業務協同發展。

金融創新服務灣區企業發展

依照二零一八年七月央行發佈的大灣區綜合金融服務方案，本集團利用內地、香港兩地資源優勢，積極為灣區建設提供專業優質的資源配置服務，為粵港澳大灣區建設貢獻力量。

拓寬深化合作渠道

報告期內，本集團在保有傳統業務渠道的同時，立足於科技金融趨勢，探索創新業務模式，與多方科技平台建立了穩固的合作關係，使得本集團核心競爭力更上一個台階。

Management Discussion and Analysis

管理層討論與分析

In 2018, the Group strived to set up a framework for inclusive financial services and cooperate with famous insurance agencies and financial technology enterprises to expand business channels. The Group designed customised business model for different clients and obtained quality customers, which significantly enhanced quality of the new business. On the other hand, leveraging its financial big data analysis team, the Group persistently improved the risk management platform, and utilised the analysing capability of financial big data to lay foundation for maintaining long-term cooperation with clients.

Building on its listing status in Hong Kong, the Group issued convertible bonds of an aggregate principal amount of HK\$154 million in early 2018. By the end of 2018, the Group prepaid principal of convertible bonds of HK\$10 million and issued convertible bonds of HK\$84 million and interest-bearing bills of HK\$60 million. Such issuance bore significant strategic importance to the future development of the Group, as it explored new financing channels for the Group, supported its business development, and strengthened its position in the capital market.

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2018, the Group's revenue was approximately RMB56.1 million (year ended 31 December 2017: approximately RMB89.8 million), representing a decrease of approximately 37.5%. Detailed analysis of the Group's revenue is as follows:

Financial guarantee services

Revenue from the Group's financial guarantee services was mainly generated from the service fees charged for our financial guarantee services. For the year ended 31 December 2018, the Group's net revenue generated from financial guarantee services was approximately RMB27.0 million (year ended 31 December 2017: approximately RMB5.8 million), representing an increase of approximately 365.5%. Revenue from financial guarantee business significantly increased in 2018, mainly attributable to the Group's efforts in exploring and developing financial technology, and innovating guarantee business operations, while steadily developing traditional financial guarantee business.

二零一八年內，本集團積極佈局普惠金融服務框架，與知名保險公司、科技金融公司開展合作，拓寬業務渠道。本集團一方面為不同客戶量身定制業務模式，汲取了大量優質客戶資源，顯著提高了新型業務量；另一方面，借助金融大數據分析團隊的力量，不斷完善後台風控平台，善用金融大數據分析能力，為企業間長期合作與存續期間客戶維護奠定了基礎。

與此同時，本集團發揮在港上市優勢，於二零一八年初發行可換股債券1.54億港元，於二零一八年底預付可換股債券1,000萬港元本金，並調整為發行可換股債券8,400萬港元，發行計息票據6,000萬港元。此次發行對本集團未來發展具有深遠的戰略意義，為本集團開拓了新的融資渠道，有利拓展本集團業務，並提升本集團在資本市場的地位。

財務回顧

收益

截至二零一八年十二月三十一日止年度，本集團的收益約為人民幣56.1百萬元（截至二零一七年十二月三十一日止年度：約人民幣89.8百萬元），較上年下降約37.5%。收益詳細分析如下：

融資擔保業務

本集團融資擔保服務的收益主要來自就我們所提供的融資擔保服務而收取的服務費。截至二零一八年十二月三十一日止年度，本集團來自融資擔保服務的淨收益約為人民幣27.0百萬元，相比截至二零一七年十二月三十一日止年度約人民幣5.8百萬元，增幅約為365.5%。二零一八年融資擔保收益大幅增加，主要是由於本集團在穩健發展傳統融資擔保業務的同時，積極探索科技金融領域，拓展科技金融業務，創新擔保業務品種，取得良好效果，為本集團增創收入。

Management Discussion and Analysis

管理層討論與分析

In 2018, the Group received interest income of approximately RMB0.4 million from receivables (year ended 31 December 2017: approximately RMB17.0 million), representing a decrease of approximately 97.6%. Compared with the same period of last year, the decrease in interest income from receivables was due to the one-off interest on payment on behalf of customer charged by the Group in 2017.

Non-financial guarantee services

Revenue from the Group's non-financial guarantee services was mainly generated from the service fees charged for providing customers with performance guarantees in relation to the performance of payment obligations and litigation guarantees. For the year ended 31 December 2018, the Group's revenue generated from non-financial guarantee services decreased by approximately 18.9% to approximately RMB4.3 million (year ended 31 December 2017: approximately RMB5.3 million).

Success Guarantee continued to develop the relatively low risk non-financial guarantee services while innovating new guarantee business operations, thereby developing revenue from non-financial guarantee business as a stable impetus of the Group's revenue.

Financial consultancy business

Revenue from the Group's financial consultancy services was mainly generated from the service fees charged for providing customers with financial consultancy services by the Group. For the year ended 31 December 2018, the Group's revenue generated from financial consultancy services was approximately RMB5.6 million (year ended 31 December 2017: approximately RMB29.2 million).

Revenue from the Group's financial consultancy services experienced a relatively significant decrease in 2018 mainly because existing businesses within financial consultancy services were completed, and new businesses decreased as compared with last year, thereby leading to a decrease in revenue.

二零一八年，本集團應收款資金佔用利息收入約為人民幣0.4百萬元(截至二零一七年十二月三十一日止年度：約人民幣17.0百萬元)，與二零一七年度相比，降幅約為97.6%。應收款資金佔用利息收入較上年同期減少的原因是二零一七年本集團收取了客戶代償款的一次性利息。

非融資擔保業務

本集團的非融資擔保業務收益主要來自為客戶提供有關履行付款責任的履約擔保以及訴訟擔保所收取的服務費收入。截至二零一八年十二月三十一日止年度，本集團來自非融資擔保業務收益約為人民幣4.3百萬元(截至二零一七年十二月三十一日止年度：約人民幣5.3百萬元)，較二零一七年度降幅約為18.9%。

集成擔保在創新擔保業務品種的同時，繼續發展風險相對較低的非融資擔保業務，使非融資擔保業務收益成為本集團收益的穩定增長點。

財務顧問業務

本集團的財務顧問服務收益主要來自本集團提供財務顧問服務所收取的服務費。截至二零一八年十二月三十一日止年度，本集團來自財務顧問服務的收益約為人民幣5.6百萬元(截至二零一七年十二月三十一日止年度：約人民幣29.2百萬元)。

本集團的財務顧問服務收益在二零一八年有較大幅度的下降的主要原因是財務顧問服務的原有業務已到期，新增業務較上年同期有所減少，導致收益減少。

Management Discussion and Analysis

管理層討論與分析

Financial leasing and factoring business

Revenue from the Group's financial leasing services was mainly generated from the rental fees charged by the Group in its provision of financial leasing services to customers. For the year ended 31 December 2018, revenue from the Group's financial leasing and factoring business increased by approximately RMB2.0 million to approximately RMB24.4 million (year ended 31 December 2017: approximately RMB22.4 million).

Meantime, revenue from factoring business was approximately RMB6.1 million in 2018.

In 2018, capturing the changes in market demand and satisfying potential needs of the clients, the Group continuously provided professional and customised financing leasing services and factoring services to clients by giving play to its advantages, enhancing product structure and strictly adopting risk management measures.

Interest income from down payments for investment

The Group's interest income from down payments for investment was mainly generated from interest of prepayments for potential acquisition of projects under negotiation. For the year ended 31 December 2018, the revenue of the Group's interest income from down payments for investment was approximately RMB11.3 million.

Other Revenue

The Group's other revenue comprised interest income from bank deposits, interest income from related parties, government grants, gain on sale of non-current assets and others. For the years ended 31 December 2017 and 2018, the Group's other revenue were approximately RMB3.0 million and RMB5.0 million, respectively, representing an increase of approximately 66.7%. The increase in other revenue was attributable to the increase in interest income due to the increase in cash and bank deposits of the Group in 2018, and also the interest on loan from the financial subsidy towards the Group's associate - Success Credit.

融資租賃及保理業務

本集團的融資租賃服務所得收益主要來自本集團為客戶提供融資租賃服務所收取的租賃費。截至二零一八年十二月三十一日止年度，本集團來自為客戶提供融資租賃服務及保理業務所得的收益增加約人民幣2.0百萬元至約人民幣24.4百萬元(截至二零一七年十二月三十一日止年度：約人民幣22.4百萬元)。

其中，二零一八年內取得保理業務收益約為人民幣6.1百萬元。

二零一八年，本集團為適應市場需求變化、滿足客戶潛在需求，發揮自身資源優勢、優化產品結構、嚴格執行風控措施，繼續為客戶提供專業化、特色化的融資租賃服務及保理服務。

預付款利息

本集團預付款收益主要來自目前商談中的潛在收購項目的訂金利息。截至二零一八年十二月三十一日止年度，本集團預付款利息的收益約為人民幣11.3百萬元。

其他收益

本集團的其他收益由銀行存款利息收入、關聯方利息收入、政府補助、處置非流動資產的收益和其他組成。截至二零一七年及二零一八年十二月三十一日止年度，本集團的其他收益分別約為人民幣3.0百萬元及人民幣5.0百萬元，二零一八年較二零一七年同比增幅約為66.7%。其他收益上升的原因是：二零一八年本集團現金與銀行存款的增加使得銀行存款利息收入增加以及本集團對聯營公司集成貸款的借款所收取的借款利息。

Management Discussion and Analysis

管理層討論與分析

Impairment and Provision (Charged)/Written Back

Impairment and provision mainly represents the provision of guarantee losses and the impairment provision for receivables from guarantee payments, factoring receivable and finance lease receivable where it is likely that the customers or other parties are in financial difficulties and recovery was considered to be remote. In the event that any impairment and provision was made in the previous years but subsequently recovered, impairment and provision previously made will be written back in the year in which the relevant amount is recovered.

Operating Expenses

For the year ended 31 December 2018, the Group's operating expenses was approximately RMB53.1 million (year ended 31 December 2017: approximately RMB53.2 million). The Group upheld the cost-efficient principle, and managed to decrease operating expenses slightly as compared with last year. In particular, salaries and rent decreased by 11.8% and 39.1% respectively as compared with last year. Meanwhile, agency consultation fees and office expenses increased by 85.0% and 185.0% respectively as compared with last year. Among which, the Group's office expenses in 2018 recorded a relatively higher increase as compared with last year, given the cost for information storage significantly increased in order to facilitate the business growth of Success Guarantee.

Share of Profits of Associates

The share of profits of associates amounted to a gain of approximately RMB1.6 million for the year ended 31 December 2018, representing an increase of approximately RMB1.8 million from a loss of approximately RMB0.2 million for the year ended 31 December 2017. The turnaround from loss in the previous year to profit was because change in fair value of the financial assets, which the Group's associate Success Credit owns, presents a profit/loss in the income statement. In 2018, fair value of the financial assets recorded a significant rise leading to a net profit of Success Credit.

減值及撥備(扣除)/撥回

減值及撥備主要指擔保虧損撥備以及應收違約擔保付款、保理應收款項、融資租賃應收款項減值撥備(於客戶或其他各方可能陷入財務困境且有關款項被視為無法收回之時計提)。倘出現減值且於過往年度作出的撥備隨後獲收回，則會於收回相關數額的年度將之前作出的減值及撥備撥回。

經營開支

截至二零一八年十二月三十一日止年度，本集團的經營開支為約人民幣53.1百萬元(截至二零一七年十二月三十一日止年度：約人民幣53.2百萬元)。本集團一貫嚴格堅持成本控制原則，經營開支較去年同期略有下降。其中，工資薪金、租金較上年同期均有所下降，降幅分別為11.8%和39.1%。而中介諮詢費、辦公費較上年同期均有所上升，升幅分別為85.0%和185.0%。其中二零一八年本集團辦公費較上年同期有較大幅度增加的原因是集成擔保因業務增長需要，其數據存儲量相關的費用大幅增加。

分佔聯營公司溢利

截至二零一八年十二月三十一日止年度分佔聯營公司溢利約為人民幣1.6百萬元，較截至二零一七年十二月三十一日止年度虧損約人民幣0.2百萬元增加約人民幣1.8百萬元。與上年同期相比，分佔聯營公司淨溢利扭虧為盈的原因是本集團的聯營公司集成貸款持有以公允價值計量且其變動計入當期損益的金融資產，由於其公允價值有較大幅度的上升，使得二零一八年集成貸款錄得淨溢利。

Management Discussion and Analysis

管理層討論與分析

Profit Before Taxation

The Group's profit before taxation decreased by approximately RMB9.1 million, or approximately 28.2%, from approximately RMB32.3 million for the year ended 31 December 2017 to approximately RMB23.2 million for the year ended 31 December 2018. Such decrease was mainly attributable to the year-on-year decrease in interest income and financial consultancy services income; along with the interest expenses generated from the issuance of convertible bonds by the Group in 2018 with maturity date in 2020.

Income Tax

For the year ended 31 December 2018, the Group's income tax amounted to approximately RMB17.9 million, representing an increase of approximately 7.2% from approximately RMB16.7 million for the year ended 31 December 2017. The increase in income tax was mainly because change in fair value of the financial assets held by group presents a profit/loss in the income statement. In 2018, fair value of the financial assets recorded a significant rise leading to the increase in income tax for 2018. Such increase was also mainly attributable to the increase of taxable profit and unused tax losses from some subsidiaries.

Trade and Other Receivables – Receivables from Guarantee Payments

Receivables from guarantee payments mainly represent the default loan amount repaid by the Group on behalf of our customers. Upon default by a customer in respect of repayment of a bank loan, according to the relevant guarantee agreement, the outstanding balance shall be firstly paid by the Group on behalf of our customers. The Group will then subsequently request repayment from our customers or take possession of the counter-guarantee assets provided by such customers to recover the outstanding balance. Receivables from guarantee payments were interest bearing and the Group holds certain collaterals over certain customers. The net book value of receivables from guarantee payments decreased from approximately RMB246.9 million as at 31 December 2017 to approximately RMB232.7 million as at 31 December 2018.

除稅前溢利

本集團除稅前溢利由截至二零一七年十二月三十一日止年度約人民幣32.3百萬元減至截至二零一八年十二月三十一日止年度約人民幣23.2百萬元，減少約人民幣9.1百萬元或約28.2%。該減少主要是由於本集團二零一八年的利息收入和財務顧問服務收入都較上年同期有所減少，以及本集團需支付於二零一八年發行二零二零年到期的可換股債券所產生的利息費用。

所得稅

本集團截至二零一八年十二月三十一日止年度的所得稅約為人民幣17.9百萬元，較截至二零一七年十二月三十一日止年度約人民幣16.7百萬元增加約7.2%。所得稅的增加主要是由於本集團持有以公允價值計量且其變動計入當期損益的金融資產，其公允價值有較大幅度的上升，導致二零一八年的所得稅費用有相應幅度的增加，以及部分附屬公司應稅溢利及未使用的稅項虧損的增加也使得二零一八年的所得稅增加。

貿易及其他應收款項 – 應收違約擔保付款

應收違約擔保付款主要指本集團代表客戶償還拖欠貸款金額。於客戶拖欠銀行貸款還款時，根據相關擔保協議，未清償結餘將首先由本集團代表客戶償付。本集團隨後要求客戶還款或接管有關客戶提供的反擔保資產來收回未清償結餘。應收違約擔保付款為計息項目，且本集團針對若干客戶持有若干抵押品。應收違約擔保付款的賬面淨值由二零一七年十二月三十一日的約人民幣246.9百萬元減少至二零一八年十二月三十一日約人民幣232.7百萬元。

Management Discussion and Analysis

管理層討論與分析

LIQUIDITY AND CAPITAL RESOURCES

Treasury Management and Investment Policy

In order to more effectively utilise the Group's financial resources for obtaining a better return for the shareholders, it has been the Group's general approach that our management will seek for some alternative investment opportunities which could provide a better return but at minimum risk exposure.

Pledged Bank Deposits and Cash and Bank Deposits

As at 31 December 2018, the pledged bank deposits amounted to approximately RMB86.2 million (31 December 2017: approximately RMB95.5 million), representing a decrease of approximately RMB9.3 million as compared to the end of last year. Cash and bank deposits amounted to approximately RMB719.1 million (31 December 2017: approximately RMB39.4 million), representing an increase of approximately RMB679.7 million, as compared to the end of last year. The increase in cash and bank deposits was mainly attributable to the net cash inflow generated from the joint project between Success Guarantee and a client, the funds raised from the Group's issuance of convertible bonds under the General Mandate on 1 February 2018, pledged deposits paid by new client of Success Guarantee for collaboration in the new project and the increase of receipts in advance from partner companies.

Interest Rate Risk and Foreign Exchange Risk

As at 31 December 2018, the Group's interest rate primarily related to interest-bearing bank deposits and pledged bank deposits.

The Group's businesses for the year ended 31 December 2018 were principally conducted in RMB, while most of the Group's monetary assets and liabilities were denominated in HKD and RMB. As RMB is not a freely convertible currency, any fluctuation in the exchange rate of HKD against RMB may have an impact on the Group's result. Although foreign currency exposure does not pose a significant risk on the Group and currently, the Group does not have hedging measures against such exchange risks, the Group will continue to take proactive measures and monitor closely the risk arising from such currency movement.

流動資金及資本資源

財富管理及投資政策

為更有效利用本集團的財務資源以為股東獲取更佳回報，本集團一貫的方法為管理層會尋求可提供較佳回報但風險最低的一些其他投資機會。

已質押銀行存款與現金及銀行存款

於二零一八年十二月三十一日，即期已質押銀行存款約為人民幣86.2百萬元（二零一七年十二月三十一日：約人民幣95.5百萬元），較去年底減少約人民幣9.3百萬元。現金及銀行存款約為人民幣719.1百萬元（二零一七年十二月三十一日：約人民幣39.4百萬元），較去年底增加約人民幣679.7百萬元。現金及銀行存款增加的主要原因是集成擔保與客戶合作的新項目產生淨現金流、本集團於二零一八年二月一日根據一般授權發行可換股債券募得資金、集成擔保的新客戶為合作的新項目於本集團存入擔保保證金以及預收合作公司款項的增加。

利率風險及外匯風險

於二零一八年十二月三十一日。本集團的利率主要與計息銀行存款及質押銀行存款有關。

本集團於截至二零一八年十二月三十一日止年度主要以人民幣進行業務，而本集團的大部分貨幣資產及負債以港元及人民幣計值。由於人民幣並非可自由兌換貨幣，因此港元兌人民幣的匯率波動可對本集團的業績產生影響。儘管外匯並無使本集團面對重大風險且本集團現時並無就該等外匯風險採取任何對沖措施，本集團將會繼續採取積極措施密切監控有關貨幣變動產生的風險。

Management Discussion and Analysis

管理層討論與分析

Gearing Ratio

The Group's gearing ratio (total liabilities divided by total equity) increased from approximately 8.0% as at 31 December 2017 to approximately 98.1% as at 31 December 2018, which was mainly attributable to the increase in total liabilities. The increase in total liabilities was mainly caused by the rise in liabilities from guarantee (deferred income), pledge deposits payable to partner companies, liabilities from convertible bonds and receipts in advance from partner companies.

HUMAN RESOURCES AND REMUNERATION POLICIES

The Group recruits personnel from the open market and enters into employment contracts with them. The Group offers competitive remuneration packages to employees, including salaries, bonuses, food allowance and festival bonus to qualified employees. The Group places high importance on staff development and provides training to our staff to enhance their knowledge of the financial products in the market and the applicable laws and regulations in relation to the industry in which the Group operates and professional skills. The Group offers a lot of support to employees with its diverse resources to help boost their self-esteem and leading to their personal development.

The Group maintained stable relationship with its employees. As at 31 December 2018, the Group had 38 full-time employees. Compensation of the employees primarily includes salaries, discretionary bonuses, contributions to five insurance and housing provident fund scheme, accident insurance and retirement benefit scheme. The Group incurred staff costs (including Directors' remuneration) of approximately RMB24.1 million for the year ended 31 December 2018.

On 26 February 2018, since the Directors intended to offer greater support for our rapid development in 2018, the Board approved a remuneration payment proposal recommended by the remuneration committee of the Group, pursuant to which 50% of the remuneration of each Director between 1 March 2018 and 31 December 2018 would be withheld. While the 50% withheld remuneration of each of the non-executive director and the independent non-executive directors had been paid before 31 December 2018, the Board, after considering the financial performance of the Group for the financial year ended 31 December 2018, resolved that the Group would not release the 50% remuneration withheld from the executive Directors between 1 March 2018 and 31 December 2018.

資本負債比率

本集團的資本負債比率(負債總額除以權益總額)由二零一七年十二月三十一日的約8.0%增加至二零一八年十二月三十一日的約98.1%。主要是由於負債總額的增加所致。負債總額增加的主要原因是擔保負債(遞延收入)、應付合作公司擔保保證金、可換股債券負債以及預收合作公司款項的增加。

人力資源及薪酬政策

本集團在公開市場招攬人材並與彼等訂立僱傭合約。本集團給予僱員具競爭力的薪酬組合，包括向合資格僱員提供薪金、花紅、膳食及過節福利。本集團十分注重員工發展，向員工提供培訓以提升彼等對市場上財務產品及有關本集團所在行業的適用法律及法規認識和專業技能。本集團利用自身豐富的資源，向員工提供龐大支持，以幫助他們提升自我形象，實現個人發展。

本集團與其僱員維持良好關係。於截至二零一八年十二月三十一日，本集團聘用38名全職僱員。僱員薪酬主要包括薪金、酌情花紅、五險一金、意外險及退休福利計劃供款。於截至二零一八年十二月三十一日止年度，本集團產生員工成本(包括董事酬金)約人民幣24.1百萬元。

於二零一八年二月二十六日，由於董事擬加大二零一八年快速發展的支持力度，董事會批准本集團薪酬委員會建議的薪酬支付計劃，據此暫緩發放各董事二零一八年三月一日至二零一八年十二月三十一日的50%薪酬。儘管各非執行董事及獨立非執行董事被暫緩發放的50%薪酬已於二零一八年十二月三十一日之前支付，但董事會經考慮本集團截至二零一八年十二月三十一日止財政年度的財務表現後，議決本集團將不會發放二零一八年三月一日至二零一八年十二月三十一日被暫緩發放的執行董事的50%薪酬。

Management Discussion and Analysis

管理層討論與分析

The Company has adopted the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme as an incentive to the Directors and eligible employees.

SOCIAL ENTERPRISE

While serving the local economic development and assisting small and medium sized enterprises, the Group was also engaged in charitable activities to fulfil social responsibilities. We were widely recognised and appreciated for being a role model. Every year, Success Charity Foundation (集成愛心基金), which was voluntarily initiated by shareholders and employees of the Group, gives help and support to employees in need. It provides timely support and assistance to families of employees who suffer from serious illnesses or accidental injuries, and goes through difficult times with the employees and their families. In respect of poverty alleviation efforts, Mr. Xu Kaiying, the Executive Director of the Group, visited Butuo County, Liangshan State, Sichuan Province to exchange views on poverty alleviation work, and donated funds supporting industry development in villages under paired support policy to help Liangshan State out of poverty. In addition, Mr. Zhang Tiewei, the Chairman of the Group, has been teaching as an off-campus tutor of the master's degree of finance of Guangdong University of Finance and Economics to nurture brilliant students in joint effort with higher institutions, assist students in developing the habit and thinking that integrates both theories and practice in learning, encourage students to tap into professional knowledge, train up their leadership skills and foster innovation and high moral standards.

PROSPECTS AND OUTLOOK

Macro Outlook

After a relatively strong recovery, the world economy is exposed to downside risks in 2019, whereby great uncertainties in macro policies and the increased financial risks are the main culprits of global economic slowdown. As the emerging economies are stabilising while developed economies are experiencing slowdown, such variation in growth pattern might benefit the development of the emerging markets. On the other hand, worsening labour shortage will bring a high level of core inflation to developed economies, whilst that of other regions is to remain at low levels. Meanwhile, the Federal Reserve temporarily ceases the interest rate hikes, while central banks in Europe and other regions are seeking normalised monetary policies. In general, the economy is likely to continuously experience mild slowdown in 2019.

本集團已採納首次公開發售前購股權計劃及首次公開發售後購股權計劃作為對董事及合資格僱員的鼓勵。

社會企業

本集團在服務地方經濟，幫扶中小微企業發展的同時，不忘踐行社會公益責任，主動參與公益活動，立信於人前，獲得了社會各方的一致好評，樹立了良好的社會形象。由本集團股東與員工自發成立的集成愛心基金會每年定向幫扶本集團內部困難員工，對經受重大疾病或意外傷害的員工家庭給予及時幫助，與員工及其家庭成員一起共渡難關。在扶貧工作上，本集團執行董事徐凱英先生赴四川省涼山州布拖縣考察扶貧協作工作，並對結對幫扶村捐贈產業發展扶持基金，助力涼山州打贏精準扶貧攻堅戰。此外，本集團主席張鐵偉先生擔任廣東財經大學的校外金融碩士學位導師，與高校聯合培養優秀學子，幫助學生培養理論與實踐相結合的學習習慣及思維模式，鼓勵學生深挖專業知識，鍛煉領導能力，培養創新精神及高道德標準。

前景及展望

宏觀前瞻

世界經濟在經歷了較為強勁的復蘇之後，二零一九年將面臨下行風險，其中宏觀政策高度不確定和金融風險不斷積累是影響全球經濟放緩的主要因素。一方面，新興經濟體趨於穩定，發達經濟體的增長放緩，這種增長上的差異可能會有利於新興市場的發展；其次，勞動力市場趨緊，導致發達經濟體的核心通脹處於新週期高位，而其他地區則保持低位；再者，美聯儲暫停加息，而歐洲央行等其他央行尋求政策正常化。總的來說，二零一九年經濟預計繼續溫和放緩。

Management Discussion and Analysis

管理層討論與分析

In 2019, China will continue to focus on the supply side reform, further deepen the marketisation reform, widen the opening up of the economy, and speed up the establishment of a modern economic system. China will also continuously work hard in the Three Critical Battles, reinvigorate the micro economy while innovating and refining macroeconomic regulations. China strives to propel stable economic growth and reform, adjust economic structure, raise living standard of people, prevent risks and maintain stability, to ensure rational economic development.

The “2019 Government Work Report” introduced multiple measures to revitalise the market and improve business environment, particularly naming alleviating corporate’s difficulties in financing as one of the top priorities; and encouraging financial inclusion services in hopes of alleviating financing stress faced by small and medium sized enterprises. On September 28 2018, the China Banking and Insurance Regulatory Commission issued the first ever Financial Inclusion White Paper pointed out that the rapid development of financial inclusion indicates the financial industry’s contribution towards the construction of a modern economic system and its improved ability in serving the real economy. In particular, digital financial inclusion is the key towards the sustainable development of financial inclusion. In addition, the Ministry of Finance reiterated its will to reduce corporate taxes, and established the National Financing Guarantee Fund to support the business development of small and medium sized enterprises. These will provide good business development opportunities to the Group.

In response to the new policy, the Group will continue to forge steady development of traditional businesses, develop asset management business, propel integrated services in the Bay Area and enhance the strength of the Group by means of investing, mergers and acquisitions; in order to achieve rapid development.

Steadily Developing Traditional Businesses, while Actively Innovating Products

The Group will seize the opportunities brought by the development of financial inclusion to maintain the steady development of traditional businesses, safeguarding the operation channels such as guarantee, financial leasing and factoring, in order to explore new markets and enhance investment and financing services for micro, small and medium sized enterprises.

二零一九年，中國將繼續以供給側性改革為主線，進一步深化市場化改革、擴大高水平開放，加快建設現代化經濟體系，繼續打好三大攻堅戰，著力激發微觀主體活力，創新和完善宏觀調控，統籌推進穩增長、促改革、調結構、惠民生、防風險、保穩定工作，保持經濟運行在合理區間。

《二零一九年政府工作報告》多舉措激發市場主體活力，優化營商環境，單獨將「著力緩解企業融資難融資貴問題」列為工作任務之一，並提出激勵加強普惠金融服務，改善中小微企業融資緊張情況；同時，於二零一八年九月二十八日，銀保監會首次發佈普惠金融白皮書，指出大力發展普惠金融，是金融業支持現代經濟體系建設、增強服務實體經濟能力的重要體現，而數字普惠金融引領，是普惠金融可持續發展的重要出路；此外，財政部多次表態將切實降低企業賦稅，同時落地了國家融資擔保基金，大力扶持中小微企業發展。這些都為本集團的業務發展提供了良好的契機。

在新的政策形勢下，本集團將繼續穩健發展傳統業務，兼顧發展大資管業務，參與推動灣區綜合服務，擇機以投資併購方式增強本集團實力等途徑，實現本集團快速發展。

穩健發展傳統業務，積極創新產品

本集團將緊抓普惠金融發展的良好契機，繼續穩健發展傳統業務，維護擔保、融資租賃及保理等業務渠道，力求開拓新市場，做好中小微企業的投融資服務。

Management Discussion and Analysis

管理層討論與分析

For guarantee business, Success Guarantee will continue to maintain the quality of traditional guarantee business. With small and medium sized enterprises as target clients, the Group will strive to accommodate the demands of the clients and the market. Meanwhile it will follow the latest market trend to devise new products, actively develop financial technology and gradually reshape and refine the risk management mechanism. Success Guarantee will also answer to the national policy in forging cooperation between banks and guarantee companies, while launching innovative products, and providing integrated financing services to small and medium sized enterprises, thus reinforcing the core competitiveness of the Group.

For financial leasing and factoring business, the Group will continue to use its advantages in resource allocation and its professional expertise in product design to provide diversified financial services to clients.

Developing Asset Management Business

The asset management industry experienced an overhaul in 2018, with the process of opening up of the finance industry being further accelerated concurrently. As the domestic asset management companies face international competition, new stage of development of the asset management industry begins. Capitalising on the advantages of its listing status, the Group will pay close attention to market demand, integrate its resources in Hong Kong and Mainland China and furnish diversified asset portfolio management services to clients in need.

Propelling Integrated Services for the Bay Area

With the promulgation of the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” on 18 February 2019, the Greater Bay Area will strive to further open up the finance industry and give innovative investment and financing services to the real economy within the region. The Group will grasp the opportunities brought by the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, and harness the resources in Mainland China and Hong Kong to offer full-scale and diversified financial services to enterprises in the Bay Area, and actively participate in boosting the development of the Bay Area.

擔保業務方面，集成擔保將繼續維護好傳統擔保業務體量，以中小微企業為目標客戶群體，深入挖掘客戶需求，滿足市場要求；同時緊跟市場趨勢，著力開拓新型產品，積極發展科技金融，逐步改造、優化風控手段。此外，集成擔保將響應國家號召，大力促進開展銀擔合作，新增創新產品，為中小微企業提供更全面的融資服務，進一步提升核心競爭力。

融資租賃及保理業務方面，將繼續發揮本集團的資源配置優勢，輔以專業的產品設計能力，為客戶提供多元化的金融服務。

兼顧發展大資管業務

二零一八年，大資管行業經歷了洗禮與重塑，與此同時，金融業對外開放進一步提速，內資資管正式接軌國際競爭，資管行業面臨全新發展。對此，本集團將時刻關注市場需求，利用上市公司優勢，整合香港內地資源，為有需要的客戶提供多樣化資產組合管理服務。

推動灣區綜合服務

二零一九年二月十八日《粵港澳大灣區發展規劃綱要》發佈，灣區將致力於擴大金融業對外開放，並對區域內實體經濟提供創新的投融資服務。本集團將利用粵港澳大灣區建設契機，利用好兩地資源，為灣區內企業提供全方位、多元化的金融服務支持，積極參與推進大灣區發展建設。

Management Discussion and Analysis

管理層討論與分析

Strengthening through Investment, Mergers and Acquisitions

In 2019, the Group will adhere to its long-term development strategy, to explore investment opportunities, expand business scope, obtain customer resources, enhance business capability by share purchase or acquisition; in order to adapt to a financial system that is more open and with higher level of marketisation and technological advancement. Through internal and external investment, along with enrichment and refinement of its business model, the Group will optimise its own development path in the prevailing trend, whilst pursuing mutual development of diverse businesses.

USE OF PROCEEDS

USE OF PROCEEDS FROM THE ISSUANCE OF CONVERTIBLE BONDS ON 1 FEBRUARY 2018

On 1 February 2018, the Company issued convertible bonds in an aggregate principal amount of HKD154 million under general mandate. The net proceeds, after deducting the administration fee of HKD1,540,010, were HKD152,459,990, and had been utilised as follows as at 31 December 2018:

		HKD'million 百萬港元
1. Acquisition of T. M. Management Limited	1. 收購 T. M. Management Limited	5.53
2. Capital increase of Guangdong Success Finance Guarantee Company Limited	2. 增加廣東集成融資擔保有限公司資本金	73.18
3. Prepayment of principle and interest payment of convertible bonds	3. 可換股債券預付本金及支付利息	15.04
4. General working capital of the Group	4. 集團一般營運資金	31.61
Total net proceeds unutilised	未用所得款項總淨額	27.10

The balance of the net proceeds was deposited with banks in Hong Kong and will be used as general working capital of the Group and for development of the existing and future projects of the Group.

投資併購等多種方式增強本集團實力

二零一九年，本集團將依據長期發展戰略，以參股或收購方式尋找新商業投資機會，擴展業務範圍，汲取客戶資源，增強業務能力，以適應高度市場化、高科技和更加開放的金融體系。通過對內、對外投資，豐富、優化商業模式，在大勢下尋找自己的發展道路，多產業齊頭並進，抱團取暖，共同發展。

所得款項用途

於二零一八年二月一日發行可換股債券的所得款項

於二零一八年二月一日，本公司根據一般授權發行本金總額 154,000,000 港元的可換股債券。扣除手續費 1,540,010 港元後，所得款項淨額為 152,459,990 港元。該款項截止二零一八年十二月三十一日已用作以下用途：

所得款項淨額結餘已存入香港銀行，將用作本集團的一般營運資金及用於發展本集團現有及未來的項目。

Report of the Directors

董事會報告

FAIR REVIEW OF BUSINESS

A fair review of the business of our Group as well as discussion and analysis of our Group's performance during the year ended 31 December 2018 and the material factors underlying its financial performance are set out in the "Chairman Statement" and the "Management Discussion and Analysis" sections of this annual report.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of our Group are the provision of financial and non-financial guarantees services, financial leasing and financial consultancy services in China.

FINANCIAL RESULTS

The results of our Group for the year ended 31 December 2018 and the state of our Group's affairs as at that date are set out in the consolidated financial statements on pages 100 to 288 of this annual report.

CASH FLOW POSITION

The cash flow position of our Group for the year ended 31 December 2018 is set out and analysed in the consolidated cash flow statements set out on pages 106 to 108 of this annual report.

DIVIDENDS

The Board has resolved not to declare a final dividend by the Company for the year ended 31 December 2018.

PROFESSIONAL TAX ADVICE RECOMMENDED

For any taxation implications of purchasing, holding, disposing of, dealing in the shares of our Company, shareholders should consult an expert.

SUBSIDIARIES

Details of our Company's principal subsidiaries as at 31 December 2018 are set out in note 15 to the financial statements.

公平業務回顧

本集團截至二零一八年十二月三十一日止年度的公平業務回顧及本集團業績表現的討論及分析，以及與財務表現相關的重大因素載於本年報的「主席報告」及「管理層討論與分析」部分。

主要業務

本公司為投資控股公司。本集團的主要業務為於中國提供融資及非融資擔保服務、融資租賃以及財務顧問服務。

財務業績

本集團截至二零一八年十二月三十一日止年度的業績以及本集團於該日期的事務狀況載於本年報第100至288頁的綜合財務報表。

現金流量狀況

本集團截至二零一八年十二月三十一日止年度的現金流量狀況及其分析載於本年報第106至108頁的綜合現金流量表。

股息

董事會議決本公司不宣派截至二零一八年十二月三十一日止年度的末期股息。

專業稅務意見建議

有關購買、持有、處置或買賣本公司股份的任何稅務影響，股東應諮詢專家。

附屬公司

本公司主要附屬公司於二零一八年十二月三十一日的詳情載於財務報表附註15內。

Report of the Directors

董事會報告

CLOSURE OF REGISTER OF MEMBERS

The Company's register of members will be closed from 17 May 2019 to 23 May 2019 (both days inclusive), during which period no transfer of shares of the Company will be effected. In order to be eligible to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on 16 May 2019.

DISTRIBUTABLE RESERVES

As at 31 December 2018, the aggregate amount of the distributable reserves of our Company was approximately RMB406.3 million. Movements in the distributable reserves of our Group during the year are set out in note 28(i) and note 32 to the financial statements.

RESERVES

Movements in the reserves of our Group during the year are set out in the consolidated statement of changes in equity on pages 104 to 105 of this annual report.

EQUIPMENT

Details of the movements of equipment of our Group for the year ended 31 December 2018 are set out in note 17 to the financial statements.

SHARE CAPITAL

Details of the movements in Company's share capital for the year ended 31 December 2018 are set out in note 28(c) to the financial statements.

暫停辦理股東登記手續

本公司將自二零一九年五月十七日至二零一九年五月二十三日(包括首尾兩天)暫停辦理股東登記手續,期間將不會進行本公司股份的過戶登記。為符合出席股東週年大會及於會上投票的資格,所有已正式填妥的股份過戶表格連同相關股票須於二零一九年五月十六日下午四時三十分前送達本公司在香港的股份過戶登記處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室),以辦理登記手續。

可分派儲備

於二零一八年十二月三十一日,本公司的可分派儲備總額約為人民幣406.3百萬元。本集團於年內的可分派儲備變動載於財務報表附註28(i)及附註32。

儲備

年內本集團儲備的變動載於本年報第104至105頁的綜合權益變動表。

設備

本集團於截至二零一八年十二月三十一日止年度的設備變動詳情載於財務報表附註17。

股本

本公司於截至二零一八年十二月三十一日止年度的股本變動詳情載於財務報表附註28(c)。

SHARE OPTION SCHEME

Our Company maintains two share option schemes, namely the Pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) and the Post-IPO share option scheme (the “**Post-IPO Share Option Scheme**”), together with the Pre-IPO Share Option Scheme, the “**Share Option Schemes**”) for the purpose of recognising the contribution of the employees of our Group and retaining them for the continual operation and development of our Group. Both schemes were adopted pursuant to a written resolution of all the then shareholders of our Company passed on 18 October 2013 (the “**Adoption Date**”).

Under the Share Option Schemes, our Board may, at its discretion, offer any employee (including any executive Directors) of our Group, options to subscribe for shares in our Company subject to the terms and conditions stipulated in the Share Option Schemes.

The Pre-IPO Share Option Scheme

The major terms of the Pre-IPO Share Option Scheme are as follows:

a) *Purpose of the scheme*

The purpose of the Pre-IPO Share Option Scheme is to enable our Company to grant options to the participants as incentive or rewards for their contributions to our Group.

b) *Total number of shares available for issue and vesting period*

The total number of shares subject to the options under the Pre-IPO Share Option Scheme is 10,000,000 Shares, representing approximately 1.91% of the issued Shares, as at the date of this annual report, which shall vest to the relevant option holder in tranches in the following manner:

- (i) 50% of the options shall vest and become exercisable on 30 June 2014;
- (ii) 30% of the options shall vest and become exercisable on 30 June 2016; and
- (iii) 20% of the options shall vest and become exercisable on 30 June 2018.

購股權計劃

本公司維持兩項購股權計劃(即首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)及首次公開發售後購股權計劃(「首次公開發售後購股權計劃」,連同首次公開發售前購股權計劃,統稱「購股權計劃」),以資肯定本集團僱員作出的貢獻,並讓其繼續為本集團的持續營運及發展效力。該兩項計劃均於二零一三年十月十八日(「採納日期」)根據本公司當時全體股東通過的書面決議案獲採納。

根據購股權計劃,董事會可酌情向本集團任何僱員(包括任何執行董事)提呈購股權以認購本公司股份,惟須受購股權計劃內所訂明的條款及條件規限。

首次公開發售前購股權計劃

首次公開發售前購股權的主要條款概述如下:

a) *計劃的目的*

首次公開發售前購股權計劃旨在讓本公司向參與人士授出購股權,作為彼等對本集團所作貢獻的獎勵或獎賞。

b) *可予發行的股份總數及歸屬期間*

根據首次公開發售前購股權計劃的購股權涉及的股份總數為10,000,000股(相當於本年報日期已發行股份約1.91%),須按以下方式分批歸屬予有關購股權持有人:

- (i) 50%的購股權須於二零一四年六月三十日歸屬及可予行使;
- (ii) 30%的購股權須於二零一六年六月三十日歸屬及可予行使;及
- (iii) 20%的購股權須於二零一八年六月三十日歸屬及可予行使。

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c) *Amount payable upon acceptance of options*

A non-refundable sum of HK\$1.00 by way of consideration for the grant of an option is required to be paid by each of the grantees upon acceptance of the granted option.

d) *Remaining life of the Pre-IPO Share Option Scheme*

On 6 November 2013, our Company granted 10,000,000 options under the Pre-IPO Share Option Scheme. Accordingly, the Pre-IPO Share Option Scheme had no outstanding options granted at the end of the financial year ended 31 December 2013. Nevertheless, the provisions of the Pre-IPO Share Option Scheme shall in all other respects remain in force and effect and options which are granted during the life on the Pre-IPO Share Option Scheme may continue to exercise in accordance with the respective terms of issue. No options granted under the Pre-IPO Share Option Scheme had been exercised by the grantees in the year ended 31 December 2018.

c) *接納購股權後應付款項*

當接納所獲授的購股權時，每名承授人須支付不可退回款項1.00港元作為授出購股權的代價。

d) *首次公開發售前購股權計劃的剩餘年期*

於二零一三年十一月六日，本公司根據首次公開發售前購股權計劃授出10,000,000份購股權。因此，首次公開發售前購股權計劃於截至二零一三年十二月三十一日止財政年度並無已授出但未行使的購股權。然而，首次公開發售前購股權計劃的條文在所有其他方面均一直有效及生效，而於首次公開發售前購股權計劃有效期內授出的購股權可繼續根據相關發行條款行使。承授人於截至二零一八年十二月三十一日止年度並無行使根據首次公開發售前購股權授出的購股權。

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董事會報告

During the twelve-month period ended 31 December 2018, the movements of the options which have been granted under the Pre-IPO Share Option Scheme are set out below:

於截至二零一八年十二月三十一日止十二個月期間，根據首次公開發售前購股權計劃授出的購股權變動載列如下：

Category and name of participants 參加者類別及姓名	Vesting Date 歸屬期	Exercise period 行使期	Outstanding as at 1 January 2018 於二零一八年一月一日尚未行使	Exercised during the period 期內行使	Lapsed during the period 期內失效	Cancelled during the period 期內註銷	Balance as at 31 December 2018 於二零一八年十二月三十一日結餘
Category 1 – Director 類別1 – 董事							
Li Bin 李斌	6 November 2013 - 30 June 2014 二零一三年十一月六日至二零一四年六月三十日	30 June 2014 - 5 November 2023 二零一四年六月三十日至二零二三年十一月五日	500,000	—	—	—	500,000
	6 November 2013 - 30 June 2016 二零一三年十一月六日至二零一六年六月三十日	30 June 2016 - 5 November 2023 二零一六年六月三十日至二零二三年十一月五日	300,000	—	—	—	300,000
	6 November 2013 - 30 June 2018 二零一三年十一月六日至二零一八年六月三十日	30 June 2018 - 5 November 2023 二零一八年六月三十日至二零二三年十一月五日	200,000	—	—	—	200,000
Dai Jing 戴菁	6 November 2013 - 30 June 2014 二零一三年十一月六日至二零一四年六月三十日	30 June 2014 - 5 November 2023 二零一四年六月三十日至二零二三年十一月五日	450,000	—	—	—	450,000
	6 November 2013 - 30 June 2016 二零一三年十一月六日至二零一六年六月三十日	30 June 2016 - 5 November 2023 二零一六年六月三十日至二零二三年十一月五日	270,000	—	—	—	270,000
	6 November 2013 - 30 June 2018 二零一三年十一月六日至二零一八年六月三十日	30 June 2018 - 5 November 2023 二零一八年六月三十日至二零二三年十一月五日	180,000	—	—	—	180,000
Sub-Total 小計			1,900,000	—	—	—	1,900,000

Report of the Directors

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Category and name of participants 參加者類別及姓名	Vesting Date 歸屬期	Exercise period 行使期	Outstanding as at 1 January 2018 於二零一八年一月一日尚未行使	Exercised during the period 期內行使	Lapsed during the period 期內失效	Cancelled during the period 期內註銷	Balance as at 31 December 2018 於二零一八年十二月三十一日結餘
Category 2 – Employees under continuous employment contract 類別2 – 受僱於連續性僱傭合約的僱員							
	6 November 2013 - 30 June 2014 二零一三年十一月六日至二零一四年六月三十日	30 June 2014 - 5 November 2023 二零一四年六月三十日至二零二三年十一月五日	2,183,000	—	—	—	2,183,000
	6 November 2013 - 30 June 2016 二零一三年十一月六日至二零一六年六月三十日	30 June 2016 - 5 November 2023 二零一六年六月三十日至二零二三年十一月五日	1,452,000	—	(3,000)	—	1,449,000
	6 November 2013 - 30 June 2018 二零一三年十一月六日至二零一八年六月三十日	30 June 2018 - 5 November 2023 二零一八年六月三十日至二零二三年十一月五日	966,000	—	—	—	966,000
Sub-Total 小計			4,601,000	—	(3,000)	—	4,598,000
Total 總計			6,501,000	—	(3,000)	—	6,498,000

Notes:

- The date of grant of the options is 6 November 2013.
- The options have an exercise price of HK\$1.90.

附註：

- 購股權的授予日期為二零一三年十一月六日。
- 購股權的行使價為1.90港元。

The Post-IPO Share Option Scheme

The purpose of the Post-IPO Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of our Group and to promote the success of the business of our Group.

The aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of our Company must not exceed 30% of the shares in issue from time to time.

The maximum number of shares issuable upon exercise of all options to be granted under the Post-IPO Share Option Scheme and any other share option schemes of our Company as from the Adoption Date (excluding, for this purpose, shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the Post-IPO Share Option Scheme or any other share option schemes of our Company) must not in aggregate exceed 10% of all the shares in issue upon the Listing Date (i.e. 414,044,000 shares after over-allotment option has been exercised). The limit of 10% may be refreshed at any time by approval of the shareholders of our Company in general meeting provided that the total number of the shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme and any other share option schemes of our Company must not exceed 10% of the shares in issue as at the date of approval of the refreshed limit.

Unless approved by shareholders of our Company in general meeting, the total number of Shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) under the Post-IPO Share Option Scheme or any other share option schemes of our Company in any 12-month period up to date of grant must not exceed 1% of the shares in issue.

首次公開發售後購股權計劃

首次公開發售後購股權計劃的目的在於吸引及挽留最優秀的可用人員，並向本集團僱員(全職及兼職)、董事、顧問、諮詢人、分銷商、承包商、供應商、代理、客戶、業務夥伴或服務供應商提供額外獎勵，推動本集團業務發展。

因行使根據首次公開發售後購股權計劃及本公司的任何其他購股權計劃所授出但尚未行使的所有購股權而可予發行的股份總數，不得超過不時已發行股份的30%。

自採納日期起，因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃將予授出的所有購股權而可予發行的最高股份數目(就此而言，並不包括因行使根據首次公開發售後購股權計劃或本公司任何其他購股權計劃所授出但已失效的購股權而可予發行的股份)，合共不得超過於上市日期所有已發行股份的10%(即於超額配股權已獲行使後的414,044,000股股份)。10%的限額可隨時透過取得本公司股東在股東大會上的批准予以更新，惟因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃將予授出的所有購股權而可予發行的股份總數，不得超過於批准經更新限額之日已發行股份的10%。

除非於股東大會上獲本公司股東批准，否則於截至授出日期止任何12個月期間內，因行使根據首次公開發售後購股權計劃或本公司任何其他購股權計劃向各參與者授出的購股權(包括已行使及尚未行使購股權)而發行及將予發行的股份總數，不得超過已發行股份的1%。

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A consideration of HK\$1.00 is payable on acceptance of the grant of an option.

Pursuant to the Post-IPO Share Option Scheme, the participants may subscribe for the shares of our Company on the exercise of an option at the price determined by our Board provided that it shall be at least the higher of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date on which an option is offered to a participant, which must be a business date (the "**Offer Date**"); (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the Offer Date; and (c) the nominal value of a Share on the Offer Date.

An option may be exercised in accordance with the terms of the Post-IPO Share Option Scheme at any time during a period as our Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof.

As at the date of this interim report, no options had been granted or agreed to be granted under the Post-IPO Share Option Scheme.

當接納所獲授的購股權時，須支付代價1.00港元。

根據首次公開發售後購股權計劃，參與者可按董事會釐定的價格於行使購股權時認購本公司股份，惟價格須為以下各項的最高者：(a) 股份於提呈授予參與者購股權之日(須為營業日)(「要約日期」)在聯交所每日報價表所報收市價；(b) 股份於緊接要約日期前五個營業日在聯交所每日報價表所報平均收市價；及(c) 股份於要約日期的面值。

購股權可按照首次公開發售後購股權計劃的條款，在董事會釐定不超過購股權授出日期起計10年期間內任何時間行使，惟受首次公開發售後購股權計劃條款的提前終止條文所限。

於本年報日期，本公司並無根據首次公開發售後購股權計劃授出或同意授出購股權。

Report of the Directors

董事會報告

DIRECTORS

The directors who held office during the year ended 31 December 2018 and up to the date of this annual report are:

Executive Directors

- Mr. ZHANG Tiewei
(re-elected on 19 May 2017)
- Mr. LI Bin
(re-elected on 18 May 2018)
- Ms. DAI Jing
(appointed on 18 May 2018)
- Mr. XU Kaiying
(re-elected on 19 May 2017)
- Mr. PANG Haoquan
(re-elected on 19 May 2016)

Non-executive Director

- Mr. HE Darong
(re-elected on 18 May 2018)

Independent Non-executive Directors

- Mr. TSANG Hung Kei
(re-elected on 18 May 2018)
- Mr. AU Tien Chee Arthur
(re-elected on 19 May 2016)
- Mr. XU Yan
(re-elected on 19 May 2016)
- Mr. ZHOU Xiaojiang
(re-elected on 19 May 2017)

董事

於截至二零一八年十二月三十一日止年度及直至本年報日期在任的董事如下：

執行董事

- 張鐵偉先生
(於二零一七年五月十九日獲重選)
- 李斌先生
(於二零一八年五月十八日獲重選)
- 戴菁女士
(於二零一八年五月十八日獲委任)
- 徐凱英先生
(於二零一七年五月十九日獲重選)
- 龐浩泉先生
(於二零一六年五月十九日獲重選)

非執行董事

- 何達榮先生
(於二零一八年五月十八日獲重選)

獨立非執行董事

- 曾鴻基先生
(於二零一八年五月十八日獲重選)
- 區天旂先生
(於二零一六年五月十九日獲重選)
- 許彥先生
(於二零一六年五月十九日獲重選)
- 周小江先生
(於二零一七年五月十九日獲重選)

Report of the Directors

董事會報告

Pursuant to Article 108 of the articles of association of our Company (the “**Articles of Association**”) and code provision A.4.2 of the Corporate Governance Code set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), one-third of our directors will retire by rotation at the annual general meeting of our Company and will be eligible for re-election at that meeting.

Accordingly, Mr. Pang Haoquan, Mr. Au Tien Chee Arthur and Mr. Xu Yan will retire at the forthcoming AGM and, being eligible, offer themselves for re-election.

Ms. Dai Jing was appointed as an executive Director for a term of three year with effect from 18 May 2018.

Pursuant to Article 112 of the Articles of Association, any directors of our Company appointed by our Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

Biographical details of the directors and senior management of our Company are set out at pages 80 to 87 of this annual report.

CHANGES OF DIRECTORS’ INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of the directors’ information of the Company since the date of our 2018 interim report until the date of this annual report are as follows:

1. Mr. HUNG Hoi Ming Raymond has resigned as an executive director of the Company with effect from 20 September 2018.

根據本公司組織章程細則(「組織章程細則」)第108條及聯交所證券上市規則(「上市規則」)附錄十四所載《企業管治守則》的守則條文第A.4.2條，三分之一的董事將於本公司股東週年大會上輪值退任，並有資格於該會上重選連任。

因此，龐浩泉先生、區天旂先生及許彥先生將於應屆股東週年大會上退任，且將符合資格並願意膺選連任。

戴菁女士獲委任為執行董事，任期三年，於二零一八年五月十八日起生效。

根據組織章程細則第112條，獲董事會委任作為現有董事會新增成員的任何董事，任期僅直至下屆股東大會為止，屆時將合資格重選連任。

本公司董事及高級管理人員的履歷詳情載於本年報第80至87頁。

董事變動資料

根據上市規則第13.51B(1)條，本公司自二零一八年中報日期直至本年度報告日期的董事變動資料如下：

1. 洪海明先生已辭任本公司執行董事，由二零一八年九月二十日起生效。

DIRECTORS' SERVICE CONTRACTS

As at 31 December 2018, (i) Mr. Zhang Tiewei entered into a service agreement commenced on 13 November 2016 as supplemented by a supplemental service agreement commenced on 1 October 2017; (ii) Mr. Li Bin entered into a service agreement commenced on 13 November 2016 as supplemented by two supplemental service agreements commenced on 1 October 2017 and 18 May 2018; (iii) Ms. Dai Jing entered into a service agreement commenced on 18 May 2018; (iv) Mr. Xu Kaiying, entered into a service agreement commenced on 4 July 2016, as supplemented by a supplemental service agreement commenced on 1 October 2017; and (v) Mr. Pang Haoquan, entered into a service agreement commenced on 6 January 2017, as supplemented by a supplemental service agreement commenced on 1 October 2017. Such service agreements may be terminated in accordance with the terms of the service agreements.

Except for Mr. Zhou Xiaojiang, whose service agreement commenced on 4 July 2016, each of the non-executive director and the independent non-executive directors was appointed to our Board pursuant to their respective letters of appointment, for an initial term of three years commencing on 13 November 2016, as supplemented by a supplemental service agreement commenced on 1 October 2017, and such appointment may be terminated in accordance with the terms of the letters of appointment.

