

Superactive Group Company Limited 先機企業集團有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 176



ANNUAL REPORT

2018 年報

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CORPORATE INFORMATION

企業資料

BOARD OF DIRECTORS

Executive Directors:

Ms Yeung So Lai (*Chairman*)

Mr Lee Chi Shing Caesar (*Deputy Chairman*)

Independent Non-executive Directors:

Mr Chiu Sze Wai Wilfred

Mr Chow Wai Leung William

Ms Hu Gin Ing

AUDIT AND RISK COMMITTEE

Ms Hu Gin Ing (*Chairman*)

Mr Chiu Sze Wai Wilfred

Mr Chow Wai Leung William

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Mr Chow Wai Leung William (*Chairman*)

Mr Chiu Sze Wai Wilfred

Ms Hu Gin Ing

REMUNERATION COMMITTEE

Ms Hu Gin Ing (*Chairman*)

Mr Chiu Sze Wai Wilfred

Mr Chow Wai Leung William

COMPANY SECRETARY

Mr Luk Chi Keung

AUDITOR

BDO Limited

REGISTERED OFFICE

Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1206, China Merchants Tower,
Shun Tak Centre, 168-200 Connaught Road Central,
Sheung Wan, Hong Kong

董事會

執行董事：

楊素麗女士 (*主席*)

李志成先生 (*副主席*)

獨立非執行董事：

趙思瑋先生

周偉良先生

胡競英女士

審核及風險委員會

胡競英女士 (*主席*)

趙思瑋先生

周偉良先生

提名及企業管治委員會

周偉良先生 (*主席*)

趙思瑋先生

胡競英女士

薪酬委員會

胡競英女士 (*主席*)

趙思瑋先生

周偉良先生

公司秘書

陸志強先生

核數師

香港立信德豪會計師事務所有限公司

註冊辦事處

Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

總辦事處兼香港主要營業地點

香港上環
干諾道中 168-200 號信德中心
招商局大廈 1206 室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Conyers Corporate Services
(Bermuda) Limited
Clarendon House
2 Church Street, Hamilton HM11,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of Communications Co., Ltd. Hong Kong Branch
Heng Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

INVESTOR RELATIONS

For other information relating to the Company, please contact
Corporate Communication Department.

Website: www.superactive.com.hk

Email: info.superactive.com.hk

百慕達主要股份登記及過戶辦事處

Conyers Corporate Services
(Bermuda) Limited
Clarendon House
2 Church Street, Hamilton HM11,
Bermuda

香港股份登記及過戶分處

卓佳秘書商務有限公司
香港
皇后大道東 183 號
合和中心 22 樓

主要往來銀行

交通銀行股份有限公司香港分行
恒生銀行有限公司
香港上海滙豐銀行有限公司

投資者關係

有關本公司的其他資料，
請聯絡企業傳訊部。

網址：www.superactive.com.hk

電郵：info.superactive.com.hk

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS

業績

| | | Years ended 31 December | | | Fifteen months ended | Year ended |
|--|---------------|-------------------------|----------|----------|----------------------|--------------|
| | | 截至十二月三十一日止年度 | | | 31 December | 30 September |
| | | | | | 截至十二月三十一日止十五個月 | 截至九月三十日止年度 |
| | | 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 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Revenue | 收益 | 237,525 | 206,526 | 141,267 | 167,625 | 286,249 |
| Gross Profit | 毛利 | 42,069 | 20,019 | 18,999 | 12,158 | 41,463 |
| Impairment of assets | 資產減值 | (107,859) | - | - | - | - |
| Net impairment losses on financial assets | 金融資產減值虧損淨額 | (35,157) | 159 | - | - | - |
| Share of results of associates | 應佔一間聯營公司之業績 | 11,929 | 54,122 | 16,333 | 24,594 | 9,583 |
| Gain on dilution of interest in an associate | 攤薄一間聯營公司權益之收益 | - | - | - | 1,152 | - |
| (Loss)/profit before tax | 除稅前(虧損)/溢利 | (193,173) | 79,048 | 7,763 | (5,305) | 61,492 |
| Income tax credit/(expense) | 所得稅抵免/(開支) | 11,167 | (10,074) | (4,277) | (3,621) | (11,581) |
| (Loss)/profit for the year/period | 年/期內(虧損)/溢利 | (182,006) | 68,974 | 3,486 | (8,926) | 49,911 |
| Net results from discontinued operations | 已終止經營業務業績淨額 | - | - | - | - | (228,670) |
| (Loss)/profit for the year/period | 年/期內(虧損)/溢利 | (182,006) | 68,974 | 3,486 | (8,926) | (178,759) |
| Attributable to: | 以下各項應佔: | | | | | |
| Owners of the Company | 本公司擁有人 | (174,334) | 69,324 | 3,486 | (8,926) | (178,759) |
| Non-controlling interests | 非控股權益 | (7,672) | (350) | - | - | - |
| | | (182,006) | 68,974 | 3,486 | (8,926) | (178,759) |

ASSETS AND LIABILITIES

資產及負債

| | | | At 31 December 於十二月三十一日 | | | At 30 September 於九月三十日 |
|---|------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | 2014 二零一四年 HK\$'000 千港元 |
| Total assets | 資產總值 | 1,485,203 | 1,257,549 | 533,763 | 510,250 | 556,636 |
| Total liabilities | 負債總額 | 762,965 | 326,203 | 63,717 | (46,294) | (154,327) |
| Net assets | 資產淨值 | 722,238 | 931,346 | 470,046 | 463,956 | 402,309 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 717,640 | 921,224 | 470,046 | 463,956 | 402,309 |
| Non-controlling interests | 非控股權益 | 4,598 | 10,122 | - | - | - |
| Total equity | 權益總額 | 722,238 | 931,346 | 470,046 | 463,956 | 402,309 |

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board (the “Board”) of directors (the “Directors”) of Superactive Group Company Limited (the “Company” together with its subsidiaries (the “Group”)), I am pleased to present the annual results of the Group for the year ended 31 December 2018.