As at 31 December 2018, none of our directors proposed for re-election at the forthcoming AGM of our Company has a service contract with members of our Group that is not determinable by our Group within one year without payment of compensation, other than statutory compensation.

EMOLUMENT POLICY

The emoluments of our directors are recommended by the remuneration committee, and decided by our Board, having regard to our Company's operating results, individual performance, experience, responsibility, workload and the prevailing market practices. No director is involved in deciding their own remuneration.

董事服務合約

於二零一八年十二月三十一日，(i)張鐵偉先生訂立服務協議，於二零一六年十一月十三日開始，經於二零一七年十月一日開始的補充服務協議補充；(ii)李斌先生訂立服務協議，於二零一六年十一月十三日開始，經於二零一七年十月一日及二零一八年五月十八日開始的兩份補充服務協議補充；(iii)戴菁女士訂立服務協議，於二零一八年五月十八日開始；(iv)徐凱英先生訂立服務協議，於二零一六年七月四日開始，經於二零一七年十月一日開始的補充服務協議補充；及(v)龐浩泉先生訂立服務協議，於二零一七年一月六日開始，經於二零一七年十月一日開始的補充服務協議補充。有關服務協議可根據服務協議的條款終止。

除周小江先生(其服務協議於二零一六年七月四日開始)外，各非執行董事及獨立非執行董事根據彼等各自的委任書獲委任加入董事會，自二零一六年十一月十三日起計初步為期三年，經於二零一七年十月一日開始的補充服務協議補充。有關委任可根據委任函的條款終止。

於二零一八年十二月三十一日，概無擬於本公司應屆股東週年大會上膺選連任的董事與本集團成員公司訂立任何不可由本集團於一年內終止而毋須支付賠償(法定賠償除外)的服務合約。

薪酬政策

董事薪酬乃由薪酬委員會建議及由董事會釐定，並已考慮本公司的經營業績、個人表現、經驗、職責、工作量及通行市場慣例。概無董事參與釐定其本身薪酬。

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On 26 February 2018, since the Directors intended to offer greater support for our rapid development in 2018, the Board approved a remuneration payment proposal recommended by the remuneration committee of our Company, pursuant to which 50% of the remuneration of each Director between 1 March 2018 and 31 December 2018 would be withheld. While the 50% withheld remuneration of each of the non-executive director and the independent non-executive directors had been paid before 31 December 2018, the Board, after considering the financial performance of our Company for the financial year ended 31 December 2018, resolved that our Company would not release the 50% remuneration withheld from the executive Directors between 1 March 2018 and 31 December 2018.

Our Company has adopted the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme as an incentive to our directors and eligible employees. Details of the schemes are set out under the section headed “Share Option Schemes” of this annual report.

EMOLUMENTS OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of our directors and the five highest paid individuals of our Group during the year under review are set out in notes 7 and 8 to the financial statements.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. Such permitted indemnity provision has been in force throughout the financial year. Our Company has arranged appropriate directors’ and officers’ liability insurance coverage for the Directors and officers of the Group.

於二零一八年二月二十六日，由於董事擬加大二零一八年快速發展的支持力度，董事會批准本公司薪酬委員會建議的薪酬支付計劃，據此暫緩發放各董事二零一八年三月一日至二零一八年十二月三十一日的50%薪酬。儘管各非執行董事及獨立非執行董事被暫緩發放的50%薪酬已於二零一八年十二月三十一日之前支付，但董事會經考慮本公司截至二零一八年十二月三十一日止財政年度的財務表現後，議決本公司將不會發放二零一八年三月一日至二零一八年十二月三十一日被暫緩發放的執行董事的50%薪酬。

本公司已採納首次公開發售前購股權計劃及首次公開發售後購股權計劃作為對董事及合資格僱員的鼓勵，有關該等計劃的詳情載於本年報「購股權計劃」一節。

董事及五位最高薪人士的薪酬

有關董事及本集團五位最高薪人士於回顧年度的薪酬詳情載於財務報表附註7及8。

認可彌償保證條文

根據組織章程細則及在適用法律法規的規限下，每位董事可就其或其中任何一位於任期內由於或有關執行職責而可能產生或遭受的一切法律行動、成本、費用、損失、損害及支出從本公司的資產及溢利中獲得彌償且免受任何損害。該認可彌償條文於本財政年度一直生效。本公司已就本集團的董事及主要人員安排適當的董事及主要人員責任險保障。

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

As at 31 December 2018, so far as is known to the Directors or chief executives of the Company, the following persons other than a Director or chief executive of the Company had an interest or a short position in the Shares and underlying Shares which were required to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO") and as recorded in the register required to be kept by our Company under section 336 of the SFO:

Long Position in shares

Name of Shareholder	Capacity	Notes	Number of Shares	Approximate Percentage of Shareholding ^(Note 7)
股東姓名／名稱	身份	附註	股份數目	股權概約百分比 ^(附註7)
Expert Depot Limited	Beneficial interest 實益權益	1, 6	250,132,000	47.68%
Bliss Success Investments Limited	Beneficial interest 實益權益	2, 6	250,132,000	47.68%
Novel Heritage Limited	Beneficial interest 實益權益	3, 6	250,132,000	47.68%
Mr. Chen Guoxian 陳國顯先生	Interest in a controlled corporation 於受控制法團的權益	4, 6	250,132,000	47.68%
Insider Solution Limited	Beneficial interest 實益權益	4, 6	250,132,000	47.68%
New Maestro Investments Limited	Beneficial interest 實益權益	5	45,000,000	8.58%

1. Expert Depot Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. Zhang Tiewei, our Chairman and an executive Director. Out of the 250,132,000 Shares held by Expert Depot Limited, 1,638,000 Shares are held by Mr. Zhang Tiewei for his own beneficial interest.

主要股東於股份及相關股份的權益及淡倉

於二零一八年十二月三十一日，就本公司董事或最高行政人員所知，以下人士（並非本公司董事或最高行政人員）於股份或相關股份中擁有本公司根據證券及期貨條例（「證券及期貨條例」）第XV部第2及3分部條文須予披露及根據證券及期貨條例第336條須存置的登記冊所記錄的權益或淡倉：

於股份的好倉

Name of Shareholder	Capacity	Notes	Number of Shares	Approximate Percentage of Shareholding ^(Note 7)
股東姓名／名稱	身份	附註	股份數目	股權概約百分比 ^(附註7)
Expert Depot Limited	Beneficial interest 實益權益	1, 6	250,132,000	47.68%
Bliss Success Investments Limited	Beneficial interest 實益權益	2, 6	250,132,000	47.68%
Novel Heritage Limited	Beneficial interest 實益權益	3, 6	250,132,000	47.68%
Mr. Chen Guoxian 陳國顯先生	Interest in a controlled corporation 於受控制法團的權益	4, 6	250,132,000	47.68%
Insider Solution Limited	Beneficial interest 實益權益	4, 6	250,132,000	47.68%
New Maestro Investments Limited	Beneficial interest 實益權益	5	45,000,000	8.58%

1. Expert Depot Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由主席兼執行董事張鐵偉先生持有。Expert Depot Limited 持有的 250,132,000 股股份中，1,638,000 股股份乃由張鐵偉先生為其本身的實益權益持有。

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- Bliss Success Investments Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. Xu Kaiying, an executive Director.
 - Novel Heritage Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. Pang Haoquan, an executive Director.
 - Insider Solution Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. Chen Guoxian.
 - New Maestro Investments Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. He Darong, the non-executive Director.
 - Pursuant to an acting in concert confirmation dated 31 May 2015, Mr. Zhang Tiewei, Mr. Xu Kaiying, Mr. Pang Haoquan and Mr. Chen Guoxian confirmed they have been acting in concert, in exercising and implementing the management and operation of the Group with each other and reached consensus before making any commercial decisions (including financial decisions and business operation decisions) on an unanimous basis. Hence, Mr. Zhang Tiewei, Mr. Xu Kaiying, Mr. Pang Haoquan and Mr. Chen Guoxian are deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
 - Calculated with reference to the number of issued Shares (524,635,000) as at 31 December 2018.
- Bliss Success Investments Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由執行董事徐凱英先生持有。
 - Novel Heritage Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由執行董事龐浩泉先生持有。
 - Insider Solution Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股份由陳國顯先生持有。
 - New Maestro Investments Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由非執行董事何達榮先生持有。
 - 根據日期為二零一五年五月三十一日的一致行動確認書，張鐵偉先生、徐凱英先生、龐浩泉先生及陳國顯先生確認他們互相在行使及實行本集團的管理與營運方面的決策權時將作出一致行動，並於作出任何一致同意的商業決定(包括財務決定及業務營運決定)前達成共識。因此，根據證券及期貨條例，張鐵偉先生、徐凱英先生、龐浩泉先生及陳國顯先生擁有的權益應被視為他們合計持有的權益。
 - 參考於二零一八年十二月三十一日的已發行股份數目(524,635,000股)計算。

Save as disclosed herein, as at 31 December 2018, there was no other person so far as was known to the directors or chief executive of our Company, other than the directors or chief executive of our Company as having an interest or a short position in the shares or underlying shares of our Company as recorded in the register required to be kept by our Company under section 336 of the SFO.

除上文所披露者外，於二零一八年十二月三十一日，就本公司董事或最高行政人員所知，概無任何其他人士(並非本公司董事或最高行政人員)於本公司股份或相關股份中擁有本公司根據證券及期貨條例第336條須存置的登記冊所記錄的權益或淡倉。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2018, the interests and short positions of each director and chief executive of our Company and their respective associates in the shares, underlying shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) to be notified to our Company and the Stock Exchange, are set out below:

Long Position in shares

Name of Director	Capacity	Notes	Number of Shares	Approximate Percentage of Shareholding (Note 6)
董事姓名	身份	附註	股份數目	股權概約百分比(附註6)
Mr. Zhang Tiewei 張鐵偉先生	(1) Beneficial Interest (1) 實益權益	1, 7	1,638,000	47.68%
	(2) Interest in a controlled corporation (2) 於受控制法團的權益		248,494,000	
Mr. Xu Kaiying 徐凱英先生	Interest in a controlled corporation 於受控制法團的權益	2, 7	250,132,000	47.68%
Mr. Pang Haoquan 龐浩泉先生	Interest in a controlled corporation 於受控制法團的權益	3, 7	250,132,000	47.68%
Mr. He Darong 何達榮先生	Interest in a controlled corporation 於受控制法團的權益	4	45,000,000	8.58%
Mr. Li Bin 李斌先生	Beneficial Interest 實益權益	5	1,000,000	0.19%
Ms. Dai Jing 戴菁女士	Beneficial Interest 實益權益	5	900,000	0.17%

董事於股份及相關股份的權益及淡倉

於二零一八年十二月三十一日，本公司各董事及最高行政人員及彼等各自的聯繫人於本公司或任何相關法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的規定擁有或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須登記於該條規定須備存的登記冊或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

於股份的好倉

Report of the Directors

董事會報告

1. Expert Depot Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. Zhang Tiewei, our chairman and executive Director.
 2. Bliss Success Investments Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. Xu Kaiying, our executive Director.
 3. Novel Heritage Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. Pang Haoquan, our executive Director.
 4. New Maestro Investments Limited is a company incorporated in the BVI whose entire issued share capital is held by Mr. He Darong, our non-executive Director.
 5. Our Company granted 1,000,000 and 900,000 options under the Pre-IPO Share Option Scheme to Mr. Li Bin and Ms. Dai Jing on 6 November 2013. None of the options granted to Mr. Li Bin and Ms. Dai Jing had been exercised from 13 November 2013 (the “Listing Date”) to 31 December 2018.
 6. Calculated with reference to the number of issued Shares (524,635,000) as at 31 December 2018.
 7. Pursuant to an acting in concert confirmation dated 31 May 2015, Mr. Zhang Tiewei, Mr. Xu Kaiying, Mr. Pang Haoquan and Mr. Chen Guoxian confirmed they have been acting in concert, in exercising and implementing the management and operation of the Group with each other and reached consensus before making any commercial decisions (including financial decisions and business operation decisions) on an unanimous basis. Hence, Mr. Zhang Tiewei, Mr. Xu Kaiying, Mr. Pang Haoquan and Mr. Chen Guoxian are deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
1. Expert Depot Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由主席兼執行董事張鐵偉先生持有。
 2. Bliss Success Investments Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由執行董事徐凱英先生持有。
 3. Novel Heritage Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由執行董事龐浩泉先生持有。
 4. New Maestro Investments Limited 為一家在英屬處女群島註冊成立的公司，其全部已發行股本由非執行董事何達榮先生持有。
 5. 本公司於二零一三年十一月六日根據首次公開發售前購股權計劃分別向李斌先生及戴菁女士授出 1,000,000 份購股權及 900,000 份購股權。授予李斌先生及戴菁女士的購股權於二零一三年十一月十三日（「上市日期」）至二零一八年十二月三十一日概無獲行使。
 6. 參考於二零一八年十二月三十一日的已發行股份數目（524,635,000 股）計算。
 7. 根據日期為二零一五年五月三十一日的一致行動確認書，張鐵偉先生、徐凱英先生、龐浩泉先生及陳國顯先生確認他們互相在行使及實行本集團的管理與營運方面的決策權時將作出一致行動，並於作出任何一致同意的商業決定（包括財務決定及業務營運決定）前達成共識。因此，根據證券及期貨條例，張鐵偉先生、徐凱英先生、龐浩泉先生及陳國顯先生擁有的權益應被視為他們合計持有的權益。

Report of the Directors 董事會報告

Save as disclosed above, as at 31 December 2018, none of the Directors and chief executives of the Company or their respective associates had any interests and short positions in the Shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

除上文所披露者外，於二零一八年十二月三十一日，概無本公司董事及最高行政人員或彼等各自的聯繫人於本公司或任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的規定擁有或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須登記於該條提述的登記冊或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉。

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

董事收購股份或債權證的權利

Name of director	Date of grant	Exercise Period (subject to vesting period)	Exercise price per share RMB	Exercised during the period	Number of shares subject to outstanding options as at 31 December 2018 於二零一八年 十二月三十一日 尚未行使購股權 所涉及的股份數目	Approximate percentage of our Company's issued capital 佔本公司 已發行股本 的概約百分比
董事姓名	授出日期	行使期 (受歸屬期所限)	每股行使價 人民幣	期內行使		
Li Bin	6 November 2013	30 June 2014 – 5 November 2023	1.9	Nil	1,000,000	0.19%
李斌	二零一三年十一月六日	二零一四年六月三十日至 二零二三年十一月五日		無		
Dai Jing	6 November 2013	30 June 2014 – 5 November 2023	1.9	Nil	900,000	0.17%
戴菁	二零一三年十一月六日	二零一四年六月三十日至 二零二三年十一月五日		無		

Further details of the Pre-IPO Share Option Scheme are set out in the section headed "Share Option Schemes" in this annual report.

有關首次公開發售前購股權計劃的詳情，載於本年報「購股權計劃」一節。

Save as disclosed above, at no time during the year ended 31 December 2018 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 or debentures of the Company or any other body corporate; and none of the Directors, or their spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or had exercised any such right during the reporting period.

除上文所披露者外，於截至二零一八年十二月三十一日止年度任何時間，本公司或其任何附屬公司並無參與任何安排，使本公司董事透過收購本公司或任何其他法人團體的股份或債權證而獲益；及概無董事或其配偶或未滿十八歲的子女擁有認購本公司證券的權利或於報告期內已行使任何有關權利。

Report of the Directors

董事會報告

MANAGEMENT CONTRACTS

No contracts, other than a contract of service with any director or any person engaged in the full-time employment of our Company, concerning the management and administration of the whole or any substantial part of the business of our Company were entered into or existed during the year.

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance in relation to our Group's business to which our Company or any of its subsidiaries or associated company was a party and in which any director of our Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year, nor had there been any contract of significance entered into between our Group and a controlling shareholder of our Company in the year ended 31 December 2018.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2018, no directors had interest in any business which directly or indirectly competes, or is likely to compete, with the business of our Group.

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

Exercise of share options

Prior to the listing of shares in the share capital of our Company ("Shares") on the Stock Exchange, our Company granted options to subscribe for an aggregate of 10,000,000 Shares (the "Pre-IPO Share Options") pursuant to a share option scheme adopted on 18 October 2013. None of the Pre-IPO Share Options granted have been exercised during the year ended 31 December 2018. As at 31 December 2018, the Pre-IPO Share Options to subscribe for 6,498,000 Shares remained unexercised and the Pre-IPO Share Options to subscribe for 813,000 Shares were forfeited. Save for the Pre-IPO Share Options, our Company has not granted any options to subscribe for Shares.

管理合約

除與董事或本公司全職僱員訂立的服務合約外，年內概無訂立或已訂有涉及本公司業務全部或任何重大部分的管理及行政方面的合約。

董事於合約的權益

本公司或其任何附屬公司或聯營公司於年末或年內任何時間，概無訂立任何本公司董事直接或間接擁有重大權益的與本集團業務有關的重要合約，本集團與本公司控股股東於截至二零一八年十二月三十一日止年度亦無訂立任何重大合約。

董事於競爭業務的權益

截至二零一八年十二月三十一日止年度，概無董事於與本集團業務直接或間接構成競爭或可能構成競爭的任何業務中擁有權益。

購入、出售或贖回本公司上市證券

行使購股權

於本公司股本中的股份(「股份」)在聯交所上市前，本公司根據於二零一三年十月十八日採納的購股權計劃授出可認購合共10,000,000股股份的購股權(「首次公開發售前購股權」)。截至二零一八年十二月三十一日止年度，概無已授出的首次公開發售前購股權獲行使。於二零一八年十二月三十一日，可認購6,498,000股股份的首次公開發售前購股權仍未行使及可認購813,000股股份的首次公開發售前購股權已沒收。除首次公開發售前購股權外，本公司並無授出可認購股份的任何購股權。

Report of the Directors

董事會報告

Shares repurchase

During the year ended 31 December 2018, the Company purchased 6,170,000 shares of its own ordinary shares of the Company at the highest and lowest prices of HK\$1.13 and HK\$0.72 per share respectively (“**Shares Repurchase**”). The Shares Repurchase is in the best interest of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when such repurchases will benefit the Company and the Shareholders as a whole.

Detail information of the purchase, sales or redemption of the listed securities of the Company by the Company or any of its subsidiaries during the year ended 31 December 2018 were disclosed in note 28(c) of the consolidated financial statements.

Save as disclosed above, neither our Company nor any of its subsidiaries has purchased, sold or redeemed any of our Company’s listed securities.

ISSUANCE OF CONVERTIBLE BONDS ON 1 FEBRUARY 2018

On 1 February 2018, our Company issued convertible bonds under general mandate in an aggregate principal amount of HK\$154,000,000. A total of 70,000,000 conversion shares may be issued pursuant to the convertible bonds at the initial conversion price of HK\$2.20 per conversion share. Details of the alterations on the terms and conditions of the convertible bonds are set out on page 49.

PRE-EMPTIVE RIGHTS

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

MAJOR CUSTOMERS AND SUPPLIERS

Our Group’s customer base is diversified. The relationship between our Group and our customers has been stable. For the year ended 31 December 2018, our Group’s five largest customers accounted for 42.87% (2017: 75.58%) of our Group’s revenue and our single largest customer accounted for 12.70% (2017: 29.48%) of our Group’s revenue. Our Group did not have regular or significant suppliers in view of its business nature.

股份購回

截至二零一八年十二月三十一日止年度，本公司購買6,170,000股本公司普通股，最高價及最低價分別為每股1.13港元及0.72港元（「股份購回」）。股份購回符合本公司及股東整體最佳利益。有關購回可（視乎當時的市況及融資安排而定）提高每股資產淨值及／或每股盈利，並只會在董事認為有關購回將整體有利於本公司及股東時方予進行。

本公司或其任何附屬公司於截至二零一八年十二月三十一日止年度購買、出售或贖回本公司上市證券的詳細資料於綜合財務報表附註28(c)中披露。

除上文所披露者外，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

於二零一八年二月一日發行可換股債券

於二零一八年二月一日，本公司根據一般授權發行本金總額154,000,000港元的可換股債券。根據可換股債券，合共70,000,000股轉換股份可按初步轉換價每股轉換股份2.20港元發行。可換股債券條款及條件的變更詳情載於第49頁。

優先購買權

根據本公司組織章程細則或開曼群島法律，並無有關優先購買權的規定要求本公司須按比例向現有股東發售新股份。

主要客戶及供應商

本集團擁有多元化的客戶基礎。本集團與客戶之間一直維持穩定。截至二零一八年十二月三十一日止年度，本集團的五大客戶佔本集團收益的42.87%（二零一七年：75.58%），而我們的單一最大客戶則佔本集團收益的12.70%（二零一七年：29.48%）。鑒於本集團的業務性質，本集團並無固定或重大供應商。

Report of the Directors

董事會報告

None of the Directors or any of their close associates or any Shareholders which, to the best knowledge of the Directors, own more than 5% of the Company's issued shares, had any interest in our Group's five largest suppliers and customers.

PUBLIC FLOAT

Based on the information that is publicly available to our Company and within the knowledge of the directors, as at the date of this annual report, our Company maintains the prescribed percentage of public float under the Listing Rules.

NON-COMPETITION UNDERTAKING

Mr. Zhang Tiewei, Mr. Xu Kaiying, Mr. Pang Haoquan, Expert Depot Limited, Bliss Success Investments Limited and Novel Heritage Limited, each a controlling shareholder (as defined under the Listing Rules), entered into a deed of non-competition (the “**Deed of Non-competition**”) in favour of our Company on 18 October 2013 pursuant to which they have undertaken to our Company (for itself and for the benefit of its subsidiaries) that it or he would not, and would procure that its or his associates (other than any member of our Group) would not, directly or indirectly, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, partner, principal, agent, director, employee or otherwise) any business which is or may be in competition with the current businesses of our Group during the restricted period.

An annual confirmation has been received from each of the above mentioned controlling shareholders on compliance with each of their respective undertaking under the Deed of Non-competition.

The independent non-executive directors have reviewed the compliance with the Deed of Non-competition by the above mentioned controlling shareholders and confirmed that the Deed of Non-competition is fully complied with and duly enforced in the year ended 31 December 2018.

ENVIRONMENTAL POLICIES AND PERFORMANCE

Our Group commits to fulfil social responsibility, promote employee benefits and development, protect the environment and giving back to community and achieve sustainable growth.

董事或其任何緊密聯繫人或據董事所深知擁有本公司已發行股份5%以上的任何股東概無於本集團五大供應商及客戶中擁有任何權益。

公眾持股量

根據本公司以公開途徑取得的資料及據董事所知，於本年報日期，本公司維持上市規則所訂明的公眾持股量百分比。

不競爭承諾

張鐵偉先生、徐凱英先生、龐浩泉先生、Expert Depot Limited、Bliss Success Investments Limited及Novel Heritage Limited(各自為控股股東(定義見上市規則))於二零一三年十月十八日訂立以本公司為受益人的不競爭契據(「不競爭契據」)，據此，彼等已向本公司(為其本身及代表其附屬公司的利益)承諾，於受限制期間內其不會並將促使其聯繫人(本集團任何成員公司除外)不會直接或間接進行或參與或於其中擁有權益或從事或收購或持有(在各情況下不論是否以股東、合夥人、主事人、代理、董事、僱員或其他身份)現時或可能與本集團目前業務構成競爭的任何業務。

本公司已接獲各上述控股股東就遵守不競爭契據下彼等各自的承諾所發出的年度確認函。

獨立非執行董事已審閱上述控股股東遵守不競爭契據的情況，並確認不競爭契據於截至二零一八年十二月三十一日止年度獲全面遵守及妥善執行。

環保政策及表現

本集團致力履行社會責任，推動僱員福利與發展、保護環境與回饋社會，並實踐可持續發展。

Report of the Directors 董事會報告

Given the services-oriented business nature of our Group, minimal hazardous and toxic waste will be generated in our Group's ordinary course of business. Our Group upholds the principles of waste management and is committed to the proper handling and disposal of all wastes from our business activities. The direct impact to the environment is immaterial.

Our Group does not have significant emissions and discharges into water except those generated in our offices during our operations. Business commutes of employees, electricity consumption, which is mainly attributed to the lighting and air conditioning of our Group's office premises and the utilisation of office equipment, and the usage of papers represented most of our Group's carbon footprint. Water consumption is also immaterial as our Group's business model does not rely heavily on water usage.

Our Group implemented various energy saving measures and environment friendly initiatives in workplaces including the following:

- maintaining optimal room temperature on the air-conditioning at 26 degrees Celsius in the office;
- encourage complete power-off for computer equipment and other office equipment when not utilized; and
- employees are encouraged to read and edit documents on the computer and duplex printing is preferred if printing of which is necessary.

There was no non-compliance case noted in relation to environmental laws and regulations for the year ended 31 December 2018.

The Directors and the senior management of our Group regularly assess the environmental risks of our business and adopt preventive measures as necessary to reduce the risks and ensure compliance of the relevant laws and regulations.

The details of environmental, social and governance policies and performance of the Group will be disclosed in the "Environmental, Social and Governance Report", which are set out on pages 69 to 79 of this annual report.

鑑於本集團以服務為本的業務性質，本集團日常業務過程中將產生微量有害及有毒廢料。本集團堅持廢料管理原則，並致力於妥善處理及處置我們業務活動產生的所有廢料。對環境的直接影響甚微。

除我們經營期間在我們辦公室廢氣及廢水排放物外，本集團並無產生大量廢氣及廢水排放物。僱員的業務通勤、電力消耗(主要源自本集團辦公室物業的照明及空調以及辦公設備的使用)以及紙張使用構成本集團大部分碳足跡。由於本集團的業務模式並不嚴重依賴用水，用水量亦並不大。

本集團於工作場所實施多項能源節約措施及環境友好舉措，包括以下所列者：

- 將辦公室空調保持於最佳室溫26攝氏度；
- 鼓勵完全關閉非使用中電腦設備及其他辦公設備；及
- 鼓勵僱員在電腦上閱讀及編輯文件並在必需打印時盡量選擇雙面打印。

截至二零一八年十二月三十一日止年度，概無發現不遵守有關環境法律及規例的情況。

董事及本集團高級管理層定期評估我們業務的環境風險，並採納必要的防範措施以減少風險，以及確保遵守相關法律及規例。

本集團環境、社會及管治政策及表現的詳情將披露於本年報第69至79頁所載的「環境、社會及管治報告」。

Report of the Directors

董事會報告

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the year ended 31 December 2018, the Company had complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company.

The Group and its activities are subject to requirements under an array of laws, including the Company Law of the People's Republic of China, the Partnership Enterprise Law of the People's Republic of China, the Wholly Foreign-owned Enterprise Law of the People's Republic of China, the Sino-foreign Equity Joint Venture Law of the People's Republic of China, the Guarantee Law of the People's Republic of China, the Regulations on the Supervision and Administration of Financing Guarantee Companies and its four supporting systems, the Measures for Supervision and Administration of Finance Leasing Enterprises, the Interim Measures for Supervision and Administration of Private Investment Funds, the Administration Measures for Micro-credit Companies of Guangdong Province, the Contract Law of the People's Republic of China, the Labour Law of the People's Republic of China as well as other applicable regulations, guidelines and policies issued or promulgated pursuant to or in respect of these laws and regulations. In addition, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Securities and Futures Ordinance, the Companies Ordinance and the Employment Ordinance are also applicable to the Group. The Group ensures compliance with such requirements by taking various measures such as establishing internal control and approval procedures at all levels, improving the training mechanism and conducting post-event random inspections. The Group attaches great importance to the compliance of its businesses and operations, despite the fact that such measures will incur additional operating costs.

遵守相關法律法規

截至二零一八年十二月三十一日止年度，本公司在各重大方面一直遵守對本公司業務及營運有重大影響的相關法律法規。

本集團及其活動須遵守多項法律規定，包括《中華人民共和國公司法》、《中華人民共和國合夥企業法》、《中華人民共和國外資企業法》、《中華人民共和國中外合資經營企業法》、《中華人民共和國擔保法》、《融資擔保公司監督管理條例》及四項配套制度、《融資租賃企業監督管理辦法》、《私募投資基金監督管理暫行辦法》、《廣東省小額貸款公司管理辦法》、《中華人民共和國合同法》、《中華人民共和國勞動法》、以及根據或有關這些法律法規所發出或頒佈的其他適用法規、指引、政策。此外，《香港聯合交易所有限公司證券上市規則》、《證券及期貨條例》、《公司條例》及《僱傭條例》等亦適用於本集團。本集團透過建立各個層面的內部監控及審批程序、完善培訓機制、事後抽查等多項措施，確保遵守該等規定。儘管這些措施將產生額外營運成本，惟本集團非常重視業務及營運的合規性。

Report of the Directors

董事會報告

RELATIONSHIP WITH KEY STAKEHOLDERS

The Group maintains strong relationships with its employees, has enhanced cooperation with its suppliers and has provided high quality products and services to its customers so as to ensure sustainable development.

EVENTS AFTER THE REPORTING PERIOD

Alterations of the terms and conditions of the convertible bond

Our Company prepaid to the Purchaser a partial principal amount of the Convertible Bonds, which were issued on 1 February 2018, of HK\$10,000,000 and the Purchaser waived the Purchaser's right of conversion on the Convertible Bonds in the principal amount of HK\$60,000,000. Upon the completion of the above, Convertible Bonds were then adjusted to an aggregate outstanding principal amount of HK\$84,000,000 with 77,064,200 Conversion Shares which may be allotted and issued upon the exercise of the Conversion Rights in full at the Adjusted Conversion Price of HK\$1.09 per Share. For details, please refer to the announcements of our Company dated 27 December 2018, 31 December 2018 and 11 January 2019 in relation to the alterations of the terms and conditions of the convertible bonds

CONNECTED TRANSACTIONS

Our Group did not enter into any discloseable connected transaction in the year ended 31 December 2018.

CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by our Company are set out in the Corporate Governance Report on pages 51 to 68 on this annual report.

與主要持份者的關係

本集團與其僱員維持緊密關係，加強與其供應商之間的合作，並為其客戶提供優質產品及服務，以確保可持續發展。

報告期後事項

更改可換股債券的條款及條件

本公司已向買方預付於二零一八年二月一日發行的可換股債券的部分本金(即10,000,000港元)，且買方已免除買方有關本金額60,000,000港元可換股債券的換股權。上述各項完成後，可換股債券被調整至未償還本金總額為84,000,000港元及按經調整換股價每股股份1.09港元悉數行使換股權時可予配發及發行77,064,200股換股股份。詳情請參閱本公司日期為二零一八年十二月二十七日、二零一八年十二月三十一日及二零一九年一月十一日的公告，內容有關更改可換股債券的條款及條件。

關連交易

本集團於截至二零一八年十二月三十一日止年度並無訂立任何須予披露的關連交易。

企業管治

本公司採納的主要企業管治常規載於本年報第51至68頁的企業管治報告。

Report of the Directors

董事會報告

SOCIAL ENTERPRISE

While serving the local economic development and assisting small and medium sized enterprises, the Group was also engaged in charitable activities to fulfil social responsibilities. We were widely recognised and appreciated for being a role model. Every year, Success Charity Foundation (集成愛心基金), which was voluntarily initiated by shareholders and employees of the Group, gives help and support to employees in need. It provides timely support and assistance to families of employees who suffer from serious illnesses or accidental injuries, and goes through difficult times with the employees and their families. In respect of poverty alleviation efforts, Mr. Xu Kaiying, the Executive Director of the Group, visited Butuo County, Liangshan State, Sichuan Province to exchange views on poverty alleviation work, and donated funds supporting industry development in villages under paired support policy to help Liangshan State out of poverty. In addition, Mr. Zhang Tiewei, the Chairman of the Group, has been teaching as an off-campus tutor of the master's degree of finance of Guangdong University of Finance and Economics to nurture brilliant students in joint effort with higher institutions, assist students in developing the habit and thinking that integrates both theories and practice in learning, encourage students to tap into professional knowledge, train up their leadership skills and foster innovation and high moral standards.

AUDITORS

KPMG, the auditors of our Company, will retire at the conclusion of the forthcoming annual general meeting of our Company and be eligible to offer themselves for re-appointment. A resolution will be submitted to the AGM to be held on 23 May 2019 to seek shareholders' approval on the appointment of KPMG as our Company's auditors until the conclusion of the next annual general meeting and to authorise our Board to fix their remuneration.

By order of our Board

Zhang Tiewei
Chairman and Executive Director

Foshan City, Guangdong Province, the PRC
29 March 2019

社會企業

本集團在服務地方經濟，幫扶中小微企業發展的同時，不忘踐行社會公益責任，主動參與公益活動，立信於人前，獲得了社會各方的一致好評，樹立了良好的社會形象。由本集團股東與員工自發成立的集成愛心基金會每年定向幫扶本集團內部困難員工，對經受重大疾病或意外傷害的員工家庭給予及時幫助，與員工及其家庭成員一起共渡難關。在扶貧工作上，本集團執行董事徐凱英先生赴四川省涼山州布拖縣考察扶貧協作工作，並對結對幫扶村捐贈產業發展扶持基金，助力涼山州打贏精準扶貧攻堅戰。此外，本集團主席張鐵偉先生擔任廣東財經大學的校外金融碩士學位導師，與高校聯合培養優秀學子，幫助學生培養理論與實踐相結合的學習習慣及思維模式，鼓勵學生深挖專業知識，鍛煉領導能力，培養創新精神及高道德標準。

核數師

本公司核數師畢馬威會計師事務所將於本公司應屆股東週年大會退任，並符合資格並願意膺選連任。於二零一九年五月二十三日舉行的股東週年大會上將提呈一項決議案，尋求股東批准委任畢馬威會計師事務所為本公司的核數師，任期直至下屆股東週年大會結束為止，並授權董事會釐定其酬金。

承董事會命

主席兼執行董事
張鐵偉

中國廣東省佛山市
二零一九年三月二十九日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

Our Company is committed to achieving and maintaining high standards of corporate governance consistent with the needs and requirements of its business and the shareholders. Save as disclosed below, our Company has adopted and complied with the code provisions (the “Code Provisions”) as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules for the year ended 31 December 2018. In respect of Code Provision A.6.7 of the CG Code, an executive director appointed a proxy to attend the annual general meeting, an independent non-executive Director was not able to attend the annual general meeting of the Company held on 18 May 2018 due to other business commitment. The corporate governance principles of our Company emphasise a quality board, sound internal controls, and transparency and accountability to all shareholders.

Our Directors will review our Company’s corporate governance policies and compliance with the Code Provisions from time to time.

DIRECTORS

The Board

Our Board, led by the Chairman of our Company, is responsible for leadership and control of our Company and overseeing our Group’s businesses, strategic decisions and performance. Our Board has delegated to the senior management of our Company the authority and responsibility for the day-to-day management and operation of our Group. In addition, our Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

Our Board reserves its decision for all major matters of our Company, including: approving and monitoring all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

Daily management and administration functions are delegated to the management. Our Board delegates various responsibilities to the senior management of our Company. These responsibilities include implementing decisions of our Board, directing and coordinating day-to-day operation and management of our Company in accordance with the management strategies and plans approved by our Board, formulating and monitoring the operation and production plans and budgets, and supervising and monitoring the control systems.

企業管治常規

本公司致力達致及維持符合其業務及股東需要及要求的高水平企業管治。除下文所披露者外，截至二零一八年十二月三十一日止年度，本公司已採納並遵守上市規則附錄十四所載《企業管治守則》（「企業管治守則」）內的守則條文（「守則條文」）。關於企業管治守則守則條文A.6.7而言，一名執行董事委任代表出席股東週年大會，一名獨立非執行董事因其他商業要務而未能出席本公司於二零一八年五月十八日舉行的股東週年大會。本公司的企業管治原則著眼於高質素董事會、有效內部監控，以及對全體股東保持透明及問責。

董事將不時檢討本公司的企業管治政策，並遵守守則條文。

董事

董事會

董事會由本公司主席帶領，負責領導及控制本公司以及監控本集團的業務、策略性決定及表現。董事會授予本公司高級管理層權力及責任進行本集團的日常管理及經營。此外，董事會已成立董事委員會，並賦予該等董事委員會其各自的職權範圍所列的不同責任。

董事會保留本公司所有重要事項的決策權，包括：批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（特別是可能會涉及利益衝突的交易）、財務資料、委任董事以及其他重要財務及營運事宜。

管理層已獲指派負責日常管理及行政工作。董事會賦予本公司高級管理層多項責任。該等責任包括執行董事會的決策、按照董事會批准的管理策略及計劃指示及協調本公司的日常營運和管理、制訂及監察營運及生產計劃及預算，以及監督和監察監控系統。

Corporate Governance Report

企業管治報告

In the year ended 31 December 2018, our Board held 13 formal meetings. Attendance of individual directors at our Board meetings and our general meeting for the year ended 31 December 2018 is as follows:

於截至二零一八年十二月三十一日止年度，董事會曾舉行13次正式會議。截至二零一八年十二月三十一日止年度，個別董事出席董事會會議及股東大會的情況如下：

Name of Director	董事姓名	Attendance/ Number of Board meeting held 出席／已舉行的 董事會會議次數	Attendance/ Number of general meeting held 出席／已舉行的 股東大會次數
<i>Executive Directors:</i>			
Mr. ZHANG Tiewei (Chairman)	張鐵偉先生(主席)	13/13	1/1
Mr. LI Bin (Chief Executive Officer)	李斌先生(行政總裁)	13/13	1/1
Ms. FU Jie (the then Chief Executive Officer, resigned on 18 May 2018)	傅潔女士(當時的行政總裁， 於二零一八年 五月十八日辭任)	5/5	1/1
Ms. DAI Jing (appointed on 18 May 2018)	戴菁女士(於二零一八年五月 十八日獲委任)	8/8	0/0
Mr. XU Kaiying	徐凱英先生	13/13	1/1
Mr. PANG Haoquan	龐浩泉先生	13/13	1/1
Mr. Hung Hoi Ming Raymond (resigned on 20 September 2018)	洪海明先生 (於二零一八年 九月二十日辭任)	10/10	1/1
<i>Non-Executive Director:</i>			
Mr. HE Darong	何達榮先生	13/13	1/1
<i>Independent Non-Executive Directors:</i>			
Mr. TSANG Hung Kei	曾鴻基先生	12/13	1/1
Mr. AU Tien Chee Arthur	區天旂先生	10/13	0/1
Mr. XU Yan	許彥先生	13/13	1/1
Mr. ZHOU Xiaojiang	周小江先生	11/13	1/1

In the year ended 31 December 2018, apart from the meetings of our Board, consent/approval from our Board was also obtained by written resolutions on a number of matters.

於截至二零一八年十二月三十一日止年度，除董事會會議外，董事會亦透過書面決議案同意／批准多項事項。

Chairman and Chief Executive Officer

The Chairman and executive director, Mr. Zhang Tiewei, provides leadership for our Board and ensures that our Board works effectively and all important issues are discussed in a timely manner. Mr. Li Bin, the Chief Executive Officer (“CEO”), takes the lead in our Group’s operations and business development. The positions of the Chairman and the CEO are held by separate individuals to maintain an effective segregation of duties.

主席及行政總裁

主席兼執行董事張鐵偉領導董事會及確保董事會有效運作且所有重要事項獲及時討論。行政總裁(「行政總裁」)李斌先生領導本集團的營運及業務發展。主席及行政總裁的職位由不同人士擔任以維持有效的職責分工。

Corporate Governance Report

企業管治報告

Board composition

Currently, our Board comprises ten directors, including five executive directors, one non-executive director and four independent non-executive directors. The current composition of our Board is as follows:

董事會組成

董事會現時由十名董事組成，包括五名執行董事、一名非執行董事及四名獨立非執行董事。董事會現時的組成如下：

Name of Director

董事姓名

Executive Directors:

執行董事：

Mr. ZHANG Tiewei (*Chairman*)

張鐵偉先生(主席)

Mr. LI Bin (*Chief Executive Officer*)

李斌先生(行政總裁)

Ms. DAI Jing

戴菁女士

Mr. XU Kaiying

徐凱英先生

Mr. PANG Haoquan

龐浩泉先生

Non-Executive Director:

非執行董事：

Mr. HE Darong

何達榮先生

Independent Non-Executive Directors:

獨立非執行董事：

Mr. TSANG Hung Kei

曾鴻基先生

Mr. AU Tien Chee Arthur

區天旂先生

Mr. XU Yan

許彥先生

Mr. ZHOU Xiaojiang

周小江先生

Membership of board committee(s)

董事委員會成員

Chairman of nomination committee

提名委員會主席

Member of remuneration committee

薪酬委員會成員

Chairman of audit committee

審核委員會主席

Member of nomination committee

提名委員會成員

Member of remuneration committee

薪酬委員會成員

Member of audit committee

審核委員會成員

Chairman of remuneration committee

薪酬委員會主席

Member of nomination committee

提名委員會成員

Member of audit committee

審核委員會成員

Corporate Governance Report

企業管治報告

Pursuant to Rule 3.10(1) of the Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors. In addition, pursuant to Rules 3.10A and 3.10(2) of the Listing Rules, every listed issuer is required to have such number of independent non-executive directors representing at least one-third of the board and at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. Mr. Tsang Hung Kei is admitted as a fellow member of the Association of Chartered Certified Accountants, a fellow member of Hong Kong Institute of Certified Public Accountants and an associate of The Institute of Chartered Accountants in England and Wales.

Our Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. To the best of the knowledge of our Company, having made all reasonable enquiries, none of the independent non-executive directors failed to meet any of the independence guidelines set out in Rule 3.13 of the Listing Rules. Our Board has assessed the independence of all the independent non-executive directors and considered that all the independent non-executive directors are independent.

The biographies of our directors are set out on pages 80 to 85 of this annual report. Save as disclosed in the biographies of the directors, our Board members do not have any family, financial or business relationship with each other. The list of directors has been published on the website of our Company and the website of the Stock Exchange, and is disclosed in all corporate communications issued by our Company pursuant to the Listing Rules from time to time.

根據上市規則第3.10(1)條，上市發行人的董事會必須包括至少三名獨立非執行董事。此外，根據上市規則第3.10A及3.10(2)條，上市發行人的獨立非執行董事必須佔董事會成員人數至少三分之一，且其中至少一名獨立非執行董事必須具備適當專業資格，或具備適當會計或相關財務管理專長。曾鴻基先生為英國特許公認會計師公會資深會員、香港會計師公會資深會員及英格蘭及威爾士特許會計師公會會員。

根據上市規則第3.13條，本公司已接獲各獨立非執行董事就其獨立性作出的年度確認函。就本公司作出一切合理查詢後所知，概無獨立非執行董事未能符合上市規則第3.13條所載的任何獨立指引。董事會已評估全體獨立非執行董事的獨立性，認為全體獨立非執行董事均屬獨立。

董事履歷詳情載於本年報第80至85頁。除董事履歷所披露者外，董事會成員之間概無存在任何家屬、財務或業務關係。董事名單已於本公司網站及聯交所網站登載，亦於本公司不時按照上市規則刊發的所有公司通訊中披露。

Appointment, re-election and removal of directors

Each of the executive directors has entered into a service contract with our Company, and each of the non-executive director and independent non-executive directors has signed a letter of appointment with our Company. Except for (i) Mr. Lin Bin, whose service agreement commenced on 13 November 2016, as supplemented by supplemental service agreements commenced on 1 October 2017 and 18 May 2018; (ii) Ms. Dai Jing, whose service agreement commenced on 18 May 2018; (iii) Mr. Xu Kaiying, whose service agreement commenced on 4 July 2016, as supplemented by a supplemental service agreement commenced on 1 October 2017; and (iv) Mr. Pang Haoquan, whose service agreement commenced on 6 January 2017, as supplemented by a supplemental service agreement commenced on 1 October 2017; and (v) Mr. Zhou Xiaojiang, whose service agreement commenced on 4 July 2016, as supplemented by a supplemental service agreement commenced on 1 October 2017; the terms of the directors' service contracts are for an initial term of three years commencing on 13 November 2016, as supplemented by supplemental service agreements commenced on 1 October 2017, and is subject to the re-appointment of each of our directors by our Company at an annual general meeting upon retirement by rotation.

委任、重選及罷免董事

各執行董事已與本公司訂立服務合約，而各非執行董事及獨立非執行董事已與本公司簽署委任書。除(i)李斌先生(其服務協議於二零一六年十一月十三日開始，經於二零一七年十月一日及二零一八年五月十八日開始的補充服務協議補充)；(ii)戴菁女士(其服務協議於二零一八年五月十八日開始)；(iii)徐凱英先生(其服務協議於二零一六年七月四日開始，經於二零一七年十月一日開始的補充服務協議補充)；及(iv)龐浩泉先生(其服務協議於二零一七年一月六日開始，經於二零一七年十月一日開始的補充服務協議補充)；及(v)周小江先生(其服務協議於二零一六年七月四日開始，經於二零一七年十月一日開始的補充協議補充)外，董事服務合約條款初步年期自二零一六年十一月十三日起計為期三年，經於二零一七年十月一日開始的補充服務協議補充，而各董事須於輪值退任時在股東週年大會上由本公司重新委任。

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The Articles of Association provide that any director appointed by our Board (i) to fill a casual vacancy in our Board shall hold office only until the next following general meeting of our Company and shall be subject to re-election at such meeting; and (ii) as an addition to our Board shall hold office until the next annual general meeting of our Company and shall then be eligible for re-election.

In addition, every director should be subject to retirement by rotation at least once every three years. At every annual general meeting, one-third of our directors for the time being, or if their number is not three or a multiple of three, the number nearest to but not greater than one-third, shall retire from office by rotation according to Article 108(a) of the Articles of Association.

Non-executive directors

Pursuant to Code Provision A.4.1, non-executive directors should be appointed for a specific term and subject to re-election. Pursuant to the letters of appointment, as supplemented by supplemental service agreements commenced on 1 October 2017, of our non-executive directors (including our independent non-executive directors), the term of appointment of each of such directors is three years commencing on 13 November 2016, or 4 July 2016 in the case of Mr. Zhou Xiaojiang, which may be terminated by either party by giving one month's written notice.

BOARD DIVERSITY

Our Company adopted a board diversity policy (the “**Board Diversity Policy**”) on 15 March 2019. A summary of this Board Diversity Policy, together with the measurable objectives set for implementing this Board Diversity Policy, and the progress made towards achieving those objectives are disclosed as below:

本公司組織章程細則規定，任何由董事會委任(i)以填補董事會臨時空缺的董事任期僅至本公司下個股東大會，並須於該大會上接受重選；及(ii)出任董事會新增席位的董事任期至本公司下屆股東週年大會，屆時將合資格接受重選。

此外，各董事須至少每三年輪值退任一次。根據本公司組織章程細則第108(a)條，於每屆股東週年大會上，當時董事人數三分之一(或當人數並非三或三的倍數時，則最接近三分之一但不多於三分之一)須輪值退任。

非執行董事

根據守則條文第A.4.1條，非執行董事的委任應有指定任期，並須接受重新選舉。根據非執行董事(包括獨立非執行董事)的委任書(經二零一七年十月一日開始的補充服務協議補充)，各董事的任期自獲委任日期(即二零一六年十一月十三日)或二零一六年七月四日(就周小江先生而言)起計為期三年，並可由任何一方發出一個月書面通知予以終止。

董事會成員多元化

本公司於二零一九年三月十五日採納董事會成員多元化政策(「**董事會成員多元化政策**」)。董事會成員多元化政策的概要連同為執行董事會成員多元化政策而制定的可計量目標及達標進度於下文披露：

Summary of our Board Diversity Policy

Our Company acknowledge its board of directors should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of our Company's business. Our Company believes that board diversity enhances decision-making capability and a diverse board is more effective in dealing with organisational changes and less likely to suffer from group thinking. Board diversity is recognised as an essential element contributing to the sustainable development of our Company by enabling it to attract, retain and motivate employees from the widest possible pool of available talent. Our Company sees diversity as a wide concept and believes that a diversity of perspectives can be achieved through consideration of a number of factors, including gender, age, cultural and educational background or professional experience, skills, regional and industry experience, background, race, and other qualities etc. In forming its perspective on diversity, our Company will also take into account factors based on its own business model and specific needs from time to time. Board appointments will be based on meritocracy and contribution that the candidates will bring to the Board. Candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable our Company to serve its shareholders and other stakeholders going forward.

Measurable objectives

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

Implementing and monitoring

The nomination committee is responsible for identifying suitably qualified candidates to become members of our Board and, in carrying out this responsibility, will give adequate consideration to our Board Diversity Policy.

董事會成員多元化政策概要

公司竭力確保其董事會在技巧、經驗及觀點與角度多樣化方面保持適當的平衡，以支持其業務策略的執行及令董事會有效運作。公司認為，董事會多元化能提高公司決策能力，多元化董事會在處理組織變革方面更有效率，亦減低董事會受到群體思維的影響。董事會多元化是促進公司可持續發展的重要因素，使公司能夠從盡可能吸納人材，挽留及激勵員工。公司視多元化視為一個廣泛的概念，並認為通過考慮，包括性別、年齡、文化及教育背景或專業經驗、技能、地區及行業經驗、背景、種族和其他要素等多種因素，以實現多元化。在實行多元化方面，公司亦將根據本身的業務模式及與不時的需要去考慮各種因素。董事會的任命按經選定候選人將為董事會帶來的貢獻及業績而作出。董事會根據客觀標準考慮人選，並適當考慮一個多元化董事會所帶來的好處。董事會認為，這種以績效為基礎的任命將為公司及其股東帶來最大利益。

可計量目標

甄選人選將以一系列多元化範疇為基準，包括但不限於技能、知識、性別、年齡、文化及教育背景或專業經驗。最終將按人選的長處及可為董事會作出的貢獻決定。

執行及監察

提名委員會負責確定合資格人選成為董事會成員，並在履行這項責任時，會充分考慮董事會成員多元化政策。

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In addition, the nomination committee will also review the Policy on a regular basis to ensure its effectiveness, will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

CONTINUING PROFESSIONAL DEVELOPMENT

Our Company is responsible for arranging and funding suitable training for our directors relating to the roles, functions and duties of a listed company director. Our Company Secretary from time to time updates and provides training materials to our directors, and organises seminars on the latest development of the Listing Rules, applicable laws, rules and regulations relating to directors' duties and responsibilities. Our directors participated in courses relating to the roles, functions and duties of a listed company directors by reading written training materials. Our directors may request our Company, pursuant to the policy for directors to seek independent professional advice, to provide independent professional advice at the expense of our Company to discharge their duties to our Company.

Directors' securities transactions

Our Company has adopted the standard set out in the Model Code, in relation to the dealings in securities of our Company by our directors. Having made specific enquiry of all directors, each director has confirmed that he/she has complied with the standard set out in the Model Code since 1 January 2018 (or on the date of his/her appointment) and up to the date of this annual report.

Board Committees

Nomination Committee

The nomination committee of our Company was established on 18 October 2013 with written terms of reference, which was amended on 15 March 2019, in compliance with the Listing Rules. The duties of our nomination committee include (but without limitation) (a) to review the structure, size and composition of our Board on regular basis; (b) to identify and recommend suitable individuals to our Board as Board members; (c) to assess the independence of our independent non-executive directors; and (d) to make recommendations to our Board on relevant matters relating to the appointment or re-appointment of directors. ; and (e) to review, make recommendation to the Board on and monitor the progress of the Board Diversity Policy adopted by the Board on a regular basis Current members of the nomination committee are Mr. Tsang Hung Kei and Mr. Xu Yan, both of whom are independent non-executive directors, and Mr. Zhang Tiewei, an executive director. Mr. Zhang Tiewei is the chairman of the nomination committee.

另外，提名委員亦將會定時檢討本政策以確保本政策的成效並討論可能需要的任何修正，以及向董事會建議任何有關修正以供考慮及批准。

持續專業發展

本公司負責為董事就作為上市公司董事的角色、職能及職責安排及出資合適培訓。公司秘書不時為董事更新及提供培訓材料，並就與董事的職務及職責有關的上市規則、適用法律、規則及法規的最新發展舉辦研討會。我們的董事通過閱覽書面培訓材料參與上市公司董事角色、職能及職責安排相關的課程。董事可根據董事尋求獨立專業意見的政策要求本公司提供獨立專業意見，以履行董事對本公司的職責，有關開支概由本公司承擔。

董事的證券交易

本公司已就董事買賣本公司證券採納標準守則所載標準。經向全體董事作出具體查詢後，自二零一八年一月一日(或其獲委任日期)起直至本年報日期止，各董事確認其已遵守標準守則所載標準。

董事委員會

提名委員會

本公司提名委員會於二零一三年十月十八日成立，並遵照上市規則制訂書面職權範圍(經二零一九年三月十五日修訂)。提名委員會的職責包括(但不限於)(a)定期檢討董事會架構、人數及組成；(b)物色並向董事會推薦董事會成員的合適人選；(c)評核獨立非執行董事的獨立性；及(d)就董事委任或重新委任的有關事項向董事會提出推薦建議；及(e)定期檢討董事會採納的董事會成員多元化政策，並向董事會提出建議；以及監察達標的進度。提名委員會目前成員有曾鴻基先生及許彥先生(均為獨立非執行董事)以及張鐵偉先生(執行董事)。張鐵偉先生為提名委員會主席。

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The Company continuously seeks to enhance the effectiveness of the Board and to maintain a high standard of corporate governance and recognises and embraces the benefits of diversity in the composition of the Board.

After considering the characteristics of the Group's business model and other relevant factors, such as skills, knowledge, gender or age, the nomination committee considered that the current composition of the Board reflects the balance of skills, educational background, experience and diversity of perspectives desirable for effective management of the Company. The nomination committee will continue to review the diversity policy of the Board from time to time to ensure its continued effectiveness and to identify qualified candidates on a merit basis and candidates will be considered against objective criteria, with due regard to the benefits of diversity on the Board.

For the year ended 31 December 2018, the nomination committee held 2 meetings. Attendance of individual members of the nomination committee for the year ended 31 December 2018 is as follows:

Name of Director	董事姓名	Attendance/ Number of meetings held 出席次數/ 舉行會議數目
Mr. ZHANG Tiewei	張鐵偉先生	2/2
Mr. TSANG Hung Kei	曾鴻基先生	2/2
Mr. XU Yan	許彥先生	2/2

Note: The meetings were attended by the Directors themselves, not an alternate.