REVIEW AND OUTLOOK

During the year, the Group was principally engaged in the manufacturing electronics products, provision of money lending service and regulated financial service activities in Hong Kong; and provision of nursery education service and property development and management in the People’s Republic of China (the “PRC”).

The Sino-US trade war was brewing in 2016. After the fermentation in 2017, it finally broke out in 2018. The United States (the “US”) imposes punitive tariffs on Chinese goods, and China also imposes retaliatory tariffs on US goods. The Sino-US trade war has had a negative impact on financial markets, consumers and enterprises. At the end of 2018, the Sino-US trade war showed signs of easing. China and the US agreed to negotiate and agreed to suspend new trade measures. Although the Sino-US trade war may eventually be resolved, the competition between China and the US will remain fierce. If the US trade protectionism is still maintained, the trade environment may not be able to improve significantly.

本人謹代表先機企業集團有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)欣然呈報本集團截至二零一八年十二月三十一日止年度之全年業績。

回顧及前景

於本年度，本集團主要於香港從事電子產品生產，提供放債服務及受規管金融服務活動，以及於中華人民共和國(「中國」)提供幼兒教育服務及進行物業開發及管理。

中美貿易戰於二零一六年開始醞釀，二零一七年持續發酵，最終於二零一八年爆發。美利堅合眾國(「美國」)對中國商品加徵懲罰性關稅，而中國亦對美國商品施以報復性關稅。中美貿易戰對金融市場、消費者及企業已造成負面影響。於二零一八年末，中美貿易戰有緩和跡象。中國與美國同意磋商，並同意暫停新的貿易措施。儘管中美貿易戰最終可能解決，中美互相競爭仍然熾熱。假若美國維持貿易保護主義，貿易環境未必能有顯著改善。

REVIEW AND OUTLOOK (Continued)

The Chinese economy experienced a period of ups and downs in 2018. Under the pressure of macro-control and financial deleveraging, the total social financing and broad-based money growth continued to decline and reached a new low in October 2018. The nominal exchange rate of the Renminbi (“RMB”) against the US dollar also turned from rising to falling. The adjustment of monetary policy led to a sharp decline in money market interest rates and bond market interest rates. Since the second half of 2018, whether it is new or second-hand housing, the prices have been relaxed. At the same time, the “7.31” policy emphasises resolutely curbing housing price increases. Judging from the monetary policy implementation report of the People's Bank of China in the first three quarters, the growth rate of personal housing mortgage loans has stabilised. The Group expects that China's real estate control policy may be relaxed in 2019, but there should be no significant reversal in the direction. Because once the regulation is clearly relaxed, house prices may rise again and again, and leading to high risks. It is not what the Chinese government is willing to happen.

In November 2018, the Central Committee of the Communist Party of China and the State Council of the PRC jointly issued “Certain Opinions on In-Depth Reform and Regulated the Development of Pre-school Education” (the “Opinions”). The Group has engaged a PRC lawyer to assess the impact of the Opinions to the Group. Based on their assessment result (the “PRC Legal Opinion”), the nursery education business of the Group is applicable to the provisions of Article 24 of the Opinions, among others, the restrictions on the transfer or disposal of kindergartens; and a listed company may not invest in a for-profit kindergarten through the stock market financing, and may not purchase for-profit kindergarten assets by issuing shares or paying cash. Affected by the restrictions on the sale, investment and purchase of assets, the Group's original plan to expand the number of kindergartens to obtain economies of scale and achieve a positive cash flow has also come to an end. Therefore, the Group revised the originally approved budgets and suspended all the expansion plan. A revised cash flows projection has been made, and the result showed negative cash flows from the existing kindergarten. Due to the transfer restrictions and foreseeable continuous negative cash flows, management considered that the license and goodwill have minimal commercial value, and it is inevitable for the Group to recognise a full impairment on the license and goodwill in the nursery education business.

回顧及前景(續)

於二零一八年，中國經濟經歷一段跌宕起伏的時期。在宏觀調控及金融去槓桿化的壓力下，社會融資總額及廣泛基礎的貨幣增長持續下跌，並於二零一八年十月跌至新低。人民幣(「人民幣」)兌美元的名義匯率亦由升轉跌。貨幣政策調整導致貨幣市場利率及債券市場利率急劇下降。自二零一八年下半年起，新建或二手住房價格均有緩和。同時，「7.31」政策堅決遏制房價上漲。根據中國人民銀行首三個季度發佈的貨幣政策執行報告，個人住房按揭貸款的增長率已穩定。本集團預計，於二零一九年，中國房地產調控政策或會放寬，惟方向並不會出現重大逆轉，因為一旦有關規例明顯放寬，樓價可能一次又一次上漲，從而引致更高風險。中國政府亦不希望出現此類情況。

於二零一八年十一月，中國共產黨中央委員會及中華人民共和國國務院聯合頒佈《學前教育深化改革規範發展的若干意見》(「意見」)。本集團已委聘中國律師評估意見對本集團的影響。根據其評估結果(「中國法律意見」)，本集團幼兒教育業務適用於意見第24條的條文，其中包括轉讓或出售幼兒園的限制；及上市公司不得透過股票市場融資投資於經營性幼兒園，亦不得透過發行股份或支付現金購買經營性幼兒園的資產。受銷售、投資及購買資產限制的影響，本集團原訂擴充幼兒園數目以達致規模經濟及正面現金流的計劃亦告終止。因此，本集團修訂其原訂經審批預算，並暫停所有擴充計劃。已編製經修訂的現金流量預測，結果顯示現有幼兒園出現負現金流量。由於轉讓限制及未來可見的持續負面現金流量，管理層認為牌照及商譽的商業價值極微，因此本集團無可避免就幼兒教育業務的牌照及商譽確認全數減值。

COMMUNITY RELATIONS AND SOCIAL RESPONSIBILITY

At the Company, social responsibility is an integral part of how we do business. We go beyond complying with legal or regulatory requirements and genuinely work towards making a positive impact on the welfare of our employees, our business partners, our local communities, and the environment. Environment, Social and Governance (“ESG”) Report attached in the annual report to provide the public with an appreciation of how we perform and respond to different ESG issues.