本公司不斷致力提高董事會的效能，並保持高標準的企業管治以及確認及認同多元化董事會組成的裨益。

經考慮本集團業務模式的特點及技能、知識、性別或年齡等其他相關因素後，提名委員會認為董事會目前的組成反映在有效管理本公司所須具備的技能、教育背景、經驗及不同視野之間維持平衡。提名委員會將繼續不時檢討董事會的多元化政策以確保其持續有效性，及以用人唯才的原則物色合資格的人選，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

截至二零一八年十二月三十一日止年度，提名委員會舉行2次會議。提名委員會每位成員截至二零一八年十二月三十一日止年度的出席情況如下：

附註：董事本身出席會議而非替代董事出席。

The terms of reference of the nomination committee are available on the website of our Company and the website of the Stock Exchange.

提名委員會的職權範圍可於本公司網站及聯交所網站查閱。

The work performed by the nomination committee during the year ended 31 December 2018 is summarised as follows:

提名委員會於截至二零一八年十二月三十一日止年度進行的工作概述如下：

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. reviewed structure, size and diversity of the Board; 2. reviewed the independence of the independent non-executive directors; 3. made recommendations to the Board on the appointment of Ms. Dai Jing as executive director; and 4. made recommendations to the Board on the appointment and redesignation of directors and the nomination of directors for re-election at the annual general meeting. | <ol style="list-style-type: none"> 1. 檢討董事會架構、規模及多樣性； 2. 檢討獨立非執行董事的獨立性； 3. 就委任戴菁女士為執行董事向董事會作出建議；及 4. 就董事的委任、調任及提名於股東週年大會上重選向董事會作出建議。 |
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Remuneration Committee

The remuneration committee of our Company was established on 18 October 2013 with written terms of reference in compliance with the Listing Rules. The duties of our remuneration committee include (but without limitation) (a) making recommendations to our Board on our policy and structure for all remuneration of our directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (b) determining the specific remuneration packages of all our executive directors and senior management, including benefits in kind, pension rights and compensation payments; (c) making recommendations to our Board of the remuneration of our directors; and (d) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Board from time to time. The existing members of the remuneration committee include Mr. Zhang Tiewei, Mr. Xu Yan and Mr. Tsang Hung Kei. Both Mr. Xu Yan and Mr. Tsang Hung Kei are independent non-executive directors and Mr. Zhang is an executive director. Mr. Xu Yan is the chairman of the remuneration committee.

For the year ended 31 December 2018, the remuneration committee held 5 meetings. Attendance of individual members of the remuneration committee for the year ended 31 December 2018 is as follows:

Name of Director	董事姓名	Attendance/ Number of meetings held 出席次數/ 舉行會議數目
Mr. XU Yan	張鐵偉先生	5/5
Mr. ZHANG Tiewei	曾鴻基先生	5/5
Mr. TSANG Hung Kei	許彥先生	5/5

Note: The meetings were attended by the Directors themselves, not an alternate.

The terms of reference of the remuneration committee are available on the website of our Company and the website of the Stock Exchange.

The work performed by the remuneration committee during the year ended 31 December 2018 is summarised as follows:

- made recommendations to the Board on the remuneration packages and policy of directors, senior management and employees; and
- evaluated the performance of all directors and senior management.

薪酬委員會

本公司薪酬委員會於二零一三年十月十八日成立，並遵照上市規則制訂書面職權範圍。薪酬委員會的職責包括(但不限於)(a)就董事及高級管理人員的整體薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；(b)釐定全體執行董事及高級管理層的特定薪酬待遇，包括實物利益、退休金權利及賠償金額；(c)就董事薪酬向董事會提出建議；及(d)參考公司目標及董事會不時議決的目標審閱及批准按表現訂定的酬金。薪酬委員會的現有成員包括張鐵偉先生、許彥先生及曾鴻基先生。許彥先生及曾鴻基先生均為獨立非執行董事而張先生為執行董事。許彥先生為薪酬委員會主席。

截至二零一八年十二月三十一日止年度，薪酬委員會舉行5次會議。薪酬委員會個別成員截至二零一八年十二月三十一日止年度的出席情況如下：

Attendance/ Number of meetings held 出席次數/ 舉行會議數目
5/5
5/5
5/5

附註：董事本身出席會議而非替代董事出席。

薪酬委員會的職權範圍可於本公司網站及聯交所網站查閱。

薪酬委員會於截至二零一八年十二月三十一日止年度進行的工作概述如下：

- 就董事、高級管理層及僱員的薪酬待遇向董事會作出建議；及
- 評估全體董事及高級管理層的表現。

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Audit Committee

The audit committee of our Company was established on 18 October 2013 with written terms of reference in compliance with the Listing Rules. The duties of our audit committee include (but without limitation) (a) making recommendations to our Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor; (b) monitoring integrity of our financial statements, our annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgments contained therein; and (c) reviewing our financial controls, internal control and risk management systems. The existing members of the audit committee include Mr. Tsang Hung Kei, Mr. Au Tien Chee Arthur and Mr. Xu Yan, all of whom are independent non-executive directors. Mr. Tsang Hung Kei is the chairman of the audit committee.

As certain amendments to the code provisions of the Corporate Governance Code became effective starting from the 1 January 2016 (the “**Amended Code Provisions**”), our Company amended the terms of reference of the Audit Committee to ensure compliance with the Amended Code Provisions. Our Directors will use their best endeavors to ensure our Company’s continued compliance with the code provisions of the Corporate Governance Code, as amended from time to time.

The Audit Committee has reviewed this annual report and the consolidated financial statements of our Company for the year ended 31 December 2018. The Audit Committee is of the view that the consolidated financial statements of our Company for the year ended 31 December 2018 have been prepared in accordance with the applicable accounting standards, the Listing Rules and statutory provisions, and sufficient disclosures have already been made.

For the year ended 31 December 2018, the audit committee held 2 meetings. Attendance of individual members of the audit committee for the year ended 31 December 2018 is as follows:

審核委員會

本公司審核委員會於二零一三年十月十八日成立，並遵照上市規則制訂書面職權範圍。審核委員會的職責包括(但不限於)(a)就委任、重新委任及罷免外聘核數師向董事會作出建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭任或辭退該核數師的問題；(b)監察我們財務報表、年度報告及賬目、中期報告及季度報告(倘有編製以作刊發)的完整性，及審閱上述文件所載有關財務申報的重要判斷；及(c)檢討我們的財務監控、內部監控及風險管理制度。審核委員會的現有成員包括曾鴻基先生、區天旂先生及許彥先生(均為獨立非執行董事)。曾鴻基先生為審核委員會主席。

由於企業管治守則的守則條文若干修訂(「經修訂守則條文」)已自二零一六年一月一日起生效，本公司已修訂審核委員會職權範圍以確保遵守經修訂守則條文。我們的董事將會盡力確保本公司持續遵守經不時修訂的企業管治守則的守則條文。

審核委員會已審閱本公司截至二零一八年十二月三十一日止年度的本年度报告及綜合財務報表。審核委員會認為本公司截至二零一八年十二月三十一日止年度的綜合財務報表已根據適用會計準則、上市規則及法定條文編製，並已作出足夠披露。

截至二零一八年十二月三十一日止年度，審核委員會舉行2次會議。審核委員會每位成員截至二零一八年十二月三十一日止年度的出席情況如下：

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企業管治報告

Name of Director	董事姓名	Attendance/ Number of meetings held 出席次數/ 舉行會議數目
Mr. XU Yan	許彥先生	2/2
Mr. Au Tien Chee Arthur	區天旂先生	2/2
Mr. TSANG Hung Kei	曾鴻基先生	2/2

Note: The meetings were attended by the Directors themselves, not an alternate.

附註：董事本身出席會議而非替代董事出席。

The terms of reference of the audit committee are available on the website of our Company and the website of the Stock Exchange.

審核委員會的職權範圍可於本公司網站及聯交所網站查閱。

The work performed by the audit committee during the year ended 31 December 2018 is summarised below:

審核委員會於截至二零一八年十二月三十一日止年度進行的工作概述如下：

1. reviewed the Group's annual and interim results statements and the related result announcements, documents and other matters or issues raised by external auditors;
2. reviewed the findings from external auditors;
3. reviewed the independence of the external auditors and engagement of external auditors for annual audit;
4. reviewed the audit plans, internal control plan, the development in accounting standards and its effects on the Group, financial reporting matters and risk management;
5. reviewed the adequacy of resources, qualifications, experience of staff of the Group's accounting and financial reporting function;
6. approved the current year external audit plan, reviewed and monitored internal control performance as well as the effectiveness of the internal control system; and
7. reviewed the corporate governance compliance.

1. 審閱本集團年度及中期業績報表及相關業績公告、文件以及外聘核數師提出的其他事宜及問題；
2. 審閱外聘核數師的審核結果；
3. 檢討外聘核數師的獨立性及就全年審核服務考慮其應聘事宜；
4. 審閱審核計劃、內部監控計劃、會計準則發展及其對本集團、財政申報事宜及風險管理的影響；
5. 審閱本集團會計及財務申報職能方面的資源、員工資歷及經驗；
6. 批准本年度外聘審核計劃，檢討及監控內部監控表現及內部監控系統的成效；及
7. 檢討企業管治合規情況。

Corporate governance function

企業管治職能

Our Board is responsible for, amongst other things, the development and review of the policies and practices on corporate governance of our Group and monitoring the compliance with legal and regulatory requirements, reviewing and monitoring the training and continuous professional development of directors and senior management, and reviewing the corporate governance compliance with the Code Provisions and disclosure in the annual report.

董事會負責(其中包括)制訂及檢討本集團的企業管治政策及常規，以及監察遵守法律及監管規定的情況、檢討及監察董事及高級管理層的培訓及持續專業發展，以及檢討企業管治是否符合守則條文及於年報作出披露。

Corporate Governance Report

企業管治報告

This corporate governance report has been reviewed by our Board in discharge of its corporate governance function.

Accountability and audit financial reporting

Financial results of our Group are announced in a timely manner in accordance with all statutory requirements, particularly the timeframe stipulated in Rule 13.49(1) and (6) of the Listing Rules.

All directors acknowledge their responsibility for preparing the financial statements of our Group for the year ended 31 December 2018. Currently, our Company's external auditors are KPMG (the "Auditors").

During the year ended 31 December 2017, the fees paid or payable to KPMG comprise service charges for the following:

Statutory audit	法定審核
Review of interim results	審閱中期業績
Others	其他

The statement of the Auditors about their reporting responsibilities on the financial statements of our Group is set out in the Independent Auditor's Report on pages 88 to 99 of this annual report.

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Risk management and internal controls

Our Board recognises that sound and effective risk management and internal control systems are important to safeguard our shareholders' investment and our Company's assets, and recognises that its responsibility to ensure that our Company maintains a sound and effective risk management and internal control system. Our Group's internal control system is designed to safeguard assets against misappropriation and unauthorised disposition and to manage operational risks.

For the year ended 31 December 2018, review of our Group's internal controls covered major financial, operational and compliance controls, as well as risk management functions. The controls that were built into the risk management system are intended to manage significant risks in our Group's business environment.

本企業管治報告已由董事會審閱，以履行其企業管治職能。

問責及審核財務報告

本集團的財務業績乃根據所有法定規定，尤其是上市規則第13.49(1)及(6)條規定的時間表適時公佈。

全體董事確認，彼等有責任編製本集團截至二零一八年十二月三十一日止年度的財務報表。本公司現時的外聘核數師為畢馬威會計師事務所(「核數師」)。

截至二零一八年十二月三十一日止年度，已付或應付畢馬威會計師事務所的費用(包括服務收費)如下：

2018	2017
二零一八年	二零一七年
RMB'000	RMB'000
人民幣千元	人民幣千元

1,710	1,554
520	500
—	38

核數師就彼等對本集團財務報表應負的申報責任所作出的聲明載於本年度報告第88至99頁的獨立核數師報告。

不存在重大不確定性事件或因素影響公司的可持續經營能力。

風險管理及內部監控

董事會確認完善有效的風險管理及內部監控制度對保障股東的投資及本公司的資產非常重要，並確認其有責任確保本公司維持完善有效的風險管理及內部監控制度。本集團的內部監控制度乃為確保資產不會遭到不當挪用及未經授權處理以及管理經營風險而設計。

截至二零一八年十二月三十一日止年度，本集團的內部監控檢討涉及主要財務、營運及合規監控，以及風險管理職能。風險管理制度內建立的監控旨在管理本集團經營環境內出現的重大風險。

Corporate Governance Report

企業管治報告

Our Group's risk management framework includes the following elements:

- identify significant risks in our Group's operation environment and evaluate the impacts of those risks on our Group's business;
- develop necessary measures to manage those risks; and
- monitor and review the effectiveness of such measures.

The implementation of risk management framework of our Group was assisted by our Group's risk management department, so that our Group could ensure new and emerging risks relevant to our Group's operation are promptly identified by management, assess the adequacy of action plans to manage these risks and monitor and evaluate the effectiveness of the action plans. These are on-going processes and our Audit Committee reviews periodically our Group's risk management systems. Our Audit committee reported to our Board the implementation of our Group's risk management and internal control policy which, among other things, included the determination of risk factors, evaluation of risk level our Group could take and effectiveness of risk management measures.

Based on the reports from our Group's internal control department and compliance management department and risk management department and our Audit Committee, our Board considers that our Group's risk management and internal control system is adequate and effective and our Group has complied with the provisions on risk management and internal controls as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

Delegation by our Board

In general, our Board oversees our Company's strategic development and determines the objectives, strategies and policies of our Group. Our Board also monitors and controls operation and financial performance and sets appropriate policies for risk management in pursuit of our Group's strategic objectives. Our Board delegates the implementation of strategies and day-to-day operation of our Group to the management.

本集團的風險管理框架包括下列元素：

- 識別本集團營運環境內出現的重大風險並評估該等風險對本集團業務的影響；
- 制訂必要措施管理該等風險；及
- 監控及檢討有關措施的有效性。

本集團的風險管理框架由本集團的風險管理部協助推行，使本集團能確保管理層迅速識別有關本集團營運的新出現及新興風險、評估管理該等風險的行動計劃的適當性，以及監控及評估行動計劃的有效性。此乃持續進行的程序，而審核委員會會定期檢討本集團的風險管理制度。審核委員會定期向董事會匯報本集團風險管理及內部監控政策的實施情況，其中包括確定風險因素、評估本集團可承擔的風險水平及風險管理措施的有效性。

根據本集團內控與合規管理部及風險管理部及審核委員會的報告，董事會認為本集團的風險管理及內部監控系統乃屬充足有效，而本集團符合上市規則附錄十四所載企業管治守則內載列的風險管理及內部監控條文。

董事會權力的轉授

一般而言，董事會監督本公司的策略發展及釐定本集團的目標、策略及政策。董事會亦監察及控制營運及財務表現，並制訂適當的風險管理政策，以求達致本集團的策略目標。董事會授予管理層執行本集團策略及處理日常營運事務的權力。

Corporate Governance Report

企業管治報告

Company secretary

The company secretary is Mr. Pang Chung Fai Benny (“**Company Secretary**”). Please refer to his biographical details set out on page 87 of this annual report. All Directors have access to our Company Secretary to ensure that board procedures and all applicable law, rules and regulations, are followed. During the year, our Company Secretary has taken no less than 15 hours relevant professional training as required under rule 3.29 of the Listing Rules.

Effective communication with shareholders

Our Board recognises the importance of maintaining a clear, timely and effective communication with our shareholders. Our Board also recognises that effective communication with our Company’s investors is critical in establishing investor confidence and to attract new investors. Therefore, our Group is committed to maintaining a high degree of transparency to ensure our shareholders and the investors of our Company will receive accurate, clear, comprehensive and timely information of our Group through the publication of annual reports, interim reports, announcements and circulars.

Moreover, the Company’s AGM encourages face-to-face communication with shareholders. Members of the Board and chairmen of various board committees will attend the forthcoming AGM of the Company to be held on 23 May 2019. The directors will answer questions on the performance of the Group raised by shareholders.

Shareholders’ rights

1. Procedures for Shareholders to convene an Extraordinary General Meeting

Pursuant to Article 64 of the Articles of Association, extraordinary general meetings shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of our Company having the right of voting at general meetings. Such requisition shall be made in writing to our Board or our Company Secretary for the purpose of requiring an extraordinary general meeting to be called by our Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If, within 21 days of such deposit, our Board fails to proceed to convene such meeting, the requisitioner(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of our Board shall be reimbursed to the requisitioner(s) by our Company.

公司秘書

公司秘書為彭中輝先生(「公司秘書」)。請參閱本年報第87頁所載其履歷詳情。所有董事均可獲公司秘書提供意見及服務，確保能夠遵守董事會程序及所有適用法律、規則及規例。年內，公司秘書按上市規則第3.29條規定參加不少於15個小時的相關專業培訓。

與股東進行有效溝通

董事會深明與股東維持清晰、適時及有效溝通的重要性。董事會亦明白與本公司投資者保持有效溝通對建立投資者信心及吸引新投資者極為重要。因此，本集團致力維持高透明度，以確保本公司股東及投資者可透過刊發年度報告、中期報告、公告及通函，得到有關本集團的正確、清晰、全面及適時的資料。

此外，本公司股東週年大會鼓勵與股東面對面溝通。董事會成員及董事會各委員會的主席將出席於二零一九年五月二十三日舉行的本公司應屆股東週年大會以回答股東提出的問題。

股東權利

1. 股東召開股東特別大會的程序

根據本公司組織章程細則第64條，股東特別大會須在一名或以上於遞交申請當日持有有權於股東大會投票的本公司繳足股本不少於十分之一的股東要求下召開。有關要求須書面向董事會或公司秘書提出，述明要求董事會召開股東特別大會以處理要求內訂明的任何事項。有關大會須於遞交有關要求後2個月內舉行。倘於遞交要求後21日內，董事會未有召開該大會，則遞交要求人士可自行以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人士作出償付。

Corporate Governance Report

企業管治報告

2. Procedures for raising enquiries

Shareholders may direct their queries about their shareholdings, share transfer, registration and payment of dividend to our Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited:

Address: 17M Floor Hopewell Centre
183 Queen's Road East
Wanchai Hong Kong

Email: hkinfo@computershare.com.hk

Tel: (852) 2862 8555

Fax: (852) 2865 0990/2529 6087

Shareholders may raise enquiries in respect of our Company at the following designated contact, correspondence address, email address and enquiry hotlines of our Company:

Attention: Mr. Li Bin

Address: Office Units Nos. 10 and 11
11th Floor, Harbour Centre
No. 25 Harbour Road, Hong Kong

Email: hkinfo@chinasuccessfinance.com

Tel: (852) 2180 7189

Fax: (852) 3152 2010

2. 提出查詢的程序

股東如對其股權、股份過戶、登記及股息派付有任何疑問，可向本公司的香港證券登記處香港中央證券登記有限公司查詢：

地址：香港灣仔
皇后大道東 183 號
合和中心 17M 樓

電郵：hkinfo@computershare.com.hk

電話：(852) 2862 8555

傳真：(852) 2865 0990/
2529 6087

股東可將有關本公司的查詢發送至下列本公司指定聯絡人、通訊地址、電郵地址及透過查詢熱線作出：

收件人：李斌先生

地址：香港港灣道 25 號
港灣中心 11 樓 10 至 11 室

電郵：hkinfo@chinasuccessfinance.com

電話：(852) 2180 7189

傳真：(852) 3152 2010

Corporate Governance Report

企業管治報告

3. Procedures for putting forward proposals at Shareholders' Meetings

a) *Proposal for election of a person other than a director as a director:*

Pursuant to Article 113 of the Articles of Association, a shareholder who wishes to propose a person other than a retiring director for election to the office of director at any general meeting should lodge (i) notice in writing of the intention to propose that person for election as a director; and (ii) notice in writing by that person of his willingness to be elected, at either (a) our Company's Hong Kong office Office Units Nos. 10 and 11, 11th Floor, Harbour Centre No. 25 Harbour Road, Hong Kong, or (b) the registration office of our Company in Hong Kong at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. The period for lodgment of the notices mentioned above will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to our Company may be given will be at least seven days.

b) *Other proposals:*

If a Shareholder wishes to make other proposals (the "**Proposal(s)**") at a general meeting, he may lodge a written request, duly signed, at our Company's Hong Kong office Office Units Nos. 10 and 11, 11th Floor, Harbour Centre No. 25 Harbour Road, Hong Kong.

The identity of the Shareholder and his/her request will be verified with our Company's Hong Kong share registrar and upon confirmation by the share registrar that the request is proper and in order, and is made by a Shareholder, our Board will in its sole discretion decide whether the Proposal may be included in the agenda for the general meeting to be set out in the notice of meeting.

3. 於股東大會上提出議案的程序

(a) *提名一名董事以外的人士參選董事的議案：*

根據組織章程細則第113條，如股東有意於任何股東大會上提呈退任董事以外的人士參選董事職位，須將(i)表明有意提名該人士參選董事的書面通知；及(ii)該名人士表明願意參選的書面通知送達(a)本公司的香港辦事處，地址為香港灣道25號港灣中心11樓10至11室；或(b)本公司於香港的證券登記處，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。提交上述通知所需的期間由就該選舉發送股東大會通告之後開始計算，而該期限不得遲於該股東大會舉行日期的前七天結束。向本公司發出有關通知的最短期限最少為七天。

(b) *其他議案：*

如股東有意於股東大會上提呈其他議案(「議案」)，彼可將經正式簽署的書面請求交與本公司的香港辦事處，地址為香港灣道25號港灣中心11樓10至11室。

股東的身份及其請求將由本公司的香港證券登記處核實，於證券登記處確認有關請求屬妥當及符合程序，並為由股東提出後，董事會將會全權酌情決定是否將有關議案加入將載於大會通告的股東大會的議程中。

Corporate Governance Report

企業管治報告

The notice period to be given to all the shareholders for consideration of the Proposal raised by the shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

- i. Notice of not less than 21 days in writing if the Proposal requires approval in an annual general meeting of our Company.
- ii. Notice of not less than 21 days in writing if the Proposal requires approval by way of a special resolution in an extraordinary general meeting of our Company.
- iii. Notice of not less than 14 days in writing if the Proposal requires approval by way of an ordinary resolution in an extraordinary general meeting of our Company.

就股東提出於股東大會上考慮的議案而向全體股東發出通知的通知期，將根據議案的性質而有所不同，詳情如下：

- i. 倘議案須於本公司股東週年大會上取得批准，則須發出不少於21個完整日的書面通知。
- ii. 倘議案須於本公司股東特別大會上以特別決議案的形式取得批准，則須發出不少於21個完整日的書面通知。
- iii. 倘議案須於本公司股東特別大會上以普通決議案的形式取得批准，則須發出不少於14個完整日的書面通知。

Constitutional documents

Pursuant to a special resolution of the shareholders passed on 18 October 2013, the Amended and Restated Memorandum and Articles of Association were adopted with effect from the Listing Date. The Amended and Restated Memorandum and Articles of Association of our Company are available on the website of the Stock Exchange. For the year ended 31 December 2018, there is no change in the Amended and Restated Memorandum and Articles of Association of our Company.

章程文件

根據於二零一三年十月十八日通過的股東特別決議案，本公司的經修訂及重列組織章程大綱及細則已獲採納，並自上市日期起生效。本公司的經修訂及重列組織章程大綱及細則可於聯交所網站查閱。截至二零一八年十二月三十一日止年度，本公司經修訂及重列組織章程大綱及細則並無變動。

Environmental, Social and Governance Report

環境、社會及管治報告

China Success Finance Group Holdings Limited and its subsidiaries (hereinafter referred to as “the Group” or “we”) upholds the attitude of responsible operation and is committed to integrating the concept of sustainable development into our daily operation and management. The Group highly values good corporate governance, environmental protection and community investment and performs its corporate social responsibilities effectively.

This report describes the performance and results of the Group in respect of the environmental, social and governance aspects in 2018. The report covers the period from 1 January 2018 to 31 December 2018 (hereinafter referred to as the “Reporting Period”), which is in line with the Group’s 2018 annual report. We have prepared this report in accordance with Appendix 27 “Environmental, Social and Governance Reporting Guide” to the Rules Governing the Listing of Securities on the Main Board (the “Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This report aims to promote the sustainable development of the Group and enhance the confidence and understanding of the stakeholders of the Group.

COMMUNICATION WITH STAKEHOLDERS

The Group understands that the participation of stakeholders is beneficial to improving the operating performance of the Group continuously. The Group has always valued the opinions of its stakeholders. Through various channels, it communicates with stakeholders to understand their expectations and comments. This helps us objectively review the planning, management, implementation and evaluation of the Group’s corporate social responsibilities and sustainable development.

For the Group, stakeholders refer to the groups and individuals who have material impact on the Group’s business, or those who are influenced by the Group’s business:

Internal stakeholders

- Board
- Management
- Administrative staff
- General staff

External stakeholders

- Shareholders
- Investors
- Customers
- Partners
- Government/regulatory authorities
- Banks/financial institutions
- Industry associations
- Media
- Non-governmental organisations and local communities

中國金融發展(控股)有限公司及其附屬公司(下稱「本集團」或「我們」)秉持負責任經營的態度，致力於將可持續發展理念融入到日常營運及管理當中，十分重視本集團良好的企業管治、環境保護及社區投資，切實履行應有的企業社會責任。

本報告介紹本集團於2018年度在環境、社會及管治方面的表現及績效。報告時間範圍為2018年1月1日至2018年12月31日(下稱「報告期間」)，與2018年年報披露時間範圍保持一致。我們按照香港聯合交易所有限公司(「聯交所」)主板上市規則(「上市規則」)附錄二十七《環境、社會及管治報告指引》編製本報告。本報告旨在促進本集團可持續發展，並增加持份者對本集團的信心和了解。

持份者溝通

本集團明白持份者參與有助於持續改善本集團經營表現。本集團一直重視持份者的意見，通過多種溝通渠道與持份者保持聯繫，藉此了解他們不同的期望與評價，以使我們更客觀地審視本集團在規劃、管理、實施及評估企業社會責任和可持續發展方面的工作。

就本集團而言，持份者指的是對本集團業務有重大影響，或受本集團業務影響的群體和個人：

內部持份者

- 董事會
- 管理層
- 行政人員
- 一般員工

外部持份者

- 股東
- 投資者
- 客戶
- 合作夥伴
- 政府／監管部門
- 銀行／金融財務機構
- 行業協會
- 媒體
- 非政府組織和本地社區

Environmental, Social and Governance Report

環境、社會及管治報告

During the Reporting Period, the Group generally communicated with its stakeholders by means including email, meetings, telephone, daily presentations, the Company's website, the annual meeting, etc. The Group places strong emphasis on information disclosure with a view to enhancing the understanding of its stakeholders of the Group. In 2018, there were 1 general meeting, 2 disclosures of annual report and interim report, 1 circular, 12 monthly returns on securities, and 48 announcements and notices. In addition, in 2018, the Group conducted 1 staff performance appraisal, participated in 5 industry trainings, 9 industry-related forums and seminars and made dozens of site visits to customers, and the government visited the Group for 4 times.

ENVIRONMENTAL AFFAIRS

The Group is a comprehensive financial service group mainly providing diversified and comprehensive financial services to customers, including guarantee, financial lease, asset management, etc. Our main business activities do not have material impact on the environment and natural resources. However, as a responsible enterprise, we are well aware of the importance of environment protection to global sustainable development. Environmental protection starts from small steps. By enhancing the efficiency of the use of resources and promoting business behaviors which are responsible for the environment, we strive to reduce the impact of our operations on the environment.

Emissions

The Group strictly complies with regulations in relation to environmental protection and pollutant control, such as the Water Pollution Prevention and Control Law, the Atmospheric Pollution Prevention and Control Law and the Regulations on Urban and Rural Household Garbage Disposal in Guangdong Province in Mainland China and the Water Pollution Control Ordinance, the Air Pollution Control Ordinance and the Waste Disposal Ordinance in Hong Kong.

The Group does not discharge a large amount of hazardous substance in water, on land and in the atmosphere as it is engaged in financial services. The emissions of the Group are mainly carbon emissions generated from the use of business vehicles and energy consumption in daily operation and domestic wastes.

During the Reporting Period, there was no non-compliance in relation to emission of hazardous or non-hazardous waste in water, on land and in the atmosphere or its generation.

報告期間，本集團與持份者一般溝通方式包括電郵、會議、電話、日常匯報、公司網站、年會等；本集團十分重視信息披露，以加強各持份者對本集團的理解，2018年度共舉行股東大會1次；披露年報及中期報告2次、通函1次，證券月報表12次、公告及通告48次；此外，本集團2018年度對員工評價及績效考核1次、參加行業培訓5次，行業相關論壇講座9次、實地拜訪客戶數十次、政府到集團內考察4次等。

環境事務

本集團是一個綜合性金融服務集團，主要為客戶提供擔保、融資租賃、資產管理等多元化的綜合金融服務。我們的主要業務活動對環境及自然資源並無重大影響。但作為負責任的企業，我們深知環境保護對全球可持續發展的重要性，愛護環境點滴做起，透過提高資源使用效率及提倡對環境負責任的商業行為，盡力減少自身營運對環境的影響。

排放物

本集團嚴格遵守內地《水污染防治法》、《大氣污染防治法》、《廣東省城鄉生活垃圾處理條例》及香港《水污染管制條例》、《空氣污染管制條例》、《廢物處置條例》等有關環境保護及污染物管制的法規。

本集團從事金融服務，故不會向水、土地及空氣排放大量有害物質。本集團排放物主要來源於公務車使用及日常運營對能源使用產生的碳排放及生活垃圾。

於報告期間，本集團並未發生有關向水、土地及空氣排放，或產生有害及無害廢棄物等的違規事件。

Environmental, Social and Governance Report

環境、社會及管治報告

I. Air emission

The air emissions of the Group are mainly greenhouse gases generated directly or indirectly from the use of business vehicles and electricity consumption in office operation. During the Reporting Period, the Group generated greenhouse gases of approximately 55.81ton CO₂e and the emission intensity per employee was 1.47ton CO₂e.

Scope of greenhouse gases	Emission (in ton CO ₂ e) 2018
Source 1: Travel of business vehicles	20.04
Source 2: Purchase of electricity	35.77
Total	55.81
Intensity (ton/staff)	1.47

The Group has formulated relevant management requirements for travelling and management measures for use of vehicles for business purpose to reduce emission of greenhouse gases:

- requiring our staff to make reasonable arrangements for travelling and use of vehicles for business purpose and encouraging them to use public transport for greener trips;
- reducing carbon emission of domestic and overseas business trips by preferring communication means such as conference calls and electronic communications;
- rail transport taking priority for short trips as it can lower the operational costs and reduce the environmental impact of the over-consumption of energy.

Measures to reduce electricity consumption will be listed in detail below.

II. Waste

As the waste generated by the Group is collectively handled by the property management office of the office building where the Group is located, there is no relevant data. In strict compliance with the relevant regulations on waste treatment of Mainland China and Hong Kong, the relevant property management office sorts and passes the waste to relevant qualified professional agencies for disposal.

1. 空氣排放物

本集團空氣排放物主要來自於公務車的使用及辦公運營電力使用直接或間接產生的溫室氣體。於報告期間，本集團產生的溫室氣體約為55.81噸二氧化碳當量，每名僱員排放密度為1.47噸二氧化碳當量。

溫室氣體範圍	排放 (二氧化碳 當量以噸計) 2018年度
來源一：公務車出行	20.04
來源二：購買電力	35.77
合計	55.81
密度(噸/員工)	1.47

本集團已制定相關差旅管理規定及公務用車管理辦法以減少溫室氣體排放：

- 要求我們的員工合理安排差旅及公務用車，並鼓勵員工使用公共交通工具綠色出行；
- 優先採用電話會議、電子通訊等溝通方式，減少因本地及海外差旅產生的碳排放；
- 在短途行程中優先使用鐵路，在降低運營費用的同時減少過度耗能對環境造成的影響。

有關減少用電的措施將在下文詳細列出。

2. 廢棄物

本集團廢棄物均由所在辦公大樓物業管理處統一處理，故並無相關的數據。相關物業管理處均嚴格遵守內地及香港有關廢棄物處理條例，對廢棄物進行分類，並交由相關資質的專業機構對其進行處置。

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The Group is aware of the importance of waste control from the source. Therefore, we have implemented the following measures in reducing waste:

- to purchase printers with high toner usage rate to reduce consumables;
- to promote the paperless office and replace printed copies with electronic documents;
- to select formats with high utilization efficiency of paper for the documents that need to be printed, and to choose duplex printing whenever possible to maximize the use of space;
- to place boxes to collect non-confidential papers for recycling and reuse;
- to reuse stationery such as folders and document bag;
- to pass collected hazardous waste such as toner cartridge, discarded electronics and accessories to relevant suppliers for further treatment.

Due promoting the measures above, our staff have established work practices that use resources with high efficiency.

During the Reporting Period, the paper consumption of the Group amounted to approximately 459.45 kg and the average consumption per staff member was 12.09 kg.

但本集團意識到從源頭上控制廢棄物的重要性，因此我們實施了以下各項減少廢棄物的措施：

- 採購碳粉利用率高的打印機以減少耗材
- 推廣無紙化辦公，儘量以電子文件代替打印；
- 需打印的文件使用空間利用率高的格式，並儘量採用雙面打印；
- 設置容器收集非機密文件紙張以回收再用；
- 重複使用文件夾、文件袋等文具；
- 碳粉盒、廢棄電子產品及相關配件等有害廢棄物收集後轉交給相關供應商作進一步處理。

通過推廣上述措施，員工已養成高效利用資源的工作習慣。

於報告期間，本集團耗紙量約為459.45千克，平均每名員工消耗12.09千克。

Environmental, Social and Governance Report

環境、社會及管治報告

Use of resources

Business activities of the Group do not involve a large quantity of packing materials for finished products. Resources used mainly include water and electricity. The Group also promotes green office operations and strives to use all resources with high efficiency. Below is the resource consumption of the Group during the Reporting Period:

Resources 資源	Unit 單位	Consumption 消耗量	Consumption intensity (Consumption/ number of staff) 消耗強度 (消耗量/ 員工數)
Electricity 電	kWh 千瓦時	45562.55	1199.01
Water* 水*	m ³ 立方米	345	9.08

Note: These figures only include water consumption at the place of operation in Mainland China. As the water used at the place of operation in Hong Kong is collectively handled by the property management office, there is no data on water consumption.

In daily office management, the Group has fostered the awareness of resources saving, energy conservation and emission reduction, and has implemented corresponding management measures for energy conservation.

In respect of the use of electricity:

- we use energy-saving lighting equipment and prioritize the purchase of office equipment with high energy efficiency;
- indoor air-conditioners are kept at 26°C or above in summer, and the air-conditioners of meeting rooms are not allowed to be switched on for a long period of time;
- staff are encouraged to set their computers to auto standby or sleep mode;
- office equipment, such as printers, fax machines, shredders, etc., is set in auto standby/sleep mode when left idle and is power off if not in use;
- Lightings are divided into different groups and should be switched on according to actual needs to avoid excessive lighting;

資源使用

本集團的業務活動並不會涉及大量成品包裝材料，對資源的使用主要包括水和電。本集團倡導綠色辦公，致力於高效使用所有資源，以下為本集團於報告期間的資源消耗量：

Resources 資源	Unit 單位	Consumption 消耗量	Consumption intensity (Consumption/ number of staff) 消耗強度 (消耗量/ 員工數)
Electricity 電	kWh 千瓦時	45562.55	1199.01
Water* 水*	m ³ 立方米	345	9.08

備註：此數據僅包含內地營業地的用水量。香港營業地的用水由物業管理處統一管理，因此未能獲得用水量數據。

在日常運營管理中，本集團樹立了節約、節能減排的意識，並落實了相應的節能管理措施。

用電上：

- 使用節能照明設備、優先採購高能源效益的辦公設備；
- 夏天保持室內溫度不低於26攝氏度，會議室空調杜絕長開；
- 鼓勵員工將電腦設定為自動待機或睡眠模式；
- 設定打印機、傳真機、碎紙機等辦公室設備於閒置時進入自動待機/睡眠模式，在不使用時關閉電源；
- 劃分不同燈組，以實際需要打開相應燈組以減少過度照明；

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- lights should be switched off in meeting rooms or office not in use;
- the last employee leaving the office after work is required to check whether all office equipment, lights and air-conditioners are switched off, ensuring that lights and machines are off when no one is there.

In respect of the use of water:

- we put up water-saving signs in areas with water outlets, requiring the staff to turn off the taps after use;
- we promote reusing water, raising the reuse rate of domestic sewage to reduce the consumption of fresh water;
- we send designated personnel to check the water supply system for leakage and repair on a regular basis;

By promoting the measures above, our staff have established the practices of water and energy conservation. Lights and taps are basically no longer turned on for a long period of time.

Environment and natural resources

The impact of the Group on the environment and natural resources is insignificant. However, the Group is still committed to lessening any potential negative impact of its operation on the environment and reduces its reliance on natural resources through various means. In addition, we give our employees environmental education and publicity to encourage them to be responsible for the environment, which prompts the staff and the Group to make joint efforts for environmental protection.

SOCIAL

Employment

The Group formulated its recruitment and employment policies strictly in accordance with the Labour Law, the Labour Contract Law in Mainland China and the Employment Ordinance of Hong Kong as well as other relevant laws and regulations, prohibiting the employment of child labour or forced labour in any form. The Group has also signed labour contracts with all fulltime staff to ensure the legal compliance in employment.

- 無人使用的會議室或辦公室關閉照明；
- 下班後要求最後一個離開辦公室的同事檢查所有的辦公設備、燈、空調等是否已關閉，確保做到人走燈滅，人離機關。

用水上：

- 在用水區域黏貼節約用水標識，要求員工使用後關緊水龍頭；
- 提倡循環用水，提高生活污水處理回用率，減少淡水消耗；
- 派專人定期檢查供水系統是否出現滲漏並維修。

通過推廣上述措施，員工建立起節約用水、節約用電的習慣，長明燈長流水現象基本消失。

環境及天然資源

本集團對環境和自然資源的影響甚微，然而，本集團仍致力於減少營運中可能對環境造成的任何負面影響，並使用多種方法降低對天然資源的依賴。此外，我們對僱員進行環境教育及宣傳，以鼓勵他們採取對環境負責之行為，促進員工與集團為環境保護共同作出努力。

社會

僱傭

本集團嚴格按照內地《勞動法》、《勞動合同法》以及香港《僱傭條例》等相關法律法規制定招聘及用工政策，禁止以任何形式聘請童工或強制勞工，並與所有全職員工簽訂勞動合同，保證僱傭的合法合規。

Environmental, Social and Governance Report

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The Group has adopted a fair and open recruitment approach, prohibiting discrimination by gender, age, geographical, ethnic, racial and religious beliefs. The Group has also implemented equal pay for equal work for men and women and has provided equal promotion and demotion ladder for them. This ensures all our staff with equal job opportunities to foster diverse development of staff.

Proportion of staff by gender, region and age group:

By gender
按性別劃分

Female

女性

Male

男性

By age
按年齡劃分

30 years old and below

30歲及以下

31 to 40 years old

31歲到40歲

41 years old and above

41歲以上

In order to attract talents for business operations, we have formulated employment package with market competitiveness, which includes basic wages, bonuses, subsidies and benefits, as well as support for our employees to communicate on and negotiate issues related to salary and benefits through different channels.

The Group strictly complies with the relevant national requirements in paying for our Mainland China employees in a timely manner with sufficient amounts of their five social insurances, which include pension, medical, work injury, fertility, and unemployment, and housing provident fund, and buying labour insurance and Mandatory Provident Fund for our Hong Kong employees. In addition, we buy accident insurance for domestic staff to provide more comprehensive protection for our staff. Maintaining the balance of life and work is a policy we have long been adhered to. The current staff of our Group work 8 hours per day on a 5-day week basis. We also support our staff to efficiently manage their work and daily life through marriage leaves, maternity leaves, paternity leaves, breast feeding leaves, annual leaves, bereavement leaves and so on.

本集團採取公平、公開的招聘方式，嚴禁一切對性別、年齡、地域、民族、種族及宗教信仰等的歧視行為。實行男女同工同酬，提供平等的職務升降機制，確保所有員工均享有平等的工作機會，並促進員工多元化發展。

按性別、地區、年齡組別劃分的員工佔比：

Proportion
佔比

63.16%

36.84%

31.58%

39.47%

28.95%

為吸引優秀人才營運業務，我們制定了具市場競爭力的聘任方案，向受聘員工提供包括基本工資、獎金、津貼及福利的薪酬待遇，並支持員工通過不同渠道溝通協商相關薪酬福利問題。

本集團嚴格按照有關規定，為內地員工及時、足額繳納養老、醫療、工傷、生育、失業五大社會保險和住房公積金，為香港員工購買勞工保險及強積金。此外，我們為內地員工購買意外保險，為員工提供更為全面的保障。保持生活與工作平衡是我們長久以來堅持的方針。本集團在崗員工均實行每週5天，每天8小時工作制，並支持員工透過婚假、產假、陪產假、哺乳假、年假、喪假等有效地管理他們的工作及日常生活。

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Comprehensive cessation procedures, including exit interview, cessation formalities and salary and benefit settlement, have been formulated by the Group to follow up cessation of employees. Rate of turnover has been lowered thorough in-depth interviews with employees with intention in resign, collection and integration of feedback from ceased employees to make improvement in 6 major aspects of the Group's human resources procedures, including HR planning, recruitments, trainings, salaries and benefits, performance assessment and labour relationship. The Group prioritizes trainings on expertise and techniques enhancement for employees not meeting performance targets in fulfilling the role of their posts and encourages self-enhancement of the employees.

During the Reporting Period, there had not been any non-compliances with employment or labour laws and regulations in relation to remuneration, recruitment and dismissal, promotion, working hours, leave, diversity and anti-discrimination in Mainland China and Hong Kong committed by the Group.

Occupational health and safety

The Group considers staff as corporate wealth and strictly complies with laws and regulations in relation to occupational health and safety in Mainland China and Hong Kong to safeguard the health and safety of our staff.

With the Group's engagement in the finance industry, there is no major safety concerns in workplace. The Group provides a comfortable and safe working environment for the staff by regularly cleaning water dispensers, carpets and air-conditioners, decorating with green plants and providing emergency medicines. The Group provides effective protection to staff in case of illness or accidents and address their potential worries by organizing annual physical examination and buying medical insurance and accident insurance for staff. The Group has proactively coordinated with the property management companies to conduct the safety inspections for the fire safety passageways. We participated in a variety of fire drills and escape drill to improve safety awareness of staff, and foster their emergency escape capacity. In addition, the Group organizes festive events from time to time and sports activities such as yoga and personal fitness for our staff participation, so that they may relieve work stress, nurture health awareness and improve their health.

During the Reporting Period, the Group did not commit any violation of laws and regulations in relation to health and safety at workplace.

本集團制定了完善的離職流程來跟進員工離職情況，包括離職面談、離職手續辦理及工資福利結算等。通過與有離職意向的員工深入面談，收集並綜合離職員工的反饋意見，以用於改善本集團人力資源規劃、招聘、培訓、薪酬福利、績效考核及勞動關係等六大方面的人力資源流程，降低離職率。本集團對於人崗匹配度未達目標員工以加強其知識技能培訓為首要事項，鼓勵員工自我增值。

於本報告期間，本集團本沒有發生違反有關薪酬、招聘及解僱、晉升、工作時數、假期、多元化、反歧視等內地及香港相關僱傭或勞動法律法規的違規事件。

職業健康與安全

本集團視員工為企業財富，嚴格遵守內地及香港職業健康與安全的相關法律法規，竭力保障員工的健康及安全。

本集團業務為金融業，在工作場所並無涉及重大安全隱患，但本集團仍通過定期清潔飲水機、地毯及空調，綠植佈置，提供應急藥品等方式為員工提供更為舒適安全的工作環境；通過每年組織員工進行身體檢查，為員工購買醫療險、意外險等，一旦員工發生疾病或者意外均能獲得有效保障，減少員工後顧之憂。本集團積極配合物業公司開展消防通道安全檢查，參與各種消防演習、逃生演習活動，以提高員工安全意識，培養員工應急逃生能力。此外，本集團通過不時舉辦節日活動，組織員工參加瑜伽、健身等體育活動，讓員工釋放工作壓力，培養健康理念，提高身體素質。

於報告期間，本集團並未發生任何違反有關工作場所健康與安全法律及法規的情況。

Environmental, Social and Governance Report

環境、社會及管治報告

Development and training

All Directors are provided with the latest developments in respect of listing rules and other applicable regulations and regulatory systems, industry information and the business environment. These facilitate the Directors, understanding of the Company's business and perform their respective duties effectively.

The Group provides new recruits with regular trainings, which on matters like the Group's profile, rules and regulations as well as the use of office facilities. Respective department offers new recruits with trainings on professional skills according to the needs of their jobs and roles in order to facilitate new recruits in adapting to the Company's environment as soon as possible.

The Group also provides the staff with opportunities of internal and external trainings: the internal trainings are conducted in form of one-on-one meetings, seminars or exchange sessions, whereas the external trainings are conducted in form of external public courses, exchange seminars or internal lectures given by external lecturers. These aim to enhance the staff's professional abilities and management skills. Besides, through regular assessment of the performances of the staff and in-depth interviews with them, the Group has jointly formulated the performance goals and implementation plans to foster the staff to grow with the enterprise.

During the Reporting Period, our staff took part in trainings in corporate governance of listed companies, interaction between investment and guarantee, interpretation of the Regulation on the Supervision and Administration of Financing Guarantee Companies, the business of project performance guarantee, legal expertise, Internet finance and guarantee. The length of training was approximately 80 hours.

Labour standards

The Group strictly abides by the relevant provisions of the Labour Law and the Employment Ordinance. There was no incident of discrimination, employment of child labour, compulsion, forced labour or infringement of employee benefits in the year. The Group also have feedback system encouraging staff to communicate with the HR and report on forced labour or non-compliance matters.

In the year, the internal control department did not receive any reports.

發展及培訓

本集團向全體董事提供上市規則及其他適用的法規及監管制度、行業資訊及營商環境之最新發展情況，以促進董事對本集團業務理解，切實履行其各自的職責。

本集團為全體新入職員工提供包括集團簡介、規章制度及辦公設施使用等常規培訓，各部門根據崗位需求向新入職員工提供專業技能培訓，以促進新入職員工儘快適應公司環境。

本集團亦為員工提供內部和外部培訓的機會，內部培訓以單對單、講座或交流會等形式進行，外部培訓則以外部公開課程、交流研討會或請外部講師到內部授課的形式進行，旨在提升員工專業能力及管理技巧。此外，本集團通過定期考察員工的績效表現，與員工深入面談，共同制定績效目標及執行計劃，促進員工與企業共同成長。

於報告期間，員工參與的培訓包括上市公司管治、投保聯動業務、融資擔保公司監督管理條例制度解讀、工程保證擔保業務、法律專業知識、互聯網金融與擔保等培訓，受訓時長約為80小時。

勞工準則

本集團嚴格遵守《勞動法》及《僱傭條例》等相關規定，全年未發生任何歧視事件，無僱傭童工，亦無強迫、強制勞工或涉及侵犯員工利益等事件發生。本集團亦設有反饋制度及鼓勵員工與人事和內控部門溝通，鼓勵員工舉報強制勞工或者不合規事宜。

截止全年，內控部門並無收到任何檢舉報告。

Environmental, Social and Governance Report

環境、社會及管治報告

OPERATIONAL PRACTICES

Supply chain management

Our suppliers mainly comprised of suppliers of office supplies such as drinking water, paper and stationery. The Group appreciated the importance of green procurement and environmental friendly and energy-saving products during procurement for office. We also prefer local suppliers to reduce energy consumption caused by transportation. In general, the Group procures products and services based on their specifications, quality, pricing and applicable environmental and social factors and by comparing prices of various suppliers. Suppliers are required to comply with all relevant local and national laws and regulations. Cooperation will be terminated in case of any violations related to bribery, corruption and other prohibited commercial activities. The Group conducts evaluation and feedback regarding the performance of suppliers and maintains good and long-term cooperative relationship with quality suppliers.

Product responsibility

As a financial group, the Group is committed to improving the quality of products and services provided to our clients, and have implemented the following measures:

1. Improving the quality of staff. We provide staff with regular trainings on professional expertise for staff and encourage our staff to take examinations for relevant professional qualifications to provide more professional service to our clients;
2. Keeping customer information strictly confidential. The Group abides by the relevant state laws and regulations, formulated strict confidentiality requirements, and requires employees to strictly implement the relevant provisions and strive to protect customer privacy;
3. Striving to improve product quality. With accountability to clients in mind, we require strict compliance with standardized operations by our staff in handling business, and listen to clients carefully, promptly respond to the needs of clients, provide satisfactory service to clients to the greatest extent and truly implement the customer-oriented and customer-first service concepts;

營運慣例

供應鏈管理

我們的供應商主要為辦公室用品供應商，如飲用水、紙張、文具供應商等。本集團注重綠色採購，於辦公室採購中多使用環保及節能產品，並優先採用本地供應商以減少運輸造成的能耗。一般而言，本集團採購產品及服務遵從「貨比三家」原則，基於規格、品質、定價並考慮適用的環境和社會因素。供應商需遵守所有相關的地方及國家法律法規，任何違反賄賂、貪污及其他禁止的商業行為將終止合作。本集團對供應商進行評價及反饋，與優質供應商保持良好長期的合作關係。

產品責任

本集團作為一個金融集團，我們致力於提高提供給客戶的產品及服務質量，並採取措施如下：

1. 提高員工業務水平。通過定期對員工進行專業知識培訓、鼓勵員工報考相關專業資格，以求為客戶提供更專業的服務；
2. 嚴格保密客戶信息。本集團遵循國家相關法律法規，制定嚴格的保密規定，並要求員工切實執行相關規定，力求保障客戶隱私；
3. 努力提升服務質量。本著對客戶負責的態度，要求員工嚴格按照規範流程辦理業務，同時細心聆聽客戶聲音，快速響應客戶需求，最大程度地為客戶提供滿意的服務，真正貫徹以客戶為本、客戶至上的服務理念；

Environmental, Social and Governance Report

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4. Optimizing product type and quality. The Group is actively developing new business categories with the leverage of Internet technology to meet diversified financing service needs of clients and adapt to market changes in a legal way with risks under control.

Anti-corruption

The Group is actively promoting clean corporate governance, emphasizing the integrity training of employees; we incorporate the integrity awareness into the daily management through improvement of the rules, regulations and integrity norms.

COMMUNITY INVESTMENT

The Group considers showing concern, serving and giving back in the community as one of its responsibilities.

During the Reporting Period, Mr. Zhang Tiewei, the Chairman of the Group, has been teaching as an off-campus tutor of the master's degree of finance of Guangdong University of Finance and Economics to nurture brilliant students in joint effort with higher institutions, assist students in developing the habit and thinking that integrates both theories and practice in learning, encourage students to tap into professional knowledge, train up their leadership skills and foster innovation and high moral standards.

In respect of poverty alleviation efforts, Mr. Xu Kaiying, executive director of the Group, visited Butuo County, Liangshan State, Sichuan Province to understand poverty alleviation work, and donated funds supporting industry development in villages under paired support policy to help Liangshan State out of poverty.

In addition, the Group encourages employees to enter the community and encourages employees to be dedicated, responsible and accountable volunteers and most of our employees have regarded the volunteer activities as normal activities in their daily life. For example, the Group encouraged employees to participate in marathons and Foshan 50 km walking activities in order to actively respond to the low carbon and healthy lifestyle, and promote regional development and social image of the enterprise.

You share roses and get fun; you help the poor with borderless love. The Group will continue to fulfil its social responsibilities in the future.

4. 優化產品類型及質量。本集團在堅持合法、風險可控的前提下，借助互聯網技術，積極開發創新業務品種，以滿足客戶多元化的融資服務需求和適應市場變化。

反貪污

本集團積極推進廉政建設，強調對員工的廉潔從業培訓，通過完善各項規章制度和廉政行為規範，將廉潔意識融入日常管理之中。

社區投資

本集團將給予社區必要的關懷、服務及回饋作為本集團的責任之一。

報告期間，本集團主席張鐵偉先生擔任廣東財經大學的校外金融碩士學位導師，與高校聯合培養優秀學子，幫助學生培養理論與實踐相結合的學習習慣及思維模式，鼓勵學生深挖專業知識，鍛煉領導能力，培養創新精神及高道德標準。

在扶貧工作上，本集團執行董事徐凱英先生赴四川省涼山州布拖縣考察扶貧協作工作，並對結對幫扶村捐贈產業發展扶持基金，助力涼山州打贏精準扶貧攻堅戰。

此外，本集團鼓勵員工走進小區，鼓勵員工成為有奉獻、有責任和有擔當的志願者，多數員工已將志願活動列為生活中的常態化活動。例如，本集團鼓勵員工參與馬拉松以及佛山50公里徒步等活動，以積極響應低碳健康生活、宣傳區域發展及企業的社會形象。

贈人玫瑰，手有餘香，扶貧濟困，大愛無疆。本集團未來將繼續堅定地履行我們的社會責任。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. ZHANG Tiewei, aged 56, is one of the founders of our Group. He was appointed as our director on 16 January 2012 and redesignated as the Chairman of our Board and executive director on 18 October 2013. Mr. Zhang is responsible for our Group's strategic planning and overall business management.

Mr. Zhang has more than 21 years of experience in the financial industry in the PRC during which Mr. Zhang has been acting as (i) the director of Chancheng Futures Co., Ltd. since 1997 which engages in commodity futures brokerages and financial futures brokerages; (ii) the chairman of Success Credit since its establishment in 2009 which engages in the provision of small loans lending; (iii) the director of Guangdong Success Insurance Brokers Company Limited since 2003 which engages in the provision of insurance brokerages; (iv) the chairman of Guangdong Success Venture Capital Company Limited since 2008 which engages in venture capital; (v) the Chairman of Success Investment Holdings Group Company Limited ("**Success Investment Holdings**") since its establishment in 2005 which engages in the investment in real estate, public utilities, medical and industrial project; (vi) the director of Foshan Success Finance Group Company Limited ("**Foshan Finance**") which engages in the investment in the modern financial industry, investment in the financial services industry, capital management, asset management, business in the sales of insurance products, etc; and (vii) the chairman of Guangdong Jiayou Network Technology Co., Ltd. ("**Jiayou Network**"). Mr. Zhang accumulated relevant business and financial experiences which are relevant to the business of our Group when acting as the director or chairman of the above named companies. Mr. Zhang has also been acting as the legal representative of Success Guarantee, our operating subsidiary, since its establishment in 1996. Mr. Zhang is also a director of each of Double Chance Developments Limited, China Success Finance Holdings Limited, Guangdong Success Asset Management Company Limited ("**Success Asset**"), Shenzhen Qianhai Success Housing Wealth Management Company Limited, all being subsidiaries of our Company.