ACKNOWLEDGMENTS

Finally, I would like to thank our employees for their dedication, independent directors for their guidance and suggestions, and shareholders for their confidence in the management and their support. I am grateful to everyone who contributes to the success of the Group.

Yeung So Lai

Chairman

29 March 2019

社區關係及社會責任

本公司深信社會責任是業務營運其中一個不可或缺的部分，因此我們致力做到高於法例或規管要求，真正為僱員的福利、我們的業務夥伴、我們的社區，以及環境帶來正面影響。年度報告所附的《環境、社會及管治（「環境、社會及管治」）報告》讓公眾清楚了解我們對環境、社會及管治方面的不同議題的表現及回應。

致謝

最後，我要感謝所有為本集團的成功作出貢獻的各方：勤奮工作的員工、提供指導及意見的獨立董事，以及相信管理層能力及給予支持的股東們。

楊素麗

主席

二零一九年三月二十九日

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Revenue and Gross Profit: Revenue comprised of sales of electronics products, tuition fee from the provision of nursery education service, interest income from the provision of money lending, management fee received from property management services provided and services income from the provision of regulated financial services. The revenue in 2018 increased by approximately HK\$30,999,000 (representing an increase of approximately 15.01% when compared with 2017) from HK\$206,526,000 in 2017 to HK\$237,525,000 in 2018. The gross profit increased by approximately HK\$22,050,000 (representing an increase of approximately 110.15% when compared with 2017) from HK\$20,019,000 in 2017 to HK\$42,069,000 in 2018. The gross profit margin increased by approximately 8.02% from 9.69% in 2017 to 17.71% in 2018.

Other net gains: In 2017, the other net gains were mainly attributable to the gain on bargain purchase of subsidiaries of approximately HK\$60,190,000, which was non-recurring and fully recognised in 2017. No such item in 2018.

Selling and distribution costs: The selling and distribution costs in the year remained stable as in 2017.

Administrative costs: The increase in the year was mainly due to the depreciation expenses for the newly acquired office of approximately HK\$16,000,000 which is a non-cash item for the year; and the administrative cost for the new operating business which was acquired in the second half of 2017.

Finance costs: The increase in the year was mainly due to the bank loan interest for the new bank loans in relation to the acquisition of the Company office, and interest for the bonds with a principal of HK\$280,000,000 at a coupon rate of 8% per annum.

Impairment of assets: The impairment was mainly made for the license and goodwill for the nursery education business which was acquired in 2017.

財務回顧

收益及毛利：收益包括電子產品的銷售、提供幼兒教育服務的學費、提供放債的利息收入、提供物業管理服務的管理費及提供受規管金融服務的服務收入。二零一八年的收益由二零一七年的206,526,000港元增加約30,999,000港元至二零一八年的237,525,000港元(較二零一七年增加約15.01%)。毛利由二零一七年的20,019,000港元增加約22,050,000港元至二零一八年的42,069,000港元(較二零一七年增加約110.15%)。毛利率由二零一七年的9.69%上升約8.02%至二零一八年的17.71%。

其他收益淨額：於二零一七年，其他收益淨額主要來源於議價收購附屬公司之收益約60,190,000港元(屬非經常性質)，且於二零一七年悉數確認。二零一八年並無該等項目。

銷售及分銷成本：本年度銷售及分銷成本與二零一七年維持穩定。

行政成本：本年度增幅乃主要由於新收購辦公室之折舊開支約16,000,000港元(本年度屬非現金項目)，及於二零一七年下半年所收購新營運業務之行政成本。

財務成本：本年度增幅乃主要由於與收購本公司辦公室有關之新銀行貸款的銀行貸款利息，及債券本金280,000,000港元之利息(票面利率為每年8%)。

資產減值：主要就於二零一七年收購之幼兒教育業務的牌照及商譽作出減值。

Net impairment losses on financial assets: The net impairment losses on financial assets for the year comprises the impairment loss on trade receivables, other receivables and loan receivables. The impairment was made according to the expected credit loss rates which are based on the actual loss experience over the previous years adjusted for forward-looking information available to the Group without undue cost and effort.

Share of results of associates: The amount represented the Group's share in the results for the year of the associates, Yuji Development Corporation ("Yuji") and IT City Development Fund LP, based on the percentage of the equity interest owned by the Group. Yuji was disposed in July 2018.

SEGMENT ANALYSIS

Manufacturing Electronics Products

During the year, the segment of manufacturing electronics products includes the manufacturing of baby monitors and semi-products and manufacturing of transformers. The segment of manufacturing electronics products contributed approximately HK\$198,628,000 to revenue (2017: HK\$200,400,000 and representing a decrease of 0.89% when compared with 2017), in which approximately of HK\$174,238,000 (2017: HK\$200,400,000 and representing a decrease of 13.05% when compared with 2017) was generated from manufacturing of baby monitors and semi-products and approximately of HK\$24,390,000 (2017: nil) was generated from manufacturing of transformers. The main markets for baby monitors and semi-products and transformers are the US and the PRC respectively.

Provision of Nursery Education Services

During the year, the segment of the provision of nursery education services contributed approximately HK\$8,910,000 to revenue (2017: HK\$5,188,000, representing an increase of 71.74% when compared with 2017). The tuition fee per head per month for the year remain the same as in 2017. The increment was due to the revenue of 2017 has only been recognised after the completion of the acquisition in May 2017.