執行董事

張鐵偉先生，56歲，本集團創始人之一。彼於二零一二年一月十六日獲委任為董事，並於二零一三年十月十八日調任為董事會主席兼執行董事。張先生負責本集團的戰略規劃及整體業務管理。

張先生於中國金融業擁有逾21年經驗，期間張先生(i)自一九九七年起任長城期貨股份有限公司的董事(該公司從事商品期貨經紀及金融期貨經紀業務)；(ii)自集成貸款於二零零九年成立起任該公司董事長(該公司從事提供小額貸款業務)；(iii)自二零零三年起任廣東集成保險經紀有限公司的董事(該公司從事提供保險經紀服務)；(iv)自二零零八年起任廣東集成創業投資有限公司的董事長(該公司從事創投資務)；(v)自集成投資控股集團有限公司(「集成投資控股」)於二零零五年成立起任該公司董事長(該公司從事房地產、公用事業、醫療及工業項目投資業務)；及(vi)佛山市集成金融集團有限公司(「佛山金融」)(從事現代金融業投資、金融服務業投資、資本管理、資產管理、保險產品銷售業務等)的董事及(vii)擔任廣東嘉友網絡科技有限公司(「嘉友網絡」)的董事長。張先生任上述公司的董事或董事長時積累了與本集團業務有關的相關業務及財務經驗。張先生亦自我們的經營附屬公司集成擔保於一九九六年成立後擔任其法定代表人。張先生亦為Double Chance Developments Limited、中國集成金融控股有限公司、廣東集成資產管理有限公司(「集成資產」)、深圳前海集成房圈財富管理有限公司(全部均為本公司附屬公司)各自的董事。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Mr. Zhang is a member of the 12th Foshan Committee of the Chinese People's Political Consultative Conference, the vice president of the 14th executive committee of Foshan General Chamber of Commerce, the standing committee member of the 11th executive committee of Guangdong General Chamber of Commerce, and the chairman of the 1st council of Foshan Investment Chamber of Private Entrepreneurs. Mr. Zhang has been awarded as an Outstanding Corporate Manager in Guangdong Province in 2011 by the Guangdong Enterprises Confederation and the Guangdong Entrepreneurs Association. He has also been awarded as the top ten most influential persons in finance in Guangdong in 2013. Mr. Zhang was obtained a master degree of executive master of business administration after completing an EMBA Programme in Cheung Kong Graduate School of Business in 2012.

Mr. Li Bin, aged 46, is our executive director and the chief executive officer of our Group. Mr. Li joined our Group in 2006 as an assistant to the general manager of Success Guarantee and manager of the post-guarantee management department. He was promoted to general manager of Success Guarantee in 2009 and appointed as our executive director and the chief executive officer of our Group on 18 October 2013. Mr. Li resigned as the chief executive officer of our Company with effect from 15 September 2014 in order to focus his time and effort on the development of the guarantee business of the Company and continued to serve as an executive director of our Company. Mr. Li was appointed as the chief operating officer of our Group on 31 August 2015 and is responsible for overseeing our Group's operations and internal management system. He was appointed as the vice chairman of Success Guarantee in 2016. He has been resigned as chief operation officer of our Group and appointed as chief executive officer of our Group with effect from 18 May 2018.

Prior to joining our Group, Mr. Li had worked at the Foshan branch of Bank of China from 1993 to 2005 and was responsible for sales and marketing activities in the bank and specialising in the provision of loans and credits which are relevant to the business of our Group. His last position in the bank was assistant manager of the sales department.

Mr. Li obtained a master of business administration degree from Jinan University in Guangdong, the PRC in June 2007.

張先生為中國人民政治協商會議第12屆佛山市委員會委員、佛山市工商業聯合會(總商會)第14屆執行委員會副主席、廣東省工商業聯合會(總商會)第11屆執行委員會常務委員及佛山市民營企業投資商會第1屆理事會會長。張先生獲廣東省企業聯合會及廣東省企業家協會評定為二零一一年度廣東企業優秀管理人才。彼亦於二零一三年獲授「廣東十大經濟風雲人物」的稱號。張先生於二零一二年完成長江商學院EMBA課程，取得行政人員工商管理碩士學位。

李斌先生，46歲，為本集團執行董事兼行政總裁。李先生於二零零六年加入本集團，出任集成擔保總經理助理及保後管理部經理。彼於二零零九年獲晉升為集成擔保總經理，並於二零一三年十月十八日獲委任為本集團執行董事兼行政總裁。李先生於二零一四年九月十五日辭任本公司行政總裁，以將更多時間和精力專注於本公司擔保業務的發展，並繼續擔任本公司執行董事。李先生於二零一五年八月三十一日獲委任為本集團運營總監，負責監督本集團的營運及內部監管系統。彼於二零一六年獲委任為集成擔保副董事長。彼已辭任本集團運營總監及獲委任為本集團行政總裁，自二零一八年五月十八日起生效。

在加入本集團前，李先生於一九九三年至二零零五年曾在中國銀行佛山市分行工作，負責該行的銷售及營銷工作以及專門提供與本集團業務有關的貸款及信貸。彼於該行最後擔任銷售部助理經理。

李先生於二零零七年六月取得中國廣東省暨南大學工商管理碩士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Ms. DAI Jing, aged 48, is an executive Director and chief operation officer of the Company with effect from 18 May 2018. Ms. Dai joined Success Investment Holdings in August 2006 as manager of the legal department and was subsequently promoted to vice general manager of Success Guarantee in January 2007. She was promoted to senior vice general manager and general manager of Success Guarantee in January 2010 and April 2016, respectively. Prior to joining our Group, Ms. Dai worked at the Bank of China from 1993 to 2005 for handling credit approval, credit management and asset protection. Her last position with the Bank of China was assistant manager of the asset protection department. Ms. Dai also worked with the China Merchants Bank from 2005 to 2006 as a manager for handling bank management matters. Ms Dai was admitted as a lawyer in the PRC in September 1995. Ms. Dai obtained a bachelor's degree in law from Wuhan University in Hubei, the PRC in July 1993.

Mr. XU Kaiying, aged 55, was appointed as our non-executive director on 18 October 2013 and re-designated as our executive director on 4 July 2016. Mr. Xu invested in our Group as a shareholder of Success Guarantee in February 2001. Mr. Xu is the general manager of Foshan Success Industry Investment Company Limited, the director of China Success Capital (HK) Limited ("**Success Capital (HK)**"), the director of Success Investment Holdings and the director of Jiayou Network. Mr. Xu is also the director, the vice chairman of Success Asset and Success Guarantee respectively, all being our Group companies.

Mr. Xu is a member of the 12th Foshan Committee of the Chinese People's Political Consultative Conference, the chairman of Foshan Air-Conditioner Retail Industry Association, the standing committee member of the 14th executive committee of Foshan General Chamber of Commerce, and the executive chairman of Foshan Investment Chamber of Private Entrepreneurs. Mr. Xu obtained a bachelor's degree in finance management from Beijing Economic and Technological College in July 2008. Mr. Xu has completed a post-EMBA degree at the Peking University.

Mr. PANG Haoquan, aged 54 was appointed as our non-executive director on 18 October 2013 and re-designated as our executive director on 6 January 2017. Mr. Pang invested in our Group as a shareholder of Success Guarantee in February 2001. Mr. Pang is also a director of each of Success Investment Holdings, Success Capital (HK) and Jiayou Network.

戴菁女士，48歲，為本公司執行董事兼運營總裁，自二零一八年五月十八日起生效。戴女士於二零零六年八月加入集成投資控股，擔任法律事務部經理，隨後於二零零七年一月獲晉升為集成擔保副總經理。二零一零年一月獲晉升為集成擔保常務副總經理，二零一六年四月獲晉升為集成擔保總經理。加入本集團前，戴女士曾於一九九三年至二零零五年任職於中國銀行，負責處理信貸審批、信貸管理及資產保障。彼於中國銀行最後擔任的職位是資產保障部助理經理。戴女士亦於二零零五年至二零零六年在中國招商銀行任職經理，負責處理銀行管理事宜。戴女士於一九九五年九月獲頒中國律師執照。戴女士於一九九三年七月取得中國湖北省武漢大學的法學學士學位。

徐凱英先生，55歲，於二零一三年十月十八日獲委任為非執行董事，並於二零一六年七月四日調任為執行董事。徐先生於二零零一年二月以集成擔保股東身份投資本集團。徐先生為佛山市集成產業投資有限公司總經理、中國金融發展(香港)有限公司(「中金發展(香港)」)董事、集成投資控股董事、嘉友網絡董事。徐先生亦為集團下屬集成資產董事、集成擔保副董事長。

徐先生為中國人民政治協商會議第12屆佛山市委員會委員、佛山市空調零售行業協會會長、佛山市工商業聯合會(總商會)第14屆執行委員會常務委員及佛山市民營企業投資商會執行會長。徐先生於二零零八年七月取得北京經濟技術研修學院金融管理學士學位。徐先生完成修讀北京大學後EMBA。

龐浩泉先生，54歲，於二零一三年十月十八日獲委任為非執行董事，並於二零一七年一月六日調任為執行董事。龐先生於二零零一年二月以集成擔保股東身份投資本集團。龐先生亦為集成投資控股董事、中金發展(香港)董事及嘉友網絡董事。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Mr. Pang is also the chairman of Guangdong Yinhe Motor Group Company Limited (廣東銀河摩托車集團有限公司). Mr. Pang obtained a diploma in automation from Guangzhou Open University in July 1982.

龐先生亦為廣東銀河摩托車集團有限公司董事長。龐先生於一九八二年七月取得廣州市廣播電視大學自動化專業文憑。

NON-EXECUTIVE DIRECTOR

Mr. HE Darong, aged 59, was appointed as our non-executive director on 18 October 2013. Mr. He invested in our Group as a shareholder of Success Guarantee in July 2010. Mr. He also owns 9.09% equity interests in Success Credit.

非執行董事

何達榮先生，59歲，於二零一三年十月十八日獲委任為非執行董事。何先生於二零一零年七月以集成擔保股東身份投資資本集團。彼亦擁有集成貸款9.09%股權。

Mr. He is the vice chairman of Success Asset and Foshan Lecong Real Estate Square Company Limited. Mr. He is currently the general manager of Foshan Tiefeng Industrial Investment Company Limited and Foshan Shunde Shihai Industrial Investment Company Limited. Mr. He obtained a master degree in business administration from the Tsinghua University in 1998.

何先生為集成資產及佛山市樂從置業廣場有限公司的副董事長。彼現為佛山市鐵豐實業投資有限公司及佛山市順德區世海實業投資有限公司的總經理。何先生於一九九八年取得清華大學工商管理碩士。

Mr. He was an NPC deputy of Lecong Town, Shunde District, Foshan City in 2015. He was a member of the 10th Shunde Committee of the Chinese People's Political Consultative Conference and is the vice president of The Steel and Iron Trade Association of Lecong Shunde District Foshan City.

何先生於二零一五年擔任佛山市順德區樂從鎮人大代表，曾任中國人民政治協商會議第十屆順德市委員會委員，現為佛山市順德區樂從鋼鐵貿易協會副會長。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. TSANG Hung Kei, aged 48, was appointed as our independent non-executive director on 18 October 2013. Mr. Tsang has more than 20 years of experience in financial management and reporting and corporate governance. He is a Fellow of the Association of Chartered Certified Accountants, a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Institute of Chartered Accountants in England and Wales. He had years of working experience in an international accounting firm and is currently the chief financial officer of Pak Fah Yeow International Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited (the "Main Board"), and an executive director of its major subsidiaries. He is also an independent non-executive director of China Wah Yan Healthcare Limited, a company listed on the Main Board. Mr. Tsang holds a bachelor degree in computer science and accounting at the University of Manchester, United Kingdom.

獨立非執行董事

曾鴻基先生，48歲，於二零一三年十月十八日獲委任為獨立非執行董事。曾先生於財務管理及報告以及公司管治方面擁有超過20年經驗。彼為英國特許公認會計師公會資深會員、香港會計師公會資深會員及英格蘭及威爾士特許會計師公會資深會員。彼有多年國際會計師事務所工作經驗，現為香港聯合交易所有限公司主板（「主板」）上市公司白花油國際有限公司的財務總監及其主要附屬公司的執行董事。彼現亦擔任主板上市公司中國華仁醫療有限公司的獨立非執行董事。曾先生持有英國曼徹斯特大學的電腦科學及會計學學士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Mr. AU Tien Chee Arthur, aged 46, was appointed as our independent non-executive director on 18 October 2013. Mr. Au is a lawyer with almost 20 years of legal and industry operations experience in corporate and private practice settings. He is the Global Legal Director for Strategic Projects and Operations at Byton, a global electric car manufacturer headquartered in Nanjing with international footprints in the U.S. and Germany. Previously Mr. Au has experience working with multinational clients such as the Hong Kong Exchange, Sands Group, Peninsula Hotel, Accenture, Hasbro etc. as well as technology and biotech startups in Hong Kong both in both in-house and external counsel capacities. Before returning to Hong Kong, Mr. Au worked in Silicon Valley for almost 15 years. He was the Director of Intellectual Property at Thoratec Corporation, an alumnus to the firms of Blakely, Sokoloff, Taylor & Zafman LLP and Morgan Lewis, as well as being a seasoned engineer with industry experience. Mr. Au has a bachelor of science degree in engineering from Duke University, a master of science degree in biomedical engineering from Case Western Reserve University, and a degree of juris doctor from Santa Clara University School of Law. He was admitted as a member of the State Bar of California and registered to practise with the US Patent and Trademark Office.

Mr. XU Yan, aged 46, was appointed as our independent non-executive director on 18 October 2013. Mr. Xu has over 20 years in the area of trade economy and banking. Mr Xu began his career with the Foreign Affairs Department of the State Economic & Trade Commission (the predecessor of the State-owned Assets Supervision and Administration Commission of the State Council) as a deputy director from July 1994 to August 2000. He then worked for Cazenove Asia Limited as a manager, vice president and representative in chief of Beijing representative office from May 2002 to February 2009. In February 2009, Cazenove Asia Limited was taken over by the Standard Chartered Bank and renamed as Standard Chartered Securities (Hong Kong) Limited where Mr. Xu worked until he left in June 2012. Mr. Xu served as the Chief Strategy Officer in China Minshen Future Holdings Group Limited(中民未來控股集團有限公司) from October 2015 to 31 December 2018. Mr. Xu obtained a bachelor's degree in English from Beijing Foreign Studies University in July 1994 and a master degree in business administration from the University of Manchester in June 2002.

區天旂先生，46歲，於二零一三年十月十八日獲委任為獨立非執行董事。區先生為一名律師，於公司及私人執業的法律及行業擁有近20年經驗。彼為Byton（一家總部位於南京的全球電動汽車製造商，足跡遍及美國和德國等國際市場）戰略項目及運營的全球法律總監。區先生過去曾與香港聯交所、金沙集團、半島酒店、埃森哲、孩之寶等跨國客戶以及香港的技術及生物技術創業公司合作，彰顯內外部法律顧問能力。在回到香港之前，區先生曾在硅谷任職近15年。彼為Thoratec Corporation（為Blakely, Sokoloff, Taylor & Zafman LLP及Morgan Lewis等事務所同行）的知識產權總監並作為行業經驗豐富的工程師。區先生獲得杜克大學的工程學理學士學位、Case Western Reserve University的生物醫學工程理學碩士學位以及Santa Clara大學法律學院的法學博士學位。彼獲認許為加州律師公會會員，並於美國專利商標局註冊執業。

許彥先生，46歲，於二零一三年十月十八日獲委任為獨立非執行董事。許先生於貿易經濟及銀行業領域任職逾20年。許先生的事業始於一九九四年七月至二零零零年八月在國家經濟貿易委員會外事司（國務院國有資產監督管理委員會的前身）擔任副主任科員一職。彼於二零零二年五月至二零零九年二月於嘉誠亞洲有限公司擔任經理、副總裁及北京代表辦事處首席代表一職。於二零零九年二月，嘉誠亞洲有限公司被渣打銀行接管，更名為渣打證券（香港）有限公司，許先生於該公司任職直至二零一二年六月離職。許先生亦從二零一五年十月至二零一八年十二月三十一日任中民未來控股集團有限公司首席策略官。許先生於一九九四年七月取得北京外國語大學英語學士學位，並於二零零二年六月於曼徹斯特大學取得工商管理碩士學位。

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

Mr. ZHOU Xiaojiang, aged 56, was appointed as the independent non-executive Director on 4 July 2016. Mr. Zhou has been a director in Grandtoppeak Land Consolidation Group Co., Ltd. (國泰土地整理集團有限公司), the chairman and legal representative of Beijing Zhong Di Land Consolidation Co., Ltd. (北京中地土地整理有限公司), the chairman and legal representative of Beijing Guotai Balance Land Layout and Design Co., Ltd. (北京國泰天平行土地規劃設計有限公司), the chairman and legal representative of Beijing Hongtai Entrepreneurial Land Consolidation Co., Ltd. (北京宏泰創業土地整理有限公司), the chairman and legal representative of Beijing Guoxing Weiye Land Consolidation Co., Ltd. (北京國興偉業土地整理有限公司), the chairman and legal representative of Beijing Guotai Pilot Sailing Boat Investment Co., Ltd. (北京國泰領航帆船投資有限公司), and the general manager and legal representative of Guotai Jinglu Investment Holdings Co., Ltd. (國泰京魯投資控股有限公司), since December 2007.

Mr. Zhou was the chairman and legal representative of Guoyu Economic Development Corporation (國宇經濟發展總公司) (formerly China Three Gorges Economic Development Corporation (中國三峽經濟發展總公司)) from December 2004 to May 2007. He was also the general manager and legal representative of Hualian Real Estate Development Company (中國華聯房地產開發公司) from March 2001 to May 2007.

Mr. Zhou obtained a bachelor degree of science, majoring in urban planning, from Chongqing University (formerly known as Chongqing Construction Engineering College (重慶建築工程學院)) in August 1983 and an MBA from Murdoch University in Australia in 2001.

周小江先生，56歲，於二零一六年七月四日獲委任為獨立非執行董事。周先生自二零零七年十二月起擔任國泰土地整理集團有限公司董事、北京中地土地整理有限公司主席兼法定代表人、北京國泰天平行土地規劃設計有限公司主席兼法定代表人、北京宏泰創業土地整理有限公司主席兼法定代表人、北京國興偉業土地整理有限公司主席兼法定代表人、北京國泰領航帆船投資有限公司主席兼法定代表人以及國泰京魯投資控股有限公司總經理兼法定代表人。

周先生自二零零四年十二月至二零零七年五月擔任國宇經濟發展總公司(前身為中國三峽經濟發展總公司)主席兼法定代表人。彼自二零零一年三月至二零零七年五月亦為中國華聯房地產開發公司總經理兼法定代表人。

周先生於一九八三年八月取得重慶大學(前稱重慶建築工程學院)城市規劃專業科學學士學位，後於二零零一年取得澳洲摩道克大學工商管理碩士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT

Our senior management consists of our executive directors and the following persons:

Name 姓名	Age 年齡	Position in our Group 本集團職務
Mr. LIANG Tao 梁濤先生	36	Chief financial officer of our Group 本集團財務總監
Mr. ZHONG Zhiqiang 鍾志強先生	45	Director of Investment and Financing Committee 投融資委員會主任
Mr. PANG Chung Fai Benny 彭中輝先生	46	Company Secretary 公司秘書

Mr. LIANG Tao, aged 36, was appointed as the chief financial officer of our Group on 18 October 2013 and is responsible for overseeing the financial matters of our Group. Mr. Liang has over 10 years of experience in financial management. Mr. Liang joined our Group in December 2010 and was responsible for the initial public offering of the Company in 2013. Prior to joining our Group, Mr. Liang has experience for the listing of a mainland enterprise in NASDAQ. Mr. Liang has been with L & L Energy, Inc., a US public company, and United Group Rail (NZ) Limited, an Australian listed company responsible for financial matters of the two companies. Mr. Liang holds Bachelor of Business Studies of Massey University majoring in accounting.

Mr. ZHONG Zhiqiang, aged 45, is the director of Investment and Financing Committee and is responsible for the investment and financing management of the Group. He is also the risk control director of Success Guarantee and is responsible for overseeing the risk management department of Success Guarantee. Mr. Zhong joined our Group in October 2009. Prior to joining of our Group, Mr. Zhong worked at the Bank of China from 1991 to 2009 for handling foreign exchange settlement, provision of loans and credits and sales and personal financing. His last position with the bank was assistant manager of the personal financial department. Mr. Zhong obtained a bachelor's degree in economics majoring in finance from Jinan University in Guangdong, the PRC in January 2004.

高級管理層

我們的高級管理層由執行董事及以下人士組成：

梁濤先生，36歲，於二零一三年十月十八日獲委任為本集團財務總監，負責監管本集團的財務事宜。梁先生於財務管理方面擁有逾10年經驗。梁先生於二零一零年十二月加入本集團，並於二零一三年負責本公司的首次公開發售。於加入本集團前，梁先生擁有負責內地企業赴納斯達克上市的經驗。梁先生曾於美國上市公司L&L Energy, Inc.及澳洲上市公司United Group Rail (NZ) Limited，負責該兩間公司財務事宜。Massey University商業研究學士，主修會計學。

鍾志強先生，45歲，投融資委員會主任，負責本集團投融資管理工作。彼亦為集成擔保風險管理總監，負責監管集成擔保的風險管理部。鍾先生於二零零九年十月加入本集團。加入本集團之前，鍾先生曾於一九九一年至二零零九年任職於中國銀行，負責處理外匯結算、提供貸款與信貸及銷售以及個人融資。彼於該銀行最後擔任的職位是個人金融部助理經理。鍾先生於二零零四年一月取得中國廣東省暨南大學經濟學學士學位(主修金融)。

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

COMPANY SECRETARY

Mr. PANG Chung Fai Benny, aged 46, was appointed as our Company Secretary on 18 October 2013. Mr. Pang is the founder and managing partner of Benny Pang & Co, a firm of solicitors in Hong Kong, since February 2017. Between 1997 and January 2017, Mr. Pang practised as a lawyer with several international law firms in Hong Kong and Sydney. Mr. Pang received his bachelor's degree in laws (with honors) from Bond University in 1996. In 1997, Mr. Pang obtained his Graduate Diploma in Legal Practice and master degree in laws from The College of Law and The University of New South Wales, respectively. He was admitted as a legal practitioner of the Supreme Court of New South Wales in 1997 and as a solicitor of the High Court of Hong Kong in 2009. He is a member of both the Law Society of New South Wales and the Law Society of Hong Kong. Mr. Pang is currently (i) an independent non-executive director of Yuanda China Holdings Limited, a company listed on the Main Board with stock code 2789; (ii) an independent non-executive director of Sanbase Corporation Limited, a company listed on the growth enterprise market of the Stock Exchange with stock code 8501; and (iii) a non-executive director of Huabang Financial Holdings Limited (formerly known as Goldenmars Technology Holdings Limited), a company listed on the Main Board with stock code 3638.

公司秘書

彭中輝先生，46歲，於二零一三年十月十八日獲委任為公司秘書。自二零一七年二月起，彭先生為香港律師事務所 Benny Pang & Co 的創辦人兼主理合夥人。於一九九七年至二零一七年一月，彭先生於香港及悉尼多間國際律師行擔任律師。彭先生於一九九六年獲得邦德大學法律學士榮譽學位。於一九九七年，彭先生分別於英國法學院及新南威爾士大學獲得法律實踐研究生文憑及碩士學位。彼於一九九七年取得新南威爾士最高法院執業律師資格，並於二零零九年取得香港高等法院律師資格。彼為新南威爾士律師協會會員及香港律師會會員。彭先生目前為 (i) 遠大中國控股有限公司（一家於主板上市的公司，股份代號：2789）的獨立非執行董事；(ii) 莊皇集團公司（一家於聯交所創業板上市的公司，股份代號：8501）的獨立非執行董事；及 (iii) 華邦金融控股有限公司（前稱晶蕊科技控股有限公司，一家於主板上市的公司，股份代號：3638）的非執行董事。

Independent Auditor's Report

獨立核數師報告

Independent auditor's report to the shareholders of China Success Finance Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China Success Finance Group Holdings Limited ("the Company") and its subsidiaries ("the Group") set out on pages 100 to 288, which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致中國金融發展(控股)有限公司股東的獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

我們已審核載於第100頁至第288頁中國金融發展(控股)有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而公允地反映貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈的《香港核數準則》進行審核。我們於該等準則項下的責任在本報告「核數師就審核綜合財務報表須承擔的責任」一節中詳述。根據香港會計師公會的國際職業會計師道德守則(簡稱「守則」)以及開曼群島中任何與我們審核綜合財務報表有關的道德要求，我們獨立於貴集團，並已遵循該等要求及守則履行其他道德責任。我們相信，我們所獲得的審核憑證充足和適當地為我們的審核意見提供基礎。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

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

Impairment of receivables and provisions of guarantee losses

應收款項減值與擔保虧損撥備

Refer to notes 12, 13, 14 and 21 to the consolidated financial statements and the accounting policies on pages 157 and 190. 參閱綜合財務報表附註 12、13、14 及 21 以及第 157 頁及第 190 頁的會計政策。

The Key Audit Matter

關鍵審核事項

The Group has applied Hong Kong Financial Reporting Standard No. 9 - Financial Instruments ("HKFRS 9") since 1 January 2018 and developed a new expected credit loss model ("ECL model") for measuring impairment losses on financial assets and provisions for losses on financial guarantees issued by the Group.

The determination of loss allowances using the ECL model is subject to a number of key parameters and assumptions, including the identification of credit-impaired stage, estimates of probability of default, loss given default, exposures at default and discount rate, adjustments for forward-looking information and other adjustment factors. Management judgement is involved in the selection of those parameters and the application of the assumptions.

貴集團自二零一八年一月一日起應用香港財務報告準則第 9 號 – 金融工具（「香港財務報告準則第 9 號」）並制定新的預期信貸虧損模式以計量金融資產的減值虧損及本集團所發出融資擔保的虧損撥備。

使用預期信貸虧損模式來確定虧損撥備受制於多項關鍵參數及假設，包括信貸減值階段的識別、估計違約率、違約虧損、違約風險及貼現率、前瞻性資料調整及其他調整因素。該等參數的選擇及假設的應用涉及到管理層的判斷。

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核本期綜合財務報表中最重要的事項。我們在審核綜合財務報表和就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。

How the matter was addressed in our audit

我們審核過程中如何處理該事項

Our audit procedures to assess the impairment of receivables and provisions for guarantee losses included the following:

- understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the approval, recording and monitoring of receivables and financial guarantees issued, the identification of the three stages of ECL model and the measurement of impairment losses for receivables and provisions for financial guarantees issued;

我們評估應收款項減值與擔保虧損撥備的審計程序包括：

- 了解和評估與應收款項及已發出融資擔保的審批、記錄及監控相關的關鍵財務報告內部控制的設計、實施和運行有效性，確定預期信貸虧損模式的三個階段，以及計量應收款項的減值虧損以及已發出融資擔保的撥備；

Independent Auditor's Report

獨立核數師報告

Impairment of receivables and provisions of guarantee losses (Cont'd)

應收款項減值與擔保虧損撥備(續)

Refer to notes 12, 13, 14 and 21 to the consolidated financial statements and the accounting policies on pages 157 and 190. (Cont'd)

參閱綜合財務報表附註 12、13、14 及 21 以及第 157 頁及第 190 頁的會計政策。(續)

The Key Audit Matter

關鍵審核事項

How the matter was addressed in our audit

我們審核過程中如何處理該事項

In particular, the determination of the loss allowances and provisions for guarantee losses is heavily dependent on the external macro environment and the Group's internal credit risk management strategy. The Group's expected credit losses and provisions for guarantee losses are derived from estimates including the Group's historical losses, internal and external credit grading and other adjustment factors..

尤其是，虧損撥備以及擔保虧損撥備的釐定嚴重依賴外部宏觀環境以及貴集團的內部信貸風險管理策略。貴集團的預期信貸虧損以及擔保虧損撥備基於各項估計，包括貴集團的歷史虧損情況、內部及外部信用評級及其他調整因素。

- assessing the reliability of the expected credit loss model used by management in determining loss allowances, including assessing the appropriateness of the key parameters and assumptions in the expected credit loss model, including the identification of credit-impaired stage, probability of default, loss given default, exposure at default, discount rate, adjustments for forward-looking information and other management adjustments.
- assessing the completeness and accuracy of data used for the key parameters in the expected credit loss model.
- 評估管理層用以確定虧損撥備的預期信貸虧損模式的可靠性，包括評估預期信貸虧損模式中關鍵參數及假設的適當性(包括識別信貸減值階段、違約率、違約虧損、違約風險、貼現率、前瞻性資料調整及其他管理層調整)。
- 評估預期信貸虧損模式關鍵參數所用數據的完整性及準確性。

Independent Auditor's Report

獨立核數師報告

Impairment of receivables and provisions of guarantee losses (Cont'd)

應收款項減值與擔保虧損撥備(續)

Refer to notes 12, 13, 14 and 21 to the consolidated financial statements and the accounting policies on pages 157 and 190. (Cont'd)

參閱綜合財務報表附註 12、13、14 及 21 以及第 157 頁及第 190 頁的會計政策。(續)

The Key Audit Matter

關鍵審核事項

Management also exercises judgement in determining the quantum of loss given default based on a range of factors. These include available remedies for recovery, the financial situation of the debtors, the recoverable amount of collateral, the seniority of the claim and the existence and cooperativeness of other creditors.

Whilst the Group appoints external valuers for the valuation of certain properties and other illiquid collateral, the enforceability, timing and means of realisation of collateral can also have an impact on the recoverable amount of collateral and, therefore, the amount of impairment losses and provisions for guarantee losses as at the end of the reporting period.

We identified the impairment of receivables and provisions for guarantee losses as a key audit matter because of the inherent uncertainty and management judgement involved and because of their significance to the financial results and capital of the Group.

管理層於釐定違約虧損額時亦基於多種因素進行判斷，其中包括可利用的收款補救方式、債務人的財務狀況、抵押品的可收回金額、申索優先次序以及是否存在其他債權人及彼等的合作意願。

雖然貴集團委聘外部估值師評估若干物業及其他非速動抵押品，但是抵押品變現的可強制執行性、時間及方式亦可影響抵押品的可收回金額，因而影響於報告期末的減值虧損金額及擔保虧損撥備。

我們將應收款項減值及擔保虧損撥備視為關鍵審核事項，原因是所涉管理層判斷存在固有不确定性，同時其對貴集團的財務業績及資本而言意義重大。

How the matter was addressed in our audit

我們審核過程中如何處理該事項

For key parameters derived from internal data relating to receivables or guarantees agreements, we compared the total balance of the receivables grading report and guarantee list, which contain information used by management to assess impairment losses and provisions for guarantee losses with the general ledger, selecting samples and comparing individual receivables and guarantee information with the underlying receivables and guarantee agreements and other related documentation to assess the accuracy of compilation of the receivables grading report and of the guarantee list. For key parameters derived from external data, we selected samples to inspect the accuracy of such data by comparing them with public resources.

- for key parameters involving judgement, critically assessing input parameters by seeking evidence from external sources and comparing to the Group's internal records including historical loss experience and type of collateral. As part of these procedures, we challenged management's revisions to estimates and input parameters compared with prior period and on transition to the new accounting standard and considered the consistency of judgement.

對於源自與應收款項或擔保協議有關的內部數據的關鍵參數，我們將載有管理層用於評估減值虧損及擔保虧損撥備的應收款項評級報告及擔保清單總結餘與總賬記錄進行比較，並選擇樣本及將個別應收款項及擔保資料與相關應收款項及擔保協議及其他相關文件進行比較，以評估彙編應收款項評級報告及擔保清單的準確性。對於源自外部數據的關鍵參數，我們選擇樣本通過將其與公共資源相比較而檢查該等數據的準確性。

- 對於涉及判斷的關鍵參數，通過尋求外部來源的證據嚴格評估輸入參數並與貴集團的內部記錄(包括歷史虧損經驗及抵押品類別)進行比較。作為該等程序的一部分，我們對以下各項提出質詢：貴集團對估計及輸入參數相較過往期間所作的修改以及向新會計準則的過渡，並考慮判斷的一致性。

Independent Auditor's Report

獨立核數師報告

Impairment of receivables and provisions of guarantee losses (Cont'd)

應收款項減值與擔保虧損撥備(續)

Refer to notes 12, 13, 14 and 21 to the consolidated financial statements and the accounting policies on pages 157 and 190. (Cont'd)

參閱綜合財務報表附註 12、13、14 及 21 以及第 157 頁及第 190 頁的會計政策。(續)

The Key Audit Matter

關鍵審核事項

How the matter was addressed in our audit

我們審核過程中如何處理該事項

We compared the economic factors used in the models with market information to assess whether they were aligned with market and economic development.

- evaluating the validity of management's assessment on whether the credit risk of the receivables and guarantees have, or have not, increased significantly since initial recognition and whether the receivables and guarantees are credit-impaired by selecting samples in industries more vulnerable to the current economic situation. We checked the overdue information, making enquiries of the credit managers about the debtors' business operations, checking debtors' financial information and researching market information about debtors' businesses.
- for receivables that are credit-impaired, evaluating management's assessment of the value of any property collateral held by comparison with market prices based on the location and use of the property and the prices of neighbouring properties. We also evaluated the timing and means of realisation of collateral, evaluated the forecast cash flows, challenged the viability of the Group's recovery plans and evaluated other credit enhancements that are integral to the contract terms.

我們將模式中使用的經濟因素與市場資料進行比較，評估其是否符合市場與經濟發展。

- 通過選擇更容易受到當前經濟狀況影響的行業中的樣本，評估管理層對應收款項及擔保的信貸風險自其初始確認以來是否已經或未曾大幅增加以及應收款項及擔保是否產生信貸減值作出的評估的有效性。我們核實逾期信息、就債務人的業務經營向信貸經理作出查詢、核實債務人的財務資料及研究關於債務人業務的市場資料。
- 對於產生信貸減值的應收款項，通過根據物業的位置及用途以及相鄰物業的價格與市場價格進行比較而評估管理層對所持任何物業抵押品的價值的評估。我們亦評估抵押品變現的時間及方式、評估預測現金流量、質疑貴集團收款計劃的可行性並評估屬於合約條款整體的其他增信措施。

Independent Auditor's Report

獨立核數師報告

Impairment of receivables and provisions of guarantee losses (Cont'd)

應收款項減值與擔保虧損撥備(續)

Refer to notes 12, 13, 14 and 21 to the consolidated financial statements and the accounting policies on pages 157 and 190. (Cont'd)

參閱綜合財務報表附註12、13、14及21以及第157頁及第190頁的會計政策。(續)

The Key Audit Matter

關鍵審核事項

How the matter was addressed in our audit

我們審核過程中如何處理該事項

- recalculating the amount of credit loss allowance for 12 month and life time credit losses using the expected credit loss model based on the above parameters and assumptions for receivables and guarantees where the credit risk of receivables and guarantees has not, or has, increased significantly since initial recognition, respectively.
- assessing the completeness and accuracy of outstanding financial guarantees by inspecting contracts, on a sample basis, and obtaining confirmations from the beneficiaries of all financial guarantees issued.
- evaluating whether the disclosures on impairment of receivables and provisions for guarantee losses meet the disclosure requirements in Hong Kong Financial Reporting Standard No. 7-Financial Instruments: Disclosures (“HKFRS 7”)
- 倘應收款項及擔保的信貸風險自初始確認起分別並未或已經顯著增加，使用基於上述應收款項及擔保的參數及假設的預期信貸虧損模式重新計算12個月的信貸虧損撥備金額及年限內信貸虧損。
- 通過以抽樣基準檢查合約及從已發出的所有融資擔保的受益人處獲得確認，評估未到期融資擔保的完整性及準確性。
- 評估應收款項減值及擔保虧損撥備的披露資料是否符合香港財務報告準則第7號—金融工具：披露（「香港財務報告準則第7號」）的披露規定。

Independent Auditor's Report

獨立核數師報告

Impairment of receivables and provisions of guarantee losses (Cont'd)

應收款項減值與擔保虧損撥備(續)

Refer to notes 12, 13, 14 and 21 to the consolidated financial statements and the accounting policies on pages 111 and 145. (Cont'd)

參閱綜合財務報表附註 12、13、14 及 21 以及第 111 頁及第 145 頁的會計政策。(續)

The Key Audit Matter

關鍵審核事項

How the matter was addressed in our audit

我們審核過程中如何處理該事項

The Group has applied HKFRS 9 since 1 January 2018.

HKFRS 9 has amended the previous classification and measurement framework of financial instruments and introduced a more complex expected credit loss model to assess impairment. The Group is required to retrospectively apply the classification and measurement (including impairment) requirements and recognise any difference between the original carrying amount and new carrying amount at the date of initial application (i.e. 1 January 2018) in the opening retained earnings or other component of equity.

We identified the transition adjustments and disclosures in relation to the change of financial instruments standards as a key audit matter, because of the complexity of the transition process which involved changes in internal controls of the financial reporting process, accounting treatment, application of new data and management judgement.

貴集團自二零一八年一月一日起應用香港財務報告準則第9號。

香港財務報告準則第9號已修訂先前的金融工具分類及計量框架，並引入較為複雜的預期信貸虧損模式以評估減值。貴集團須追溯應用分類及計量(包括減值)規定，並於期初保留盈利或其他權益部分內確認原賬面值與初始應用日(即二零一八年一月一日)的新賬面值之間的任何差額。

我們將與金融工具標準變動相關的過渡調整及披露確定為關鍵審核事項，因為過渡程序的複雜性涉及財務報告流程、會計處理、新數據的應用及管理層判斷的內部控制的變化。

Our audit procedures to assess the transition adjustments in relation to the change in financial instruments standards included the following:

- understanding and assessing the key internal controls of the financial reporting process related to the change of financial instrument standards.
- evaluating the accuracy of the classification of financial instruments. We obtained information on how management applied the classification requirements of the new financial instruments standards and the classification results. On a sample basis we assessed the contractual cash flow characteristics of the financial assets and relevant documents in relation to the business model.
- for financial assets that are measured at fair value, we obtained information on the valuation method and key parameters used, selected samples to evaluate the validity of the valuation method and key parameters with the involvement of our internal valuation specialists and in light of industry practice.

我們評估金融工具標準變動過渡調整的審核程序包括下列各項：

- 了解及評估與金融工具標準變動有關的財務報告流程的關鍵內部控制。
- 評估金融工具分類的準確性。我們取得了有關管理層如何應用新金融工具標準的分類要求及分類結果的資料。我們在抽樣基礎上評估了與業務模式有關的金融資產及相關文件的合約現金流量特徵。
- 對於按公允價值計量的金融資產，我們獲得了所使用估值方法及關鍵參數的資料，並由我們的內部評估專家參與並根據行業慣例選擇樣本以評估估值方法及關鍵參數的有效性。

Independent Auditor's Report

獨立核數師報告

Impairment of receivables and provisions of guarantee losses (Cont'd)

應收款項減值與擔保虧損撥備(續)

Refer to notes 12, 13, 14 and 21 to the consolidated financial statements and the accounting policies on pages 111 and 145. (Cont'd)

參閱綜合財務報表附註12、13、14及21以及第111頁及第145頁的會計政策。(續)

The Key Audit Matter

關鍵審核事項

How the matter was addressed in our audit

我們審核過程中如何處理該事項

- assessing the reliability of the expected credit loss model used by management in determining loss allowances on transition and assessing the completeness and accuracy of data used for the key parameters in the expected credit loss model.
- obtaining journal entries relating to adjustments made on transition to HKFRS 9 and comparing the list of classification of financial instruments, the original carrying amounts, the list of journal entries and new carrying amounts of the financial instruments to assess if the journal entries have been entirely put through the system accurately. We selected samples to assess if the accounting treatment is in accordance with HKFRS 9.
- recalculating the new carrying amount of all financial instruments and assessing the accuracy of the opening balance at the date of initial application (i.e. 1 January 2018).
- assessing whether the relevant disclosures in relation to the change in financial instruments standards are in compliance with the prevailing accounting standards.
- 評估管理層在釐定過渡虧損撥備時使用的預期信貸虧損模式的可靠性，並評估預期信貸虧損模式中關鍵參數所用數據的完整性及準確性。
- 取得與過渡至香港財務報告準則第9號時所作調整有關的日記賬分錄，並比較金融工具分類清單、原始賬面值、日記賬分錄清單及金融工具的新賬面值，以評估日記賬分錄是否完全準確地通過系統。我們選擇樣本以評估會計處理是否符合香港財務報告準則第9號。
- 重新計算所有金融工具的新賬面值，並評估初始應用日(即二零一八年一月一日)的期初結餘的準確性。
- 評估有關金融工具標準變動的相關披露是否符合當前會計準則。

Independent Auditor's Report

獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

綜合財務報表以外的其他資料及就此發出的核數師報告

董事須對其他資料承擔責任。其他資料包括年報中所包含的所有資料，但不包括綜合財務報表及我們就此發出的核數師報告。

我們對綜合財務報表作出的意見並未考慮其他資料。我們不對其他資料發表任何形式的核證結論。

就審計綜合財務報表而言，我們的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我們在審計過程中獲悉的資料存在重大不符，或似乎存在重大錯報。

倘若我們基於已完成的工作認為其他資料出現重大錯報，我們須報告該事實。我們就此並無須報告事項。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定編製及真實而公允地列報該等綜合財務報表，並負責董事認為編製綜合財務報表所必需的有關內部控制，以確保有關綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯報。

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的事項(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。

董事獲審核委員會協助履行其監督貴集團財務報告流程的責任。

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, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

核數師就審核綜合財務報表須承擔的責任

我們的目標是合理確定整體而言此等綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯報，並發出包含審計意見的核數師報告。本報告僅為閣下(作為整體)而編製，並無其他用途。我們並不就本報告之內容對任何其他人士承擔任何義務或負上任何責任。

合理確定屬高層次的核證，但不能擔保根據《香港核數準則》進行的審計工作總能發現所有存在的重大錯報。重大錯報可源於欺詐或錯誤，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，被視為重大錯報。

我們根據《香港核數準則》進行審計的工作之一，是運用專業判斷，在整個審計過程中抱持職業懷疑態度。我們亦：

- 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計程序，以及獲得充足及適當的審計憑證為我們的意見提供基礎。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。
- 了解與審計有關的內部控制，以設計恰當的審計程序，但並非旨在對貴集團的內部控制的有效性發表意見。
- 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。

Independent Auditor's Report

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審計憑證，總結是否有可能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。倘若我們總結認為存在重大不確定因素，我們須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，則修訂我們的意見。我們的結論是基於截至核數師報告日期所獲得的審計憑證。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(包括資料披露)的整體列報、架構和內容，以及綜合財務報表是否已公允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及適當的審計憑證，以就綜合財務報表發表意見。我們須負責指導、監督和執行貴集團的審計工作。我們須為我們的審計意見承擔全部責任。

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

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

我們就審計工作的計劃範圍和時間以及重大審核發現(包括我們在審核過程中發現的內部控制的任何重大缺失)與審計委員會進行溝通。

我們亦向審計委員會作出聲明，確認我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響核數師獨立性的關係和其他事宜以及相關保障措施(如適用)，與審核委員會進行溝通。

Independent Auditor's Report 獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Choi Ching Hin.

我們通過與審計委員會溝通，確定哪些是本期綜合財務報表審計工作的最重要事項，即關鍵審核事項。除非法律或法規不容許公開披露此等事項或在極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益而不應在報告中予以披露，否則我們會在核數師報告中描述此等事項。

負責審計並簽發本獨立核數師報告的項目合夥人為蔡正軒。

KPMG

Certified Public Accountants

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

29 March 2019

畢馬威會計師事務所

執業會計師

香港

中環

遮打道十號

太子大廈八樓

二零一九年三月二十九日

Consolidated Statement of Profit or Loss

綜合損益表

for the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Renminbi) (以人民幣列示)

		Note 附註	2018 二零一八年 RMB' 000 人民幣千元	2017 (Note) 二零一七年 (附註) RMB' 000 人民幣千元
Guarantee income	擔保費收入		343,435	11,202
Less: guarantee service fee	減：擔保服務費		(312,607)	(1,356)
Net guarantee fee income	擔保費收入淨額		30,828	9,846
Interest income	利息收入		36,099	50,990
Less: interest expenses	減：利息開支		(16,452)	(263)
Net interest income	利息收入淨額		19,647	50,727
Service fee from consulting services	諮詢服務所得服務費		5,603	29,249
Revenue	收益	3	56,078	89,822
Other revenue	其他收益	4	4,964	2,983
Impairment and allowances charged	減值及撥備扣除	5(a)	(2,291)	(7,016)
Operating expenses	經營開支		(53,077)	(53,247)
Net fair value gain on other financial assets	其他金融資產 之公允價值收益淨額		15,885	-
Share of gains/(losses) of associates	分佔聯營公司收益/(虧損)		1,622	(199)
Profit before taxation	除稅前溢利	5	23,181	32,343
Income tax	所得稅	6(a)	(17,900)	(16,692)
Profit for the year	年內溢利		5,281	15,651
Attributable to:	以下各項應佔：			
Equity shareholders of the Company	本公司權益股東		5,662	16,301
Non-controlling interests	非控股權益		(381)	(650)
Profit for the year	年內溢利		5,281	15,651
Earnings per share (RMB per share)	每股盈利(每股人民幣元)			
Basic	基本	9(a)	0.01	0.03
Diluted	攤薄	9(b)	0.01	0.03

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

附註：本集團於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方式，比較資料不予重列。請參閱附註1(c)。

The notes on pages 109 to 288 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 28(b).

第109至288頁所載附註構成該等財務報表的一部分。年內，本公司應付權益股東應佔溢利的股息詳情於附註28(b)披露。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

for the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Renminbi) (以人民幣列示)

	Note 附註	2018 二零一八年 RMB' 000 人民幣千元	2017 (Note) 二零一七年 (附註) RMB' 000 人民幣千元
Profit for the year	年內溢利	5,281	15,651
Other comprehensive income for the year (after tax and reclassification adjustments)	年內其他全面收入 (除稅及重新分類調整後)		
Item that may be reclassified to profit or loss:	可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of operations outside the mainland China	換算中國大陸境外業務財務報表的匯兌差額	2,722	(4,129)
Total comprehensive income for the year	年度全面收入總額	8,003	11,522
Attributable to:	以下各項應佔：		
Equity shareholders of the Company	本公司權益股東	8,384	12,172
Non-controlling interests	非控股權益	(381)	(650)
Total comprehensive income for the year	年度全面收入總額	8,003	11,522

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

附註：本集團於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方式，比較資料不予重列。請參閱附註1(c)。

The notes on pages 109 to 288 form part of these financial statements.
Consolidated statement of financial position.

第109至288頁所載附註構成該等財務報表的一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

(Expressed in Renminbi) (以人民幣列示)

			31 December 31 December 2018 二零一八年 十二月三十一日	31 December 2017 (Note) 二零一七年 十二月三十一日 (附註)
		Note 附註	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Assets	資產			
Cash and bank deposits	現金及銀行存款	10	719,072	39,382
Pledged bank deposits	已質押銀行存款	11	86,188	95,499
Trade and other receivables	貿易及其他應收款項	12	725,219	518,570
Factoring receivable	保理應收款項	13	90,999	94,849
Finance lease receivable	融資租賃應收款項	14	186,906	176,183
Interest in associates	於聯營公司權益	16	91,602	101,466
Equipment	設備	17	1,420	1,912
Intangible assets	無形資產		11	19
Other financial assets	其他金融資產	18	23,951	8,066
Deferred tax assets	遞延稅項資產	19(c)	7,215	1,105
Goodwill	商譽	20	5,695	—
Total assets	資產總值		1,938,278	1,037,051
Liabilities	負債			
Liabilities from guarantees	擔保負債	21	128,187	8,805
Pledged deposits received	已收擔保保證金	22	309,021	62
Interest-bearing borrowings	計息借款	23	—	5,231
Liability component of convertible bonds	可換股債券負債部分	24	110,640	—
Accruals and other payables	應計費用及其他應付款項	25	393,937	48,217
Current taxation	即期稅項	19(a)	17,867	12,902
Obligations under finance leases	融資租賃負債	26	389	506
Deferred tax liabilities	遞延稅項負債	19(c)	—	1,413
Total liabilities	負債總額		960,041	77,136
NET ASSETS	資產淨值		978,237	959,915

Consolidated Statement of Financial Position

綜合財務狀況表

(Expressed in Renminbi) (以人民幣列示)

		31 December	
		31 December	2017
		2018	(Note)
		二零一八年	二零一七年
		十二月三十一日	十二月三十一日
		(附註)	
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
CAPITAL AND RESERVES	股本及儲備		
Share capital	股本	28(c) 4,187	4,241
Reserves	儲備	28 972,179	953,359
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	976,366	957,600
Non-controlling interests	非控股權益	1,871	2,315
TOTAL EQUITY	權益總額	978,237	959,915

Approved and authorised for issue by the board of directors on 29 March 2019.

經董事會批准及授權於二零一九年三月二十九日刊發。

張鐵偉
Zhang Tiewei
Director
董事

李斌
Li Bin
Director
董事

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

附註：本集團於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方式，比較資料不予重列。請參閱附註1(c)。

The notes on pages 109 to 288 form part of these financial statements.

第109至288頁所載附註構成該等財務報表的一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Renminbi) (以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔							Non-controlling interests		Total equity
	Note	Share capital	Share premium	Capital reserve	Surplus reserve	Regulatory reserve	Exchange reserve	Retained earnings	Total	Non-controlling interests	Total equity
	附註	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 28(c))	(Note 28(d))	(Note 28(e))	(Note 28(f))	(Note 28(g))	(Note 28(h))	(Note 28(i))	(Note 28(j))	(Note 28(k))	(Note 28(l))
		(附註 28(c))	(附註 28(d))	(附註 28(e))	(附註 28(f))	(附註 28(g))	(附註 28(h))	(附註 28(i))	(附註 28(j))	(附註 28(k))	(附註 28(l))
Balance at 31 December 2017	於二零一七年十二月三十一日的結餘	4,241	447,472	304,632	47,128	18,126	7,106	128,895	957,600	2,315	959,915
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號的影響	2	—	196	—	—	—	(14,331)	(14,135)	(63)	(14,198)
Adjusted balance at 1 January 2018	於二零一八年一月一日的經調整結餘	4,241	447,472	304,828	47,128	18,126	7,106	114,564	943,465	2,252	945,717
Changes in equity for 2018	二零一八年權益變動										
Profit for the year	年內溢利	—	—	—	—	—	—	5,662	5,662	(381)	5,281
Exchange differences on translation of financial statements of operations outside the mainland China	換算中國大陸境外業務財務報表的匯兌差額	—	—	—	—	—	2,722	—	2,722	—	2,722
Total comprehensive income	全面收入總額	—	—	—	—	—	2,722	5,662	8,384	(381)	8,003
Purchase of own share	購買自身股票	(54)	(5,298)	—	—	—	—	—	(5,352)	—	(5,352)
Regulatory reserve appropriation	監管儲備提取	—	—	—	—	12,862	—	(12,862)	—	—	—
Surplus reserve appropriation	盈餘儲備提取	—	—	—	9,869	—	—	(9,869)	—	—	—
Equity settled share-based transactions	以權益結算以股份為基礎的交易	27	—	174	—	—	—	—	174	—	174
Convertible bonds equity reserve	可換股債券權益儲備	—	—	29,695	—	—	—	—	29,695	—	29,695
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	4,187	442,174	334,697	56,997	30,988	9,828	97,495	976,366	1,871	978,237

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Renminbi) (以人民幣列示)

Attributable to equity shareholders of the Company
本公司權益股東應佔

Note 附註	Share capital	Share premium	Capital reserve	Surplus reserve	Regulatory reserve	Exchange reserve	Retained earnings	Total	Non- controlling interests	Total equity	
	RMB' 000 人民幣千元 (Note 28(c)) (附註 28(c))	RMB' 000 人民幣千元 (Note 28(d)) (附註 28(d))	RMB' 000 人民幣千元 (Note 28(e)) (附註 28(e))	RMB' 000 人民幣千元 (Note 28(f)) (附註 28(f))	RMB' 000 人民幣千元 (Note 28(g)) (附註 28(g))	RMB' 000 人民幣千元 (Note 28(h)) (附註 28(h))	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	
Balance at 1 January 2017	於二零一七年一月一日的盈餘	4,241	447,472	302,280	43,465	26,780	11,235	116,984	952,457	3,859	956,316
Changes in equity for 2017	二零一七年權益變動										
Profit for the year	年內溢利	—	—	—	—	—	—	16,301	16,301	(650)	15,651
Exchange differences on translation of financial statements of operations outside the mainland China	換算中國大陸境外業務財務報表的匯兌差額	—	—	—	—	—	(4,129)	—	(4,129)	—	(4,129)
Total comprehensive income	全面收入總額	—	—	—	—	—	(4,129)	16,301	12,172	(650)	11,522
Dividends approved in respect of the previous year	批准的上一年股息	—	—	—	—	—	—	(9,381)	(9,381)	—	(9,381)
Regulatory reserve appropriation	監管儲備提取	—	—	—	—	(8,654)	—	8,654	—	—	—
Surplus reserve appropriation	盈餘儲備提取	—	—	—	3,663	—	—	(3,663)	—	—	—
Equity settled share-based transactions	以權益結算以股份為基礎的交易	27	—	393	—	—	—	393	—	—	393
Waiver of debts from related parties	關聯方豁免債務	—	—	1,054	—	—	—	1,054	11	—	1,065
Capital increase of subsidiaries	附屬公司增資	—	—	905	—	—	—	905	(905)	—	—
Balance at 31 December 2017 (Note)	於二零一七年十二月三十一日的結餘(附註)	4,241	447,472	304,632	47,128	18,126	7,106	128,895	957,600	2,315	959,915

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

附註：本集團於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方式，比較資料不予重列。請參閱附註1(c)。

The notes on pages 109 to 288 form part of these financial statements.

第109至288頁所載附註構成該等財務報表的一部分。

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Renminbi) (以人民幣列示)

	Note 附註	2018 二零一八年 RMB' 000 人民幣千元	2017 (Note 1) 二零一七年 (附註1) RMB' 000 人民幣千元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	23,181	32,343
Adjustments for:	就以下各項調整：		
Depreciation and amortisation	折舊及攤銷	5(c) 605	857
Impairment and allowances charged	減值及撥備扣除	5(a) 2,291	7,016
Share of (gains)/losses of associates	分佔聯營公司虧損／(收益)	(1,622)	199
Unrealised foreign exchange losses/(gains)	未變現匯兌虧損／(收益)	510	(759)
Interest income	利息收入	4 (4,877)	(1,557)
Equity settled share-based payment expenses	以權益結算以股份為基礎的付款開支	5(b) 174	393
Interest expenses	利息開支	16,452	263
Net fair value gain on other financial assets	其他金融資產之公允價值收益淨額	(15,885)	—
Gain from disposal of non-current assets	處置非流動資產收益	4 —	(734)
Changes in working capital:	營運資金變動：		
Decrease in pledged bank deposits	已質押銀行存款減少	9,311	23,544
(Increase)/decrease in restricted pledged deposits	受限制擔保保證金(增加)/減少	(308,959)	5
Increase in other restricted funds	其他受限制資金增加	(174,390)	—
Increase in trade and other receivables	貿易及其他應收款項增加	(208,354)	(179,780)
Decrease/(increase) in factoring receivable	保理應收款項減少／(增加)	1,943	(2,641)
Increase in finance lease receivable	融資租賃應收款項增加	(14,112)	(10,989)
Increase/(decrease) in pledged deposits received	已收擔保保證金增加／(減少)	308,959	(5)
Increase in accruals and other payables	應計費用及其他應付款項增加	342,719	38,310
Increase in deferred income	遞延收入增加	112,984	67
Cash generated from/(used in) operating activities	經營活動所得／(所用)現金	90,930	(93,468)
PRC income tax paid	已付中國所得稅	19(a) (15,725)	(17,291)
Net cash generated from/(used in) operating activities	經營活動所得／(所用)現金淨額	75,205	(110,759)

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Renminbi) (以人民幣列示)

	Note 附註	2018 二零一八年 RMB'000 人民幣千元	2017 (Note 1) 二零一七年 (附註1) RMB'000 人民幣千元
Investing activities	投資活動		
Proceeds from capital withdrawal of an associate	收回對一間聯營公司的資本所得款	16	3,200
Proceeds from sales of equipment	出售設備所得款項		32
Payments for acquisition of a subsidiary (Note 2)	收購一間附屬公司所得款項 (附註2)		(4,302)
Payments for purchase of equipment	購買設備的付款		(48)
Acquisition of financial assets	購入金融資產	18	—
Interest received	已收利息		4,273
Withdraw of bank deposit with original maturity over three months	支取原到期日為三個月以上的銀行存款		—
			1,600
Net cash generated from investing activities	投資活動所得現金淨額		3,155
			1,743
Financing activities	融資活動		
Payments for repurchase of shares	購回股份的付款		(5,351)
Dividends paid	已付股息		—
Interest paid	已付利息		(4,350)
Proceeds from new borrowings	新借款所得款項	23	—
Repayment of borrowings	償還借款	23	(5,000)
Net proceeds from issuance of convertible bonds	發行可換股債券所得款項淨額		122,116
Interest element of finance lease rentals paid	已付融資租賃租金的利息部分		(171)
			(165)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額		107,244
			(4,546)

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Renminbi) (以人民幣列示)

		Note 附註	2018 二零一八年 RMB'000 人民幣千元	2017 (Note 1) 二零一七年 (附註1) RMB'000 人民幣千元
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物 增加/(減少)淨額		185,604	(113,562)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	10	39,320	156,173
Effect of foreign exchange rate changes	外匯匯率變動影響		10,737	(3,291)
Cash and cash equivalents at 31 December	於十二月三十一日的 現金及現金等價物	10	235,661	39,320

Note 1: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 5(c).

附註1：本集團於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方式，比較資料不予重列。請參閱附註5(c)。

Note 2: Net payment for acquisition of a subsidiary was RMB5,380,000. See note 15.

附註2：收購一家附屬公司的淨支出為人民幣5,380,000元。見附註15。

The notes on pages 109 to 288 form part of these financial statements.

第109至288頁所載附註構成該等財務報表的一部分。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1 重大會計政策

(a) 合規聲明

該等財務報表已根據所有適用香港財務報告準則包括香港會計師公會發佈的所有適用的個別香港財務報告準則、香港會計準則及詮釋、香港公認會計原則及香港公司條例的適用披露規定編製。該等財務報表亦遵守香港聯合交易所有限公司證券上市規則的適用披露條文。本集團採納的重大會計政策載於下文。

香港會計師公會已發佈若干於本集團當前會計期間首次生效或可提早採納的新訂及經修訂香港財務報告準則。附註1(c)載列在與該等財務報表所反映與本集團當前及過往會計期間有關的範圍內，因首次應用該等準則而導致會計政策出現任何變動的資料。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2018 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates.

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

- equity investments (see note 1(g))

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

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

1 重大會計政策(續)

(b) 財務報表的編製基準

截至二零一八年十二月三十一日止年度的綜合財務報表包括本公司及其附屬公司(統稱「本集團」)以及本集團於聯營公司的權益。

除以下按公允價值列賬的資產及負債外，編製財務報表所採用計量基準為歷史成本法(如下文所載會計政策所詮釋)：

- 股權投資(參閱附註1(g))

按照香港財務報告準則編製的財務報表須由管理層作出判斷、估計及假設，此等判斷、估計及假設會影響政策應用及所呈報的資產、負債、收入及開支金額。此等估計及相關假設以過去經驗及在各種情況下相信為合理的各項其他因素為基礎，而所得結果乃用作判斷目前無法輕易通過其他來源獲得的資產及負債賬面值的依據。實際結果可能有別於此等估計。

本公司會持續檢討該等估計及相關假設。倘對會計估計的修訂僅影響修訂估計的期間，則有關修訂會在該期間確認，或倘有關修訂影響即期及未來期間，則有關修訂會在修訂期間及未來期間確認。

管理層於應用香港財務報告準則時所作出對財務報表及估計不明朗因素的主要來源有重大影響的判斷於附註2討論。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies

(i) Overview

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

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

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period, except for the amendments to HKFRS 9, Prepayment features with negative compensation which have been adopted at the same time as HKFRS 9.

1 重大會計政策(續)

(c) 會計政策變動

(i) 概覽

香港會計師公會已頒佈多項於本集團當前會計期間首次生效之新訂香港財務報告準則及其修訂。其中下列準則的發展與本集團財務報表有關：

- (i) 香港財務報告準則第9號，金融工具
- (ii) 香港財務報告準則第15號，來自客戶合約收益
- (iii) 香港(國際財務報告詮釋委員會)詮釋第22號，外幣交易及預付代價

本集團並無應用於當前會計期間尚未生效的任何新訂準則或詮釋，惟於採納香港財務報告準則第9號的同時應用香港財務報告準則第9號的修訂反向補償的提前還款特徵除外。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(i) Overview (Cont'd)

The Group has been impacted by HKFRS 9 in relation to classification of financial assets and measurement of credit losses, and not materially impacted by HKFRS 15. Details of the changes in accounting policies are discussed in note 1(c)(ii) for HKFRS 9 and note 1(c)(iii) for HKFRS 15.

Under the transition methods chosen, the Group recognises cumulative effect of the initial application of HKFRS 9 and HKFRS 15 as an adjustment to the opening balance of equity at 1 January 2018. Comparative information is not restated. The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 9:

1 重大會計政策(續)

(c) 會計政策變動(續)

(i) 概覽(續)

本集團在金融資產的分類及信貸虧損的計量方面受香港財務報告準則第9號影響，並未受香港財務報告準則第15號重大影響。會計政策的變動詳情於附註1(c)(ii) (就香港財務報告準則第9號而言)及附註1(c)(iii) (就香港財務報告準則第15號而言)論述。

根據所選擇的過渡方法，本集團將首次應用香港財務報告準則第9號及香港財務報告準則第15號的累計影響確認為於二零一八年一月一日的期初權益結餘調整。並無重列比較資料。下表概列就綜合財務狀況表中受香港財務報告準則第9號影響的項目確認的期初結餘調整：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(i) Overview (Cont'd)

		At 31 December 2017	Impact on initial application of HKFRS 9 首次應用 香港財務 報告準則 第9號的影響 (Note 1(c)(ii)) (附註1(c)(ii))	At 1 January 2018
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Assets	資產			
Factoring receivable	保理應收款項	94,849	(1,120)	93,729
Finance lease receivable	融資租賃應收款項	176,183	(1,562)	174,621
Interest in associates	於聯營公司的權益	101,466	(8,284)	93,182
Deferred tax assets	遞延稅項資產	1,105	3,320	4,425
Other financial assets	其他金融資產	8,066	—	8,066
Total assets	資產總值	381,669	(7,646)	374,023
Liabilities	負債			
Liabilities from guarantees	擔保負債	8,805	7,965	16,770
Deferred tax liabilities	遞延稅項負債	1,413	(1,413)	—
Total liabilities	負債總額	10,218	6,552	16,770
NET ASSETS	資產淨值	371,451	(14,198)	357,253
CAPITAL AND RESERVES	股本及儲備			
Reserves	儲備	953,359	(14,135)	939,224
Total equity attributable to equity shareholders of the company	本公司權益股東應佔權益總額	957,600	(14,135)	943,465
Non-controlling interests	非控股權益	2,315	(63)	2,252
TOTAL EQUITY	權益總額	959,915	(14,198)	945,717

Further details of these changes are set out in sub-sections (ii) of this note.

該等變動的進一步詳情載於本附註(ii)分節。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation

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

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

The following table summarises the impact of transition to HKFRS 9 on retained earnings and reserves and the related tax impact at 1 January 2018.

		RMB' 000 人民幣千元
Retained earnings	保留盈利	
Recognition of additional expected credit losses on:	就下列各項確認額外預期信貸虧損：	
–factoring receivable	–保理應收款項	1,120
–finance lease receivable	–融資租賃應收款項	1,562
–liabilities from guarantees	–擔保負債	7,965
Interest in associates	於聯營公司的權益	8,284
Related tax	相關稅項	(4,733)
Net decrease in retained earnings at 1 January 2018	於二零一八年一月一日 保留盈利減少淨額	14,198

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵

香港財務報告準則第9號取代香港會計準則第39號金融工具：確認及計量。其就有關確認及計量金融資產、金融負債及買賣非金融項目的部分合約作出規定。

本集團已根據過渡規定對於二零一八年一月一日存在的項目追溯應用香港財務報告準則第9號。本集團已將首次應用的累計影響確認為於二零一八年一月一日的期初權益調整。因此，比較資料繼續根據香港會計準則第39號呈報。

下表概述過渡至香港財務報告準則第9號對保留盈利及儲備的影響以及於二零一八年一月一日的相關稅務影響。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

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

a. Classification of financial assets and financial liabilities

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

前會計政策變動的性質及影響以及過渡方法的進一步詳情載列如下：

a. 金融資產及金融負債的分類

香港財務報告準則第9號將金融資產分為三大類別：按攤銷成本計量，按公允價值計入其他全面收益及按公允價值計入損益。該等分類取代香港會計準則第39號的類別，分別為持有至到期投資、貸款及應收款項、可供出售金融資產及按公允價值計入損益的金融資產。香港財務報告準則第9號項下的金融資產分類乃基於管理金融資產的業務模式及其合約現金流量特徵。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

Non-equity investments held by the Group are classified into one of the following measurement categories:

- Amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method;
- FVOCI - recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss; or

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

本集團持有的非股本投資歸入以下其中一個計量類別：

- 按攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為獲得本金及利息付款。投資所得利息收入乃使用實際利率法計算；
- 按公允價值計入其他全面收益－可劃轉，倘投資的合約現金流量僅包括本金及利息付款，且投資乃於目的為同時收取合約現金流量及出售的業務模式中持有。公允價值變動於其他全面收益確認，惟預期信貸虧損、利息收入(使用實際利率法計算)及匯兌收益及虧損於損益確認。當投資被取消確認，於其他全面收益累計的金額從權益劃轉至損益；或

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

- FVPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

- 按公允價值計入損益，倘投資不符合按攤銷成本計量或按公允價值計入其他全面收益(可劃轉)的標準。投資的公允價值變動(包括利息)於損益確認。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

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

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

- 於股本證券的投資分類為按公允價值計入損益，除非股本投資並非持作買賣用途，且於初次確認投資時，本集團選擇指定投資為按公允價值計入其他全面收益(不可劃轉)，以致公允價值的後續變動於其他全面收益確認。有關選擇乃按工具個別作出，惟僅當發行人認為投資符合權益定義時方可作出。於作出有關選擇後，於其他全面收益累計的金額繼續保留於公允價值儲備(不可劃轉)，直至投資被出售為止。出售時，於公允價值儲備(不可劃轉)累計的金額轉撥至保留盈利，而非透過損益賬劃轉。來自股本證券(不論分類為按公允價值計入損益或按公允價值計入其他全面收益(不可劃轉))投資的股息，均於損益確認為其他收入。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

- Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.
- The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9.

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

- 根據香港財務報告準則第9號，合約內嵌衍生工具(倘主體為該準則範圍內的金融資產)不與主體分開處理。相反，混合工具將按整體作分類評估。
- 下表列示根據香港會計準則第39號本集團各類金融資產的最初計量類別，及對根據香港會計準則第39號釐定的金融資產賬面值與根據香港財務報告準則第9號釐定者進行對賬。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)

		HKAS 39 carrying amount at 31 December 2017 於二零一七年 十二月三十一日 香港會計準則 第39號項下 賬面值 RMB'000 人民幣千元	Reclassification 重新分類 RMB'000 人民幣千元	Remeasurement 重新計量 RMB'000 人民幣千元	HKFRS 9 carrying amount at 1 January 2018 於二零一八年 一月一日 香港財務報告 準則第9號 項下賬面值 RMB'000 人民幣千元
Financial assets carried at FVPL	以按公允價值計入 損益列賬的金融資產				
Non-listed equity	非上市股權	—	8,066	—	8,066
Available-for-sale financial assets	可供出售金融資產	8,066	(8,066)	—	—
		8,066	—	—	8,066

The measurement categories for all financial liabilities remain the same, except for financial guarantee contracts.

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

所有金融負債的計量類別仍維持不變，惟融資擔保合約除外。

融資擔保是指規定發出人(即擔保人)支付指定款項，以補償擔保的受益人(「持有人」)因某一特定債務人未能根據債務工具的條款償付到期債務而產生的損失的合約。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

Financial guarantees issued are initially recognised within “liabilities from guarantees” at fair value. Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. The Group monitors the risk that the specified debtor will default on the contract and recognises a provision when expected credit losses (ECLs, see note 1(c)(ii)(b) on the financial guarantees are determined to be higher than the amount carried in “liabilities from guarantees” in respect of the guarantees (i.e. the amount initially recognised, less accumulated amortisation).

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 1(c)(ii)(b) apply.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

發行的融資擔保按公允價值在「擔保負債」內初始確認。初始確認後，初始確認為遞延收入的金額在擔保期內在損益中攤銷為已發行融資擔保的收入。本集團監察特定債務人違約的風險，並當融資擔保的預期信貸虧損(預期信貸虧損，見附註1(c)(ii)(b)確定為高於擔保的「擔保負債」中的金額(即初始確認金額減累計攤銷)時確認撥備。

為釐定預期信貸虧損，本集團會考慮特定債務人自擔保發出以來的違約風險變動情況。一般情況下僅計量12個月內的預期信貸虧損，除非特定債務人的違約風險自擔保發出以來顯著增加，於該情況下則計量整個存續期的預期信貸虧損。違約定義及信貸風險顯著增加的評估與附註1(c)(ii)(b)所述者相同。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

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

The carrying amounts for all financial liabilities (other than financial guarantee contracts) at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

由於本集團根據已擔保工具條款在特定債務人違約情況下僅須作出付款，預期信貸虧損乃根據就產生信貸虧損向持有人作出補償的預期付款，扣減本集團預期從擔保持有人、特定債務人或任何其他人士收取的任何款項估計。有關款項隨後使用就現金流量特定風險作出調整的當前無風險利率折現。

所有金融負債(惟融資擔保合約除外)於二零一八年一月一日之賬面值並無受到首次應用香港財務報告準則第9號之影響。

於二零一八年一月一日，本集團並無指定或取消指定任何按公允價值計入損益的金融資產或金融負債。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

b. Credit losses

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

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

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and loans to associates);

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

b. 信貸虧損

香港財務報告準則第9號以「預期信貸虧損」(預期信貸虧損)模式取代了香港會計準則第39號的「已產生虧損」模式。預期信貸虧損模式要求持續計量金融資產相關的信貸風險，因此確認預期信貸虧損的時間較根據香港會計準則第39號之「已產生虧損」會計模式確認之時間為早。

本集團將新預期信貸虧損模式應用於以下項目：

- 按攤銷成本計量的金融資產(包括現金及現金等值物、貿易及其他應收款項以及授予聯營公司之貸款)；

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)

b. Credit losses (Cont'd)

- factoring receivables
- lease receivables;
- financial guarantee contracts issued (see note 1(j)(ii))

Financial assets measured at fair value, including equity securities measured at FVPL, are not subject to the ECL assessment.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

b. 信貸虧損(續)

- 保理應收款項；
- 租賃應收款項；
- 已發出融資擔保合約(見附註1(j)(ii))

按公允價值計量的金融資產，包括按公允價值計入損益的股本證券，不適用預期信貸虧損模式。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

Measurement of ECLs

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

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

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

計量預期信貸虧損

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損以所有預期現金差額的現值(即根據合約應付予本集團的現金流量與本集團預計收取的現金流量之間的差額)計量。

倘貼現的影響重大，預期現金差額將使用以下貼現率貼現：

- 固定利率金融資產、貿易及其他應收款項及合約資產：初始確認時釐定之實際利率或其近似值；

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable.

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

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

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

- 浮動利率金融資產：當前實際利率；
- 租賃應收款項：計量租賃應收款項時使用的貼現率；

估計預期信貸虧損時所考慮的最長期間為本集團承受信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本及努力下即可獲得的合理可靠資料。此項包括有關過往事件、現時狀況及未來經濟狀況預測的資料。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件而導致的預期虧損；及
- 整個存續期的預期信貸虧損：指預期信貸虧損模式適用項目之預期年內所有可能違約事件而導致的預期虧損。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

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

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

貿易應收款項、融資租賃應收款項及保理應收款項之虧損撥備一般按等同於整個存續期的預期信貸虧損的金額計量。於報告日期，該等金融資產的預期信貸虧損乃根據本集團的歷史信貸虧損經驗使用提列矩陣進行評估，根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

至於所有其他金融工具，本集團會以相等於12個月的預期信貸虧損金額確認虧損撥備，除非自初始確認後該金融工具的信貸風險大幅上升，在此情況下，虧損撥備會以整個存續期的預期信貸虧損金額計量。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

信貸風險大幅上升

評估金融工具的信貸風險自初步確認以來有否大幅上升時，本集團會比較於報告日期及於初步確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)借款人大可能在無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

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

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

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

具體而言，評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸測評的實際或預期顯著惡化(如有)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

取決於金融工具的性质，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income on credit-impaired financial assets

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

預期信貸虧損在每個報告日被重新計量以反映自初始確認以來金融工具信用風險的變化。預期信貸虧損金額的任何變動均於損益中確認為減值損益。本集團確認所有金融工具的減值損益，並通過虧損撥備賬對其賬面金額進行相應調整；但透過其他全面收益按公允價值計量的債務證券投資(可劃轉)除外，其虧損撥備在其他全面收益中確認及於公允價值儲備中累計(可劃轉)。

信貸減值金融資產的利息收入之計算基礎

利息收入按金融資產的總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

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

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

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

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

於各報告日期，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)

Write-off policy

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

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

Opening balance adjustment

As a result of this change in accounting policy, the Group has recognised additional ECLs amounting to RMB18,931,000, which decreased retained earnings by RMB14,135,000 and non-controlling interests by RMB63,000 and increased gross deferred tax assets by RMB4,733,000 at 1 January 2018.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)金融資產、租賃應收款項或合約資產的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益表中確認為減值撥回。

期初結餘調整

由於會計政策變動，於二零一八年一月一日，本集團已確認額外預期信貸虧損人民幣18,931,000元，當中保留盈利及非控股權益分別減少人民幣14,135,000元及人民幣63,000元，而遞延稅項資產總額則增加人民幣4,733,000元。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)

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

		RMB' 000 人民幣千元
Loss allowance at 31 December 2017 under HKAS 39	於二零一七年十二月三十一日根據香港會計準則第39號釐定的虧損撥備	16,913
Additional credit loss recognised at 1 January 2018 on:	於二零一八年一月一日就以下各項確認的額外信貸虧損：	
– factoring receivable	– 保理應收款項	1,120
– finance lease receivable	– 融資租賃應收款項	1,562
– liabilities from guarantees	– 擔保負債	7,965
		27,560

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

於二零一七年十二月三十一日根據香港會計準則第39號釐定的期終虧損撥備與於二零一八年一月一日根據香港財務報告準則第9號釐定的期初虧損撥備對賬如下。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)

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

		RMB' 000 人民幣千元
Loss allowance at 31 December 2017 under HKAS 39	於二零一七年十二月三十一日 根據香港會計準則第39號 釐定的虧損撥備	55,124
Additional credit loss of loan recognised at 1 January 2018	於二零一八年一月一日 確認的額外信貸虧損	40,492
Loss allowance at 1 January 2018 under HKFRS 9	於二零一八年一月一日 根據香港財務報告準則 第9號釐定的虧損撥備	95,616
Additional credit loss of loan recognised at 1 January 2018	於二零一八年一月一日 確認的額外信貸虧損	40,492
Less: deferred tax assets	減：遞延稅項資產	(10,124)
Total effect on retained earnings at 1 January 2018	於二零一八年一月一日 對保留盈利之影響總額	30,368
Interest in associates (Success Credit, 27.28%)	於聯營公司之權益 (集成貸款，27.28%)	8,284

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

於二零一七年十二月三十一日根據香港會計準則第39號釐定的聯營公司集成貸款的期終虧損撥備與於二零一八年一月一日根據香港財務報告準則第9號釐定的期初虧損撥備對賬如下。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

c. Transition

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except as described below:

- Information relating to comparative periods has not been restated. Differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 continues to be reported under HKAS 39 and thus may not be comparable with the current period.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) *香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)*

c. 過渡

除下述者外，採納香港財務報告準則第9號所造成會計政策變動已追溯應用：

- 有關比較期間的資料未經重列。採納香港財務報告準則第9號所產生的金融資產賬面值差異於二零一八年一月一日確認為保留盈利及儲備。因此，二零一七年呈列的資料繼續根據香港會計準則第39號報告，故未必能夠與當前期間作比較。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)

c. Transition (Cont'd)

- The following assessments have been made on the basis of the facts and circumstances that existed at 1 January 2018 (the date of initial application of HKFRS 9 by the Group):
 - the determination of the business model within which a financial asset is held; and
 - the designation of certain investments in equity instruments not held for trading to be classified as at FVOCI (non-recycling).

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

c. 過渡(續)

- 以下評估乃根據二零一八年一月一日(本集團首次應用香港財務報告準則第9號當日)的事實及情況作出：
 - 釐定持有金融資產的業務模式；及
 - 指定若干非持有作買賣用途的股本投資分類為透過其他全面收益按公允價值計量(不可劃轉)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

- (ii) *HKFRS 9, Financial instruments, including the amendments to HKFRS 9, Prepayment features with negative compensation (Cont'd)*

c. Transition (Cont'd)

- If, at the date of initial application, the assessment of whether there has been a significant increase in credit risk since initial recognition would have involved undue cost or effort, a lifetime ECL has been recognised for that financial instrument.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第9號金融工具包括香港財務報告準則第9號的修訂反向補償的提前還款特徵(續)

c. 過渡(續)

- 倘於首次應用日期評估信貸風險自初步確認以來有否顯著增加涉及過多成本或努力，則就該金融工具確認整個存續期預期信貸虧損。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(iii) HKFRS 15, Revenue from contracts with customers

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

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

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

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

1 重大會計政策(續)

(c) 會計政策變動(續)

(iii) 香港財務報告準則第15號，來自客戶合約收益

香港財務報告準則第15號就確認來自客戶合約收益及若干成本確立全面框架。香港財務報告準則第15號取代香港會計準則第18號收益(涵蓋銷售商品及提供服務產生的收益)及香港會計準則第11號建築合約(訂明建築合約的會計處理)。

香港財務報告準則第15號亦引入額外定性及定量披露要求，旨在使財務報表的使用者了解客戶合約產生的收益及現金流量的性質、數額、時間及不確定性。

該等發展概無對本集團於本年度報告內編製及呈報於本期間或過往期間之業績及財務狀況造成重大影響。

有關過往會計政策變動的性質及影響的進一步詳情載列如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(iii) HKFRS 15, Revenue from contracts with customers (Cont'd)

a. Timing of revenue recognition

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

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

- A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

1 重大會計政策(續)

(c) 會計政策變動(續)

(iii) 香港財務報告準則第15號，來自客戶合約收益(續)

a. 確認收益的時間

此前，建築合約及提供服務產生的收益隨時間確認，而銷售貨品所得收益通常於貨品所有權風險及回報轉移予客戶時確認。

根據香港財務報告準則第15號，收益於客戶獲得合約中承諾貨品或服務之控制權時確認。此可能在某一時間點或一段時間內。香港財務報告準則第15號已確定以下三種情況為承諾貨品或服務的控制權被視為隨時間轉移之情況：

- A. 當客戶於實體履約時同時取得及消耗實體履約所提供之利益時；
- B. 當實體之履約行為創造或增強客戶在資產被創造或增強時控制之資產(如在建工程)時；

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(iii) HKFRS 15, Revenue from contracts with customers (Cont'd)

a. Timing of revenue recognition (Cont'd)

- C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

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

1 重大會計政策(續)

(c) 會計政策變動(續)

(iii) 香港財務報告準則第15號，來自客戶合約收益(續)

a. 確認收益的時間(續)

- C. 當實體之履約並無創造對實體而言具替代用途之資產，且該實體對迄今完成之履約付款具有可執行權利時。

倘合約條款及實體活動並不屬於任何該等三種情況，則根據香港財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)就銷售該貨物或服務確認收益。所有權風險及回報的轉移僅為於釐定控制權轉移發生時將考慮的其中一項指標。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(iii) *HKFRS 15, Revenue from contracts with customers (Cont'd)*

b. Significant financing component

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance of revenue recognition or significantly deferred.

Previously, the Group did not apply such a policy when payments were received in advance.

1 重大會計政策(續)

(c) 會計政策變動(續)

(iii) 香港財務報告準則第15號，來自客戶合約收益(續)

b. 重大融資部分

香港財務報告準則第15號要求實體於合約包含重大融資部分時就貨幣時間價值調整交易價格，而無論收取客戶付款是否較收入確認有重大提前或延後。

過往，本集團於提前收取付款時並無採用該政策。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

(iii) HKFRS 15, Revenue from contracts with customers (Cont'd)

c. Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue (see note 1(t)) before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

1 重大會計政策(續)

(c) 會計政策變動(續)

(iii) 香港財務報告準則第15號，來自客戶合約收益(續)

c. 合約資產及負債的呈列

根據香港財務報告準則第15號，應收款項僅於本集團擁有無條件收取代價的權利時確認。倘本集團在擁有就合約內承諾提供的貨品及服務無條件收取代價的權利前確認相關收益(參閱附註1(t))，則收取代價的權利被分類為合約資產。相似的，在本集團確認相關收益前，客戶已支付代價或根據合約須支付代價且該代價已到期應付，則確認合約負債而非應付款項。就與客戶簽訂的單一合約而言，應按合約資產淨值或合約負債淨額呈列。就多份合約而言，不相關合約的合約資產與合約負債不以淨額呈列。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Changes in accounting policies (Cont'd)

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

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

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

1 重大會計政策(續)

(c) 會計政策變動(續)

(iv) 香港(國際財務報告詮釋委員會)詮釋第22號，外幣交易及預付代價

該詮釋就釐定「交易日期」提供指引，旨在釐定於初步確認因實體收取或支付的外幣預付代價交易而產生的有關資產、開支或收入(或其中部分)所使用的匯率。

該詮釋澄清「交易日期」為初步確認因支付或收取預付代價而產生的非貨幣性資產或負債之日。倘確認有關項目前存在多筆付款或收款，實體應按該方式釐定每筆付款或收款的交易日期。採納香港(國際財務報告詮釋委員會)詮釋第22號對本集團財務狀況及財務業績並無產生任何重大影響。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Subsidiaries and non-controlling interests

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

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

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

1 重大會計政策(續)

(d) 附屬公司及非控股權益

附屬公司乃由本集團控制的實體。倘本集團因參與實體而享有或有權取得可變回報，並且有能力透過其對該實體的權力影響該等回報，則本集團控制該實體。於評估本集團是否有權力時，僅考慮實質權利(由本集團及其他方持有)。

於附屬公司的投資自控制權開始當日計入綜合財務報表，直至控制權終止當日為止。集團內公司間結餘、交易及現金流量以及集團內公司間交易產生的任何未實現溢利於編製綜合財務報表時已全數抵銷。集團內公司間交易所產生的未變現虧損則僅在無出現減值跡象的情況下以與抵銷未變現溢利相同的方法予以抵銷。

非控股權益是指並非由本公司直接或間接應佔的附屬公司股權，且本集團並無就此與相關權益持有人協定任何額外條款而導致本集團整體須就該等權益承擔符合金融負債定義的合約責任。就各項業務合併而言，本集團可選擇按公允價值或按其佔附屬公司的可識別資產淨值的比例計量非控股權益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Subsidiaries and non-controlling interests (Cont'd)

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

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

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(j)(iii)).

1 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

非控股權益於綜合財務狀況表的權益內呈列，與本公司權益股東應佔的權益分開呈列。本集團業績內的非控股權益，會按照該年度損益總額及其他全面收入在非控股權益與本公司權益股東之間進行分配，並在綜合損益表及綜合損益及其他全面收益表呈列。

本集團於附屬公司的權益變動如不導致本集團喪失控制權，將作權益交易核算，惟綜合權益中的控股權益與非控股權益應予調整以反映相關權益的變動，惟不會對商譽作出調整，且不會確認任何盈虧。

於本公司的財務狀況表中，其於一家附屬公司的一項投資乃按成本減去減值虧損列賬(見附註1(j)(iii))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Associates and joint ventures

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

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

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 1(j)(iii)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

1 重大會計政策(續)

(e) 聯營公司及合營企業

聯營公司為本集團擁有重大影響力，但對其管理(包括參與財務及營運決策)並無控制權或共同控制權的實體。

合營企業為一項安排，根據此安排本集團或本公司及其他方訂約協定分佔此安排的控制權並有權擁有此安排的淨資產。

於聯營公司或合營企業的投資按權益法於綜合財務報表列賬。根據權益法，投資初始按成本入賬，並按本集團應佔被投資公司於收購當日可識別資產淨值的公允價值超逾投資成本的部分(如有)作出調整。投資的成本包括購買價格、收購投資的其他直接成本，以及任何構成本集團股權投資一部分的於聯營公司或合營企業的直接投資。此後，該投資因應本集團於收購後應佔被投資公司資產淨值的變動及與投資有關的任何減值虧損(見附註1(j)(iii))作出調整。收購當日出成本的任何部分、本集團於年內應佔被投資公司收購後的稅後業績以及任何減值虧損於綜合損益表確認，而本集團應佔被投資公司其他全面收入的收購後除稅後項目乃於綜合損益及其他全面收益表內確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Associates and joint ventures (Cont'd)

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

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

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(g)).

In the Company's statement of financial position, investments in associates and joint ventures are stated at cost less impairment losses (see note 1(j)(iii)).

1 重大會計政策(續)

(e) 聯營公司及合營企業(續)

當本集團應佔虧損超過其於該聯營公司或合營企業的權益，本集團的權益將削減至零，且不再確認其他虧損，惟倘本集團須承擔法定或推定責任，或代被投資公司付款則除外。就此而言，本集團的權益為按照權益法計算的投資賬面值，連同實質上構成本集團於該聯營公司或合營企業投資淨額一部分的任何其他長期權益。

本集團與其聯營公司及合營企業之間交易產生的未實現溢利及虧損按本集團於被投資公司的權益抵減，惟倘未實現虧損可證明已轉讓資產出現減值，則即時於損益確認。

倘於聯營公司的投資變成於合營企業的投資或反之，保留權益不會重新計量。相反，此投資將繼續按權益法入賬。

當本集團不再對一家聯營公司擁有重大影響或共同控制一家合營企業，則按出售該被投資公司的全部權益入賬，而所產生的損益於損益確認。於喪失重大影響或共同控制當日仍保留於前述被投資公司的任何權益乃按公允價值確認，而該金額將被視為一項金融資產(見附註1(g))於初始確認時的公允價值。

在本公司的財務狀況表中，於聯營公司及合營企業的投資均按成本減減值虧損入賬(見附註1(j)(iii))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Goodwill

Goodwill represents the excess of the aggregate of the fair value of the consideration transferred over the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

Goodwill is stated at cost less accumulated impairment losses.

(g) Other investments in debt and equity securities

The Group's and the Company's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 29(d). These investments are subsequently accounted for as follows, depending on their classification.

1 重大會計政策(續)

(f) 商譽

商譽指所轉讓代價的公允價值總額超出收購當日本集團於被收購方可識別資產及負債的公允價值淨額的部分。

商譽按成本減累計減值虧損列賬。

(g) 於債務及股本證券的其他投資

本集團及本公司於債務及股本證券的投資(不包括於附屬公司、聯營公司及合營企業的投資)政策載列如下。

債務及股本證券的投資於本集團承諾購買/出售該項投資之日確認/終止確認。除該等按公允價值計入損益(「公允價值計入損益」)計量的投資外(其交易成本直接於損益確認)，投資初始按公允價值加直接應佔交易成本列賬。有關本集團如何釐定金融工具的公允價值的說明，請參閱附註29(d)。該等投資其後視乎其分類而按下列方式入賬。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Other investments in debt and equity securities (Cont'd)

(A) Policy applicable from 1 January 2018

Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 1(t)(i)).
- fair value through other comprehensive income (FVOCI) - recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

1 重大會計政策(續)

(g) 於債務及股本證券的其他投資(續)

(A) 自二零一八年一月一日起適用的政策

股本投資以外的投資

本集團持有的非股本投資歸入以下其中一個計量類別：

- 按攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為獲得本金及利息付款。投資所得利息收入乃使用實際利率法計算(見附註1(t)(i))。
- 按公允價值計入其他全面收益(「按公允價值計入其他全面收益」) - 可劃轉，倘投資的合約現金流量僅包括本金及利息付款，且投資乃於目的為同時收取合約現金流量及出售的業務模式中持有。公允價值變動於其他全面收益確認，惟預期信貸虧損、利息收入(使用實際利率法計算)及匯兌收益及虧損於損益確認。當投資被取消確認，於其他全面收益累計的金額從權益劃轉至損益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Other investments in debt and equity securities (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

- fair value at profit or loss (FVPL) if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 1(t)(iv).

1 重大會計政策(續)

(g) 於債務及股本證券的其他投資(續)

(A) 自二零一八年一月一日起適用的政策(續)

- 按公允價值計入損益(「按公允價值計入損益」)，倘投資不符合按攤銷成本計量或按公允價值計入其他全面收益(可劃轉)的標準。投資的公允價值變動(包括利息)於損益確認。

股本投資

於股本證券的投資分類為按公允價值計入損益，除非股本投資並非持作買賣用途，且於初次確認投資時，本集團選擇指定投資為按公允價值計入其他全面收益(不可劃轉)，以致公允價值的後續變動於其他全面收益確認。有關選擇乃按工具個別作出，惟僅當發行人認為投資符合權益定義時方可作出。於作出有關選擇後，於其他全面收益累計的金額繼續保留於公允價值儲備(不可劃轉)，直至投資被出售為止。出售時，於公允價值儲備(不可劃轉)累計的金額轉撥至保留盈利，而非透過損益賬劃轉。來自股本證券(不論分類為按公允價值計入損益或按公允價值計入其他全面收益(不可劃轉))投資的股息，均根據附註1(t)(iv)所載政策於損益確認為其他收入。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Other investments in debt and equity securities (Cont'd)

(B) Policy applicable prior to 1 January 2018

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

Dated debt securities that the Group had the positive ability and intention to hold to maturity were classified as held-to-maturity securities. Held-to-maturity securities were stated at amortised cost (for impairment see note 1(j)(i) – policy applicable prior to 1 January 2018).

Investments which did not fall into any of the above categories were classified as available-for-sale financial assets. At the end of each reporting period the fair value was remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve (recycling). Dividend income from equity investments and interest income from debt securities calculated using the effective interest method were recognised in profit or loss in accordance with the policies set out in notes 1(t)(iv) and 1(t)(i), respectively.

1 重大會計政策(續)

(g) 於債務及股本證券的其他投資(續)

(B) 二零一八年一月一日前適用的政策

於持作交易的證券的投資分類為按公允價值計入損益的金融資產。任何應佔的交易成本於產生時在損益確認。於各報告期末，公允價值會重新計量，由此產生的任何損益均於損益確認。

本集團有明確的能力及意願持有至到期的定期債務證券乃分類為持有至到期證券。持有至到期證券以攤銷成本列賬(有關減值請參閱附註1(j)(i) – 二零一八年一月一日前適用的政策)。

不屬於任何上述類別的投資分類為可供出售金融資產。於各報告期末，公允價值會重新計量，由此產生的任何盈虧乃於其他全面收入確認，並且個別於公允價值儲備(可劃轉)內的權益下累計。股權投資所得股息收入及以實際利率法計算的債券證券所得利息收入分別按附註1(t)(iv)及1(t)(i)所載的政策於損益確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Other investments in debt and equity securities (Cont'd)

(B) Policy applicable prior to 1 January 2018

- Foreign exchange gains and losses arising from debt securities were also recognised in profit or loss. When the investments were derecognised or impaired (see note 1(j)(i) - policy applicable prior to 1 January 2018), the cumulative gain or loss recognised in equity was reclassified to profit or loss.

1 重大會計政策(續)

(g) 於債務及股本證券的其他投資(續)

(B) 二零一八年一月一日前適用的政策

- 債務證券所產生的匯兌盈虧亦於損益確認。當終止確認該等投資或有關投資出現減值(請參閱附註1(j)(i) - 二零一八年一月一日前適用的政策)時，於權益確認累計損益會重新分類至損益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Equipment

Items of equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(j)(iii)).

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

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

	Estimated useful life
Motor vehicles	4 - 5 years
Office and other equipment	3 - 5 years

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

1 重大會計政策(續)

(h) 設備

設備項目按成本減累計折舊及減值虧損列賬(見附註1(j)(iii))。

報廢或出售設備項目產生的收益或虧損釐定為出售所得款項淨額與項目賬面值之間的差額，並於報廢或出售日在損益內確認。

設備項目的折舊將其成本減去其估計剩餘價值(如有)，按照下列估計可使用年期採用直線法計算而攤銷：

	估計 可使用年期
汽車	4至5年
辦公及 其他設備	3至5年

倘設備項目的部分有不同可使用年期，該項目的成本須在各部分間按合理基準分配，而各部分須分別計提折舊。資產及其剩餘價值的可使用年期(如有)須每年檢討。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(i) Leased assets

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

(i) *Classification of assets leased to the Group*

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

1 重大會計政策(續)

(i) 租賃資產

倘本集團決定有關一項或一連串交易的安排將特定資產的使用權按協定期間轉移以換取一筆或多筆款項，則有關安排屬或包含租賃。有關決定乃按評估安排的性質作出，而不論有關安排是否屬法定形式的租賃。

(i) *本集團租賃資產的分類*

對於本集團以租賃方式持有的資產，如租賃使所有權的絕大部分風險及回報轉移至本集團，有關資產便會獲分類為以融資租賃持有。如租賃不會使所有權的絕大部分風險及回報轉移至本集團，則分類為經營租賃。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(i) Leased assets (Cont'd)

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 1(h). Impairment losses are accounted for in accordance with the accounting policy as set out in note 1(j)(iii). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(iii) Operating lease charges

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

1 重大會計政策(續)

(i) 租賃資產(續)

(ii) 以融資租賃收購的資產

如本集團以融資租賃收購資產的使用權，會將相當於租賃資產公允價值或最低租賃款項的現值(如為較低的數額)確認為物業、廠房及設備，而扣除融資費用後的相應負債則入賬列為融資租賃承擔。折舊按在相關的租賃期或資產的年期(如本集團可能取得資產的所有權)內撇銷資產成本或估值的比率計提；有關資產的年期載列於附註1(h)。減值虧損按照附註1(j)(iii)所載的會計政策入賬。租賃付款內含的融資費用於租賃期內的損益內扣除，使每個會計期間的融資費用佔承擔餘額的比率大致相同。或有租金在其產生的會計期間於損益內扣除。

(iii) 經營租賃費用

倘本集團根據經營租賃持有資產使用權，除非另有一種基準更能代表從租賃資產中獲取利益的模式，否則根據租賃作出的付款會在租賃期所涵蓋的會計期間以等額分期自損益扣除。所獲得的租賃激勵會作為所作出的淨租賃付款總額的主體部分在損益中確認。或有租金會於產生的會計期間於損益扣除。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets

(i) *Credit losses from financial instruments, factoring receivables and lease receivables*

(A) Policy applicable from 1 January 2018

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and loans to associates);
- factoring receivables;
- lease receivables;

1 重大會計政策(續)

(j) 信貸虧損及資產減值

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損

(A) 自二零一八年一月一日起適用的政策

本集團於以下項目就預期信貸虧損確認虧損準備：

- 按攤銷成本計量的金融資產(包括現金及現金等值物、貿易及其他應收款項以及授予聯營公司之貸款)；
- 保理應收款項；
- 租賃應收款項；

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

Financial assets measured at fair value, including equity securities measured at FVPL, are not subject to the ECL assessment.

Measurement of ECLs

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

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

按公允價值計量的金融資產，包括按公允價值計入損益的股本證券，不適用預期信貸虧損模式。

計量預期信貸虧損

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損以所有預期現金差額的現值(即根據合約應付予本集團的現金流量與本集團預計收取的現金流量之間的差額)計量。

就未提取貸款承擔而言，預期現金缺口乃以以下兩項的差額計量(i)倘貸款承擔的持有人提取貸款，將應付本集團的合約現金流量及(ii)倘貸款被提取，本集團預期收到的現金流量。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

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

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable;

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

倘貼現的影響重大，預期現金差額將使用以下貼現率貼現：

- 固定利率金融資產、貿易及其他應收款項及合約資產：初始確認時釐定之實際利率或其近似值；
- 浮動利率金融資產：當前實際利率；
- 租賃應收款項：計量租賃應收款項時使用的貼現率；

估計預期信貸虧損時所考慮的最長期間為本集團承受信貸風險的最長合約期間。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

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

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本及努力下即可獲得的合理可靠資料。此項包括有關過往事件、現時狀況及未來經濟狀況預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件而導致的預期虧損；及
- 整個存續期的預期信貸虧損：指預期信貸虧損模式適用項目之預期年內所有可能違約事件而導致的預期虧損。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

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

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

貿易應收款項、融資租賃應收款項及保理應收款項之虧損撥備一般按等同於整個存續期的預期信貸虧損的金額計量。於報告日期，該等金融資產的預期信貸虧損乃根據本集團的歷史信貸虧損經驗使用提列矩陣進行評估，根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

至於所有其他金融工具(包括已作出的貸款承擔)，本集團會以相等於12個月的預期信貸虧損金額確認虧損撥備，除非自初始確認後該金融工具的信貸風險大幅上升，在此情況下，虧損撥備會以整個存續期的預期信貸虧損金額計量。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) *Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)*

(A) Policy applicable from 1 January 2018 (Cont'd)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument (including a loan commitment) has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

信貸風險大幅上升

評估金融工具(包括一項貸款承擔)的信貸風險自初步確認以來有否大幅上升時，本集團會比較於報告日期及於初步確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)借入人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

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

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

具體而言，評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸測評的實際或預期顯著惡化(如有)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

For loan commitments, the date of initial recognition for the purpose of assessing ECLs is considered to be the date that the Group becomes a party to the irrevocable commitment. In assessing whether there has been a significant increase in credit risk since initial recognition of a loan commitment, the Group considers changes in the risk of default occurring on the loan to which the loan commitment relates.

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

就貸款承擔而言，評估預期信貸虧損的初始確認日期視為本集團訂立不可撤銷承擔當日。評估貸款承擔自初始確認以來信貸風險是否大幅增加時，本集團考慮貸款承擔所涉貸款出現違約風險的變動。

取決於金融工具的性质，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

預期信貸虧損在每個報告日被重新計量以反映自初始確認以來金融工具信用風險的變化。預期信貸虧損金額的任何變動均於損益中確認為減值損益。本集團確認所有金融工具的減值損益，並通過虧損撥備賬對其賬面金額進行相應調整；但透過其他全面收益按公允價值計量的債務證券投資(可劃轉)除外，其虧損撥備在其他全面收益中確認及於公允價值儲備中累計(可劃轉)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

Basis of calculation of interest income

Interest income recognised in accordance with note 1(t)(i) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

利息收入的計算基礎

根據附註1(t)(i)確認的利息收入按金融資產的總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

於各報告日期，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

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

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

Write-off policy

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

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)金融資產、租賃應收款項或合約資產的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益表中確認為減值撥回。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(B) Policy applicable prior to 1 January 2018

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(B) 二零一八年一月一日前適用的政策

二零一八年一月一日前，「已產生虧損」模式用來計量未分類為按公允價值計入損益的金融資產(即貿易及其他應收款項、可供出售投資及持有至到期債務證券)減值虧損。根據「已產生虧損」模式，減值虧損僅於存在減值的客觀證據時方會予以確認。減值的客觀證據包括：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 債務人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；及
- 於股本工具的投資的公允價值大幅或長期下降以致低於其成本。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(B) Policy applicable prior to 1 January 2018 (Cont'd)

If any such evidence existed, an impairment loss was determined and recognised as follows:

- For trade and other receivables and other financial assets carried at amortised cost, impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were based on historical loss experience for assets with credit risk characteristics similar to the collective Group.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(B) 二零一八年一月一日前適用的政策(續)

倘存在任何該等證據，減值虧損按以下方式釐定及確認：

- 就以攤銷成本列賬的貿易及其他應收款項以及其他金融資產而言，倘折現影響重大，減值虧損按資產賬面值與以金融資產初始實際利率折現估計未來的現金流的現值之間的差額計量。倘有關金融資產具備類似風險特徵，例如逾期情況，且並未單獨被評估為減值，則就此進行組合評估。經組合評估減值的金融資產的未來現金流量，是根據與整體組別信用風險特徵相似的資產的過往的損失經驗作出。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(B) Policy applicable prior to 1 January 2018 (Cont'd)

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(B) 二零一八年一月一日前適用的政策(續)

倘於其後期間，減值虧損數額減少，而有關減少可客觀地與確認減值虧損後發生的事件聯繫，則減值虧損會透過損益撥回。減值虧損撥僅在其並無導致資產賬面值超出在過往年度並無確認減值虧損時釐定的金額的情況下才得以確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(B) Policy applicable prior to 1 January 2018 (Cont'd)

When the recovery of a trade debtor or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(B) 二零一八年一月一日前適用的政策(續)

當應收賬款或其他按攤銷成本列賬的金融資產的可收回性被視為不確定但並非甚微時，有關減值虧損以撥備賬記錄。倘本集團確認收回的機會甚微，則視為不可收回金額會直接從該等資產的總賬面值中撇銷。倘之前於撥備賬扣除的款項在其後收回，則有關款項於撥備賬撥回。撥備賬的其他變動及其後收回先前直接撇銷的款項均於損益中確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)

(B) Policy applicable prior to 1 January 2018 (Cont'd)

- For available-for-sale investments, the cumulative loss that had been recognised in the fair value reserve (recycling) was reclassified to profit or loss. The amount of the cumulative loss that was recognised in profit or loss was the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(B) 二零一八年一月一日前適用的政策(續)

- 就可供出售投資而言，已於公允價值撥備(可劃轉)確認的累計虧損重新分類至損益。在損益中確認的累計虧損數額按收購成本(扣除任何本金償還及攤銷)與當時公允價值之間的差額減去先前在損益中確認資產的任何減值虧損計算。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(i) *Credit losses from financial instruments, factoring receivables and lease receivables (Cont'd)*

(B) Policy applicable prior to 1 January 2018 (Cont'd)

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities were not reversed through profit or loss. Any subsequent increase in the fair value of such assets was recognised in other comprehensive income.

Impairment losses recognised in profit or loss in respect of available-for-sale debt securities were reversed if the subsequent increase in fair value could be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances were recognised in profit or loss.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(i) 來自金融工具、保理應收款項及租賃應收款項的信貸虧損(續)

(B) 二零一八年一月一日前適用的政策(續)

可供出售股本證券已在損益中確認的減值虧損不會通過損益撥回。該等資產公允價值其後的任何增額在其他全面收入內確認。

倘可供出售債務證券的公允價值隨後有所增加，而有關增加在客觀上與確認減值虧損後發生的事件有關，已在損益中確認的減值虧損予以撥回。在此等情況下，減值虧損撥回於損益確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(ii) Credit losses from financial guarantees issued

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

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

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(ii) 來自已作出融資擔保的信貸虧損

融資擔保是指規定發出人(即擔保人)支付指定款項，以補償擔保的受益人(「持有人」)因某一特定債務人未能根據債務工具的條款償付到期債務而產生的損失的合約。

已作出的融資擔保按公允價值在「貿易及其他應付款項」內初始確認，有關公允價值乃參考類似公平交易下收取的費用(如可獲得有關資料)，或經比較貸方於有擔保下收取的實際利率與於並無擔保下貸方應收取的估計利率(如有關資料可作出可靠估計)後，參考利率差額估計而釐定。倘已就或應就作出擔保收取代價，則該代價會根據本集團適用於該類資產的政策進行確認。倘無已收或應收代價，則於損益中確認即時開支。

初始確認後，初始確認為遞延收入的款項於擔保期內在損益內攤銷為已作出融資擔保的收入。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(ii) Credit losses from financial guarantees issued (Cont'd)

(A) Policy applicable from 1 January 2018

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

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 1(j)(i) apply.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(ii) 來自已作出融資擔保的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策

本集團監察特定債務人違約的風險，並當融資擔保的預期信貸虧損確定為高於擔保的「貿易及其他應付款項」中的金額(即初始確認金額減累計攤銷)時確認撥備。

為釐定預期信貸虧損，本集團會考慮特定債務人自擔保發出以來的違約風險變動情況。一般情況下僅計量12個月內的預期信貸虧損，除非特定債務人的違約風險自擔保發出以來顯著增加，於該情況下則計量整個存續期的預期信貸虧損。違約定義及信貸風險顯著增加的評估與附註1(j)(i)所述者相同。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(ii) Credit losses from financial guarantees issued (Cont'd)

(A) Policy applicable from 1 January 2018 (Cont'd)

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

(B) Policy applicable prior to 1 January 2018

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(ii) 來自自己作出融資擔保的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

由於本集團根據已擔保工具條款在特定債務人違約情況下僅須作出付款，預期信貸虧損乃根據就產生信貸虧損向持有人作出補償的預期付款，扣減本集團預期從擔保持有人、特定債務人或任何其他人士收取的任何款項估計。有關款項隨後使用就現金流量特定風險作出調整的當前無風險利率折現。

(B) 二零一八年一月一日前適用的政策

二零一八年一月一日前，倘及當(i)擔保的持有人根據擔保對本集團作出要約及(ii)對本集團的索償金額預期超過擔保的「貿易及其他應付款項」中的金額時，則確認撥備。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(iii) Impairment of other non-current assets

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

- property, plant and equipment (other than properties carried at revalued amounts);
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- goodwill; and
- investments in subsidiaries, associates and joint ventures in the Company's statement of financial position.

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

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(iii) 其他非流動資產的減值

本公司於各報告期末審閱內部及外部資料來源，以確定下列資產有否出現減值跡象，或先前確認的減值虧損是否不再存在或可能已經減少(商譽的情況則除外)：

- 物業、廠房及設備(按重新估值數額列賬的物業除外)；
- 歸類為經營租賃項下持有的租賃土地的預付利息；
- 無形資產；
- 商譽；及
- 本公司財務狀況表內於附屬公司、聯營公司及合營企業的投資。

倘存在任何該等跡象，則將對資產的可收回金額進行估計。此外，就商譽、尚不可用的無形資產及使用年期不確定的無形資產而言，不論是否存在任何減值跡象，有關可回收金額將每年進行估計。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(iii) Impairment of other non-current assets (Cont'd)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(iii) 其他非流動資產的減值(續)

– 計算可收回金額

資產的可收回金額為其公允價值減去出售成本與使用價值兩者之間的較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產特定風險評估的稅前折現率，將估計未來現金流量折現至其現值。

倘資產無法獨立於其他資產產生現金流入，則以能獨立產生現金流入的最小資產組別(即現金產生單位)來確定可收回金額。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(iii) Impairment of other non-current assets (Cont'd)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

– Reversals of impairment losses

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

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.

Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(iii) 其他非流動資產的減值(續)

– 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益中確認減值虧損。

就現金產生單位確認的減值虧損最初會予以分配，以減少任何分配至該現金產生單位(或該組單位)的商譽的賬面值，進而按比例減少該單位(或該組單位)內其他資產的賬面值，惟資產的賬面值不會減至低於其個別公允價值減去出售成本(倘能計量)或使用價值(倘能釐定)的金額。

– 減值虧損撥回

就商譽以外的資產而言，倘用作釐定可收回金額的估計發生有利變動，則會撥回減值虧損。有關商譽的減值虧損不會撥回。

減值虧損撥回以假定過往年度並未確認減值的情況下可能釐定該資產的賬面值為限。

減值虧損撥回在確認撥回的年度計入損益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Credit losses and impairment of assets (Cont'd)

(iv) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 1(j)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 1(c)(iii)(c)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 1(j)(i)).

1 重大會計政策(續)

(j) 信貸虧損及資產減值(續)

(iv) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須根據香港會計準則第34號，中期財務報告編製本財政年度前六個月的中期財務報告(見附註1(j)(i)及(ii))。

於中期確認的商譽減值虧損並未於後續期間撥回。即使僅於中期有關的財政年度末評估減值，概不會確認減值或確認微小減值。

(k) 貿易及其他應收款項

應收款項在本集團擁有無條件接收代價的權利時予以確認。當代價付款到期前僅需時間推移，則收取代價的權利為無條件。倘收益於本集團擁有無條件接收代價的權利前予以確認，有關金額列為合約資產(見附註1(c)(iii)(c))。

應收款項採用實際利率法按攤銷成本扣除信貸虧損撥備入賬(見附註1(j)(i))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in note 1(j)(i).

(m) Other payables

Other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 1(j)(ii), other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(n) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs.

1 重大會計政策(續)

(l) 現金及現金等價物

現金及現金等價物包括銀行存款及現金、存放於銀行及其他金融機構的活期存款，以及短期高流動性的投資，這些投資可即時換算為已知的現金數額，且須承受的價值變動風險甚小，並在收購後三個月內到期。須按要求償還的銀行透支屬本集團現金管理的重要部分，就綜合現金流量表而言亦計入作為現金及現金等價物的組成部分。現金及現金等價物根據附註1(j)(i)所載政策就預期信貸虧損(預期信貸虧損)進行評估。

(m) 其他應付款項

其他應付款項初始按公允價值確認。除根據附註1(j)(ii)計量的融資擔保負債外，其他應付款項其後則按攤銷成本列賬，惟倘貼現影響屬微不足道則作別論，在該情況下按成本列賬。

(n) 計息借款

計息借款按公允價值減交易成本後初始確認。初始確認後，計息借款採用實際利率法以攤銷成本列賬。利息開支根據本集團的借款成本的會計政策予以確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) Convertible bonds

Convertible bonds that contain an equity component

At initial recognition the liability component of the convertible bonds is measured at fair value based on the future interest and principal payments, discounted at the prevailing market rate of interest for similar non-convertible instruments. The equity component is the difference between the initial fair value of the convertible bonds as a whole and the initial fair value of the liability component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost. Interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the bonds are converted or redeemed.

If the bonds are converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the bonds are redeemed, the capital reserve is released directly to retained profits.

1 重大會計政策(續)

(o) 可換股債券

包含權益部分的可換股債券

初始確認時，可換股債券的負債部分乃以類似不可換股工具當前市場利率折現的未來利息及本金付款為基礎，以公允價值計量。權益部分為整體可換股債券初始公允價值與負債部分初始公允價值之間的差額。發行複合金融工具的相關交易成本乃按所得款項的分配比例分配至負債及權益部分。

負債部分其後以攤銷成本列賬。就負債部分在損益中確認的利息支出以實際利率法計算。權益部分則在資本儲備中確認，直至債券被轉換或贖回為止。

倘債券被轉換，資本儲備及負債部分的賬面值於轉換時轉入股本及股份溢價，作為已發行股份的代價。倘債券被贖回，則將資本儲備直接解除至保留溢利。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(p) Employee benefits

(i) *Short-term employee benefits and contributions to defined contribution retirement plans*

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

Pursuant to the relevant laws and regulations of the PRC, the Group's subsidiaries in the PRC have joined defined contributions for the employees, such as basic pension scheme, housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes contributions to the above mentioned schemes at the applicable rates based on the amounts stipulated by the government organisation. The contributions are charged to profit or loss on an accrual basis.

(ii) *Share-based payments*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

1 重大會計政策(續)

(p) 僱員福利

(i) *短期僱員福利及界定供款退休計劃供款*

工資、年度花紅、帶薪年假、定額退休計劃供款及非貨幣福利成本於僱員提供相關服務年度內累計。倘推延付款或結算且影響重大時，則按有關金額的現值列賬。

根據相關中國法律及法規，本集團的中國附屬公司須為僱員參加定額供款，如基本養老保險計劃、住房公積金、基本醫療保險、失業保險、工傷保險及生育保險。本集團按基於政府機構所規定的數額計算的適用比率向上述計劃作出供款。供款按應計基準於損益內扣除。

(ii) *以股份為基礎的付款*

授予僱員的購股權公允價值於權益中的資本儲備相應增加而確認為僱員成本。公允價值於授出日使用二項式矩陣模式計量，並考慮授出購股權時的條款及條件。當僱員於無條件獲授購股權前，應先符合歸屬條件。根據考慮購股權歸屬的可能性，估計購股權公允價值總額按歸屬期分攤。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(p) Employee benefits (Cont'd)

(ii) Share-based payments (Cont'd)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the share issued) or the option expires (when it is released directly to retained profits).

In the Company's statement of financial position, the cost of the share-based payment granted to employees of the subsidiary are recognised as cost of investment in the subsidiary (see note 1(d)).

1 重大會計政策(續)

(p) 僱員福利

(ii) 以股份為基礎的付款(續)

於歸屬期內，將檢討預期歸屬的購股權數目。任何對過往年度確認的累計公允價值所作任何最終調整將於檢討年度在損益中列支／抵扣，相應調整於資本儲備反映，惟初始僱員開支符合資格於一項資產中確認除外。在歸屬日，確認為支出之數額將作出調整，以反映歸屬的實際購股權數目(於資本儲備作出相應之調整)，惟因本公司的股份市價致使歸屬情況未能達到而引致作廢除外。權益金額於資本儲備確認，直至購股權獲行使(在此情況下將計入就已發行股份於股本確認的金額)或購股權到期屆滿(在此情況下將直接撥回撥保留溢利內)。

於本公司的財務狀況表內，授予附屬公司僱員以股份為基礎的付款的成本確認為於附屬公司投資的成本(見附註1(d))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(q) Income tax

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

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

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

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

1 重大會計政策(續)

(q) 所得稅

年度所得稅包括即期稅項及遞延稅項資產及負債的變動。即期稅項及遞延稅項資產及負債的變動乃於損益確認，惟與其他全面收入確認或直接於權益確認的項目有關者則除外，在該等情況下有關稅額分別於其他全面收入確認或直接於權益確認。

即期稅項乃年度應課稅收入的預期應繳稅項(稅率為於報告期末已頒佈或實質頒佈的稅率)及之前年度應繳稅項的任何調整。

遞延稅項資產及負債分別源自可扣稅及應課稅暫時差額，即財務申報的資產及負債的賬面值與其稅基的差額。遞延稅項資產亦源自未動用稅項虧損及未動用稅項抵免。

除若干少數例外情況外，將確認所有遞延稅項負債，以及於可能有日後應課稅溢利供抵銷可動用資產時確認所有遞延稅項資產。可引證確認源自可扣稅暫時差額的遞延稅項資產的日後應課稅溢利，包括撥回現有應課稅暫時差額將產生者，惟有關差額須與相同稅務機關及相同稅務實體有關，並預期在可扣稅暫時差額預計撥回的同一期間或遞延稅項資產所產生稅項虧損可撥回或結轉的期間撥回。倘該等差額與相同稅務機關及相同稅務實體有關，並預期可於動用稅項虧損或抵免期間撥回，則釐定現有應課稅暫時差額是否足以確認源自未動用稅項虧損及抵免的遞延稅項資產時，亦採納相同準則。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(q) Income tax (Cont'd)

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

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

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

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

1 重大會計政策(續)

(q) 所得稅(續)

確認遞延稅項資產及負債的少數例外情況為該等來自不可用作扣稅的商譽、初始確認資產或負債的暫時差額均不會影響會計或應課稅溢利(惟其並非業務合併的部分)、及有關投資至附屬公司的暫時差額，而就可課稅差額而言，本集團會控制回撥的時間且有關差額未必能於可預見未來撥回，或就可扣稅差額而言，除非其將於未來可能撥回。

已確認的遞延稅項金額乃按照資產及負債賬面值的預期變現或清償方式，根據於報告期末已頒佈或實質頒佈的稅率計算。遞延稅項資產及負債不予貼現。

遞延稅項資產的賬面值會於各報告期末進行檢討，並在不再可能產生足夠的應課稅溢利以使用有關的稅務利益時作調減。倘可能存在足夠的應課稅溢利供利用，則任何該等扣減將被撥回。

股息分派產生的額外所得稅於確認支付相關股息負債時確認。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(q) Income tax (Cont'd)

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

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

1 重大會計政策(續)

(q) 所得稅(續)

即期稅項結餘及遞延稅項結餘與其變動將分開列示，且不會抵銷。倘本集團有法定行使權以即期稅項資產抵銷即期稅項負債，且符合下列附帶條件，則即期稅項資產及遞延稅項資產可分別抵銷即期稅項負債及遞延稅項負債：

- 倘為即期稅項資產及負債，本集團計劃按淨額結算或同時變現資產及清償負債；或
- 倘為遞延稅項資產及負債，則該等資產及負債須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一課稅實體；或
 - 計劃在預期須清償或收回大額遞延稅項負債或資產的每個未來期間，按淨額或同時變現即期稅項資產與清償即期稅項負債的不同課稅實體。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Guarantees issued

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

The Group issues performance guarantee and litigation guarantee contracts, in which the Group agrees to provide guarantees to its customers who entered into contracts with third parties for services to be rendered, goods to be supplied or obligation to fulfil within an agreed time period. The Group is required to compensate the guarantee holder if a specified uncertain future event adversely results in the counterparties' failure to delivery services and goods, or to fulfil the obligation.

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

1 重大會計政策(續)

(r) 已作出的擔保

融資擔保是指規定發出人(即擔保人)支付指定款項，以補償擔保的受益人(「持有人」)因某一特定債務人未能根據債務工具的條款償付到期債務而產生的損失的合約。

本集團作出履約擔保及訴訟擔保合約，據此，本集團同意就於協定期限內提供服務、供應貨品或履行責任向與第三方訂立合約的客戶提供擔保。本集團須在特定不確定未來事件的不利影響導致對手方未能交付服務及貨品或履行責任的情況下向擔保持有人作出賠償。

倘本集團作出擔保，擔保的公允價值會初始確認為擔保負債內的遞延收入。已發出擔保於發出之時的公允價值乃參考類似公平交易下收取的費用(如可獲得有關資料)，或經比較貸方於有擔保下收取的實際利率與於並無擔保下貸方應收取的估計利率(如有關資料可作出可靠估計)後，參考利率差額以其他方式估計而釐定。倘已就或應就作出擔保收取代價，則該代價會根據本集團適用於該類資產的政策進行確認。倘無已收或應收代價，則在初始確認任何遞延收入時在損益內確認為即時開支。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Guarantees issued (Cont'd)

The fair value of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from guarantees issued. In addition, provisions are recognised in accordance with note 1(s) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in deferred income in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(s) Provisions and contingent liabilities

Provisions are when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1 重大會計政策(續)

(r) 已作出的擔保(續)

初始確認為遞延收入的擔保公允價值於擔保期內在損益內攤銷為已作出擔保的收入。此外，倘(i)擔保持有人可能根據擔保向本集團索償；及(ii)對本集團提出的申索金額預期超逾現時就擔保於遞延收入列賬的金額(即初始確認金額)減累計攤銷，則根據附註1(s)確認撥備。

(s) 撥備及或有負債

倘本集團因過往事件以致有法定或推定責任，而履行該責任可能致使經濟利益流出，且責任金額能夠可靠估計，則確認撥備。倘貨幣的時間價值屬重大，撥備按履行責任的預計開支的現值列賬。

倘該責任可能不會導致經濟利益流出或責任金額難以可靠估計，則該責任將披露為或有負債，除非經濟利益流出的可能性極微。由一件或多件未來事件是否發生確定是否存在的可能責任，亦會披露為或有負債，除非經濟利益流出的可能性極微。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

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

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

1 重大會計政策(續)

(t) 收益及其他收入

當收入於本集團日常業務過程中經銷售商品、提供服務或由其他人士使用本集團租賃資產所產生，則由本集團分類為收益。

收入於產品或服務的控制權轉移至客戶，或承租人有權使用該資產時確認，金額為本集團預期將有權收取的承諾代價，且不包括代表第三方收取的有關金額。收入不包括增值稅或其他銷售稅，且乃經扣減任何貿易折扣。

倘合約載有向客戶提供超過12個月的重大融資利益的融資組成部分，則收入按應收款項的現值計量，並使用反映於與有關客戶的個別融資交易的貼現率貼現，且利息收入根據實際利率法分開入賬。倘合約載有向本集團提供重大融資利益的融資組成部分，則根據該合約確認的收入包括根據實際利率法合約責任附有的利息開支。本集團根據香港財務報告準則第15號第63段，並無於倘融資期為12個月或以下而就重大融資組成部分的任何影響調整代價。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Revenue and other income (Cont'd)

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

(i) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 1(j)(i)).

(ii) Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue from the rendering of services is recognised by reference to the stage of completion of the transaction based on the services performed to date as a percentage of the total services to be performed.

When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the costs incurred that it is probable be recoverable.

(iii) Guarantee fee income

The amount of the guarantee is recognised when guarantee contracts have been made whereby the related guarantee obligation has been accepted, the economic benefits associated with the guarantee contracts will probably flow in, and the amount of revenue associated with guarantee contracts can be measured reliably. The fair value of the guarantee is initially recognised as deferred income and is amortised in profit or loss over the term of the guarantee as guarantee fee income (see note 1(r)).

1 重大會計政策(續)

(t) 收益及其他收入(續)

本集團收益及其他收入確認政策的進一步詳情如下：

(i) 利息收入

利息收入按實際利息法累計確認。就按攤銷成本或按公允價值計入其他全面收益(可劃轉)且並無信用減值的金融資產而言，對其賬面值應用實際利率。就產生信用減值的金融資產而言，對其攤銷成本(即總賬面值減虧損撥備)應用實際利率(見附註1(j)(i))。

(ii) 提供服務

倘涉及提供服務的交易的结果能可靠估計，則參考根據迄今所履行服務佔將履行服務總額的百分比計算的交易完成階段確認提供服務的收益。

倘涉及提供服務的交易的结果不能可靠估計，收益僅以可能可收回的成本為限予以確認。

(iii) 擔保費收入

倘根據已作出的擔保合約，有關擔保責任獲接受，而與擔保合約有關的經濟利益可能將流入，且與擔保合約有關的收益金額能可靠計量，則會確認擔保數額。擔保公允價值初始確認為遞延收入並於擔保期內作為擔保費收入於損益攤銷(見附註1(r))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Revenue and other income (Cont'd)

(iv) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(u) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

1 重大會計政策(續)

(t) 收益及其他收入(續)

(iv) 股息

- 非上市投資的股息收入於股東收取付款的權利確定時確認。
- 已上市投資的股息收入於有關投資的股價除息時確認。

(u) 政府補助

倘可合理保證將收取政府補助且本集團將符合其附帶條件，則政府補助會於綜合財務狀況表初始確認。補償本集團所產生的開支的補助於相關開支產生的相同期間系統地於損益確認為收入。補償本集團資產成本的補助自有關資產的賬面值扣除，且其後於資產的使用年期內透過減少折舊開支在損益中有效確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(v) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Renminbi ("RMB") at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

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

1 重大會計政策(續)

(v) 外幣換算

年內的外幣交易按交易日適用的外幣匯率換算。以外幣計值的貨幣資產及負債按報告期末適用的外幣匯率換算。匯兌收益及虧損於損益內確認。

以外幣歷史成本計量的非貨幣資產及負債使用於交易日適用的外幣匯率換算。交易日為本公司最初確認有關非貨幣資產或負債的日期。按公允價值列賬的以外幣計值非貨幣資產及負債使用計量公允價值當日適用的外幣匯率換算。

境外業務的業績按與交易日適用的外幣匯率相若的匯率換算為人民幣。財務狀況表項目(包括二零零五年一月一日或之後達成的外國業務合併所產生的商譽)則按報告期末的收市外幣匯率換算為人民幣。所產生的匯兌差額在其他全面收入中確認，並在權益中的匯兌儲備分開累計。二零零五年一月之前外國業務合併產生的商譽按收購外國業務當日適用外幣匯率換算。

於出售境外業務時，有關該境外業務的匯兌差額的累計金額於確認出售損益時從權益重新分類至損益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(w) Related parties

- (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 Group's parent.
- (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 parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third party.

1 重大會計政策(續)

(w) 關聯方

- (a) 倘一名人士符合下列條件，則該名人士或其近親與本集團有關聯：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。
- (b) 倘一個實體符合下列任何條件，則該實體與本集團有關聯：
 - (i) 該實體與本集團屬同一集團的成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
 - (ii) 一個實體為另一實體的聯營公司或合營企業(或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業)。
 - (iii) 兩個實體均為同一第三方的合營企業。
 - (iv) 一個實體為第三方實體的合營企業，而另一實體為該第三方的聯營公司。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(w) Related parties (Cont'd)

- (b) An entity is related to the Group if any of the following conditions applies: (Cont'd)
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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.

1 重大會計政策(續)

(w) 關聯方(續)

- (b) 倘一個實體符合下列任何條件，則該實體與本集團有關聯：(續)
- (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福利計劃。
- (vi) 實體受(a)所述人士控制或受共同控制。
- (vii) (a)(i)所述人士對實體有重大影響或屬該實體(或該實體的母公司)的主要管理層成員。

某名人士的近親指在與該實體進行交易的過程中預計會影響該名人士或受其影響的家庭成員。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(x) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial statements provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of 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.

During the reporting period, the directors have determined that the Group has only one single business component/reportable segment as the Group is principally engaged in providing financing solutions to customers, which is the basis to allocate resources and assess performance of the Group.

The Company is an investment holding company and the principal place of the Group's operation is in the PRC. For the purpose of segment information disclosures under HKFRS 8, the Group regarded the PRC as its country of domicile. All the Group's revenue and non-current assets are principally attributable to the PRC, being the single geographical region.

1 重大會計政策(續)

(x) 分部報告

經營分部及財報表所呈報的各分部項目金額，乃根據就分配資源予本集團各業務及地區分部及評估其表現而定期提供予本集團最高層管理人員的財務報表而確定。

就財務申報而言，個別重要營運分部不會匯總呈報，除非有關分部具有類似經濟特徵以及在服務性質、客戶類型或類別、提供服務所採用的方式及監管環境性質方面類似。倘獨立而言並非屬重要的營運分部的上述大部分特徵相同，則可匯總呈報。

報告期內，董事確定本集團僅有一個業務組成部分／可呈報分部，因本集團主要從事為客戶提供融資解決方案，乃本集團分配資源及評估表現的基準。

本公司為投資控股公司及本集團的主要營業地點為中國。就香港財務報告準則第8號下的分部資料披露而言，本集團將中國視作其居住國。所有本集團收益及非流動資產主要歸屬於中國(即單一地區)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

2 ACCOUNTING JUDGEMENT AND ESTIMATES

Notes 27 and 29 contain information about the assumptions and their risk factors relating to fair value of options and financial instruments. Other key sources of estimation uncertainty are as follows:

(a) Provision of guarantee losses

The Group makes reasonable estimate on expense required to fulfil the relevant obligation of guarantee contracts when the Group computes the provisions of guarantee losses. Such estimation is made based on the available information as at the end of each reporting period and is determined by the Group's practical experience, default history of the business, taking into consideration of industry information and market data. It is possible that the practical experience and default history is not indicative of future loss on the guarantees issued. Any increase or decrease in the provision would affect profit or loss in future years.

(b) Impairment of trade and other receivables, factoring receivable and finance lease receivable

As described in note 1(j), trade and other receivables, factoring receivable and finance lease receivable that are measured at amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. If any such evidence exists, impairment loss is provided. Objective evidence of impairment includes observable data that comes to the attention of the Group about loss events such as a significant decline in the estimated future cash flow of an individual debtor or the portfolio of debtors, and significant changes in the financial condition that have an adverse effect on the debtor. If there is an indication that there has been a change in the factors used to determine the allowances for impairment, the impairment loss recognised in prior years is reversed or additional impairment charge is required.

2 會計判斷及估計

附註27及29載有購股權及金融工具公允價值的假設及風險因素，估計不確定因素的其他主要來源如下：

(a) 擔保虧損撥備

本集團於計算擔保虧損撥備時，為履行擔保合約的相關責任所需開支作出合理估計。該估計乃基於各報告期末所獲得的資料及本集團的實際經驗、業務違約記錄作出，經計及行業資料及市場數據。實際經驗及違約記錄可能不可用作未來已發出擔保虧損的指標。撥備的任何增減會影響未來年度的損益。

(b) 貿易及其他應收款項、保理應收款項及融資租賃應收款項減值

如附註1(j)所述，於各報告期末審閱按攤銷成本計量的貿易及其他應收款項、保理應收款項及融資租賃應收款項，以釐定是否有客觀的減值證據。倘存在任何該等證據，則計提減值虧損撥備。客觀的減值證據包括本集團發現有關虧損事件的可觀察數據，如個別債務人或一組債務人的估計未來現金流量大幅減少，對債務人有不利影響的重大財務狀況變動。倘有跡象顯示用於釐定減值撥備的因素變動，會撥回過往年度確認的減值虧損或需要計提額外減值費用。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

3 REVENUE

The principal activities of the Group are the provision of guarantees, financial leasing, factoring and financial consultancy services. The amount of each significant category of revenue recognised during the year is as follows:

3 收益

本集團的主要業務為提供擔保、融資租賃、保理及財務顧問服務。年內已確認的各重大類別收益的金額如下：

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Guarantee fee income	擔保費收入		
– Income from financial guarantees	– 融資擔保收入	6,159	5,934
– Income from online financial guarantees	– 線上融資擔保收入	332,976	—
– Income from performance guarantees	– 履約擔保收入	3,725	5,211
– Income from litigation guarantees	– 訴訟擔保收入	575	57
Gross guarantee fee income	擔保費收入總額	343,435	11,202
Less: guarantee service fee	減：擔保服務費	(312,607)	(1,356)
Net guarantee fee income	擔保費收入淨額	30,828	9,846
Interest income from receivables	應收款資金佔用利息收入	416	16,981
Interest income from finance leasing	融資租賃利息收入	18,295	14,797
Interest income from factoring	保理利息收入	6,067	7,562
Interest income from down payments for investment	投資首付款利息收入	11,321	11,650
Gross interest income	利息收入總額	36,099	50,990
Less: interest expenses	減：利息開支	(16,452)	(263)
Net interest income	利息收入淨額	19,647	50,727
Service fee from consulting services	諮詢服務所得服務費	5,603	29,249
Total	總計	56,078	89,822

During the year 2018, the Group's largest single customer contributed 12.70% of the Group's revenue (2017: 29.48%); while the percentage of the Group's top 5 customers' revenue was 42.87% (2017: 75.58%).

於二零一八年，本集團最大單一客戶的收益佔本集團收益的百分比為12.70%(二零一七年：29.48%)，而本集團五大客戶的收益所佔百分比為42.87%(二零一七年：75.58%)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

4 OTHER REVENUE

4 其他收益

		Note 附註	2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Interest income from bank deposits	銀行存款利息收入		2,846	1,557
Interest income from related parties	關聯方利息收入	31(c)	1,860	—
Government grants	政府補助	(a)	120	663
Gain on sale of non-current assets	出售非流動資產收益		—	734
Others	其他		138	29
Total	總計		4,964	2,983

(a) Guangdong Success Finance Guarantee Company Limited (“Success Guarantee”) received funding support mainly from the Office of People’s Government of Nanhai District of Foshan City. The entitlements of the government grants were under the discretion of the relevant government bureaus. The government grants were provided to the Group for its support to small and medium enterprises. The grants were unconditional and were therefore recognised as income when received. For the year ended 31 December 2018, a government grant amounted to RMB60,000 (2017: RMB274,000) was rewarded to Success Guarantee.

(a) 廣東集成融資擔保有限公司(「集成擔保」)主要從佛山市南海區人民政府辦公室獲取資金支持。政府補助乃由有關政府當局酌情授予。政府補助的目的為補償本集團向中小型企業提供支持。政府補助是無條件的，因此於收到該等補助時確認為收入。截至二零一八年十二月三十一日止年度，政府補助人民幣60,000元(二零一七年：人民幣274,000元)獎勵予集成擔保。

Foshan Success Financial Services Outsourcing Limited (“Success Financial Services”) received funding support mainly from the Office of People’s Government of Chancheng District of Foshan City. The entitlements of the government grants were under the discretion of the relevant government bureaus. The purpose of the government grants was to grant financial assistance to financial enterprises located in Chancheng. For the year ended 31 December 2018, a government grant amounted to RMB50,000 (2017: RMB360,000) was rewarded to Success Financial Services.

佛山市集成金融服務外包有限公司(「集成金服」)主要從佛山市禪城區人民政府辦公室獲取資金支持。政府補助乃由有關政府當局酌情授予。政府補助的目的為向禪城區的金融企業提供財務支持。截至二零一八年十二月三十一日止年度，政府補助人民幣50,000元(二零一七年：人民幣360,000元)已獎勵予集成金服。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after (crediting)/charging:

(a) Impairment allowances and provision - (written back)/charged

		Note 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Provision written back for guarantees issued	就已發出擔保撥回撥備		(1,567)	(441)
Impairment allowances charged for:	就以下各項扣除減值撥備：			
– receivables from guarantee payments	– 應收違約擔保付款	12(a)(i)	1,614	1,307
– factoring receivable	– 保理應收款項	13(b)	787	61
– finance lease receivable	– 融資租賃應收款項	14(b)	1,827	234
– interest in associates	– 於聯營公司的權益	16(a)	—	5,855
– intangible assets	– 無形資產		61	—
Recoveries of amounts previously written off	撥回先前撇銷之款項		(431)	—
Total	總計		2,291	7,016

(b) Staff costs

			2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利		23,441	26,540
Contributions to defined contribution retirement plan	定額退休計劃供款		485	598
Equity settled share-based payment expenses	以權益結算以股份為基礎的付款開支		174	393
Total	總計		24,100	27,531

5 除稅前溢利

除稅前溢利乃經(計入)/扣除以下各項後達致：

(a) 減值準備及撥備 – (撥回)/扣除

(b) 員工成本

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

5 PROFIT BEFORE TAXATION (Cont'd)

(b) Staff costs (Cont'd)

Pursuant to the relevant labour rules and regulations in the PRC, the PRC subsidiaries participate in defined contribution retirement benefit schemes (the "Schemes") organised by the local authority whereby the PRC subsidiaries are required to make contributions to the Schemes based on certain percentages of the eligible employees' salaries. The local government authority is responsible for the entire pension obligations payable to the retired employees.

The Group has no other material obligations for payments of retirement and other post-retirement benefits of employees other than the contributions described above.

(c) Other items

5 除稅前溢利(續)

(b) 員工成本(續)

根據中國相關勞動規則及規例，中國附屬公司參加了由地方機關組織的定額供款退休福利計劃(「有關計劃」)，據此中國附屬公司須向有關計劃按合資格僱員薪金某一百分比作出供款。地方政府機關負責向退休僱員支付全部退休金。

除作出上述供款外，本集團對支付退休金及其他僱員退休後福利並無其他重大責任。

(c) 其他項目

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Depreciation and amortisation	折舊及攤銷	605	857
Operating lease charges:	經營租賃支出：		
minimum lease payments	最低租賃付款	4,132	6,789
Auditors' remuneration	核數師薪酬	2,407	2,857
– audit services	– 審核服務	1,710	1,554
– other services	– 其他服務	697	1,303
Net foreign exchange loss/(gain)	外匯虧損/(收益)淨額	4,094	(1,126)

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

6 綜合損益表的所得稅

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

(a) 綜合損益表內的稅項指：

	附註	2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Current tax	即期稅項		
Provision for PRC income tax for the year	年內中國所得稅撥備	20,665	20,065
Under-provision in respect of prior years	過往年度撥備不足	25	65
	19(a)	20,690	20,130
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	產生及轉回暫時差異	(2,790)	(3,438)
Total	總計	17,900	16,692

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

(b) 按適用稅率計算的稅項開支與會計溢利的對賬：

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Profit before taxation	除稅前溢利	23,181	32,343
Notional tax on profit before taxation, calculated at the rates applicable in the jurisdictions concerned	除稅前溢利的名義稅項，按所涉司法權區適用的稅率計算	17,713	16,265
Effect of non-deductible expenses	不可扣除開支的影響	162	362
Under-provision in respect of prior years	過往年度撥備不足	25	65
Actual tax expense	實際稅項開支	17,900	16,692

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Cont'd)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates: (Cont'd)

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands, respectively.
- (ii) No provision for Hong Kong Profits Tax has been made for the Company and the subsidiaries located in Hong Kong as the Company and the subsidiaries had not derived any income subject to Hong Kong Profits Tax during the year.
- (iii) According to the PRC Corporate Income Tax ("CIT") Law that took effect on 1 January 2008, the Group's PRC subsidiaries are subject to PRC income tax at the statutory tax rate of 25%.
- (iv) Pursuant to the CIT Law and its related regulations, non-PRC-resident enterprises are levied withholding tax at 10% (unless reduced by tax treaties/arrangements) on dividends receivable from PRC enterprises for profits earned since 1 January 2008. Distributions of earnings generated prior to 1 January 2008 are exempt from such withholding tax. As a part of the continuing evaluation of the Group's dividend policy, management considered that for the purpose of business development, the undistributed earnings from 1 January 2008 of the PRC subsidiaries amounted to RMB241,622,000 as at 31 December 2018 (2017: RMB218,895,000) will not be distributed in the foreseeable future. As such, no deferred tax liabilities were recognised in respect of the PRC withholding tax.

6 綜合損益表的所得稅(續)

(b) 按適用稅率計算的稅項開支與會計溢利的對賬：(續)

- (i) 根據開曼群島及英屬處女群島的規則及規例，本集團毋須在開曼群島及英屬處女群島繳納任何所得稅。
- (ii) 於年內，由於本公司及在香港的附屬公司並無錄得任何須繳納香港利得稅的收入，故並未就本公司及附屬公司計提香港利得稅撥備。
- (iii) 根據於二零零八年一月一日生效的中國企業所得稅(「企業所得稅」)法，本集團的中國附屬公司須按25%的法定稅率繳納中國所得稅。
- (iv) 根據企業所得稅法及其相關法規，非中國居民企業須就中國企業自二零零八年一月一日後賺取的溢利應收股息按10%稅率繳納預扣稅(除非根據稅務條約／安排調低)。於二零零八年一月一日前產生的盈利分派獲豁免繳納有關預扣稅。作為本集團股息政策持續評估的一部分，管理層認為，為業務發展目的，中國附屬公司自二零零八年一月一日起至二零一八年十二月三十一日的未分派盈利人民幣241,622,000元(二零一七年：人民幣218,895,000元)不會於可預見未來分派。因此，並無就中國預扣稅確認遞延稅項負債。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

7 DIRECTORS' REMUNERATION

Details of Directors' remuneration of the Group are disclosed as follows:

7 董事薪酬

本集團董事薪酬詳情披露如下：

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Share-based payments	Total
		董事袍金	薪金、津貼及實物福利	退休計劃供款	以股份為基礎的付款(附註(ii))	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Chairman and executive director	主席兼執行董事					
Mr. Zhang Tiewei	張鐵偉先生	1,773	—	—	—	1,773
Executive directors	執行董事					
Ms. Dai Jing(note (i))	戴菁女士(附註(i))	—	652	30	24	706
Mr. Li Bin(note (i))	李斌先生(附註(i))	—	846	31	28	905
Mr. Xu Kaiying	徐凱英先生	1,182	15	—	—	1,197
Mr. Pang Haoquan	龐浩泉先生	591	—	—	—	591
Non-executive director	非執行董事					
Mr. He Darong	何達榮先生	203	—	—	—	203
Independent non-executive directors	獨立非執行董事					
Mr. Tsang Hung Kei	曾鴻基先生	203	—	—	—	203
Mr. Au Tien Chee Arthur	區天游先生	203	—	—	—	203
Mr. Xu Yan	許彥先生	203	—	—	—	203
Mr. Zhou Xiaojiang	周小江先生	203	—	—	—	203
Total	總計	4,561	1,513	61	52	6,187

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

7 DIRECTORS' REMUNERATION (Cont'd)

7 董事薪酬(續)

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

		Salaries, allowances and benefits in kind	Retirement scheme contributions	Share-based payments (note (ii))	Total
Directors' fees	薪金、津貼及 董事袍金	實物福利	退休計劃 供款	以股份為基礎 的付款(附註(ii))	總計
RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Chairman and executive director	主席兼執行董事				
Mr. Zhang Tiwei	張鐵偉先生	858	—	—	858
Executive directors	執行董事				
Ms. Fu Jie (note (i))	傅潔女士(附註(i))	—	2,567	—	2,567
Mr. Chen Hui	陳暉先生	896	102	22	1,020
Mr. Li Bin (note (i))	李斌先生(附註(i))	130	273	28	431
Mr. Hung Hoi Ming Raymond (note (i))	洪海明先生 (附註(i))	29	1,919	—	1,948
Mr. Xu Kaiying	徐凱英先生	598	1,431	—	2,029
Mr. Pang Haoquan	龐浩泉先生	338	—	—	338
Non-executive director	非執行董事				
Mr. He Darong	何達榮先生	130	—	—	130
Independent non-executive directors	獨立非執行董事				
Mr. Tsang Hung Kei	曾鴻基先生	130	—	—	130
Mr. Au Tien Chee Arthur	區天旂先生	130	—	—	130
Mr. Xu Yan	許彥先生	130	—	—	130
Mr. Zhou Xiaojiang	周小江先生	130	—	—	130
Total	總計	3,499	6,292	50	9,841

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

7 DIRECTORS' REMUNERATION (Cont'd)

Notes

- (i) Ms. Fu Jie resigned as an executive director and Chief Executive Officer with effect from 18 May 2018. Mr. Hung Hoi Ming Raymond resigned as an executive director with effect from 20 September 2018. Ms. Dai Jing was appointed as Chief Operation Officer and executive director with effect from 18 May 2018. Mr. Li Bin was appointed as Chief Executive Officer with effect from 18 May 2018.

- (ii) Share-based payments

These represent the estimated value of share options granted to the director under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 1(p)(ii).

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the note 27.

- (iii) There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 December 2018 and 2017.

7 董事薪酬(續)

附註

- (i) 傅潔女士自二零一八年五月十八日起辭任執行董事兼行政總裁。洪海明先生自二零一八年九月二十日起辭任執行董事。戴菁女士自二零一八年五月十八日起獲委任為運營總監兼執行董事。李斌先生自二零一八年五月十八日起獲委任為行政總裁。

- (ii) 以股份為基礎的付款

該等付款指根據本公司購股權計劃授予董事的購股權的估計價值。該等購股權的價值乃根據附註1(p)(ii)所載的本集團關於以股份為基礎的付款的會計政策計量。

該等實物福利的詳情，包括已授出購股權的主要條款及數目，於附註27的「購股權計劃」一段中披露。

- (iii) 截至二零一八年及二零一七年十二月三十一日止年度，概無董事放棄或同意放棄任何薪酬的安排。

Notes to the Financial Statements

財務報表附註

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8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

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

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Salaries and other emoluments	薪金及其他薪酬	1,077	2,209
Contributions to defined contribution retirement plan	定額退休計劃供款	49	61
Share-based payments	以股份為基礎的付款	13	28
Total	總計	1,139	2,298

The emoluments of the one (2017: two) individual with the highest emoluments are within the following bands:

		2018 二零一八年	2017 二零一七年
Nil-HKD1,000,000	零至 1,000,000 港元	—	—
HKD1,000,000-HKD2,000,000	1,000,000 港元至 2,000,000 港元	1	2
HKD2,000,000-HKD3,000,000	2,000,000 港元至 3,000,000 港元	—	—

There were no amounts paid during the years ended 31 December 2018 and 2017 to the individuals in connection with their retirement from employment or compensation for loss of office with the Group, or inducement to join.

8 最高薪酬人士

五名最高薪酬人士中，有四名(二零一七年：三名)為董事，其薪酬於附註7披露。有關其他一名(二零一七年：兩名)人士的薪酬總額如下：

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Salaries and other emoluments	薪金及其他薪酬	1,077	2,209
Contributions to defined contribution retirement plan	定額退休計劃供款	49	61
Share-based payments	以股份為基礎的付款	13	28
Total	總計	1,139	2,298

一名(二零一七年：兩名)最高薪酬人士的薪酬介乎下列範圍：

		2018 二零一八年	2017 二零一七年
Nil-HKD1,000,000	零至 1,000,000 港元	—	—
HKD1,000,000-HKD2,000,000	1,000,000 港元至 2,000,000 港元	1	2
HKD2,000,000-HKD3,000,000	2,000,000 港元至 3,000,000 港元	—	—

截至二零一八年及二零一七年十二月三十一日止年度本集團並未向該等人士支付退休或離職補償或加盟獎勵。

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9 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB5,662,000 (2017: RMB16,301,000) and the weighted average of 528,212,000 ordinary shares (2017: 530,805,000 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

		Note 附註	2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
Issued ordinary shares at 1 January	於一月一日的 已發行普通股		530,805	530,805
Effect of shares issued by share option exercised	已行使購股權所發行 股份的影響	28(c) (ii)	—	—
Effect of shares repurchase	回購股份的影響	28(c) (iii)	(2,593)	—
Weighted average number of ordinary shares at 31 December	於十二月三十一日 的普通股加權平均數目		528,212	530,805

(b) Diluted earnings per share

The Group has convertible bonds as dilutive potential ordinary shares during the year ended 31 December 2018.

As the Group's convertible bonds have an anti-dilutive effect to the basic earnings per share calculation for the year ended 31 December 2018, and, therefore, diluted earnings per share are the same as the basic earnings per share.

9 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據年內本公司普通股股東應佔溢利人民幣5,662,000元(二零一七年：人民幣16,301,000元)及已發行普通股加權平均數528,212,000股(二零一七年：530,805,000股)計算，如下所示：

普通股的加權平均數目

	Note 附註	2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
Issued ordinary shares at 1 January		530,805	530,805
Effect of shares issued by share option exercised	28(c) (ii)	—	—
Effect of shares repurchase	28(c) (iii)	(2,593)	—
Weighted average number of ordinary shares at 31 December		528,212	530,805

(b) 每股攤薄盈利

本集團於截至二零一八年十二月三十一日止年度的可換股債券為攤薄潛在普通股。

由於本集團可換股債券對截至二零一八年十二月三十一日止年度的每股基本盈利計算有反攤薄影響，每股攤薄盈利與每股基本盈利相同。

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10 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

10 現金及現金等價物及其他現金流量資料

(a) Cash and cash equivalents comprise:

(a) 現金及現金等價物包括：

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Demand deposits and term deposits with banks with original maturity less than three months	活期存款及原到期日少於三個月的定期存款	235,609	39,234
Restricted customer pledged deposits	受限制客戶擔保保證金	61	62
Restricted third-party pledged deposits	受限制第三方擔保保證金	308,960	—
Other restricted funds	其他受限制資金	174,390	—
Cash in hand	現金	52	86
Cash and bank deposits in the consolidated statement of financial position	綜合財務狀況表內的現金及銀行存款	719,072	39,382
Restricted customer pledged deposits	受限制客戶擔保保證金	(61)	(62)
Restricted third-party pledged deposits	受限制第三方擔保保證金	(308,960)	—
Other restricted funds	其他受限制資金	(174,390)	—
Cash and cash equivalents in the consolidated cash flow statement	綜合現金流量表內的現金及現金等價物	235,661	39,320

Pursuant to the Implementing Rules for the Administration of Financial Guarantee Companies promulgated by the People's Government of the Guangdong Province on 27 September 2010 and the Notice on Regulating the Management of Customer Pledged Deposits of Financial Guarantee Institutions announced by the Joint Committee for the Regulation of the Financial Guarantee Industry on 15 April 2012, the Group is required to set up certain arrangements to manage the customers' pledged deposits by 31 March 2011.

根據廣東省人民政府於二零一零年九月二十七日頒佈的《融資性擔保公司管理暫行辦法》實施細則及融資性擔保業務監管部際聯席會議於二零一二年四月十五日下發的《關於規範融資性擔保機構客戶擔保保證金管理的通知》，本集團須於二零一一年三月三十一日前設立若干安排以管理客戶擔保保證金。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

10 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Cont'd)

(a) Cash and cash equivalents comprise: (Cont'd)

These arrangements include: (i) enter into tripartite custodian agreement among lending bank, customer or the third party and the Group, for ensuring the entrustment of lending bank to manage the deposits; (ii) deposit the pledged deposit received from the customer/third party into a designated custodian bank account; and (iii) such deposit is not available for use by the Group.

In order to comply with the aforesaid rules and regulations, the Group had set up internal guidelines which were adopted by the Group in May 2012. However, the aforesaid rules and regulations are not enforceable to banks and the Group could not enter into tripartite custodian arrangement with certain lending banks. As at 31 December 2018, restricted customer pledged deposits of RMB56,000 (2017: RMB57,000) were deposited into a designated bank account under tripartite custodian arrangements. For those guarantee services without setting up tripartite custodian arrangements, the Group has maintained the restricted customer pledged deposits received in the Group's bank accounts.

10 現金及現金等價物及其他現金流量資料(續)

(a) 現金及現金存款包括：(續)

有關安排包括：(i) 貸款銀行、客戶與本集團間訂立三方託管協議，確保委託貸款銀行管理保證金；(ii) 從客戶收取的擔保保證金存入指定託管銀行賬戶；及(iii)本集團不可使用有關保證金。

為遵守上述規則及法規，本集團已制定並於二零一二年五月採納內部指引。然而，上述規則及法規不可對銀行強制執行，而本集團未能與若干貸款銀行簽訂三方託管安排。於二零一八年十二月三十一日，根據三方託管安排存入指定銀行賬戶的受限制客戶擔保保證金為人民幣56,000元(二零一七年：人民幣57,000元)。就該等並無設立三方託管安排的擔保服務而言，本集團已於本集團銀行賬戶管理所收取的受限制客戶擔保保證金。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

10 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Cont'd)

(a) Cash and cash equivalents comprise: (Cont'd)

Pursuant to the agreements in relation to the online financial guarantee business, the Group set up certain arrangements to manage the third parties' pledged deposits.

These arrangements include: (i) enter into tripartite custodian agreement among lending bank, the third party and the Group, for ensuring the entrustment of lending bank to manage the deposits; (ii) deposit the pledged deposit received from the third party into a designated custodian bank account; and (iii) such deposit is not available for use by the Group. As at 31 December 2018, restricted third-party pledged deposits of RMB308,960,000 (2017: 0) were deposited into a designated bank account under tripartite custodian arrangements.

As at 31 December, the restricted pledged deposits received were maintained as follows:

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Restricted third-party pledged deposits	受限制第三方擔保保證金	308,960	—
Restricted customer pledged deposits:	受限制客戶擔保保證金：		
- designated custodian bank accounts	- 指定託管銀行賬戶	56	57
- the Group's bank accounts	- 本集團的銀行賬戶	5	5
Total	總計	309,021	62

10 現金及現金等價物及其他現金流量資料(續)

(a) 現金及現金存款包括：(續)

根據有關線上融資性擔保業務的協議，本集團設立若干安排以管理第三方擔保保證金。

有關安排包括：(i) 貸款銀行、第三方與本集團間訂立三方託管協議，確保委託貸款銀行管理保證金；(ii) 從第三方收取的擔保保證金存入指定託管銀行賬戶；及(iii) 本集團不可使用有關保證金。於二零一八年十二月三十一日，根據三方託管安排存入指定銀行賬戶的受限制第三方擔保保證金為人民幣308,960,000元(二零一七年：0)。

於十二月三十一日，維持所收取的受限制擔保保證金如下：

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

10 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Cont'd)

10 現金及現金等價物及其他現金流量資料(續)

(b) Reconciliation of liabilities arising from financing activities

(b) 融資活動所產生負債的對賬

		Interest-bearing borrowings	Obligations under finance leases	Liability component of convertible bond	Total
		計息借款	融資租賃負債	可換股債券的負債部分	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	5,231	506	—	5,737
Changes from financing cash flows:	融資現金流量變動：				
Net proceeds from issuance of convertible bonds	發行可換股債券所得款項淨額	—	—	92,422	92,422
Repayment of interest-bearing borrowings	償還計息借款	(5,000)	—	—	(5,000)
Interest element of finance lease rentals paid	已付融資租賃租金利息部分	—	(171)	—	(171)
Interest paid	已付利息	(335)	—	(4,015)	(4,350)
Total changes from financing cash flows	融資現金流量變動總額	(5,335)	(171)	88,407	82,901
Exchange adjustments	匯兌調整	—	(70)	8,898	8,828
Other changes:	其他變動：				
Interest expenses	利息開支	104	—	16,224	16,328
Finance charges on obligations under finance leases	融資租賃負債的融資費用	—	124	—	124
Increase in other payables	其他應付款項增加	—	—	(3,001)	(3,001)
Decrease in other receivables	其他應收款項減少	—	—	112	112
Total other changes	其他變動總額	104	124	13,335	13,563
At 31 December 2018	於二零一八年十二月三十一日	—	389	110,640	111,029

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

11 PLEDGED BANK DEPOSITS

Pledged bank deposits represent the deposits pledged to banks for the financial guarantees that the Group provides to the customers for their borrowings from banks.

11 已質押銀行存款

已質押銀行存款指已質押予多家銀行的存款，用作本集團就客戶向多家銀行的借款而向之提供的融資擔保。

12 TRADE AND OTHER RECEIVABLES

12 貿易及其他應收款項

			31 December	31 December
		Note	2018	2017
		附註	於二零一八年	於二零一七年
			十二月三十一日	十二月三十一日
			RMB' 000	RMB' 000
			人民幣千元	人民幣千元
Receivables from guarantee payments	應收違約擔保付款	(a)(i)	247,083	259,685
Less: allowances for doubtful debts	減：呆賬撥備	(a)(ii)	(14,432)	(12,818)
			232,651	246,867
Trade debtors from guarantees	來自擔保的應收賬款		22,801	858
Trade debtors from consultancy services	來自顧問服務的應收賬款		13,344	19,233
Interest arising from receivables from guarantee payments	應收違約擔保付款產生的利息		—	8,500
			36,145	28,591
Trade receivables	貿易應收款項	(a)	268,796	275,458
Down payments for investments	投資首付款	(b)	74,850	74,850
Deposit and other receivables, net of impairment allowances	扣除減值撥備的按金及其他應收款項	(c)	210,378	155,599
Amounts due from related parties	應收關聯方款項	31(d)	27,568	2,734
			581,592	508,641
Deferred expenses	遞延開支		98,075	1,357
Mortgage assets	抵押資產		3,380	3,561
Others	其他		42,172	5,011
Total	總計		725,219	518,570

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

12 TRADE AND OTHER RECEIVABLES (Cont'd)

12 貿易及其他應收款項(續)

(a) Ageing analysis of trade receivables

As of the end of the reporting period, the ageing analysis of trade receivables (net of allowances for doubtful debts), based on the guarantee income recognition date or advance payment date, is as follows:

		31 December 2018 於二零一八年 十二月三十一日 RMB' 000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB' 000 人民幣千元
Within 1 month	1個月內	14,563	1,458
Over 1 month but less than 3 months	1個月以上但不超過3個月	—	1,455
Over 3 months but less than 1 year	3個月以上但不超過1年	7,381	78,125
More than 1 year	1年以上	261,284	207,238
Total	總計	283,228	288,276
Less: allowances for doubtful debts	減：呆賬撥備	(14,432)	(12,818)
Total	總計	268,796	275,458

(a) 貿易應收款項賬齡分析

截至報告期末，按擔保收入確認日期或墊款付款日期計算，貿易應收款項(扣除呆賬撥備)的賬齡分析如下：

(i) Receivables from guarantee payments

Receivables from guarantee payments represented payments made by the Group to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurred because the customers fail to make payments when due in accordance with the terms of the corresponding debt instruments. Receivables from guarantee payments were interest-bearing and the Group holds certain collaterals over certain customers.

During the year ended 31 December 2018, the Group did not dispose of receivables from guarantee payments.

(i) 應收違約擔保付款

應收違約擔保付款指由本集團作出的付款，以補償擔保的受益人(「持有人」)因客戶未能根據相應債務工具的條款償付到期債務而產生的損失。應收違約擔保付款為計息款項，且本集團針對若干客戶持有若干抵押品。

截至二零一八年十二月三十一日止年度，本集團並無出售應收違約擔保付款。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

12 TRADE AND OTHER RECEIVABLES (Cont'd)

(a) Ageing analysis of trade receivables (Cont'd)

(ii) Trade receivables that are impaired

Impairment losses in respect of trade and other receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against debtors directly (see note 1(j)).

At 31 December 2018, the Group's debtors of RMB42,122,000 (2017: RMB35,560,000) of receivables from guarantee payments were determined to be stage 3 lifetime ECL credit-impaired. These related to customers or other parties that were in financial difficulties and management assessed that the receivables are not expected to be fully recovered. Consequently, allowances for the doubtful debts were recognised as follows:

		Note 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January	於一月一日		12,818	11,511
Charged	扣除	5(a)	1,614	1,307
Written off	核銷		—	—
Disposal	出售		—	—
At 31 December	於十二月三十一日		14,432	12,818

12 貿易及其他應收款項(續)

(a) 貿易應收款項賬齡分析(續)

(ii) 已減值的貿易應收款項
貿易及其他應收款項的減值虧損採用撥備賬入賬，除非本集團信納不太可能收回有關款項，在該情況下，該減值虧損將直接自應收賬款中撇銷(請參閱附註1(j))。

於二零一八年十二月三十一日，本集團應收擔保付款人民幣42,122,000元(二零一七年：人民幣35,560,000元)釐定為第三階段存在信貸減值的整個存續期預期信貸虧損。該等應收款項與出現財政困難的客戶及其他各方有關，而管理層評估該等應收款項預期無法全數收回。因此，呆賬撥備確認如下：

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

12 TRADE AND OTHER RECEIVABLES (Cont'd)

(a) Ageing analysis of trade receivables (Cont'd)

(iii) Trade receivables that are not impaired

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Neither past due nor impaired	既無逾期亦無減值	26,170	4,226
Less than 3 months past due	逾期不足3個月	—	2,013
More than 3 months but less than 1 year past due	逾期超過3個月 但不足1年	—	73,056
More than 1 year	超過1年	214,936	173,421
Total	總計	241,106	252,716

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

Receivables that were past due but not impaired relate to a number of independent customers of whom the Group has continuously monitored their credit status. Based on the credit assessment, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and these balances are pledged by certain assets of these customers. Therefore, the balances are still considered fully recoverable.

(b) Down payments for investments

Down payments for investments represented the down payments for the acquisition projects that the Group is conducting.

12 貿易及其他應收款項(續)

(a) 貿易應收款項賬齡分析(續)

(iii) 未減值的客戶貿易應收款項

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元

既無逾期亦無減值的應收款項	既無逾期亦無減值	26,170	4,226
與多類並無近期違約記錄的客戶有關。	逾期不足3個月	—	2,013
	逾期超過3個月 但不足1年	—	73,056
	超過1年	214,936	173,421

既無逾期亦無減值的應收款項與多類並無近期違約記錄的客戶有關。

已逾期但並無減值的應收款項與本集團一直持續監督其信貸狀況的眾多獨立客戶有關。根據信貸評估，由於信貸質素並無重大改變，且有關結餘由該等客戶的若干資產作為抵押，故管理層認為毋須就該等結餘作出任何減值撥備。因此，有關結餘仍被視為可全額收回。

(b) 投資首付款

投資首付款指本集團正在進行的收購項目的首付款。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

12 TRADE AND OTHER RECEIVABLES (Cont'd)

(c) Deposit and other receivables, net of impairment allowances

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deposit and other receivables	按金及其他應收款項	216,478	161,699
Less: allowances for other receivables	減：其他應收款項撥備	(6,100)	(6,100)
		210,378	155,599

As at 31 December 2018, management adopted a lifetime ECL credit impaired assessment on the Group's debtor's amounting to RMB6,100,000, for which a full impairment allowance had been provided.

At 31 December 2017, the Group's other receivables of RMB6,100,000 were individually determined to be impaired. The individually impaired receivables related to debtors that were in financial difficulties and management assessed that the receivables are not expected to be recovered. Consequently, full specific allowances for the doubtful debts were recognised.

Based on the management's assessment as at 31 December 2018, there were no changes in the allowances for other receivables as at 31 December 2018.