金融資產減值虧損淨額：本年度金融資產減值虧損淨額包括應收貿易賬款、其他應收款項及應收貸款之減值虧損。減值乃根據過去數年之實際虧損經驗得出之預期信貸虧損率並按本集團毋須花費過多成本及精力即可取得的前瞻性資料調整後作出。

應佔聯營公司之業績：該金額指本集團根據本集團所擁有股權百分比的本年度應佔聯營公司宇錡建設股份有限公司（「宇錡」）及IT City Development Fund LP之業績。宇錡已於二零一八年七月出售。

分類分析

電子產品生產

於本年度，電子產品生產分類包括嬰兒監視器及半成品生產以及變壓器生產。電子產品生產分類貢獻收益約198,628,000港元(二零一七年：200,400,000港元，較二零一七年下跌0.89%)，其中約174,238,000港元(二零一七年：200,400,000港元，較二零一七年下跌13.05%)產生自嬰兒監視器及半成品生產，而約24,390,000港元(二零一七年：無)則產生自變壓器生產。嬰兒監視器及半成品以及變壓器的主要市場分別為美國及中國。

提供幼兒教育服務

於本年度，提供幼兒教育服務分類貢獻收益約8,910,000港元(二零一七年：5,188,000港元，較二零一七年增加71.74%)。本年度人均每月學費與二零一七年維持相同水平。該增幅乃由於二零一七年收益僅於二零一七年五月完成收購後予以確認。

Provision of Money Lending Services

During the year, the segment of the provision of money lending services contributed approximately HK\$16,625,000 to revenue (2017: HK\$934,000, representing an increase of 1,679.99% when compared with 2017). The terms of the lendings were from 7 days to 1 year (2017: from 1 month to 1 year) at the interest rate from 6% per annum to 15% per annum (2017: from 10% per annum to 14% per annum) on the principals from HK\$7,869,000 to HK\$51,000,000 (2017: from HK\$7,869,000 to HK\$25,000,000).

Property Development and Management

Lijiang Underground Walkway: The Lijiang Underground Walkway is located at the underground of Minzhu Road and Fuhui Road, Lijiang City, Yunan Province, the PRC. The construction and the final acceptance have been completed during the year. The gross floor area of the underground walkway project is approximately 36,583 square metre ("sq. m.") comprising a civil air defence work structure of approximately 13,730 sq. m., 741 units of the saleable shop premises with a total gross floor area of approximately 19,923 sq. m., a non-saleable property utility room of approximately 15 sq. m. and a commercial function room of approximately 2,915 sq. m.. The Lijiang Underground Walkway is now held-for-sales purpose but in the meantime, the shop premises will be leased to generate rental income and management fee income. During the year, the management fee income generated was approximately HK\$1,141,000 (2017: nil).

Provision of Regulated Financial Services

The regulated financial services are provided by the Company's subsidiary, Superactive Financial Group Company Limited ("Superactive Financial Group") (formerly known as Shining International Holdings Limited) which is licensed under the Securities and Future Ordinance ("SFO") (Chapter 571 of the laws of Hong Kong) to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities.

提供放債服務

於本年度，提供放債服務分類貢獻收益約16,625,000港元(二零一七年：934,000港元，較二零一七年增加1,679.99%)。借款年期介乎7天至1年(二零一七年：1個月至1年)，本金介乎7,869,000港元至51,000,000港元(二零一七年：7,869,000港元至25,000,000港元)，年利率介乎6%至15%(二零一七年：年利率介乎10%至14%)。

物業發展和管理

麗江地下步行街：麗江地下步行街位於中國雲南省麗江市民主路及福慧路地下。經已於本年度完成工程及最終驗收。該地下步行街項目建築面積約為36,583平方米(「平方米」)，由面積約為13,730平方米之一項人民防空工程結構、總建築面積約為19,923平方米之741間可銷售商店、面積約為15平方米之一間不可銷售雜物室及面積約為2,915平方米之一間商業多用途室組成。麗江地下步行街現持作出售用途，但同時，商店將會出租以產生租金收入及管理費收入。於本年度，管理費收入約為1,141,000港元(二零一七年：無)。

提供受規管金融服務

受規管金融服務由本公司附屬公司先機金融集團有限公司(「先機金融集團」)(前稱舜麗國際控股有限公司)提供，該附屬公司為香港法例第571章《證券及期貨條例》(「證券及期貨條例」)項下之持牌機構，可進行第1類(證券交易)、第4類(就證券提供意見)、第5類(就期貨合約提供意見)、第6類(就機構融資提供意見)及第9類(提供資產管理)受規管活動。

During the year, the segment of the provision of regulated financial services contributed approximately HK\$12,221,000 to revenue (2017: nil). The revenue of the provision of regulated financial services was generated from the management services of asset management. Apart from the management services of asset management, Superactive Financial Group also provided intragroup financial advisory services.

BUSINESS REVIEW AND PROSPECTS

With the outbreak of the Sino-US trade war, the international trade market uncertainty and volatility increased. As the US is the largest market for the Group's manufacturing of baby monitors and semi-products, the Sino-US trade war will inevitably have a direct impact on the Group's business. Fortunately, the Group expanded its business to the manufacturing of transformers in 2018, and its primary market is the domestic market of Mainland China that could ease the impact of the Sino-US trade war. Looking ahead, the Group believes that as the completion of the new factory in Zhaoqing, the PRC, the production capacity of manufacturing of transformers will increase significantly. The Group's business will gradually reduce its reliance on the manufacturing of baby monitors and semi-products and the US market, while the manufacturing of transformers and the PRC market will gradually increase.