12 貿易及其他應收款項(續)

(c) 扣除減值撥備的按金及其他應收款項

**31 December
2018**

於二零一八年
十二月三十一日

RMB'000

人民幣千元

31 December
2017

於二零一七年
十二月三十一日

RMB'000

人民幣千元

216,478

於二零一八年十二月三十一日，管理層對本集團應收款項人民幣6,100,000元採用整個存續期預期信貸虧損進行信貸減值評估，並就此計提悉數減值撥備。

於二零一七年十二月三十一日，本集團為數人民幣6,100,000元的其他應收款項被釐定為個別減值。個別減值應收款項與出現財政困難的債務人有關，而管理層評估該等應收款項預期無法收回。因此，就呆賬全額確認具體撥備。

根據管理層於二零一八年十二月三十一日的估計，截至二零一八年十二月三十一日，其他應收款項的撥備並無變動。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

13 FACTORING RECEIVABLE

13 保理應收款項

31 December 2018

於二零一八年十二月三十一日

		12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
		12個月 預期信貸 虧損	無信貸減值 的生命週期 預期信貸 虧損	存在信貸減 值的生命 週期預期 信貸虧損	總計
	Note 附註	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Factoring receivable	保理應收款項	62,000	—	26,950	88,950
Interest receivable from factoring receivable	保理應收款項 應收利息	196	—	4,896	5,092
Less: allowances for factoring receivable	減：保理應收 款項撥備 (a)/(b)	(1,569)	—	(1,474)	(3,043)
Carrying amount of factoring receivable	保理應收款項 賬面值	60,627	—	30,372	90,999

31 December 2017

於二零一七年十二月三十一日

			Factoring receivable for which allowances are collectively assessed	Total
			綜合評估撥備之 保理應收款項	總計
	Note 附註		RMB' 000 人民幣千元	RMB' 000 人民幣千元
Factoring receivable	保理應收款項		91,950	91,950
Interest receivable from factoring receivable	保理應收款項應收利息		4,035	4,035
Less: allowances for factoring receivable	減：保理應收款項撥備 (a)/(b)		(1,136)	(1,136)
			94,849	94,849

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

13 FACTORING RECEIVABLE (Cont'd)

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of factoring receivable, based on the maturity date in contracts, is as follows:

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Within 1 month	1個月內	105	320
Over 1 month but less than 3 months	1個月以上但不超過3個月	—	22,332
Over 3 months but less than 1 year	3個月以上但不超過1年	65,116	72,188
More than 1 year	1年以上	28,821	1,145
Total	總計	94,042	95,985
Less: allowances for factoring receivable	減：保理應收款項撥備	(3,043)	(1,136)
Total	總計	90,999	94,849

13 保理應收款項(續)

(a) 賬齡分析

截至報告期末，按合約內到期日期計算，保理應收款項的賬齡分析如下：

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Within 1 month	1個月內	105	320
Over 1 month but less than 3 months	1個月以上但不超過3個月	—	22,332
Over 3 months but less than 1 year	3個月以上但不超過1年	65,116	72,188
More than 1 year	1年以上	28,821	1,145
Total	總計	94,042	95,985
Less: allowances for factoring receivable	減：保理應收款項撥備	(3,043)	(1,136)
Total	總計	90,999	94,849

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

13 FACTORING RECEIVABLE (Cont'd)

(b) Impairment of factoring receivable

Impairment losses in respect of factoring receivable are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against debtors directly (see note 1(j)).

Consequently, an allowance of impairment losses for factoring receivable during the year was recognised as follows:

13 保理應收款項(續)

(b) 保理應收款項減值

保理應收款項的減值虧損採用撥備賬入賬，除非本集團信納不太可能收回有關款項，在該情況下，該減值虧損將直接自應收賬款中撇銷(請參閱附註1(j))。

因此，年內就保理應收款項確認減值虧損撥備如下：

		2018 二零一八年			
		12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
		12個月 預期信貸 虧損	無信貸減值 的生命週期 預期信貸 虧損	存在信貸 減值的生命 週期預期 信貸虧損	總計
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Balance at 31 December 2017	於二零一七年十二月三十一日之結餘	865	—	271	1,136
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	852	—	268	1,120
Balance at 1 January 2018	於二零一八年一月一日之結餘	1,717	—	539	2,256
Transfer to 12-month ECL	轉撥至12個月預期信貸虧損	(123)	—	123	—
Transfer to lifetime ECL not credit-impaired	轉撥至無信貸減值的生命週期預期信貸虧損	—	—	—	—
Transfer to lifetime ECL credit-impaired	轉撥至存在信貸減值的生命週期預期信貸虧損	—	—	—	—
Net remeasurement of loss allowance	重新計量虧損撥備淨額	(25)	—	812	787
New financial assets originated	新產生之金融資產	—	—	—	—
Recoveries of amounts previously written off	收回先前撇銷之款項	—	—	—	—
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	1,569	—	1,474	3,043

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

13 FACTORING RECEIVABLE (Cont'd)

(b) Impairment of factoring receivable (Cont'd)

		2017 二零一七年	
		Collective 綜合 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Balance at 1 January	於一月一日之結餘	1,075	1,075
Charged	扣除	61	61
Balance at 31 December	於十二月三十一日之結餘	1,136	1,136

13 保理應收款項(續)

(b) 保理應收款項減值

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

14 FINANCE LEASE RECEIVABLE

14 融資租賃應收款項

31 December 2018

於二零一八年十二月三十一日

			12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
		Note	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元
				無信貸減值 的生命週期 預期信貸 虧損	存在信貸 減值的生命 週期預期 信貸虧損	總計
Net amount of finance lease receivable	融資租賃應收款項淨額		47,919	—	144,567	192,486
Less: allowances for finance lease receivable	減：融資租賃應收款項撥備	(a)/(b)	(1,389)	—	(4,191)	(5,580)
Carrying amount of finance lease receivable	融資租賃應收款項賬面值		46,530	—	140,376	186,906

As at 31 December 2017

於二零一七年十二月三十一日

				Finance lease receivables for which allowances are collectively assessed	Total
		Note	RMB' 000	RMB' 000	RMB' 000
		附註	人民幣千元	人民幣千元	人民幣千元
				綜合評估撥備之 保理應收款項	總計
Amounts due from lessees	應收承租人款項			203,039	203,039
Less: unearned finance income	減：未實現融資收入			(24,665)	(24,665)
Less: allowances for finance lease receivable	減：融資租賃應收款項撥備	(a)/(b)		(2,191)	(2,191)
				176,183	176,183

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

14 FINANCE LEASE RECEIVABLE (Cont'd)

(a) The table below analyses the Group's finance lease receivable by relevant maturity grouping at the end of the reporting period:

14 融資租賃應收款項(續)

(a) 下表分析於報告期末按相關到期組別劃分的本集團融資租賃應收款項：

		2018 二零一八年		2017 二零一七年	
		Present value of the minimum lease payments 最低租賃 款項現值 RMB' 000 人民幣千元	Total minimum lease payments 最低租賃 款項總額 RMB' 000 人民幣千元	Present value of the minimum lease payments 最低租賃 款項現值 RMB' 000 人民幣千元	Total minimum lease payments 最低租賃 款項總額 RMB' 000 人民幣千元
Overdue	逾期	28,179	28,179	466	466
Within 1 year	一年內	109,774	116,640	57,212	60,233
After 1 year but within 5 years	一年後但 於五年內	54,533	58,357	120,696	142,340
Total	總計	192,486	203,176	178,374	203,039
Less: allowances for finance lease receivable	減：融資租賃 應收款項撥備	(5,580)	(5,580)	(2,191)	(2,191)
Total	總計	186,906	197,596	176,183	200,848

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

14 FINANCE LEASE RECEIVABLE (Cont'd)

14 融資租賃應收款項(續)

(b) Impairment allowances charged for finance lease receivable

(b) 就融資租賃應收款項扣除減值撥備

		2018 二零一八年			
		12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
		12個月 預期信貸 虧損	無信貸減值 的生命週期 預期信貸 虧損	存在信貸 減值的生命 週期預期 信貸虧損	總計
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Balance at 31 December 2017	於二零一七年 十二月三十一日 之結餘	589	—	1,602	2,191
Impact on initial application of HKFRS 9	首次應用香港財務報告 準則第9號之影響	419	—	1,143	1,562
Balance at 1 January 2018	於二零一八年一月一日 之結餘	1,008	—	2,745	3,753
Transfer to 12-month ECL	轉撥至12個月預期信 貸虧損	—	—	—	—
Transfer to lifetime ECL not credit-impaired	轉撥至無信貸減值的 生命週期預期信貸 虧損	—	—	—	—
Transfer to lifetime ECL credit-impaired	轉撥至存在信貸減值的 生命週期預期信貸 虧損	—	—	—	—
Net remeasurement of loss allowance	重新計量虧損撥備淨額	381	—	1,446	1,827
New financial assets originated	新產生之金融資產	—	—	—	—
Recoveries of amounts previously written off	收回先前撇銷之款項	—	—	—	—
Balance at 31 December 2018	於二零一八年 十二月三十一日 之結餘	1,389	—	4,191	5,580

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

14 FINANCE LEASE RECEIVABLE (Cont'd)

(b) Impairment allowances charged for finance lease receivable (Cont'd)

		2017 二零一七年	
		Collective 綜合 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Balance at 1 January	於一月一日之結餘	1,957	1,957
Charged	扣除	234	234
Balance at 31 December	於十二月三十一日之結餘	2,191	2,191

14 融資租賃應收款項(續)

(b) 就融資租賃應收款項扣除減值撥備(續)

(c) An analysis of the overdue finance lease receivable is as follows:

		2018 二零一八年				2017 二零一七年			
		Overdue over 3 months but within 1 year	Over 1 year	Total	Overdue within 3 months	Overdue over 3 months but within 1 year	Over 1 year	Total	
		逾期不足 三個月 RMB' 000 人民幣千元	逾期三個月 以上但 不足一年 RMB' 000 人民幣千元	一年以上 RMB' 000 人民幣千元	總計 RMB' 000 人民幣千元	逾期不足 三個月 RMB' 000 人民幣千元	逾期三個月 以上但 不足一年 RMB' 000 人民幣千元	一年以上 RMB' 000 人民幣千元	總計 RMB' 000 人民幣千元
Finance lease receivable	融資租賃應收款項	—	27,713	466	28,179	—	—	466	466

(c) 已逾期融資租賃應收款項的分析如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

15 INVESTMENTS IN SUBSIDIARIES

The following list contains the particulars of subsidiaries of the Group.

15 於附屬公司的投資

以下列表載有本集團附屬公司的詳情。

Name of company	Place and date of incorporation/ establishment	Fully paid up capital	Proportion of ownership interest			Principal activities
			Group's effective interest	Held by the Company	Held by a subsidiary	
			本集團的實際權益	由本公司持有	由附屬公司持有	
Double Chance Developments Limited ("Double Chance")	BVI 8 February 2012 英屬處女群島 二零一二年二月八日	1 share of USD1 each 1股每股面值 1美元的股份	100%	100%	—	Investment holding 投資控股
Yes Success Limited ("Yes Success")	BVI 3 June 2015 英屬處女群島 二零一五年六月三日	1 share of USD1 each 1股每股面值 1美元的股份	100%	100%	—	Investment holding 投資控股
China Success Capital Limited ("Success Capital")	BVI 29 June 2016 英屬處女群島 二零一六年六月二十九日	1 share of USD1 each 1股每股面值 1美元的股份	100%	100%	—	Investment holding 投資控股
China Success Finance Holdings Limited ("Success Finance") 中國集成金融控股有限公司(「集成金融」)	Hong Kong 18 November 2011 香港 二零一一年十一月十八日	10,000 shares of HKD1 each 10,000股每股面值 1港元的股份	100%	—	100%	Investment holding 投資控股
China Success Capital (HK) Limited ("Success Capital (HK)") 中國金融發展(香港)有限公司 (「中金發展(香港)」)	Hong Kong 1 August 2016 香港 二零一六年八月一日	—	100%	—	100%	Provision of asset management and merger services outside the PRC 於中國境外提供資產管理及合併服務
Guangdong Success Asset Management Company Limited ("Success Asset") 廣東集成資產管理有限公司(「集成資產」)	The PRC 23 June 2004 中國 二零零四年六月二十三日	RMB170,270,000 人民幣 170,270,000元	99.27%	—	99.27%	Provision of asset management and financial consultancy services in the PRC 在中國提供資產管理及財務顧問服務
Guangdong Success Finance Guarantee Company Limited ("Success Guarantee") 廣東集成融資擔保有限公司(「集成擔保」)	The PRC 26 December 1996 中國 一九九六年十二月二十六日	RMB430,000,000 人民幣 430,000,000元	99.27%	—	100%	Provision of financial guarantee services in the PRC 在中國提供融資擔保服務

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

15 INVESTMENTS IN SUBSIDIARIES (Cont'd)

15 於附屬公司的投資(續)

Name of company	Place and date of incorporation/ establishment	Fully paid up capital	Proportion of ownership interest			Principal activities
			Group's effective interest	Held by the Company	Held by a subsidiary	
公司名稱	註冊成立/ 成立的地點及日期	已繳足資本	本集團的 實際權益	由本公司 持有	由附屬公司 持有	主要業務
Shenzhen Success Financial Leasing Company Limited ("Success Financial Leasing") 深圳市集成融資租賃有限公司 (「集成融資租賃」)	The PRC 6 June 2014 中國 二零一四年六月六日	USD28,000,000 28,000,000 美元	100%	—	100%	Provision of financial leasing services in the PRC 在中國提供融資租賃服務
Shenzhen Success Equity Investment Fund Management Limited ("Success Equity Fund") 深圳集成股權投資基金管理有限公司 (「集成股權基金」)	The PRC 6 September 2014 中國 二零一四年九月六日	RMB15,000,000 人民幣 15,000,000 元	100%	—	100%	Equity investment in the PRC 在中國進行股權投資
Shenzhen Success Number One Equity Investment Fund Limited Partnership ("Success Fund") 深圳市集成一號股權投資基金中心(有限合夥) (「集成基金」)	The PRC 14 January 2015 中國 二零一五年一月十四日	RMB194,000,000 人民幣 194,000,000 元	100%	—	100%	Equity investment in the PRC 在中國進行股權投資
Shenzhen Qianhai Success Housing Wealth Management Company Limited ("Qianhai Success Housing") 深圳前海集成房產財富管理有限公司 (「前海集成房產」)	The PRC 8 July 2015 中國 二零一五年七月八日	RMB61,000,000 人民幣 61,000,000 元	100%	—	100%	Provision of real estate financial services in the PRC 在中國提供房地產融資服務
Foshan Success Financial Services Outsourcing Limited ("Success Financial Services") 佛山市集成金融服務外包有限公司 (「集成金服」)	The PRC 15 October 2015 中國 二零一五年十月十五日	RMB30,000,000 人民幣 30,000,000 元	60%	—	60%	Provision of real estate financial services in the PRC 在中國提供房地產融資服務
Guangzhou Hengyue Number Six Investment Limited Partnership ("Hengyue Number Six") 廣州恒粵六號投資合夥企業(有限合夥)(「恒粵六號」)	The PRC 23 February 2017 中國 二零一七年二月二十三日	RMB45,070,027 人民幣 45,070,027 元	99.34%	—	100%	Equity investment in the PRC 在中國進行股權投資
Foshan Guangda Asset Management Company Limited ("Guangda Asset") 佛山市廣達資產管理有限公司(「廣達資產」)	The PRC 27 April 2017 中國 二零一七年四月二十七日	RMB25,000,000 人民幣 25,000,000 元	99.27%	—	100%	Provision of asset management services in the PRC 在中國提供資產管理服務
Foshan Zaisheng Number One Enterprise Management Consultancy Limited Partnership ("Zaisheng Number One") 佛山市再生一號企業管理諮詢中心(有限合夥)(「再生一號」)	The PRC 12 June 2017 中國 二零一七年六月十二日	RMB23,000,000 人民幣 23,000,000 元	99.27%	—	100%	Provision of enterprise management consultancy services in the PRC 在中國提供企業管理顧問服務

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

15 INVESTMENTS IN SUBSIDIARIES (Cont'd)

15 於附屬公司的投資(續)

Name of company	Place and date of incorporation/ establishment	Fully paid up capital	Proportion of ownership interest			Principal activities
			Group's effective interest	Held by the Company 所有權權益比例	Held by a subsidiary	
公司名稱	註冊成立/ 成立的地點及日期	已繳足資本	本集團的 實際權益	由本公司 持有	由附屬公司 持有	主要業務
T. M. Management Limited ("T. M. Management") (Note) (附註)	Hong Kong 4 March 1986 香港 一九八六年三月四日	HKD 10,000 10,000港元	100%	—	100%	Provision of portfolio management services such as stocks, funds, bonds and so on outside the PRC 在中國境外提供組合管理服務，如股票、基金、債券及其他
Guangzhou Hengyue Number Ten Investment Limited Partnership ("Hengyue Number Ten") 廣州恒粵十號投資合夥企業(有限合夥)(「恒粵十號」)	The PRC 9 August 2016 中國 二零一六年八月九日	—	99.22%	—	99.95%	Equity investment in the PRC 在中國進行股權投資
Success Fund Management Limited ("Success Fund Management") 成功基金管理有限公司(「成功基金管理」)	Cayman Islands 15 June 2018 開曼群島 二零一八年六月十五日	—	100%	100%	—	Fund management outside the PRC 在中國境外進行基金管理
China Success Investment Funds Segregated Portfolio Company ("Success Investment Funds") 中國成功投資基金分離投資組合公司(「成功投資基金」)	Cayman Islands 15 June 2018 開曼群島 二零一八年六月十五日	—	100%	100%	—	Fund investment outside the PRC 在中國境外進行基金投資

Note On 14 February 2018, the Group purchased 100% share of T. M. Management Limited ("T. M. Management"). The total consideration of the transaction was HKD6,897,000. On the acquisition date, since the main assets and liabilities of T. M. Management were cash equivalents, miscellaneous receivables and payables, the book value of assets and liabilities were considered as the fair value. On the acquisition date, T.M. Management had net assets of HKD397,000. The Group has recognised a goodwill of HKD6,500,000.

Since the acquisition date, the Group has consolidated the total revenue of HKD1,191,000 and net profit of HKD39,800 from T.M. Management in the consolidated statement of profit or loss and OCI for the reporting period.

附註 於二零一八年二月十四日，本集團收購T. M. Management Limited(「T. M. Management」)的100%股份。交易總代價為6,897,000港元。於收購日期，由於T. M. Management的主要資產及負債為現金等價物、其他應收款項及應付款項，資產及負債的賬面值被視為公允價值。於收購日期，T. M. Management的資產淨值為397,000港元。本集團已確認商譽6,500,000港元。

自收購日期起，本集團已將來自T.M. Management的總收益1,191,000港元及純利39,800港元於報告期內的綜合損益及其他全面收益表內綜合入賬。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

16 INTEREST IN ASSOCIATES

The following list contains the particulars of the associates, which are unlisted corporate entities whose quoted market price is not available:

Name of associate	Form of business structure	Place of incorporation and operation	Fully paid up capital	Proportion of ownership interest		Principal activity
				Group's effective interest 所有權益比例	Held by a subsidiary 由附屬公司持有	
聯營公司名稱	商業架構形式	註冊成立及營運地點	繳足資本	本集團的實際權益	由附屬公司持有	主要業務
Foshan Chancheng Success Micro Credit Co., Ltd. ("Success Credit") 佛山市禪城集成小額貸款有限公司*(「集成貸款」)	Incorporated 註冊成立	The PRC 中國	RMB250,000,000 人民幣 250,000,000元	27.08%	27.28%	Micro credit financing 小額信貸融資
Guangzhou Hengsheng Fund Management Co., Ltd. ("Guangzhou Hengsheng") 廣州恒晟基金管理有限公司*(「廣州恒晟」)	Incorporated 註冊成立	The PRC 中國	RMB23,900,000 人民幣 23,900,000元	40% (Note 1) (附註1)	40%	Equity fund management 股權基金管理
Guangzhou Rongdacheng Information Technology Service Co., Ltd. ("Guangzhou Rongdacheng") 廣州融達成信息技術服務有限公司*(「廣州融達成」)	Incorporated 註冊成立	The PRC 中國	RMB8,000,000 人民幣 8,000,000元	30% (Note 2) (附註2)	30%	Information technology 信息技術
Foshan Fozhiying Industrial Investment Co.Ltd. ("Fozhiying") 佛山市佛旨盈產業投資有限公司*(「佛旨盈」)	Incorporated 註冊成立	The PRC 中國	—	30% (Note 3) (附註3)	30%	Investment consultancy 投資諮詢

16 於聯營公司的權益

以下列表載有該聯營公司的詳情，該聯營公司為非上市公司實體，無法獲取其市場報價：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

16 INTEREST IN ASSOCIATES (Cont'd)

* The English translation of the names is for reference only. The official names of the entities are in Chinese.

Note 1 Together with two entities, Success Fund established Guangzhou Hengsheng on 23 November 2015. Success Fund had fully paid up its subscribed capital of RMB20,000,000, which accounted for 40% of the total subscribed capital. In 2017, Xizang Xuekunfushen Investment Co.Ltd., one of its shareholders, has paid up RMB3,900,000 of its subscribed capital.

Note 2 Together with two entities and two individuals, Success Fund established Guangzhou Rongdacheng on 20 July 2016. Success Fund had fully paid up its subscribed capital of RMB3,000,000, which accounted for 30% of the total subscribed capital.

Note 3 Together with two entities, Success Fund established Fozhiying on 25 August 2016. Success Fund had subscribed capital of RMB2,400,000, which accounted for 30% of the total subscribed capital.

Note 4 On 15 January 2018, the Group withdrew its injected capital of RMB3,200,000 from Guangzhou Chenghuijin Investment Management Partnership("Guangzhou Chenghuijin"), one of its associates as at 31 December 2017 and no longer have any equity interest in Guangzhou Chenghuijin as at 31 December 2018.

All of the above associates are accounted for using the equity method in the consolidated financial statements.

16 於聯營公司的權益(續)

* 英文翻譯僅供參考。該些公司的官方名稱為中文。

附註1 二零一五年十一月二十三日，集成基金與兩家實體成立廣州恒晟。集成基金已繳足其認繳的人民幣20,000,000元，佔總認繳股本的40%。於二零一七年，其中一名股東西藏雪坤富神投資有限公司已實繳股本人民幣3,900,000元。

附註2 二零一六年七月二十日，集成基金與兩家實體及兩名個人成立廣州融達成。集成基金已繳足其認繳的人民幣3,000,000元，佔認繳總額的30%。

附註3 二零一六年八月二十五日，集成基金與兩家實體成立佛旨盈。集成基金已認繳人民幣2,400,000元，佔認繳總額的30%。

附註4 於二零一八年一月十五日，本集團向廣州成匯金投資管理合夥企業(「廣州成匯金」)(於二零一七年十二月三十一日為其聯營公司之一)提取其注資人民幣3,200,000元，且於二零一八年十二月三十一日不再於廣州成匯金擁有任何權益。

上述所有聯營公司乃使用權益法於綜合財務報表入賬。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

16 INTEREST IN ASSOCIATES (Cont'd)

- (a) Summarised financial information of the Success Credit as a material associate, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below:

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
<i>Gross amounts of the associate's</i>	<i>聯營公司的總額</i>		
Current assets	流動資產	286,873	313,984
Non-current assets	非流動資產	41,195	42,353
Current liabilities	流動負債	(68,455)	(72,227)
Equity	權益	259,613	284,110
		2018	2017
		二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Revenue	收益	7,216	23,965
Expenses	開支	(17,227)	(23,243)
Total comprehensive income	全面收入總額	(10,011)	722

16 於聯營公司的權益(續)

- (a) 下文披露重要聯營公司集成貸款的財務資料概要，其已就會計政策的差異作出調整且與綜合財務報告所載賬面值對賬：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

16 INTEREST IN ASSOCIATES (Cont'd)

- (a) Summarised financial information of the Success Credit as a material associate, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below: (Cont'd)

Reconciled to the Group's interests in the associate 與本集團於聯營公司的權益對賬

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Gross amounts of net assets of the associate	聯營公司資產淨值總額	259,613	284,110
Group's effective interest	本集團的實際權益	27.08%	27.08%
Group's share of net assets of the associate	本集團應佔聯營公司資產淨值	70,305	76,939
Non-controlling interests in the net assets of the associate	於聯營公司資產淨值中的非控股權益	517	566
Goodwill	商譽	4,232	4,232
Impairment on cost	成本減值	(5,855)	(5,855)
Carrying amount in the consolidated financial statements	綜合財務報表所載賬面值	69,199	75,882

As at 31 December 2018, the proportion of ownership interest in Success Credit held by Success Guarantee was 27.08%. Success Guarantee has significant influence in Success Credit by appointing 3 of 9 representatives in the board of directors.

The recoverable amount of the Group's interest in Success Credit estimated using the value in use method was lower than the total carrying amount of the Group's interest in Success Credit. As a result, an impairment of RMB5,855,000 was recognised for interest in Success Credit as at 31 December 2018 (31 December 2017: RMB5,855,000). The value in use was determined using dividend discount model under income approach based on cash flow projections of Success Credit. A terminal growth rate of 3% was applied. A cost of equity of 15.80% was used as the discount rate in the value in use calculations.

16 於聯營公司的權益(續)

- (a) 下文披露重要聯營公司集成貸款的財務資料概要，其已就會計政策的差異作出調整且與綜合財務報告所載賬面值對賬：(續)

	2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
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於二零一八年十二月三十一日，集成擔保持有的集成貸款所有權權益比例為27.08%。集成擔保通過委任3名(共9名)代表加入董事會而對集成貸款產生重大影響。

本集團所持集成貸款權益的可收回金額採用使用價值方法估計，低於本集團所持集成貸款權益的賬面總值。因此，於二零一八年十二月三十一日就於集成貸款的權益確認減值人民幣5,855,000元(二零一七年十二月三十一日：人民幣5,855,000元)。使用價值乃採用收入法項下的股息貼現模型，基於集成貸款的現金流量預測釐定。永久增長率3%已獲採用。股權成本15.80%已用作計算使用價值的貼現率。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

16 INTEREST IN ASSOCIATES (Cont'd)

- (b) Aggregate information of associates that are not individually material

Aggregate carrying amount of individually immaterial associates in the consolidated financial statements 綜合財務報表中個別非重大聯營公司的賬面總值

16 於聯營公司的權益(續)

- (b) 個別非重大聯營公司的綜合資料

31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
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	22,403	25,584
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2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
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Aggregate amounts of the Group's share of those associates 本集團分佔該等聯營公司總額		
Gain/(loss) from operations 經營收益/(虧損)	19	(395)
Other comprehensive income 其他全面收入	—	—
Total comprehensive income 全面收入總額	19	(395)

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

17 EQUIPMENT

17 設備

		Motor vehicles	Office and other equipment	Total equipment
		汽車	辦公及 其他設備	設備總值
		RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元
Cost	成本			
At 1 January 2017	於二零一七年一月一日	4,221	2,887	7,108
Exchange adjustments	匯兌調整	(94)	(36)	(130)
At 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日及 二零一八年一月一日	4,127	2,851	6,978
Additions	添置	—	48	48
Disposals	處置	(81)	(566)	(647)
Exchange adjustments	匯兌調整	64	27	91
At 31 December 2018	於二零一八年 十二月三十一日	4,110	2,360	6,470
Accumulated depreciation	累計折舊			
At 1 January 2017	於二零一七年一月一日	(2,820)	(1,398)	(4,218)
Charge for the year	年內折舊	(370)	(487)	(857)
Written back on disposal	出售撥回	—	9	9
At 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日 及二零一八年一月一日	(3,190)	(1,876)	(5,066)
Charge for the year	年內折舊	(239)	(325)	(564)
Written back on disposal	出售撥回	77	538	615
Exchange adjustments	匯兌調整	(20)	(15)	(35)
At 31 December 2018	於二零一八年 十二月三十一日	(3,372)	(1,678)	(5,050)
Net book value	賬面淨值			
At 31 December 2018	於二零一八年 十二月三十一日	738	682	1,420
At 31 December 2017	於二零一七年 十二月三十一日	937	975	1,912

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

18 OTHER FINANCIAL ASSETS

18 其他金融資產

		31 December 2018	1 January 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一八年 一月一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元
Financial assets measured at FVPL	以按公允價值計入損益列賬的金融資產			
-Unlisted equity investment	– 非上市股權投資	23,951	8,066	—
Available-for-sale financial assets	可供出售金融資產			
-Unlisted equity investment	– 非上市股權投資	—	—	8,066

On 6 April 2012, Success Guarantee entered into an agreement with Foshan Success Finance Group Co., Ltd. (“Foshan Finance”). On 12 October 2012, Guangdong Success Asset Management Company Limited (“Success Asset”) entered into a tripartite agreement with Foshan Finance and a third party, who is a constructor. These agreements are related to acquisition of properties from Foshan Finance by Success Guarantee and Success Asset at a total consideration of RMB54,300,000. The properties are floors of a commercial building located in Foshan, the PRC, and will be held for own use by the Group. According to the agreements, Foshan Finance acts as the representative to lead the whole tender and development process, while the construction of the commercial building is subcontracted to the constructor by Foshan Finance. The properties will be transferred to the Group upon the expected date of completion of the construction in 2016. On 21 October 2013, Success Guarantee entered into a supplementary agreement with Foshan Finance, and Success Asset entered into a supplementary tripartite agreement with Foshan Finance and the constructor. On 23 October 2013, the prepayments of RMB20,893,000 and RMB27,300,000 was refunded to Success Guarantee and Success Asset, respectively. Prepayments of RMB6,107,000 from Success Guarantee was 3.5% of the costs of the land use rights of RMB174,480,000, which were paid by Foshan Finance to the relevant governmental bureau for and on behalf of and attributable to Success Guarantee.

於二零一二年四月六日，集成擔保與佛山市集成金融集團有限公司（「佛山金融」）訂立一份協議。於二零一二年十月十二日，廣東集成資產管理有限公司（「集成資產」）與佛山金融及一名第三方（為建築商）訂立一份三方協議。該等協議與集成擔保及集成資產以總代價人民幣54,300,000元向佛山金融收購物業有關。有關物業指一幢位於中國佛山市的商業樓宇的數個樓層，將由本集團持作自用。根據該等協議，佛山金融會擔任代表，負責整個投標及開發過程，且佛山金融會將商業樓宇的建設工程分包予建築商。有關物業將於二零一六年預期建設完工日期轉交予本集團。於二零一三年十月二十一日，集成擔保與佛山金融訂立一份補充協議，而集成資產與佛山金融及建築商訂立一份補充三方協議。於二零一三年十月二十三日，預付款項人民幣20,893,000元及人民幣27,300,000元已分別退還予集成擔保及集成資產。來自集成擔保的預付款項人民幣6,107,000元為土地使用權成本人民幣174,480,000元的3.5%，乃由佛山金融代表集成擔保向相關政府機構支付並歸屬於集成擔保。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

18 OTHER FINANCIAL ASSETS (Cont'd)

On 25 January 2017, to increase the efficiency of the construction and development of the properties, Success Guarantee entered into an agreement with seven entities, which are related parties to the Group. Pursuant to the agreement, the eight parties agreed to establish a company in the PRC and transfer their respective interests in the above properties to the newly set up company. On 9 February 2017, the eight parties established Foshan Shengshi Junen Enterprise Management Company Limited ("Shengshi Junen Enterprise Management"). Pursuant to the Article of Shengshi Junen Enterprise Management, Success Guarantee holds 3.5% shares of Shengshi Junen Enterprise Management, and contributed a 3.5% interest in the properties as the registered capital of Shengshi Junen Enterprise Management. The value of the properties assessed in January 2017 was RMB225,917,000 (including value of land use rights of RMB195,465,000 and value of construction in process of RMB30,452,000). Success Guarantee initially recognised an available-for-sale financial asset at an amount of RMB7,907,000, 3.5% of the value of the properties. The difference between the 3.5% shares of land use rights and the prepayment of RMB6,107,000 was recognised as gain from disposal of non-current assets for RMB734,000. The 3.5% of the value of construction in process was recognised as capital reserve and non-controlling interests amounting to RMB1,054,000 and RMB11,000, respectively, as waiver of debts from related parties. On 14 November 2017, all shareholders of Shengshi Junen Enterprise Management paid up capital of RMB4,536,000 by cash. Success Guarantee contributed a 3.5% interest and paid up RMB159,000.

On 1 January 2018, available-for-sale financial asset was reclassified to financial asset measured at fair value through profit or loss upon the initial application of HKFRS9. At 31 December 2018, the carrying amount was RMB23,951,000 (2017: 8,066,000), 3.5% of the value of Shengshi Junen Enterprise Management.

18 其他金融資產(續)

於二零一七年一月二十五日，為提高有關物業的建設及開發效率，集成擔保與七家實體(均為本集團的關聯方)訂立協議。根據該協議，八家訂約方同意在中國成立一家公司，將彼等各自於上述物業中的權益轉移至新成立的公司。於二零一七年二月九日，八家訂約方成立佛山市盛世雋恩企業管理有限公司(「盛世雋恩企業管理」)。根據盛世雋恩企業管理的公司章程，集成擔保持有盛世雋恩企業管理3.5%的股份，將有關物業3.5%的權益注資作為盛世雋恩企業管理的註冊資本。有關物業於二零一七年一月的評估值為人民幣225,917,000元(包括土地使用權的價值為人民幣195,465,000元及在建工程的價值為人民幣30,452,000元)。集成擔保初始確認可供出售金融資產金額為人民幣7,907,000元，相當於有關物業價值的3.5%。土地使用權的3.5%與預付款項人民幣6,107,000元之間的差額確認為處置非流動資產的收益人民幣734,000元。由於關聯方免除債務，在建工程價值的3.5%確認為資本儲備及非控股權益，分別為人民幣1,054,000元及人民幣11,000元。於二零一七年十一月十四日，盛世雋恩企業管理的所有股東以現金繳足股本人民幣4,536,000元。集成擔保所佔權益為3.5%，繳納股本人民幣159,000元。

於二零一八年一月一日，在初步應用香港財務報告準則第9號後可供出售金融資產被重新分類為按公允價值計入損益的金融資產。於二零一八年十二月三十一日，賬面值為人民幣23,951,000元(二零一七年：人民幣8,066,000元)，為盛世雋恩企業管理價值的3.5%。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

19 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

19 綜合財務狀況表內所得稅

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

(a) 綜合財務狀況表內即期稅項指：

	Note	2018	2017
	附註	二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
At 1 January		12,902	10,063
Provision for PRC income tax for the year		20,690	20,130
PRC income tax paid	6(a)	(15,725)	(17,291)
At 31 December		17,867	12,902

(b) Deferred tax assets and liabilities recognised

(b) 已確認遞延稅項資產及負債

The components of deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and the movements during the year are as follows:

於年內，於綜合財務狀況表確認的遞延稅項資產/(負債)組成部分及變動如下：

	Deferred income	Provision of financial guarantee losses	Impairment allowances for trade and other receivables	Accrued expenses	Share of profit of an associate	Government grants	Interest receivables	Long-term unamortised expenses	Fair value change gains and losses	Re-guarantee fee	Total
	遞延收入	融資擔保虧損撥備	應收款項減值撥備	應計開支	分佔聯營公司溢利	政府補貼	應收利息	長期未攤銷開支	公允價值變動收益及虧損	分擔保費	總計
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	1,992	(4,062)	5,161	633	(2,739)	(4,535)	(140)	—	(56)	(3,746)
Credited/(charged) to profit or loss	計入/(扣自)損益	24	(979)	1,864	(97)	(49)	2,579	96	—	—	3,438
At 31 December 2017	於二零一七年十二月三十一日	2,016	(5,041)	7,025	536	(2,788)	(1,956)	(44)	—	(56)	(308)
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	—	1,992	670	—	2,071	—	—	—	—	4,733
At 1 January 2018	於二零一八年一月一日	2,016	(3,049)	7,695	536	(717)	(1,956)	(44)	—	(56)	4,425
Credited/(charged) to profit or loss	計入/(扣自)損益	28,239	377	1,058	403	(401)	1,467	(107)	(24,275)	(3,971)	2,790
At 31 December 2018	於二零一八年十二月三十一日	30,255	(2,672)	8,753	939	(1,118)	(489)	(151)	(24,275)	(3,971)	7,215

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

19 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

19 綜合財務狀況表內所得稅 (續)

(c) Reconciliation to the consolidated statement of financial position

(c) 綜合財務狀況表的對賬

	31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	1 January 2018 於二零一八年 一月一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	7,215	4,425	1,105
Net deferred tax liabilities recognised in the consolidated statement of financial position	—	—	(1,413)
	7,215	4,425	(308)

(d) Deferred tax assets not recognised

(d) 未確認的遞延稅項資產

In accordance with the accounting policy set out in note 1(q), the Group has not recognised deferred tax assets of RMB7,955,000 (2017: RMB5,540,000) in respect of cumulative tax losses of RMB 42,225,000 (2017: RMB28,901,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The remaining unused tax losses were mainly from Success Capital (HK), Success Equity Fund and Success Financial Services and do not expire under current tax legislation.

根據附註1(q)所載會計政策，本集團就累計稅項虧損人民幣42,225,000元(二零一七年：人民幣28,901,000元)未確認的遞延稅項資產為人民幣7,955,000元(二零一七年：人民幣5,540,000元)，原因是相關稅務機關及實體不大可能擁有可用以抵銷虧損的未來應課稅溢利。餘下的未動用稅項虧損主要來自中金發展(香港)、集成股權基金及集成金服，根據現行稅項法律並無屆滿。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

19 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

(e) Deferred tax liabilities not recognised

At 31 December 2018, temporary differences relating to the undistributed profits of the PRC subsidiaries amounted to RMB241,622,000 (2017: RMB218,895,000). Deferred tax liabilities of RMB24,162,000 (2017: RMB21,890,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that these profits will not be distributed in the foreseeable future (note 6(b)(iv)).

20 GOODWILL

Acquisition of T. M. Management

On 14 February 2018, the Group acquired 100% ordinary shares of T. M. Management Limited, which is licensed to carry out business of Type 9 Regulated activities as defined in the Securities and Futures Ordinance. The total consideration of the transaction was HKD6,897,000 which was paid in cash, of which HKD1,290,000 has been prepaid as at 31 December 2017. This has resulted in goodwill arising on a business combination amounted to HKD6,500,000.

19 綜合財務狀況表內所得稅 (續)

(e) 未確認的遞延稅項負債

於二零一八年十二月三十一日，與中國附屬公司的未分配溢利有關的暫時差額為人民幣241,622,000元(二零一七年：人民幣218,895,000元)。尚未就於分派該等保留溢利時應支付的稅項確認遞延稅項負債人民幣24,162,000元(二零一七年：人民幣21,890,000元)，乃由於本公司控制該等附屬公司的股息政策及該等溢利於可預見未來將不會分派的決定已做出(附註6(b)(iv))。

20 商譽

31 December 2018	31 December 2017
於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
RMB'000	RMB'000
人民幣千元	人民幣千元

收購T. M. Management

5,695

—

於二零一八年二月十四日，本集團收購T. M. Management Limited之全部普通股，其獲發牌從事第9類受規管活動(定義見證券及期貨條例)的業務。交易代價總額6,897,000港元已按現金支付，截至二零一七年十二月三十一日，其中1,290,000港元已預付。故業務合併產生之商譽為6,500,000港元。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

21 LIABILITIES FROM GUARANTEES

21 擔保負債

		31 December 2018	31 December 2017
	Note 附註	於二零一八年 十二月三十一日 RMB' 000 人民幣千元	於二零一七年 十二月三十一日 RMB' 000 人民幣千元
Deferred income		121,021	8,037
Provision of guarantee losses	(a)	7,166	768
		128,187	8,805

(a) Provision of guarantee losses

(a) 擔保虧損撥備

		31 December 2018	31 December 2017
	Note 附註	於二零一八年 十二月三十一日 RMB' 000 人民幣千元	於二零一七年 十二月三十一日 RMB' 000 人民幣千元
At 31 December of previous year		768	1,209
Impact on initial application of HKFRS 9		7,965	—
At 1 January		8,733	1,209
Written back for the year	5(a)	(1,567)	(441)
At 31 December		7,166	768

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

22 PLEDGED DEPOSITS RECEIVED

Pledged deposits received represent deposits received from customers or third parties as collateral security for the financial guarantees issued by the Group. These deposits will be refunded to the customers or third parties upon expiry of the corresponding guarantee contracts. According to the contract, these deposits are expected to be settled within one year.

22 已收擔保保證金

已收擔保保證金指向客戶或第三方收取的保證金，作為本集團發出融資擔保的抵押品。該等保證金將於相應擔保合約屆滿後退還予客戶或第三方。根據合約，該等保證金預計將於一年內結清。

23 INTEREST-BEARING BORROWINGS

23 計息借款

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Borrowings from	來自下列人士的借款		
– Third parties	– 第三方	—	5,000
Interest payable to	應付下列人士的利息		
– Third parties	– 第三方	—	231
Total	總計	—	5,231

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

24 LIABILITY COMPONENT OF CONVERTIBLE BONDS

On 1 February 2018, the Company issued the convertible bonds ("CBs") with a principal amount of HKD154,000,000 at face value. For details, please refer to the Company's announcement on 25 January 2018. Major terms of the CBs are as below:

- (i) The CBs carry 6% coupon interest per annum payable semi-annually in arrears on 1 February and 1 August in each year. The Company shall pay each bondholder administrative fee equal to one (1) percent of the aggregate principal amount of the outstanding bonds held by each bondholder on each of the issue date and each anniversary thereof.
- (ii) The Company may redeem the CBs in full, but not in part, at any time the first anniversary of the issue date at an amount equal to the aggregate of; (i) the aggregate principal amount of all the outstanding CBs; (ii) any accrued but unpaid interest (including any default interest) and outstanding administrative fees on such outstanding CBs; and (iii) an amount that would yield an internal rate of return of ten (10) per cent on the aggregate principal amount of such outstanding CBs from the issue date until the date on which the entire outstanding amount of such redemption price has been fully paid by the Company.
- (iii) Subject to and upon compliance with those conditions in contract, the conversion right in respect of the CBs may be exercised, at the option of the bondholder thereof, at any time in full or in part after twelve (12) months from the issue date up to the close of business on one (1) business day prior to the maturity date (both days inclusive) by giving a notice to the issuer of not less than ten (10) business days. The conversion price will initially be HKD2.20 per share.

24 可換股債券的負債部分

於二零一八年二月一日，本公司已按面值發行本金額為154,000,000港元的可換股債券（「可換股債券」）。有關詳情，請參閱本公司於二零一八年一月二十五日之公告。可換股債券的主要條款載列如下：

- (i) 可換股債券按年息票率6%計息，每半年支付一次，即每年的二月一日及八月一日。本公司須向各債券持有人支付管理費，金額等同於每位債券持有人於各發行日期及其週年日各自持有的未償還債券本金總額的百分之一（1%）。
- (ii) 本公司可於發行日期的首個週年日任何時間悉數贖回可換股債券（但並非部分），金額等同於以下各項總和：(i) 所有未償還可換股債券的本金總額；(ii) 該等未償還可換股債券的任何應計但未付利息（包括任何拖欠利息）及尚未償付管理費；及(iii) 自該等未償還可換股債券發行日期起至有關贖回價的全部未償還金額已由本公司悉數支付日期就該等可換股債券本金總額按內部回報率百分之十（10%）計算之回報金額。
- (iii) 受合約條件的規限且在遵守合約條件的情況下，有關可換股債券持有人可選擇經向本公司發出不少於十（10）個營業日的通知，於發行日期起十二（12）個月後直至到期日前一（1）個營業日營業結束時（包括首尾兩日）隨時全部或部分行使有關換股權。換股價將初步定為每股2.20港元。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

24 LIABILITY COMPONENT OF CONVERTIBLE BONDS (Cont'd)

The CBs contain two components, the liability and equity components. The initial fair value of the two components was determined based on gross proceeds at issuance. The initial fair value less allocated transaction costs of the liability component was estimated to be approximately RMB 93,660,000 as at the issuance date by using the Binomial Tree Model, taking into account the terms and conditions of the CBs. In subsequent periods, the liability component is measured at amortized cost using effective interest rate method. The effective interest rate of the liability component of CBs is 17.8% per annum. The residual amount less allocated transaction costs representing the value of the equity component of approximately RMB 29,695,000, was presented in equity under the heading 'capital reserve'.

Fair value of the liability component was determined using the Binomial Tree Model and the major inputs into the model are as follows:

24 可換股債券的負債部分 (續)

可換股債券由兩個部分組成，即負債部分及權益部分。該兩個部分的初始公允價值乃按發行所得款項總額釐定。初始公允價值減負債部分的已分配交易成本乃於發行日期採用二項樹模型，並計及可換股債券的條款及條件後釐定，估計為約人民幣93,660,000元。於隨後期間，負債部分乃採用實際利率法按攤銷成本計量。可換股債券的負債部分的實際利率為每年17.8%。剩餘金額減已分配交易成本即權益部分的價值約人民幣29,695,000元，乃於權益內呈列為「資本儲備」。

負債部分的公允價值乃採用二項樹模型釐定及模型中的主要輸入數據載列如下：

		At issue date 於發行日期
Stock price	股價	HKD1.60 1.60 港元
Exercise price	行使價	HKD2.20 2.20 港元
Expected volatility	預期波幅	64%
Dividend yield	股息收益率	0%
Option life	購股權年期	12 months 12 個月
Risk free rate	無風險利率	1.43%

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

24 LIABILITY COMPONENT OF CONVERTIBLE BONDS (Cont'd)

The movements of components of the CBs during the period are set out below:

		Liability component At amortised cost	Equity component Residual amount
		負債部分 按攤銷成本 RMB' 000 人民幣千元	權益部分 剩餘金額 RMB' 000 人民幣千元
At the date of issue	於發行日期	93,660	29,695
Interest charge	利息支出	16,224	—
Net increase in interest payable	應付利息增加淨額	(3,001)	—
Net increase in administrative fee paid in advance	預付管理費增加淨額	112	—
Interest paid	已付利息	(4,015)	—
Administrative fee paid	已付管理費	(1,238)	—
Exchange adjustment	匯兌調整	8,898	—
At 31 December 2018	於二零一八年十二月三十一日	110,640	29,695

24 可換股債券的負債部分 (續)

可換股債券組成部分於期內的變動載列如下：

25 ACCRUALS AND OTHER PAYABLES

			31 December 2018	31 December 2017
		Note	於二零一八年十二月三十一日 RMB' 000 人民幣千元	於二零一七年十二月三十一日 RMB' 000 人民幣千元
Accruals and other payables	應計費用及其他應付款項	(i)	393,937	48,217
Total	總計		393,937	48,217

(i) Accruals and other payables are expected to be settled within one year or time dependent but both of them are repayable on demand.

(i) 應計費用及其他應付款項預期將於一年內結清，並按須即時償還。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

26 OBLIGATIONS UNDER FINANCE LEASES

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

26 融資租賃負債

於二零一八年十二月三十一日，本集團應償還的融資租賃負債如下：

		31 December 2018 於二零一八年 十二月三十一日		31 December 2017 於二零一七年 十二月三十一日	
		Present value of the minimum lease payments 最低租賃 款項現值 RMB' 000 人民幣千元	Total minimum lease payments 最低租賃 款項總額 RMB' 000 人民幣千元	Present value of the minimum lease payments 最低租賃 款項現值 RMB' 000 人民幣千元	Total minimum lease payments 最低租賃 款項總額 RMB' 000 人民幣千元
Within 1 year	一年內	166	171	164	170
After 1 year but within 2 years	一年後但於兩年內	156	171	154	170
After 2 years but within 5 years	兩年後但於五年內	67	86	188	254
		389	428	506	594
Less: total future interest expenses	減：未來利息開支總額		(39)		(88)
Present value of lease obligations	租賃負債現值		389		506

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

27 EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company adopted a share option scheme on 18 October 2013 (the "Share Option Scheme") whereby one director and 49 employees in the Group are invited, to take up options at HKD1 to subscribe for shares of the Company. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

(a) The terms and conditions of the grants are as follows:

27 以股權結算以股份為基礎的交易

本公司於二零一三年十月十八日採納購股權計劃(「購股權計劃」)，據此，本集團的一名董事及49名僱員獲邀以1港元接納購股權以認購本公司的股份。每份購股權授予持有人認購本公司一股普通股的權利並以股份全數結算。

(a) 授出的條款及條件如下：

Date granted 授出日期	Vesting date 歸屬日期	Expiry date 到期日	Number of share options granted 授出購股權數目			Contractual life of options 購股權的合約期限
			Director 董事	Employees 僱員	Total 總計	
6 November 2013 二零一三年十一月六日	30 June 2014 二零一四年六月三十日	5 November 2023 二零二三年十一月五日	500,000	4,500,000	5,000,000	10 years 10年
	30 June 2016 二零一六年六月三十日	5 November 2023 二零二三年十一月五日	300,000	2,700,000	3,000,000	10 years 10年
	30 June 2018 二零一八年六月三十日	5 November 2023 二零二三年十一月五日	200,000	1,800,000	2,000,000	10 years 10年
			1,000,000	9,000,000	10,000,000	

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

27 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED) (Cont'd)

27 以股權結算以股份為基礎的交易(續)

(b) The number and weighted average exercise prices of share options are as follows:

(b) 購股權的數目及加權平均行使價如下：

	2018 二零一八年		2017 二零一七年	
	Exercise price 行使價	Number of options 購股權數目	Exercise price 行使價	Number of options 購股權數目
Granted and outstanding at the beginning of the year 年初已授出但尚未發行	HKD1.90 1.90 港元	6,501	HKD1.90 1.90 港元	7,488
Forfeited during the year 年內已沒收	HKD1.90 1.90 港元	(13)	HKD1.90 1.90 港元	(987)
Exercised during the year 年內已行使	HKD1.90 1.90 港元	—	HKD1.90 1.90 港元	—
Granted and outstanding at the end of the year 年末已授出但尚未發行	HKD1.90 1.90 港元	6,488	HKD1.90 1.90 港元	6,501
Exercisable at the end of the year 年末可行使	HKD1.90 1.90 港元	5,638	HKD1.90 1.90 港元	5,640

Note: The options outstanding at 31 December 2018 had an exercise price of HKD1.90 and a weighted average remaining contractual life of 4.8 years (2017: 5.8 years).

附註：於二零一八年十二月三十一日的未行使的購股權的行使價為1.90港元及其加權平均剩餘合約期限為4.8年(二零一七年：5.8年)。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

27 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED) (Cont'd)

27 以股權結算以股份為基礎的交易(續)

(c) Fair value of share options and assumptions:

(c) 購股權的公允價值及假設：

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial lattice model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

授出購股權而收取的服務的公允價值是參照所授出購股權的公允價值計算。所授出購股權的公允價值估算是根據二項式矩陣模式計算。購股權的合約年期已應用在該模式作輸入數據。二項式矩陣模式已包括預計提早行使的影響。

Fair value of share options and assumptions

購股權的公允價值及假設

Fair value (weighted average) per share option at measurement date	於計量日每份購股權的公允價值 (加權平均)	HKD1.60
Share price	股價	1.60 港元
		HKD2.68
		2.68 港元
Exercise price	行使價	HKD1.90
		1.90 港元
Expected volatility rate	預期波幅	64.861%
Option life	購股權年期	10 years
		10 年
Expected dividends	預期股息	0%
Risk-free interest rate (based on Exchange MFund Notes)	無風險利率 (基於外匯基金債券)	1.874%

The expected volatility is based on the historic volatilities of the share prices of the comparable companies in recent years around the date of valuation. Changes in the subjective input assumptions could materially affect the fair value estimate.

預期波幅是依據估值日的近些年度可比較公司股份價格的歷史波幅而得出。有關的主觀假設輸入的變動可能嚴重影響所估計的公允價值。

The risk-free rate of interest with expected term shown above was taken to be the linearly interpolated yields of the Hong Kong Exchange Fund Notes as at the grant date.

上文所示預期期限的無風險利率被視為於授出日期香港外匯基金債券線性插補收益率。

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no other market conditions associated with the share options.

購股權是根據一項服務條件授出。計算所收取服務在授出日的公允價值時並無考慮這項條件。並無其他市場條件與購股權相關。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

28 SHARE CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		The Company 本公司					
		Share capital	Share premium	Capital reserve	Exchange reserve	Accumulated losses	Total
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		Note 28(c)	Note 28(d)	Note 28(e)	Note 28(h)		
		附註 28(c)	附註 28(d)	附註 28(e)	附註 28(h)		
Balance at 1 January 2017	於二零一七年一月一日的結餘	4,241	447,472	8,467	45,558	(65,250)	440,488
Changes in equity for 2017:	二零一七年的權益變動：						
Gain for the year	年內收益	—	—	—	—	11,533	11,533
Exchange differences on translation of financial statement	財務報表換算所產生的匯兌差異	—	—	—	(27,962)	—	(27,962)
Total comprehensive income	全面收入總額	—	—	—	(27,962)	11,533	(16,429)
Dividends approved in respect of the previous year	批准的上年度股息	—	—	—	—	(9,381)	(9,381)
Equity settled share-based transactions	以股權結算以股份為基礎的交易	—	—	393	—	—	393
Balance at 31 December 2017	於二零一七年十二月三十一日的結餘	4,241	447,472	8,860	17,596	(63,098)	415,071

28 股本及儲備

(a) 權益部分的變動

本集團綜合權益各部分的期初與期末結餘之間的對賬載於綜合權益變動表內。於年初及年末，本公司個別權益部分的變動詳情載列如下：

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

28 SHARE CAPITAL AND RESERVES (Cont'd)

28 股本及儲備(續)

(a) Movements in components of equity (Cont'd)

(a) 權益部分的變動(續)

		The Company 本公司					
		Share capital 股本	Share premium 股份溢價	Capital reserve 資本儲備	Exchange reserve 外匯儲備	Accumulated losses 累計虧損	Total 總計
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
		Note 28(c) 附註 28(c)	Note 28(d) 附註 28(d)	Note 28(e) 附註 28(e)	Note 28(h) 附註 28(h)		
Balance at 31 December 2017	於二零一七年十二月三十一日的結餘	4,241	447,472	8,860	17,596	(63,098)	415,071
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	—	—	—	—	—	—
Adjusted balance on 1 January 2018	於二零一八年一月一日的經調整結餘	4,241	447,472	8,860	17,596	(63,098)	415,071
Changes in equity for 2018:	二零一八年的權益變動：						
Loss for the year	年內虧損	—	—	—	—	(49,261)	(49,261)
Exchange differences on translation of financial statement	財務報表換算所產生的匯兌差異	—	—	—	20,184	—	20,184
Total comprehensive income	全面收入總額	—	—	—	20,184	(49,261)	(29,077)
Purchase of own shares	購買自身股票	(54)	(5,300)	—	—	—	(5,354)
Shares issued under share option scheme	根據購股權計劃發行的股份	—	—	29,694	—	—	29,694
Equity settled share-based transactions	以股權結算以股份為基礎的交易	—	—	174	—	—	174
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	4,187	442,172	38,728	37,780	(112,359)	410,508

(b) Dividends

(b) 股息

The Company did not declare dividend through the year of 2018. Thus, there is no balance for dividend payable at 31 December 2018.

本公司於二零一八年並無宣派股息。因此，於二零一八年十二月三十一日並無應付股息結餘。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

28 SHARE CAPITAL AND RESERVES (Cont'd)

(c) Share capital

(i) Authorised and issued share capital

	Note 附註	2018 二零一八年			2017 二零一七年		
		No. of shares '000 千股	Share capital HKD'000 千港元	Share capital RMB'000 人民幣千元	No. of shares '000 千股	Share capital HKD'000 千港元	Share capital RMB'000 人民幣千元
Authorised:							
Ordinary shares of HKD0.01 each		800,000	8,000	6,512	800,000	8,000	6,512
Ordinary shares, issued and fully paid:							
At 1 January		530,805	5,308	4,241	530,805	5,308	4,241
Shares issued under share option scheme	28(c)(ii)	—	—	—	—	—	—
Shares repurchased	28(c)(iii)	(6,170)	(62)	(54)	—	—	—
At 31 December		524,635	5,246	4,187	530,805	5,308	4,241

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派的股息，並且於本公司大會上每股可投一票。所有普通股就本公司的剩餘資產享有同等地位。

28 股本及儲備(續)

(c) 股本

(i) 法定及已發行股本

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

28 SHARE CAPITAL AND RESERVES (Cont'd)

(c) Share capital (Cont'd)

(ii) Shares issued under share option scheme

No share option were exercised during 2018 and 2017. Further details of these options are set in note 27 to the financial statement.

(iii) Shares repurchased

From 18 July 2018 to 7 November 2018, the Company repurchased 6.17 million shares at HKD0.01 per share. The repurchase of shares resulted in a reduction of share capital and share premium by HKD61,700 (equivalent to RMB53,327) and HKD6,108,300 (equivalent to RMB5,297,736), respectively.

(d) Share premium

Under the Companies Law of the Cayman Islands, the funds in the Company's share premium account are distributable to the shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

The increase of share premium is due to the issuance of additional shares and the exercise of share options.

28 股本及儲備(續)

(c) 股本(續)

(ii) 根據購股權計劃發行的股份

於二零一八年及二零一七年，並無購股權獲行使。有關該等購股權的進一步詳情載於財務報表附註27。

(iii) 購回的股份

於二零一八年七月十八日至二零一八年十一月七日，本公司按每股0.01港元購回6.17百萬股股份。購回股份導致股本及股份溢價分別減少61,700港元(相當於人民幣53,327元)及6,108,300港元(相當於人民幣5,297,736元)。

(d) 股份溢價

根據開曼群島公司法，本公司股份溢價賬的資金可分派予股東，惟緊隨擬分派股息日期後，本公司能償還其於日常業務中到期的債務。

股份溢價增加是由於發行額外股份及行使購股權所致。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

28 SHARE CAPITAL AND RESERVES (Cont'd)

(e) Capital reserve

The capital reserve comprises the following:

- the difference between the nominal value of share capital of the Company and the paid-up capital of Success Guarantee, plus the net assets acquired from the inserting companies (holding companies of Success Guarantee, including the Company, Double Chance, Success Finance and Success Asset) pursuant to a group reorganisation completed on 17 September 2012;
- the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payment in note 1(p)(ii);
- the amount allocated to the unexercised equity component of convertible notes issued by the Company recognised in accordance with the accounting policy adopted for convertible notes in note 1(o).
- the waiver of debts from related parties.

28 股本及儲備(續)

(e) 資本儲備

資本儲備包括以下各項：

- 本公司的股本面值與集成擔保的繳足資本之間的差額，另加根據於二零一二年九月十七日完成的集團重組向插入公司(集成擔保的控股公司，包括本公司、Double Chance、集成金融及集成資產)收購的資產淨值；
- 授予本公司僱員的尚未行使購股權於授出日期的公允價值部分根據附註1(p)(ii)內以股份為基礎的付款所採納的會計政策確認；
- 分配至本公司發行的可換股票據未行使權益部分的金額(根據附註1(o)所採納的可換股票據會計政策確認)；
- 關聯方豁免債務。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

28 SHARE CAPITAL AND RESERVES (Cont'd)

(f) Surplus reserve

Surplus reserve comprises statutory surplus reserve and discretionary surplus reserve.

The entities established in the PRC are required to appropriate 10% of its net profit, as determined under the China Accounting Standards for Business Enterprises (2006) and other relevant regulations issued by the Ministry of Finance of the PRC (“MOF”), to the statutory surplus reserve until the balance reaches 50% of the registered capital.

Subject to the approval of equity holders of the entities established in the PRC, statutory surplus reserves may be used to net off with accumulated losses, if any, and may be converted into capital, provided that the balance of statutory surplus reserve after such capitalisation is not less than 25% of the registered capital.

After making the appropriation to the statutory surplus reserve, the Group may also appropriate its net profit to the discretionary surplus reserve upon approval by shareholders. Subject to the approval of shareholders, discretionary surplus reserves may be used to make good previous years' losses, if any, and may be converted into capital.

(g) Regulatory reserve

According to the Interim Measures for the Administration of Financial Guarantee Companies (“Interim Measures”) issued at 8 March 2010 by the relevant government authorities in the PRC, financial guarantee companies shall establish unearned premium reserve equal to 50% of guarantee premium recognised during the year, and indemnification reserve of no less than 1% of the outstanding guarantee balances undertaken by the entities established in the PRC. The Group started to accrue the required amounts set by relevant government authorities less the provision of financial guarantee losses as regulatory reserve from 2011. According to the details implementation guidance No. 149 issued by the People's Government of Guangdong Province on the Interim Measures, the use of the aforementioned regulatory reserve is subject to further guidance from the Financial Work Office of People's Government of Guangdong Province.

28 股本及儲備(續)

(f) 盈餘儲備

盈餘儲備包括法定盈餘儲備及任意盈餘儲備。

於中國成立的實體須將其純利的10%(根據中國財政部(「財政部」)頒佈的中國企業會計準則(二零零六年)及其他相關規例釐定)劃撥至法定盈餘儲備，直至結餘達到註冊資本的50%。

在獲於中國成立的實體的權益持有人批准的情況下，法定盈餘儲備可用於彌補累計虧損(如有)，亦可轉撥至資本，惟在該資本化後法定盈餘儲備結餘不得低於註冊資本的25%。

在劃撥法定盈餘儲備後，本集團亦可於獲股東批准後劃撥純利至任意盈餘儲備。待股東批准後，任意盈餘儲備可用於彌補過往年度的虧損(如有)，並可轉換為資本。

(g) 監管儲備

根據中國相關政府部門於二零一零年三月八日發佈的《融資性擔保公司管理暫行辦法》(「暫行辦法」)規定，融資性擔保公司須設立未到期責任準備金(相當於年內確認的擔保收入的50%)，以及擔保賠償準備金(不低於在中國成立的實體所承擔未到期擔保結餘的1%)。本集團已於二零一一年開始計提相關政府部門規定的數額於扣除融資擔保虧損撥備後作為監管儲備。根據廣東省人民政府令第149號暫行辦法實施細則，上述監管儲備的使用須遵守廣東省人民政府金融工作辦公室的進一步指引。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

28 SHARE CAPITAL AND RESERVES (Cont'd)

(h) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations with functional currency other than RMB. The reserve is dealt with in accordance with the accounting policies set out in note 1(v).

(i) Distributability of reserves

At 31 December 2018, the aggregate amounts of reserves available for distribution to equity shareholders of the Company was RMB406,320,000 (2017: RMB410,830,000). Details of dividends payable to equity shareholders of the Company refer to note 28(b).

The directors had not proposed any dividends distribution for the years ended 31 December 2018 and 2017.

(j) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure, monitors the returns on capital, and makes adjustments to the capital structure in light of changes in economic conditions.

During 2018, there were no changes in the Group's approach to capital management from 2017.

28 股本及儲備(續)

(h) 匯兌儲備

匯兌儲備包括所有因換算以人民幣以外功能貨幣計值的業務財務報表而產生的外匯差額。該儲備已根據附註1(v)所載的會計政策處理。

(i) 儲備的可分派性

於二零一八年十二月三十一日，可供分派予本公司權益股東的儲備總額為人民幣406,320,000元(二零一七年：410,830,000元)。有關應付予本公司權益股東的股息詳情，請參閱附註28(b)。

截至二零一八年及二零一七年十二月三十一日止年度，董事並未建議派發任何股息。

(j) 資本管理

本集團資本管理的主要目標是維持本集團的持續經營能力，根據風險水平進行相稱的產品及服務定價並以合理成本取得融資，繼續為股東提供回報及為其他利益相關者提供福利。

本集團積極定期檢討及管理資本結構，監察資本回報，並根據經濟狀況的變動調整資本架構。

於二零一八年期間，本集團進行資本管理的方式與二零一七年相比並無變動。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, market and liquidity risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practice used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. Credit risk primarily arises from the possibility that a customer or counterparty in the transaction may default, leading to losses. Credit risk is primarily attributable to outstanding guarantees issued by the Group, financial leasing service, factoring receivable, down payments for investments and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks, for which the Group considers to have low credit risk.

The Group has entered into financial guarantee contracts in which it has guaranteed the financial institutions (including the banks) the repayment of loans entered into by customers of the Group. The Group has the obligation to compensate the financial institutions for the losses they would suffer if customers fail to repay.

Risk management committees of Success Guarantee, Success Financial Leasing and Success Asset under the leadership of the executive directors are tasked with organising and coordinating the risk management and internal control for guarantee business, financial leasing business and factoring business, respectively. The committees comprised of the Group's internal personnel. The committees are responsible for (i) designing and implementation of overall risk management internal control policies and procedures and establishing appropriate risk appetite; (ii) designing and execution of due diligence procedures; (iii) reviewing the creditworthiness of customers before submitting to the executive directors for final approval.

29 財務風險管理及金融工具公允價值

於正常業務過程中，本集團面臨信貸、市場及流動資金風險。本集團所面臨的該等風險以及本集團管理該等風險所採用的財務風險管理政策及慣例說明如下。

(a) 信貸風險

信貸風險指因交易對手方違背其合約責任從而造成本集團財務損失的風險。信貸風險主要源於客戶或交易對手方在交易中可能存在違約情況，從而導致損失。信貸風險主要來自本集團發出的未到期擔保、融資租賃業務、保理應收款項、投資首付款及其他應收款項。本集團產生自現金及現金等價物的信貸風險有限，乃由於其交易對手方為本集團認為具有較低信貸風險的銀行。

本集團已訂立融資擔保合約，該合約就本集團客戶償還貸款向多家金融機構(包括銀行)提供擔保。倘客戶未能償還，則本集團有責任就金融機構可能遭受的損失向金融機構作出補償。

集成擔保，集成融資租賃及集成資產的風險管理委員會在執行董事的領導下，負責組織及協調擔保業務、融資租賃業務及保理業務的風險管理及內部控制。委員會由本集團的內部人員組成。該委員會負責(i)設計及實施全面風險管理的內部控制政策及程序，並設定適當的風險承受能力；(ii)設計及執行盡職調查程序；(iii)審查客戶的信貸情況，然後提交予執行董事以作最終批准。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

The Group has taken measures to identify credit risks arising from guarantees issued, finance lease receivable and factoring receivable. The Group manages credit risk at every stage along the approval process, including pre-transaction, in-transaction and post-transaction monitoring processes. The Group conducts due diligence and evaluates customers by internal credit assessment system during the pre-approval process.

Guarantees issuance, finance leases issuance and factoring issuance are subject to approval of the risk management committees and the executive Directors.

The project managers assigned to each case monitor the post-transaction status of the customers. Each manager is responsible for a number of customers. They visit the customers regularly to understand their operation and financial status by checking their financial reports, sale contracts, sale invoices, value added tax filing documents, utility bills and bank statements and other relevant documents.

The Group has established guidelines on the acceptability of various classes of collateral and determined the corresponding valuation parameters. The guidelines and collateral valuation parameters are subject to regular reviews to ensure their effectiveness over credit risk management. The extent of collateral coverage over the Group's outstanding guarantees depends on the type of customers and the product offered. Types of collateral mainly include land use rights, machineries and equipment, properties and vehicles, etc. As at 31 December 2018, the carrying value of outstanding guarantees of RMB5,431,857,000 (2017: RMB1,578,345,000) is fully or partially covered by collateral.

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

本集團已採取措施識別所發出擔保、融資租賃應收款項及保理應收款項的信貸風險。本集團於審批過程中的各階段(包括交易前、交易中及交易後監察程序)管理信貸風險。在預審階段，本集團透過內部信用評估體系對客戶進行盡職調查及評估。

簽發擔保、融資租賃及保理須經風險管理委員會及執行董事批准。

項目經理會被指派負責各個個案，以監察客戶的交易後狀況。每名經理負責關注多名客戶，定期拜訪客戶，通過核查其財務報告、銷售合約、銷售發票、增值稅備案文件、公用事業賬單及銀行結單以及其他相關文件以了解其營運及財務狀況。

本集團已制訂可接受不同類別抵押品的指引，並釐定相關估值參數。本集團會定期檢討指引及抵押品估值參數，以確保信貸風險管理的成效。本集團的未到期擔保抵押品範圍乃視乎客戶類別及所提供產品而定。抵押品類別主要包括土地使用權、機器及設備、物業及車輛等。於二零一八年十二月三十一日，未到期擔保的賬面值人民幣5,431,857,000元(二零一七年：1,578,345,000元)由抵押品悉數或部分覆蓋。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(i) Risk concentration

When a certain number of clients undertake the same business activities, stay in the same geographical locations, or bear similar economic features for their industries, their ability to fulfil contracts will be affected by the same economic changes. Concentration of credit risk reflects the sensitivity of the Group's operating results to specific industries or geographical locations. As the Group mainly operates its businesses in Guangdong Province of the PRC, there exists a certain level of geographical concentration risk for its guarantee portfolios in that it might be affected by changes in the local economic conditions.

The maximum exposure to credit risk in respect of these guarantees as at 31 December is as follows:

		2018 二零一八年		2017 二零一七年	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
Traditional financial services	傳統金融服務	11,823	0%	11,167	1%
Online financial services	線上金融服務	4,523,416	83%	—	—
Construction and installation	建築及安裝	747,970	14%	1,349,819	86%
Wholesale and retailing	批發及零售	115,441	2%	86,254	5%
Manufacturing and processing	製造及加工	16,498	0%	59,561	4%
Transportation	運輸	—	—	6,000	0%
Others	其他	16,709	1%	65,544	4%
Total	總計	5,431,857	100%	1,578,345	100%

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(i) 風險的集中

倘若干客戶在相同地區從事相同業務活動，或在行業中具有類似的經濟特徵，其履行合約的能力將受到相同經濟變動的影響。信貸風險的集中反映本集團經營業績對具體行業或地理位置的敏感性。由於本集團主要於中國廣東省經營業務，其融資擔保組合存在一定程度的地區集中風險，可能受到當地經濟狀況變動的影響。

於十二月三十一日有關該等擔保的最高信貸風險額度如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(i) Risk concentration (Cont'd)

The maximum exposure to credit risk in respect of financial leasing service, factoring receivable, down payments for investments and other receivables as at 31 December is as follows:

		2018 二零一八年		2017 二零一七年	
		RMB' 000	%	RMB' 000	%
		人民幣千元	%	人民幣千元	%
Construction and installation	建築及安裝	341,287	71%	280,566	65%
Business service	商業服務	54,534	11%	49,254	11%
Wholesale and retailing	批發及零售	44,100	9%	42,000	10%
Financial services	金融服務	38,848	8%	38,858	9%
Tourism and service sector	旅遊及服務業	—	—	17	0%
Others	其他	3,365	1%	19,264	5%
Total	總計	482,134	100%	429,959	100%

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(i) 風險的集中(續)

於十二月三十一日有關融資租賃服務、保理應收款項、投資首付款及其他應收款項的最高信貸風險額度如下：

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL

Based on whether there is a significant increase in credit risk and whether the asset has incurred credit impairment, the Group measures allowances for loss of different assets with 12-month ECL or lifetime ECL, respectively.

The Group measures loss provision of the financial instruments that meet the following conditions according to the amount of expected credit losses within the next 12 months, and measures loss allowances for other financial instruments in accordance with the amount of lifetime expected credit losses.

- The financial instruments that are determined to have low credit risk at the reporting date; or
- The financial instruments for which credit risk has not increased significantly since initial recognition.

Significant increase in credit risk

When one or more quantitative, qualitative standards or upper limits are triggered, the Group assumes that credit risk on financial instruments has increased significantly.

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量

根據信貸風險是否發生顯著增加以及資產是否已發生信貸減值，本集團分別以12個月預期信貸虧損或生命週期預期信貸虧損計量不同資產的虧損準備。

本集團對滿足下列情形的金融工具按照相當於未來12個月內預期信貸虧損的金額計量虧損撥備，對其他金融工具按照相當於生命週期預期信貸虧損的金額計量虧損撥備。

- 該金融工具於報告日期只具有較低的信貸風險；或
- 該金融工具的信貸風險自初始確認以來並未顯著增加。

信貸風險顯著增加

當觸發某個或多個定量、定性標準或上限指標時，本集團認為金融工具的信貸風險已顯著增加。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL (Cont'd)

If the counterparty is listed in the watch list and one or more of the following criteria are met:

- The credit spread increases significantly;
- Significant changes with an adverse effect that have taken place in the counterparty's business, financial and economic status;
- Application of a grace period or debt-restructuring;
- Significant changes with an adverse effect in the counterparty's operating conditions;
- Less value of the collaterals;
- Early indicators of problems of cash flow/liquidity, such as late payment of accounts payable/repayment of guarantees;
- The payment is more than 30 days past due.

The standards used in determining whether credit risk increases significantly are regularly monitored and reviewed by the management for the appropriateness.

As at 31 December, 2018, the Group has not considered that any of its financial instruments has lower credit risk and no longer compared the credit risk at the balance sheet date with that at the initial recognition to identify whether there was a significant increase in credit risk.

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量(續)

倘交易對手方被列入預警清單並且滿足以下一個或多個標準：

- 信貸利差顯著上升；
- 交易對手方出現業務、財務和經濟狀況的重大不利變化；
- 申請寬限期或債務重組；
- 交易對手方經營狀況的重大不利變化；
- 抵押品價值變低；
- 出現現金流／流動性問題的早期跡象，如應付賬款／擔保還款的延期；
- 付款逾期超過30天。

用於確定信貸風險顯著增加的標準由管理層定期監控並檢討其適當性。

截至二零一八年十二月三十一日，本集團未將任何金融工具視為具有較低信貸風險而不再比較資產負債表日的信貸風險與初始確認時相比是否顯著增加。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL (Cont'd)

Definition of “default” and “credit-impaired assets”

When a financial instrument meets one or more of the following conditions, the Group considers the financial asset to be in default, and the criteria are consistent with the definition of credit-impaired assets.

The financial asset is more than 90 days past due.

The counterparty meets the criterion of “having difficulty in repayment”, which indicates that the counterparty has significant financial difficulty, including:

- the counterparty has been in the grace period for a long time;
- the death of the counterparty;
- the counterparty enters bankruptcy;
- the counterparty breaches (one or more) terms of the contract that the debtor shall be subject to;

- the disappearance of an active market for the related financial asset because of financial difficulties faced by the counterparty;

- the creditor make concessions due to the financial difficulties faced by the counterparty;

- it becomes probable that the counterparty will enter bankruptcy;

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量(續)

違約及已發生信貸減值資產的定義

當金融工具符合以下一項或多項條件時，本集團將該金融資產界定為已發生違約，其標準與已發生信貸減值資產的定義一致。

金融資產逾期超過90天。

交易對手方滿足「難以還款」的標準，表明交易對手方發生重大財務困難，包括：

- 交易對手方長期處於寬限期；
- 交易對手方死亡；
- 交易對手方破產；
- 交易對手方違反債務人應遵守的合約條款(一項或多項)；

- 由於交易對手方的財務困難導致相關金融資產的活躍市場消失；

- 債權人因交易對手方的財務困難作出讓步；

- 交易對手方很可能破產；

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL (Cont'd)

- a higher discount was obtained during the acquisition of assets, and the assets has incurred credit loss when they are acquired.

The above criteria apply to all financial instruments of the Group and they are consistent with the definition of “default” adopted by the internal management of credit risk.

Notes to the parameters, assumptions and valuation techniques

The ECL is the result of the discounted product of probability of default (PD), exposure at default (EAD) and loss given default (LGD). The definitions of these terms are as follows:

- PD refers to the likelihood that a counterparty will be unable to meet his repayment obligations over the next 12 months or the remaining lifetime of the guarantee;
- EAD is the amount that the Group should be reimbursed upon default of an obligor over the next 12 months or the remaining lifetime of the guarantee;

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量(續)

- 購入資產時獲得了較高折扣且購入時資產已產生信貸虧損。

上述標準適用於本集團所有的金融工具，且與內部信貸風險管理所採用的違約定義一致。

對參數、假設及估值技術的說明

預期信貸虧損是違約概率、違約風險敞口及違約損失率三者的乘積折現後的結果。該等詞彙定義如下：

- 違約概率是指交易對手方在未來12個月或擔保的整個剩餘存續期，無法履行其償付義務的可能性；
- 違約風險敞口是指於未來12個月或擔保的整個剩餘存續期，發生違約時本集團應被償付的金額；

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL (Cont'd)

- LGD refers to the expected degree of loss arising from the exposure at default which is predicted by the Group. LGD varies according to different types of counterparties, methods and priority of recovering debts, and the availability of collaterals or other credit support.

The Group determines the expected credit losses by estimating the PD, LGD and EAD of individual exposure or asset portfolios in the future months. The Group multiplies these three parameters and makes adjustments according to the probability of their continuance (i.e. there is no prepayment or default at an earlier period). By adopting this approach, the Group can calculate the expected credit losses for the future months. The results of calculation for each month are then discounted to the balance sheet date and added up. The discount rate used in the calculation of ECL is the initial effective interest rate or its approximate value.

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量(續)

- 違約損失率是指本集團對違約風險敞口產生虧損程度作出的預期。根據交易對手方的類型、追索債務的方式和優先級，以及抵押品或其他信貸支持的可獲得性不同，違約損失率亦有所不同。

本集團通過預計未來各月份中單個敞口或資產組合的違約概率、違約損失率和違約風險敞口，來確定預期信貸虧損。本集團將這三者相乘並根據其存續(即沒有在更早期間發生提前還款或違約的情況)的可能性進行調整。通過採取此種方法，本集團可計算出未來各月的預期信貸虧損。再將各月的計算結果折現至資產負債表日並加總。預期信貸虧損計算中使用的貼現率為初始實際利率或其近似值。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL (Cont'd)

The lifetime PD is deduced from using the maturity model or 12-month probability of default. The maturity model describes the development rule of the defaults of the asset portfolio over its lifetime. The model is developed based on historical observational data and applicable to all assets in the same portfolio with the same credit rating. The above method is supported by empirical analysis.

The 12-month EAD and lifetime EAD are determined based on expected repayment arrangements, which are different according to different types of products.

- In respect of the guarantees with instalment repayments and bullet repayment, the Group determines 12-month or lifetime EAD according to the repayment schedule agreed in the contract, and makes adjustment based on prediction of over-limit repayment and prepayments/refinancing made by the counterparty.

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量(續)

整個存續期違約概率是運用到期模型或12個月違約概率推導而來。到期模型描述了資產組合於整個存續期的違約情況演進規律。該模型基於歷史觀察數據開發，並適用於同一組合和信貸等級下的所有資產。上述方法得到經驗分析的支持。

12個月及整個存續期的違約風險敞口根據預期還款安排確定，不同類型的產品將有所不同。

- 對於分期還款以及一次性償還的擔保，本集團根據合同約定的還款計劃確定12個月或整個存續期違約風險敞口，並針對預期交易對手方作出的超額還款和提前還款／再融資進行調整。

Notes to the Financial Statements

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL (Cont'd)

- In respect of the products of revolving credit agreement, the Group estimates the remaining withdrawal within the limits by using the balance of the loan after previous withdrawals and the “credit conversion factor”, so as to predict the exposure at default. Based on the Group’s analysis on recent default data, these assumptions vary based on differences in product type and utilization rate of the limits.
- The Group determines the 12-month LGD and lifetime LGD based on the factors that affects post-default recovery. LGD for different product types are different.
- As to guarantees, the Group determines the LGD according to the types of collaterals and their expected value, the discount rate at the compulsory sale, the recovery time and the estimated recovery cost.
- Forward-looking economic information should be considered when determining the 12-month and lifetime PD, EAD and LGD.

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量(續)

- 對於循環信貸產品，本集團使用已提取貸款餘額加上「信貸轉換系數」估計剩餘限額內的提款，來預測違約風險敞口。基於本集團的近期違約數據分析，這些假設因產品類型及限額利用率的差異而有所不同。
- 本集團根據對影響違約後回收的因素來確定12個月及整個存續期的違約損失率。不同產品類型的違約損失率有所不同。
- 對於擔保，本集團根據抵押品類型及預期價值、強制出售時的折扣率、回收時間及預計的收回成本等確定違約損失率。
- 在確定12個月及整個存續期違約概率、違約風險敞口及違約損失率時應考慮前瞻性經濟信息。

Notes to the Financial Statements

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(a) Credit risk (Cont'd)

(ii) Measurement of ECL (Cont'd)

The Group quarterly monitors and reviews assumptions related to the calculation of expected credit losses, including the changes in PD and the value of collaterals under the different time limits.

Both the assessment of the significant increase in credit risk and the measurement of expected credit losses involve forward-looking information. Based on the analysis on historical data, the Group identified critical economic indicators that affect the credit risk and expected credit losses of all asset portfolios, including GDP, increase in RMB loans, PPI, etc.

There has been no significant changes in the valuation techniques and key assumptions during the reporting period.

The Group's other credit risk is attributable to bank deposits and security deposits. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The bank deposits and security deposits of the Group are mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Group.

29 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

(ii) 預期信貸虧損的計量(續)

本集團每季度監控並檢討預期信貸虧損計算相關的假設，包括各期限下的違約概率及抵押品價值的變動情況。

信貸風險顯著增加的評估及預期信貸虧損的計算均涉及及前瞻性資料。本集團通過歷史數據分析，識別出影響各資產組合的信貸風險及預期信貸虧損的關鍵經濟指標，包括GDP、人民幣貸款增幅、PPI等。

於報告期內，估值技術及關鍵假設並未發生重大變化。

本集團的其他信貸風險來自銀行存款及保證金。管理層已實施信貸政策，並持續監察該等信貸風險。

本集團的銀行存款及保證金主要由知名金融機構持有。管理層預計該等款項並無任何重大信貸風險，並預期該等金融機構不會違約及對本集團造成損失。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(b) Market risk

Market risk arises when the adverse changes in market prices (interest rates, exchange rates, as well as equity prices and other prices) lead to losses from the Group's on-balance sheet and off-balance sheet businesses. The Group's market risk mainly arises from currency risk and interest rate risk.

(i) Currency risk

The Group's businesses are principally conducted in RMB, while most of the Group's monetary assets and liabilities are denominated in HKD and RMB. At the end of the reporting period, the recognised assets or liabilities are mainly denominated in the functional currency of the Group entity to which they relate. Accordingly, the directors considered the Group's exposure to foreign currency risk is not significant during the year.

On the other hand, RMB is not a freely convertible currency and the PRC government may at its discretion restrict to foreign currencies for current account transactions in the future.

Changes in the foreign exchange control system may prevent the Group from satisfying sufficient foreign currency demands and the Group may not be able to pay dividend in foreign currencies to its equity shareholders.

29 財務風險管理及金融工具公允價值(續)

(b) 市場風險

市場風險是指因市場價格(利率、匯率、股票價格及其他價格)發生不利變動而使本集團資產負債表內和表外業務遭受損失的風險。本集團的市場風險主要來自貨幣風險及利率風險。

(i) 貨幣風險

本集團的業務主要以人民幣進行，而本集團的大部分貨幣資產及負債乃以港元及人民幣計值。於報告期末，已確認資產或負債主要以與其相關的本集團實體的功能貨幣計值。因此，董事認為，本集團於年內面臨的外匯風險並不重大。

另一方面，人民幣並非可自由兌換的貨幣，中國政府日後可能酌情限制使用外幣進行往來賬目交易。

外匯管制制度的變動或會阻礙本集團應付充分的外幣需求，而本集團亦未必能夠以外幣向其權益股東支付股息。

Notes to the Financial Statements

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(b) Market risk (Cont'd)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is principally engaged in the provision of guarantee service, finance lease service, factoring service and related consulting services to SME enterprises in the PRC. Its interest rate risk arises primarily from deposits with banks, factoring receivable, finance lease receivable and obligations under finance leases.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rate. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its cash flow risks.

29 財務風險管理及金融工具公允價值(續)

(b) 市場風險(續)

(ii) 利率風險

利率風險指金融工具的公允價值或未來現金流量因市場利率變動而波動的風險。本集團主要於中國從事向中小企業提供擔保、融資租賃、保理及相關顧問服務。本集團的利率風險主要源自銀行存款、保理應收款項、融資租賃應收款項及融資租賃負債。

現金流利率風險是指金融工具之未來現金流量因市場利率變化而波動的風險。公允價值利率風險是指金融工具之價值因市場利率變化而波動的風險。現行市場利率水平的波動會影響本集團的現金流風險。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

29 財務風險管理及金融工具公允價值(續)

(b) Market risk (Cont'd)

(b) 市場風險(續)

(iii) Interest rate profile

(iii) 利率狀況

The following tables detail the interest rate profile of the Group's assets and liabilities as of the end of the years:

下表詳述本集團截至年末資產及負債的利率狀況：

		31 December 2018	31 December 2017
		於二零一八年 十二月三十一日	於二零一七年 十二月三十一日
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Fixed interest rate	固定利率		
Financial assets	金融資產		
– Cash and bank deposits	– 現金及銀行存款	74	990
– Pledged bank deposits	– 已質押銀行存款	84,581	82,144
– Factoring receivable	– 保理應收款項	88,950	91,950
– Finance lease receivable	– 融資租賃應收款項	192,487	178,374
		366,092	353,458
Financial liabilities	金融負債		
– Obligations under finance leases	– 融資租賃負債	(389)	(506)
– Interest-bearing borrowings	– 計息借款	—	(5,000)
		(389)	(5,506)
Net	淨值	365,703	347,952
Variable interest rate	浮動利率		
Financial assets	金融資產		
– Cash and bank deposits	– 現金及銀行存款	235,535	38,244
– Pledged bank deposits	– 已質押銀行存款	1,607	13,355
		237,142	51,599
Net fixed rate financial assets as a percentage of total net financial assets	固定利率金融資產淨額 佔總金融資產淨額 的百分比	61%	87%

Notes to the Financial Statements

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(b) Market risk (Cont'd)

(iv) Sensitivity analysis

At 31 December 2018, it is estimated that a general increase of 50 basis points in interest rates, with all other variables held constant, would have increased the Group's profit after tax and retained profits for the next 12 months by approximately RMB889,000 (2017: RMB193,000).

The sensitivity analysis above indicates the exposure to cash flow interest rate risk arising from floating rate non derivative instruments held by the Group at the end of the reporting period. The impact on the Group's retained profit after tax is estimated as an annualised impact on interest expense or income of such a change in interest rates.

The analysis is performed on the same basis as 2017.

29 財務風險管理及金融工具公允價值(續)

(b) 市場風險(續)

(iv) 敏感度分析

於二零一八年十二月三十一日，在其他變量不變的情況下，假定利率上浮50個基點，將會導致本集團於未來12個月的稅後利潤及留存利潤將上升約人民幣889,000元(二零一七年：人民幣193,000元)。

上述敏感度分析列明本集團於報告期末持有的浮動利率非衍生工具所產生的現金流利率風險。其對本集團稅後留存利潤的影響按有關利率變動對利息開支或收入的年化影響進行估計。

進行該項分析的基準與二零一七年相同。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

29 財務風險管理及金融工具公允價值(續)

(c) Liquidity risk

Management regularly monitors the Group's liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term. The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows and the earliest date the Group can be required to pay:

(c) 流動資金風險

管理層定期監察本集團的流動資金需求，確保其維持充足的現金儲備，以滿足短期及較長期的流動資金需求。下表列示於報告期末本集團金融負債的餘下合約到期情況，乃根據未貼現合約現金流量及本集團可能被要求償還的最早日期釐定：

Contractual undiscounted cash outflows as at 31 December 2018

於二零一八年十二月三十一日未貼現合約現金流出

		Contractual			One year or	Two years or	Five years or
		Carrying	undiscounted	Repayable	Within six	less but over	less but over
		amount	cash outflows	on demand	months	six months	one year
		賬面值	未貼現合約現金流出	即時償還	六個月以內	六個月以上	一年以上
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Non-derivatives financial liabilities	非衍生金融負債						
Accruals and other payables	應計費用及其他應付款項	393,937	393,937	284,331	105,997	3,609	—
Customer pledged deposits received	已收客戶擔保保證金	309,021	309,021	309,018	3	—	—
Obligations under finance leases	融資租賃負債	389	428	—	86	85	171
Liability component of convertible bonds	可換股債券的負債部分	110,640	157,873	—	5,397	4,048	9,445
							138,983
Total	總計	813,987	861,259	593,349	111,483	7,742	9,616
							139,069
Guarantees	擔保						
Financial guarantee	融資擔保	111,661	111,661	—	44,100	53,937	9,494
Online financial services	線上金融服務	4,523,416	4,523,416	4,523,416	—	—	—
Performance guarantee	履約擔保	721,925	721,925	—	369,317	136,974	149,013
Litigation guarantee	訴訟擔保	74,855	74,855	25,000	—	49,855	—
Maximum guarantees exposure	最高擔保額度	5,431,857	5,431,857	4,548,416	413,417	240,766	158,507
							70,751

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

29 財務風險管理及金融工具公允價值(續)

(c) Liquidity risk (Cont'd)

(c) 流動資金風險(續)

Contractual undiscounted cash outflows as at 31 December 2017

於二零一七年十二月三十一日未貼現合約現金流出

		Contractual Carrying amount	Contractual undiscounted cash outflows 未貼現 賬面值	Repayable on demand 即時償還	Within six months 六個月以內	One year or less but over six months 六個月以上 至一年	Two years or less but over one year 一年以上 至兩年	Five years or less but over two years 兩年以上 至五年
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Non-derivatives financial liabilities	非衍生金融負債							
Accruals and other payables	應計費用及其他應付款項	48,217	48,217	40,762	7,255	200	—	—
Customer pledged deposits received	已收客戶擔保保證金	62	62	62	—	—	—	—
Interest-bearing borrowings	計息借款	5,231	5,231	5,231	—	—	—	—
Obligations under finance leases	融資租賃負債	506	594	—	85	85	170	254
Total	總計	54,016	54,104	46,055	7,340	285	170	254
Guarantees	擔保							
Traditional guarantee	傳統擔保	188,943	188,943	—	65,320	52,470	56,814	14,339
Performance guarantee	履約擔保	1,274,982	1,274,982	—	265,966	325,292	537,176	146,548
Litigation guarantee	訴訟擔保	114,420	114,420	114,4120	—	—	—	—
Maximum guarantees exposure	最高擔保額度	1,578,345	1,578,345	114,420	331,286	377,762	593,990	160,887

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

29 財務風險管理及金融工具公允價值(續)

(d) Fair value measurement

(i) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations:

Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

第1級估值：

僅使用第1級輸入數據(即於估值日在活躍市場中相同資產或負債的報價(未經調整))計量公允價值。

Level 2 valuations:

Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

第2級估值：

使用第2級輸入數據(即不符合第1級的可觀察輸入數據，且並不使用重大不可觀察輸入數據)計量公允價值。不可觀察輸入數據為市場數據不可得之輸入數據。

Level 3 valuations:

Fair value measured using significant unobservable inputs.

第3級估值：

使用重大不可觀察輸入數據計量公允價值。

As at 31 December 2018, the Group held only one other financial asset, which was an equity investment in an unlisted company (note 18), with fair value measurement categorised into level 3.

(d) 公允價值計量

(i) 按公允價值計量的金融資產

公允價值層級

下表呈列本集團於報告期末按經常基準計量的金融工具的公允價值，該等工具分類為香港財務報告準則第13號公允價值計量所界定的三個公允價值層級。一項公允價值計量所屬層級類別乃參考下列估值技術所用輸入數據的可觀察性及重要性而釐定：

於二零一八年十二月三十一日，本集團僅持有一項其他金融資產，而有關資產為於非上市公司的股權投資(附註18)，公允價值計量分類至第3級。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(d) Fair value measurement (Cont'd)

(i) Financial assets measured at fair value (Cont'd)

Information about Level 3 fair value measurements

The fair value of unlisted equity investment is determined using the sales comparison approach for the land element of the property and depreciated replacement cost approach for the improvement of the property.

The movement during the year in the balance of Level 3 fair value measurements is as follows:

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Other financial assets	其他金融資產	
At 1 January	於一月一日	8,066
Changes in fair value recognised in profit or loss during the year	年內於損益確認的公允價值變動	15,885
At 31 December	於十二月三十一日	23,951

		31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Available-for-sale financial assets	可供出售金融資產	
At 1 January	於一月一日	—
Payment for purchases	支付購買款	8,066
At 31 December	於十二月三十一日	8,066

29 財務風險管理及金融工具公允價值(續)

(d) 公允價值計量(續)

(i) 按公允價值計量的金融資產(續)

有關第3級公允價值計量的資料

非上市股權投資的公允價值乃採用物業土地部分的銷售比較法及物業裝修的折舊重置成本法釐定。

第3級公允價值計量結餘的年內變動如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(d) Fair value measurement (Cont'd)

- (ii) *Fair values of financial assets and liabilities carried at other than fair value*

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2018 and as at 31 December 2017.

The following summarises the major methods and assumptions used in estimating the fair value of financial instruments.

- (i) Trade and other receivables, factoring receivable and finance lease receivable

Trade and other receivables, factoring receivable and finance lease receivable are initially recognised at fair value and thereafter stated at amortised cost less allowances for impairment of doubtful debts. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate for a similar instrument at the balance sheet date.

29 財務風險管理及金融工具公允價值(續)

(d) 公允價值計量(續)

- (ii) *並非按公允價值列賬的金融資產及負債的公允價值*

於二零一八年十二月三十一日及二零一七年十二月三十一日，本集團按成本或攤銷成本列賬的金融工具的賬面值與其公允價值並無重大差異。

以下概述估計金融工具公允價值所用的主要方法及假設。

- (i) 貿易及其他應收款項、保理應收款項及融資租賃應收款項

貿易及其他應收款項、保理應收款項及融資租賃應收款項初始按公允價值確認，其後按攤銷成本減呆賬減值撥備列賬。公允價值按未來本金及利息現金流量的現值（以資產負債表日的市場利率貼現）計算。

倘採用貼現現金流量法，估計未來現金流量乃基於管理層的最佳估計，而貼現率是類似工具於資產負債表日的市場相關利率。

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財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Cont'd)

(d) Fair value measurement (Cont'd)

(ii) *Fair values of financial assets and liabilities carried at other than fair value (Cont'd)*

(ii) Guarantees issued

The fair value of guarantees issued is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made.

(iii) Interest rates used for determining fair value

The market interest rates adopted for determining the fair value of trade and other receivables are ranging from 2.45% to 3.05% as at 31 December 2018 (2017: 3.27% to 3.74%).

29 財務風險管理及金融工具公允價值(續)

(d) 公允價值計量(續)

(ii) *並非按公允價值列賬的金融資產及負債的公允價值(續)*

(ii) 已發出的擔保

已發出擔保的公允價值乃參考類似服務公平交易下收取的費用(如可獲得有關資料)，或經比較貸方於有擔保下收取的實際利率與於並無擔保下貸方應收取的估計利率(如有關資料可作出可靠估計)後，參考利率差額以其他方式估計而釐定。

(iii) 釐定公允價值所用的利率

於二零一八年十二月三十一日，釐定貿易及其他應收款項公允價值所採納的市場利率分別介乎2.45%至3.05% (二零一七年：3.27%至3.74%)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

30 COMMITMENTS

- (a) Capital commitments outstanding at 31 December 2018 not provided for in the financial statements were as follows:

		2018	2017
		二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Contracted for	已訂約	—	4,355

- (b) At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2018	2017
		二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
Within 1 year	一年以內	2,407	3,070
After 1 year but less than 5 years	一年以上，五年以內	116	2,821
Total	總計	2,523	5,891

The Group is the lessee in respect of a number of properties held under operating leases. None of the leases includes contingent rentals.

- (a) 於二零一八年十二月三十一日，未在財務報表中撥備之未付資本承擔如下：

	2018	2017
	二零一八年	二零一七年
	RMB' 000	RMB' 000
	人民幣千元	人民幣千元
Contracted for	—	4,355

- (b) 於二零一八年十二月三十一日，根據不可撤銷經營租賃應付的未來最低租賃付款總額如下：

	2018	2017
	二零一八年	二零一七年
	RMB' 000	RMB' 000
	人民幣千元	人民幣千元
Within 1 year	2,407	3,070
After 1 year but less than 5 years	116	2,821
Total	2,523	5,891

本集團為多項根據經營租約持有物業的承租人。概無租約含或有租金。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

31 MATERIAL RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

During the year, transactions with the following parties are considered as related parties:

Name of related party

關聯方姓名／名稱

Mr. Zhang Tiwei

張鐵偉先生

Mr. Xu Kaiying

徐凱英先生

Mr. Pang Haoquan

龐浩泉先生

Mr. Li Bin

李斌先生

Ms. Dai Jing

戴菁女士

Mr. He Darong

何達榮先生

Mr. Tsang Hung Kei

曾鴻基先生

Mr. Au Tien Chee Arthur

區天旂先生

Mr. Xu Yan

許彥先生

Mr. Zhou Xiaojiang

周小江先生

31 重大關聯方交易

(a) 姓名／名稱及與關聯方的關係

於年內，與以下各方的交易被視為關聯方交易：

Relationship

關係

A substantial shareholder, chairman and executive director

主要股東、主席兼執行董事

A substantial shareholder and executive director

主要股東兼執行董事

A substantial shareholder and executive director

主要股東兼執行董事

Chief executive officer and executive director

行政總裁兼執行董事

Chief operation officer and executive director

運營總監兼執行董事

A substantial shareholder and non-executive director

主要股東兼非執行董事

Independent non-executive director

獨立非執行董事

Independent non-executive director

獨立非執行董事

Independent non-executive director

獨立非執行董事

Independent non-executive director

獨立非執行董事

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

31 MATERIAL RELATED PARTY TRANSACTIONS (Cont'd)

31 重大關聯方交易(續)

(a) Name and relationship with related parties (Cont'd)

(a) 姓名／名稱及與關聯方的關係(續)

<i>Name of related party</i> 關聯方姓名／名稱	<i>Relationship</i> 關係
Foshan Finance 佛山金融	A company of which 100% interest is held by Mr. Zhang Tiwei, Mr. Xu Kaiying and Mr. Pang Haoquan 張鐵偉先生、徐凱英先生及龐浩泉先生持有其100%權益的公司
Success Credit 集成貸款	Associate of the Group since 18 December 2012 自二零一二年十二月十八日起為本集團的聯營公司
Guangzhou Chenghuijin 廣州成匯金	Associate of the Group until 15 January 2018 截至二零一八年一月十五日止為本集團的聯營公司
China Success Credit Rating Co., Ltd.* ("Success Credit Rating") 佛山市集成資信評估有限公司(「集成資信評估」)	A company of which 100% interest is held by Foshan Finance 佛山金融持有其100%權益的公司
Shengshi Junen Enterprise Management 盛世雋恩企業管理	A company of which 35% interest is held by Mr. Zhang Tiwei, Mr. Xu Kaiying and Mr. Pang Haoquan 張鐵偉先生、徐凱英先生及龐浩泉先生持有其35%權益的公司
Guangdong Success Data Co., Ltd. ("Success Data") 廣東集成數據有限公司(「集成數據」)	A company of which 30% interest is held by Mr. Zhang Tiwei, Mr. Xu Kaiying and Mr. Pang Haoquan 張鐵偉先生、徐凱英先生及龐浩泉先生持有其30%權益的公司

* The English translation of the name is for reference only. The official name of the entity is in Chinese.

* 該公司的官方名稱為中文。英文翻譯僅供參考。

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

31 MATERIAL RELATED PARTY TRANSACTIONS (Cont'd)

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Group's directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Salaries, allowances and other benefits	薪金、津貼及其他福利	10,568	15,885
Contributions to defined contribution retirement plan	向定額供款退休計劃供款	128	153
Equity compensation benefits	股權報酬福利	87	67
Total	總計	10,783	16,105

Total remuneration is included in "staff costs" (note 5(b)).

(c) Related parties transactions

		2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Services fee income	服務費收入	—	7,547
Services fee expense	服務費開支	(1,030)	—
Net interest income	利息收入淨額	1,860	—
Settlement of advance	結算墊款	4	—
Entrusting payment	委託付款	2,205	—
Loan	貸款	20,480	—
		23,519	7,547

31 重大關聯方交易(續)

(b) 主要管理人員薪酬

本集團的主要管理人員薪酬包括已付本集團董事款項(披露於附註7)及已付若干最高薪酬僱員款項(披露於附註8)，如下：

	2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Salaries, allowances and other benefits	10,568	15,885
Contributions to defined contribution retirement plan	128	153
Equity compensation benefits	87	67
Total	10,783	16,105

薪酬總額計入「員工成本」(附註5(b))。

(c) 關聯方交易

	2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元
Services fee income	—	7,547
Services fee expense	(1,030)	—
Net interest income	1,860	—
Settlement of advance	4	—
Entrusting payment	2,205	—
Loan	20,480	—
	23,519	7,547

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

31 MATERIAL RELATED PARTY TRANSACTIONS (Cont'd)

(d) Balances with other related parties

At the end of the reporting period, the Group had the following balances with related parties:

Amounts due from related parties

			31 December	31 December
		Note	2018	2017
			二零一八年	二零一七年
		附註	十二月三十一日	十一月三十一日
			RMB' 000	RMB' 000
			人民幣千元	人民幣千元
Success Credit	集成貸款	(i)	25,363	2,730
Shengshi Junen Enterprise Management	盛世雋恩企業管理		2,205	—
Guangzhou Chenghuijin	廣州成匯金		—	4
Success Data	集成數據		1,400	—
Total	總計		28,968	2,734

(i) On 20 March 2014, the shareholders of Success Credit approved to make a dividend with an amount of RMB15,000,000 to its shareholders. Success Guarantee was entitled to receive the dividend with an amount of RMB2,730,000. On 31 December 2018, the balance on borrowings from Success Guarantee to Success Credit is RMB22,633,000, which includes a principal of RMB20,480,000 and an interest of RMB2,153,000. The interest rate of this borrowing is 12%. Both the principal and the interest are expected to be collected within one year.

31 重大關聯方交易(續)

(d) 與其他關聯方的結餘

於各報告期末，本集團與關聯方有以下結餘：

應收關聯方款項

	31 December	31 December
Note	2018	2017
	二零一八年	二零一七年
附註	十二月三十一日	十一月三十一日
	RMB' 000	RMB' 000
	人民幣千元	人民幣千元

(i) 於二零一四年三月二十日，集成貸款股東批准向其股東派發人民幣15,000,000元的股息。集成擔保有權收取人民幣2,730,000元的股息。於二零一八年十二月三十一日，集成擔保向集成貸款作出的借款結餘為人民幣22,633,000元，其中包括本金人民幣20,480,000元及利息人民幣2,153,000元。該項結餘的利率為12%。本金及利息預期均將於一年內收回。

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32 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

32 公司級財務狀況表

		31 December 2018 於二零一八年 十二月三十一日 RMB' 000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB' 000 人民幣千元
Assets	資產		
Cash and bank deposits	現金及銀行存款	15,126	2,244
Trade and other receivables	貿易及其他應收款項	520,108	400,703
Investment in subsidiaries	於附屬公司的投資	12,681	12,507
Equipment	設備	152	231
Intangible assets	無形資產	6	8
Total assets	資產總值	548,073	415,693
Liability	負債		
Liability component of convertible bonds	可換股債券的負債部分	110,640	—
Accruals and other payables	應計費用及其他應付款項	26,925	622
Total liability	負債總額	137,565	622
NET ASSETS	資產淨值	410,508	415,071
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	28(c) 4,187	4,241
Reserves	儲備	406,321	410,830
TOTAL EQUITY	權益總額	410,508	415,071

Approved and authorised for issue by the board of directors on 29 March 2019.

董事會批准及授權於二零一九年三月二十九日刊發。

張鐵偉
Zhang Tiewei
Director
董事

李斌
Li Bin
Director
董事

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(Expressed in Renminbi unless otherwise indicated) (除非另有指明，否則以人民幣列示)

33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

HKFRS 16, *Leases*

香港財務報告準則第16號，租賃

HK(IFRIC) 23, *Uncertainty over income tax treatments*

香港(國際財務報告詮釋委員會)詮釋第23號，所得稅處理的不確定性

Annual Improvements to HKFRSs 2015-2017 Cycle

二零一五年至二零一七年週期香港財務報告準則的年度改進

Amendments to HKAS 28, *Long-term interest in associates and joint ventures*

香港會計準則第28號之修訂本，於聯營公司及合營企業中的長期權益

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of the HKFRS 16 which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 16, the actual impact upon the initial adoption of this standard may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standard is initially applied in the Group's interim financial report for the six months ended 30 June 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial report.

33 於截至二零一八年十二月三十一日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響

截至本財務報表刊發日期，香港會計師公會已頒佈多項修訂、新準則及詮釋，該等修訂、新準則及詮釋於截至二零一八年十二月三十一日止年度尚未生效，且於本財務報表並未採用。以下為可能與本集團相關的有關準則。

Effective for
accounting periods
beginning on or after
於以下日期或之後
開始的會計期間生效

1 January 2019
二零一九年一月一日

1 January 2019
二零一九年一月一日

1 January 2019
二零一九年一月一日

1 January 2019
二零一九年一月一日

本集團正在評估該等修訂、新準則及詮釋對首次應用期間的預期影響。目前，本集團已確認香港財務報告準則第16號的某些方面可能會對綜合財務報表造成重大影響。有關預計影響的詳情載於下文。儘管香港財務報告準則第16號的評估已大致完成，惟由於迄今完成的評估乃基於本集團目前可獲得的資料，因此對首次採納標準的實際影響可能不同。在標準初步應用於本集團截至二零一九年六月三十日止六個月的中期財務報告前，或會進一步確定影響。本集團亦可能改變其會計政策選擇，包括過渡方案，直至該等準則初步適用於該財務報告。

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33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont'd)

HKFRS 16, Leases

Currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group’s accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease.

33 於截至二零一八年十二月三十一日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

香港財務報告準則第16號，租賃

本集團現時將租賃分類為融資租賃及經營租賃，並根據租賃的分類對租賃安排進行不同的會計核算。本集團作為出租人訂立若干租約，其他租約則作為承租人。

預期香港財務報告準則第16號將不會對出租人根據租約核算其權利及義務的方式產生重大影響。然而，採用香港財務報告準則第16號後，承租人將不再區分融資租賃及經營租賃。相反，視乎可行權宜方法而定，承租人將按類似於現有融資租賃會計處理的方法核算所有租約，即於租約開始日期，承租人將按未來最低租賃付款的現值確認及計算租賃負債，並將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債結餘所產生的利息開支及使用權資產折舊，而非根據現有政策於租期內按系統基準確認根據經營租約所產生的租賃開支。作為一項可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為十二個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

香港財務報告準則第16號將主要影響本集團作為租約承租人就物業、廠房及設備(現時分類為經營租賃)採用的會計處理方法。預期應用此新會計模式將導致資產及負債均有所增加，並會影響租約期間於損益表內確認開支的時間。

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33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont'd)

HKFRS 16, Leases (Cont'd)

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019 and will not restate the comparative information. At 31 December 2018 the Group's future minimum lease payments under non-cancellable operating leases amount to RMB2,523,000. Upon the initial adoption of HKFRS 16, the opening balances of lease liabilities and the corresponding right-of-use assets will be adjusted to RMB2,407,000, after taking account the effects of discounting, as at 1 January 2019.

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's financial statement from 2019 onwards.

33 於截至二零一八年十二月三十一日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響(續)

香港財務報告準則第16號，租賃(續)

香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。如香港財務報告準則第16號所允許，本集團計劃使用可行權宜方法保留現有安排為(或包含)租賃的過往評估。因此，本集團將僅對首次應用日期或之後訂立的合約應用香港財務報告準則第16號中的新租賃定義。此外，本集團計劃選取可行權宜方法，以免將新會計模式用於短期租賃及低價值資產租賃。

本集團計劃就採納香港財務報告準則第16號而選用經修訂追溯法，並將首次應用的累計影響確認為二零一九年一月一日的權益年初結餘調整，並不會重列比較資料。於二零一八年十二月三十一日，本集團於不可撤銷經營租賃項下的未來最低租賃付款為人民幣2,523,000元。於二零一九年一月一日首次採納香港財務報告準則第16號後，租賃負債及相應使用權資產的年初結餘(經計及貼現的影響後)將分別調整至人民幣2,407,000元。

除確認租賃負債及使用權資產外，本集團預期，首次採納香港財務報告準則第16號後將予作出的過渡調整並不重大。然而，上述會計政策的預期變動可能會對本集團二零一九年以後的財務報表產生重大影響。

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34 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period, the Group amended the terms of and conditions of the Convertible Bonds, which were issued on 1 February 2018. The Group repurchased 70,000,000 Conversion Shares at a principal amount of HKD10,000,000 and issued HKD60,000,000 Note at an interest rate of 6% to the Purchaser. The outstanding 77,064,200 Conversion Shares of the Convertible bonds with a principal amount of HKD84,000,000 are subject to a downward revision of Conversion Price from HKD2.20 to HKD1.09.

35 COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 1(c).

34 報告期後非調整事件

於報告期末後，本集團修訂於二零一八年二月一日發行的可換股債券的條款及條件。本集團按本金額10,000,000港元購回70,000,000股換股股份，並向購買者按6%的利率發行60,000,000港元票據。可換股債券中77,064,200股未轉換的換股股份(本金額為84,000,000港元)的換股價將須下調，由2.20港元下調至1.09港元。

35 比較數字

本集團於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方式，比較資料不予重列。會計政策變動的進一步詳情披露於附註1(c)。



中國金融發展(控股)有限公司
CHINA SUCCESS FINANCE GROUP HOLDINGS LIMITED