於本年度，提供受規管金融服務分類貢獻收益約12,221,000港元(二零一七年：無)。提供受規管金融服務收益產生自提供資產管理之管理服務。除提供資產管理之管理服務外，先機金融集團亦提供集團間財務諮詢服務。

業務回顧及前景

面對中美貿易戰爆發，國際貿易市場不確定性及波動性增加。由於美國作為本集團生產嬰兒監視器及半成品的最大市場，中美貿易戰將無可避免地對本集團業務產生直接影響。所幸本集團已於二零一八年將其業務擴展至生產變壓器，其主要市場為中國內地的國內市場，可緩和中美貿易戰帶來的影響。展望未來，本集團認為，隨著中國肇慶市新廠房的建成，變壓器生產的產能將大幅提升。本集團業務將逐步減少對嬰兒監視器及半成品生產以及美國市場的依賴，惟將逐步增加對變壓器生產及中國市場的依賴。

In recent years, China's nursery education industry has shown a good development trend. On the one hand, with the continuous improvement of people's consumption level, parents' awareness of nursery education has gradually strengthened. On the other hand, the second-child policy continues to ferment, so that the children of suitable ages are expected to continue to grow, prompting the development of China's nursery education industry to become more rapid, and the market potential is huge. However, the Central Committee of the Communist Party of China and the State Council of the PRC jointly issued the Opinions in November 2018. The Opinions implies that the PRC government wants to monitor and regulate the industry of education strictly and to curb the expensive tuition fees charged by the private kindergartens. The outlook for nursery education, therefore, has changed dramatically. The Group stepped in nursery education services business through acquisitions in 2017. In view of the Opinions, the Group decided to suspend the development plan of the expansion the number of kindergartens and the license and goodwill in relation to the nursery education services business has been fully impaired during the year. The development plan of the Group's nursery education business has yet to be finalised and will be depended on how the Opinions are implemented, the market situation and the industry's response plan.

Subject to the contradiction between the borrower's urgency for the use of money and personal privacy, and the disclosure requirements and the processing time to get the required approval of the notifiable transactions to comply with the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Group faced a certain degree of difficulty in engaging in the money lending business. As the Group's total assets increased, and revenue and profits improved, the impact in 2018 is relatively less than in 2017. Interest income from money lending business for the year increased by 1,679.99% when compared with 2017. The significant increase is not only about half a year's operation time in 2017, but also the total sum of the loan principal in this year is much higher than that in 2017. However, as the sum for the loan principal is close to the limit of the Group's budget, the interest income from money lending business will not be expected to increase significantly in the coming year unless the borrowing interest rate rises or the Group increases its budget.

近年，中國幼兒教育行業呈現良好發展趨勢。一方面，人民消費水平持續改善亦逐步加強家長對幼兒教育的認識。另一方面，二胎政策繼續實行促使適齡兒童的數目預期將持續增長，刺激中國幼兒教育行業的發展更為迅速，市場潛力無限。然而，於二零一八年十一月，中國共產黨中央委員會及中國國務院聯合頒佈《學前教育深化改革規範發展的若干意見》（「意見」）。意見指出，中國政府有意嚴格監察及規管教育行業，並遏制私營幼兒園收取之昂貴學費。幼兒教育前景因而出現重大轉變。本集團於二零一七年以收購方式涉足幼兒教育服務業務。鑒於意見所載，本集團決定暫停擴展幼兒園數目的發展計劃，而有關幼兒教育服務業務之牌照及商譽已於本年度悉數減值。本集團幼兒教育業務之發展計劃有待落實，並將視乎意見執行情況、市況及行業應急計劃而定。

鑒於借款人急於用錢的迫切性及個人隱私與獲取須予公佈交易的所需批准以符合香港聯合交易所有限公司證券上市規則（「上市規則」）的披露規定及處理時間之間的矛盾，本集團在從事放債業務方面面臨一定程度的困難。由於本集團總資產增加，收益及溢利亦有所改善，故相較二零一七年，二零一八年的影響相對較少。本年度放債業務的利息收入相較二零一七年增加1,679.99%。該大幅增加不僅關乎二零一七年之半年營運時間，亦由於本年度貸款本金的總金額遠高於二零一七年。然而，由於貸款本金總額接近本集團預算上限，除非提高借款利率或本集團增加其預算，否則未來一年放債業務的利息收入預期將不會大幅增加。

For the property development and management business, as the construction and the final acceptance of the Lijiang Underground Walkway have been completed during the year, the shop premises will be available for sales in the coming year. The Group will schedule the sales of the shop premises according to the Group's financial needs and market conditions. The Group is optimistic about the shops' investment market of Lijiang.

For the regulated financial services business, the Group has engaged in financial advisory and asset management businesses during the year. Superactive Financial Group was approved by the Securities and Futures Commission, to carry out in Type 1 (Dealing in Securities) regulated activity under the SFO in June 2018. The Group is now actively preparing to carry out the dealing services.

The Group will continue to explore and invest in potential projects and business opportunities with good potential.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

As at 31 December 2018, the Group has cash and cash equivalents of approximately HK\$28,464,000 (2017: HK\$108,131,000) which included approximately HK\$4,660,000, RMB11,411,000 and US\$1,391,000.

就物業開發和管理業務而言，由於麗江地下步行街已於本年度完成工程及最終驗收，商店於未來一年將可供銷售。本集團將根據本集團財務需求及市場狀況安排銷售商店。本集團對麗江之商店投資市場持樂觀態度。

就受規管金融服務業務而言，本集團已於本年度從事財務諮詢及資產管理業務。先機金融集團於二零一八年六月獲證券及期貨事務監察委員會認可，從事證券及期貨條例項下第1類(證券交易)受規管活動。本集團現積極籌備開展交易服務。

本集團將繼續探索及投資具有強勁增長潛力的潛在項目與商機。

流動資金、財務資源及資本負債比率

於二零一八年十二月三十一日，本集團之現金及現金等價物項目約為28,464,000港元(二零一七年：108,131,000港元)，其中包括約4,660,000港元、人民幣11,411,000元及1,391,000美元。

The Group had interest-bearing borrowings of approximately HK\$439,269,000 (2017: HK\$3,021,000) of which approximately HK\$286,565,000 (2017: HK\$3,021,000) were repayable on demand or within one year; approximately HK\$6,565,000 (2017: nil) were repayable in the second year; and approximately HK\$146,139,000 (2017: nil) were repayable in the third to fifth years, inclusive. The Group's total bank and other borrowings divided by total assets as at 31 December 2018 was 29.58% (2017: 0.24%). As at 31 December 2018, the gearing ratio of the Group was 0.57 (31 December 2017: zero). This ratio is calculated as net debt divided by total equity. Net debt is calculated as total interest-bearing borrowings less cash and cash equivalents. With the cash and bank balances available, and other current assets could be converted to cash within a year, the Group has sufficient financial resources to finance its operations and to meet the financial obligations of its business.

As at 31 December 2018, the Group has a net asset value of HK\$722,238,000 (2017: HK\$931,346,000), with a liquidity ratio (ratio of current assets to current liabilities) of 1.49 (2017: 4.47).

CHARGE ON ASSETS

As at 31 December 2018, the share equity of (i) Chengdu One Two Three Aozhong Education Investment Company Limited, the operating company of the nursery education in PRC; (ii) Superactive Financial Group, the operating company of the regulated financial services; (iii) Link Complex Limited, a company which held the 18% unlisted equity shares of a company which is for provision of real-time kinematic solution; and (iv) Shenzhen Jiaxin, the holding company of a group operating the manufacturing of transformers were pledged to secure the Company's bonds issued on 29 December 2017. In addition, the office properties included in Land and Building under the Property, Plant and Equipment were pledged to a bank to secure the Group's term loans.

本集團之計息借款約為439,269,000港元(二零一七年：3,021,000港元)，其中約286,565,000港元(二零一七年：3,021,000港元)須按要求或於一年內償還；約6,565,000港元(二零一七年：無)須於第2年償還；約146,139,000港元(二零一七年：無)須於第3年至第5年(包括首尾兩年)內償還。本集團於二零一八年十二月三十一日的銀行及其他借款總額除以總資產為29.58%(二零一七年：0.24%)。於二零一八年十二月三十一日，本集團資產負債比率為0.57(二零一七年十二月三十一日：零)。該比率按債務淨額除以權益總額計算。債務淨額按計息借款總額減現金及現金等價物項目計算。由於具備手頭現金及銀行結餘及其他流動資產可於一年內變現，本集團有足夠的財務資源為其業務提供資金及履行其業務之財務責任。

於二零一八年十二月三十一日，本集團之資產淨值為722,238,000港元(二零一七年：931,346,000港元)，而流動資金比率(流動資產與流動負債之比率)為1.49(二零一七年：4.47)。

資產抵押

於二零一八年十二月三十一日，(i)成都壹貳叁澳中教育投資有限公司(一間於中國經營幼兒教育的公司)；(ii)先機金融集團(一間經營受規管金融服務的公司)；(iii) Link Complex Limited(一間持有從事提供實時動態解決方案的公司的18%非上市股權的公司)；及(iv)深圳市加信(一間持有經營生產變壓器的集團的控股公司)的股權已被質押以為本公司於二零一七年十二月二十九日發行的債券作擔保。此外，包含在物業、廠房及設備中土地及樓宇一欄中之辦公室物業已質押予銀行以擔保本集團的定期貸款。

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's monetary assets, loans and transactions are principally denominated in Hong Kong dollars, RMB and US dollars. All the Group's borrowings are denominated in Hong Kong dollars. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its financial position exposure as at 31 December 2018.

EMPLOYEES

As at 31 December 2018, the Group had a staff force of approximately 600 employees (2017: approximately 500 employees). Of this, most were stationed in the PRC. The remuneration of employees was in line with the market trend and commensurable to the level of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives (such as share option scheme). Total staff costs incurred for the year 2018 was approximately HK\$52,690,000 (2017: approximately HK\$46,284,000).

匯率波動風險及有關對沖

本集團的貨幣資產、貸款及交易主要以港元、人民幣及美元計值。本集團借款全部均以港元計值。於二零一八年十二月三十一日，本集團並沒有參與任何衍生工具活動及並無對任何金融工具作出承擔以對沖其財務狀況風險。

僱員

於二零一八年十二月三十一日，本集團擁有約600名僱員(二零一七年：約500名僱員)，其中大部份在中國工作。僱員的薪酬與市場趨勢一致，與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵(如認股權計劃)。二零一八年所產生的員工成本總額約為52,690,000港元(二零一七年：約46,284,000港元)。

As at the date of this annual report, the biographical details of the Directors are as follows:

EXECUTIVE DIRECTOR

Ms Yeung So Lai (“Ms Yeung”), aged 41, joined the Company on 25 January 2017 as an executive Director and acted as the Chairman of the Company on 8 February 2017. Ms Yeung has been appointed as director of various subsidiaries of the Company. Ms Yeung is presently a director of a number of private companies engaged in the business of investment holding and is experienced in corporate management. Ms Yeung was also the executive director and chief executive officer of Imperium Group Global Holdings Limited (formerly known as JF Household Furnishings Limited) (stock code: 0776) from 21 September 2012 to 31 July 2016, the shares of which are listed on the Main Board of the Stock Exchange and was executive director of Suncity Group Holdings Limited (formerly known as Sun Century Group Limited and Hong Long Holdings Limited) (stock code: 1383), a company listed on the Main Board of the Stock Exchange, from 2 September 2011 to 31 March 2017.

Mr Lee Chi Shing Caesar (“Mr Lee”), aged 55, joined the Company on 25 January 2017 as an executive Director and acted as the Deputy Chairman of the Company on 8 February 2017. Mr Lee has been appointed as director of various subsidiaries of the Company. Mr Lee obtained a Professional Diploma in Accountancy from the Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) in 1985 and a Bachelor of Arts in Business Studies from the City University of Hong Kong (formerly known as the City Polytechnic of Hong Kong) in 1994. He had worked in the Inland Revenue Department for over 15 years after his graduation. In 2000, he joined Ernst and Young, an international accounting firm, as a senior manager. He later obtained a Master degree in International Accountancy from the City University of Hong Kong in 2001. He was the executive director of Sun International Resources Limited (formerly known as Galileo Capital Group Limited) (stock code: 8029), a company listed on the Growth Enterprise Market of the Stock Exchange, from 14 August 2006 to 30 November 2015. He has been the executive director of Newtree Group Holdings Limited (stock code: 1323), a company listed on the Main Board of the Stock Exchange since 4 October 2011. He is experienced in corporate management and internal control. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. In addition, he is a member of the Society of Registered Financial Planners.

於本年報刊發日期，董事的履歷詳情如下：

執行董事

楊素麗女士(「楊女士」)，41歲，於二零一七年一月二十五日加入本公司並擔任執行董事，並於二零一七年二月八日獲委任為本公司主席。楊女士獲委任為本公司多間附屬公司的董事。楊女士目前為多間從事投資控股業務的私人公司的董事，在企業管理方面經驗豐富。楊女士亦曾於二零一二年九月二十一日至二零一六年七月三十一日擔任帝國集團環球控股有限公司(前稱為捷豐家居用品有限公司)(股份代號：0776)執行董事兼行政總裁，該公司股份於聯交所主板上市，並曾於二零一一年九月二日至二零一七年三月三十一日擔任聯交所主板上市公司太陽城集團控股有限公司(前稱太陽世紀集團有限公司及鴻隆控股有限公司)(股份代號：1383)執行董事。

李志成先生(「李先生」)，55歲，於二零一七年一月二十五日加入本公司並擔任執行董事，並於二零一七年二月八日獲委任為本公司副主席。李先生獲委任為本公司多間附屬公司的董事。李先生於一九八五年獲香港理工大學(前稱為香港理工學院)頒發會計專業文憑，並於一九九四年獲香港城市大學(前稱為香港城市理工學院)頒發商學文學士學位。彼畢業後於稅務局工作逾15年。於二零零零年，彼加入國際會計師事務所安永會計師事務所出任高級經理。其後，彼於二零零一年獲香港城市大學頒發國際會計碩士學位。彼於二零零六年八月十四日至二零一五年十一月三十日擔任聯交所GEM上市公司太陽國際資源有限公司(前稱為嘉利盈融資集團有限公司)(股份代號：8029)執行董事。彼自二零一一年十月四日起擔任聯交所主板上市公司友川集團控股有限公司(股份代號：1323)之執行董事。彼於企業管理及內部監控方面經驗豐富。彼為香港會計師公會及英國特許公認會計師公會資深會員。此外，彼亦為註冊財務策劃師協會會員。

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr Chiu Sze Wai Wilfred (“Mr Chiu”), aged 44, joined the Company on 8 February 2017 as an independent non-executive Director, a member of the Audit and Risk Committee, the Nominating and Corporate Governance Committee and the Remuneration Committee of the Company. He is currently a practising solicitor in Hong Kong. Mr Chiu obtained a Bachelor of Business from Southern Cross University, Australia in 1997 and obtained a Bachelor of Laws from Manchester Metropolitan University, the United Kingdom in 2003. Mr Chiu subsequently obtained a Postgraduate Certificate in Laws from The University of Hong Kong in 2005 and was admitted as a solicitor in 2007. Mr Chiu specialises in land, property and development matters and possesses extensive experience in dealing with various kinds of property-related issues. Mr Chiu is also the Legal Advisor of the Hong Kong Gifted Education Teacher’s Association.

Mr Chow Wai Leung William (“Mr Chow”), aged 46, joined the Company on 8 February 2017 as an independent non-executive Director, Chairman of the Nominating and Corporate Governance Committee, a member of the Audit and Risk Committee and Remuneration Committee of the Company. Mr Chow is a certified public accountant and an executive of an accounting firm in Hong Kong and has various years of experience in auditing, taxation and company secretarial practice in Hong Kong. Mr Chow obtained a Bachelor’s Degree in Business Administration (Hons.) from Hong Kong Baptist University in 1996. Mr Chow is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Society of Chinese Accountants and Auditors and the Taxation Institute of Hong Kong.

獨立非執行董事

趙思璋先生(「趙先生」)，44歲，於二零一七年二月八日加入本公司，為本公司獨立非執行董事、審核及風險委員會、提名及企業管治委員會兼薪酬委員會成員。彼現為香港執業律師。趙先生於一九九七年在澳洲南十字星大學(Southern Cross University)取得商學士學位，並於二零零三年在英國曼徹斯特都會大學(Manchester Metropolitan University)取得法學士學位。趙先生其後於二零零五年在香港大學取得法學專業證書，並於二零零七年獲認許律師資格。趙先生專門從事土地、物業及發展項目事務，於處理各類物業相關事務方面擁有豐富經驗。趙先生亦為香港資優教育教師協會之法律顧問。

周偉良先生(「周先生」)，46歲，於二零一七年二月八日加入本公司，為本公司獨立非執行董事、提名及企業管治委員會主席、審核及風險委員會兼薪酬委員會成員。周先生為執業會計師，並為香港一間會計師行之行政人員，於香港審計、稅務及公司秘書業務方面擁有多年經驗。周先生於一九九六年在香港浸會大學取得工商管理學士(榮譽)學位。周先生為香港會計師公會、英國特許公認會計師公會、香港華人會計師公會及香港稅務學會會員。

INDEPENDENT NON-EXECUTIVE DIRECTOR

(Continued)

Ms Hu Gin Ing (“Ms Hu”), aged 60, joined the Company on 6 November 2013 as an independent non-executive Director, Chairman of the Audit and Risk Committee and a member of the Nominating and Corporate Governance Committee of the Company. Ms Hu has been appointed as a member of the Remuneration Committee on 30 May 2014 and re-designated as Chairman of the Remuneration Committee on 15 September 2014. Ms Hu has experience in media, television network and private equity investments. Ms Hu has been a director/partner of NHL CPA Limited, Hong Kong, since January 2005. Ms Hu is now the vice chairman of the board of Benelife Management Limited since February 2018 and the chairman of the board of Benepet Co., Ltd. since July 2017. Ms Hu has been the Corp. CFO, Global Finance, of Acer Incorporated a company listed on the Taiwan Stock Exchange Corporation for the period from May 2014 to June 2017. Ms Hu has been an independent non-executive director of Carnival Group International Holdings Limited (stock code: 0996), LVGEM (China) Real Estate Investment Company Limited (stock code: 0095) and Enterprise Development Holdings Limited (stock code: 1808), all of which are listed on the Stock Exchange. Ms Hu was an independent director of Arich Enterprise Co. Ltd., a company listed on the Taiwan Stock Exchange Corporation (stock code: 4173) from December 2012 to June 2015. Ms Hu obtained a Master of Business Administration degree from Florida International University, the US, a Master of Science degree from Barry University, the US, and a Bachelor degree in Foreign Language from the National Taiwan University. Ms Hu is a Certified Public Accountant, a member of the Hong Kong Institute of Certified Public Accountants as well as a member of the American Institute of Certified Public Accountants and has over 24 years of experience in accounting and finance.

獨立非執行董事(續)

胡競英女士(「胡女士」)，60歲，於二零一三年十一月六日加入本公司，為本公司之獨立非執行董事、審核及風險委員會主席以及提名及企業管治委員會成員。胡女士於二零一四年五月三十日獲委任為薪酬委員會成員並於二零一四年九月十五日調任為薪酬委員會主席。胡女士於媒體、電視網絡及私募股權投資方面擁有經驗。胡女士自二零零五年一月起擔任香港匯俊會計師事務所有限公司之董事／合夥人。胡女士自二零一八年二月起擔任合富潤生企業管理諮詢(上海)有限公司副董事長及自二零一七年七月起擔任益龍生醫藥股份有限公司董事長。胡女士自二零一四年五月至二零一七年六月期間任職宏碁股份有限公司(一間於台灣證券交易所上市的公司)全球財務長。胡女士為嘉年華國際控股有限公司(股份代號：0996)、綠景(中國)地產投資有限公司(股份代號：0095)及企展控股有限公司(股份代號：1808)之獨立非執行董事(上述公司均於聯交所上市)。胡女士曾自二零一二年十二月至二零一五年六月擔任久裕企業股份有限公司(於台灣證券交易所股份有限公司上市之公司(股份代號：4173))之獨立董事。胡女士取得美國佛羅里達國際大學(Florida International University)工商管理碩士學位、美國貝瑞大學(Barry University)理科碩士學位及國立台灣大學外文系學士學位。胡女士為執業會計師、香港會計師公會會員以及美國會計師公會會員，並於會計及財務擁有逾24年經驗。

DIRECTORS' REPORT

董事會報告

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The Company is a diversified investment holding company. The activities of its principal subsidiaries are set out in note 40 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 83 and the accompanying notes to the consolidated financial statements.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: nil).

To enhance transparency of the Company and facilitate the shareholders of the Company and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy on 21 January 2019 ("Dividend Policy").

According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider the Company's financial results, prospects and other factors, and subject to:

- the Company's Bye-laws;
- the applicable restrictions and requirements under the laws of the Bermuda;
- any banking or other funding covenants by which the Company is bound from time to time;
- the investment and operating requirements of the Company; and
- any other factors that have a material impact on the Company.

董事欣然提呈本報告及本集團截至二零一八年十二月三十一日止年度的經審核綜合財務報表。

主要業務

本公司為一家多元化投資控股公司。本公司主要附屬公司之業務載於綜合財務報表附註40內。

業績及分派

本集團之年內業績載於第83頁之綜合損益表及隨附之綜合財務報表附註內。

董事不建議派付截至二零一八年十二月三十一日止年度之末期股息(二零一七年：無)。

為提升本公司之透明度及促使本公司股東及投資者作出有關本公司之知情投資決定，董事會於二零一九年一月二十一日採納一項股息政策(「股息政策」)。

根據股息政策，當未來決定是否宣派任何股息及所宣派股息的金額時，本公司將考慮本公司之財務業績、前景及其他因素，並受以下各項限制：

- 本公司之公司細則；
- 百慕達法律下的適用限制及要求；
- 本公司不時受其約束的任何銀行或其他融資契諾；
- 本公司的投資及經營需求；及
- 任何其他對本公司構成重大影響的因素。

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion. The Board has the right to review the Dividend Policy from time to time as it deems fit according to the financial and business development requirements of the Company.

DONATIONS

The Group did not make any charitable and other donation during the year (2017: nil).

SHARE CAPITAL

Details of the Company's share capital as at 31 December 2018 are set out in note 28 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 88.

DISTRIBUTABLE RESERVES

At 31 December 2018, the Company's reserves, for distribution purposes, showed a surplus of HK\$38,430,000 comprising accumulated losses of HK\$32,481,000 and a contribution surplus of HK\$70,911,000. Under the Companies Act 1981 of Bermuda (as may be amended from time to time), the contributed surplus of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

本公司沒有任何預定的股息分配比例或分配比率。股息之宣派、派付及金額將由董事會酌情決定。董事會有權於其認為合適時按本公司財政及業務發展需求不時審閱股息政策。

捐款

本集團年內並無作出任何慈善及其他捐款(二零一七年：無)。

股本

本公司截至二零一八年十二月三十一日之股本詳情載於綜合財務報表附註28。

儲備

年內，本集團之儲備變動詳情載於第88頁之綜合權益變動表。

可分派儲備

於二零一八年十二月三十一日，本公司作分派用之儲備出現盈餘38,430,000港元，當中包括累計虧損32,481,000港元及繳入盈餘70,911,000港元。根據百慕達一九八一年公司法(經不時修訂)，本公司之繳入盈餘乃可供分派。然而，在下列情況下，本公司不得以繳入盈餘宣派或派付股息或作出分派：

- (a) 現時或於作出分派後將導致無法償還到期債項；或
- (b) 其資產之可變現價值會因而低於其債項、已發行股本及股份溢價賬之總和。

USE OF PROCEEDS FROM THE OPEN OFFER

On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017) and payable in full upon application. The net proceeds from the open offer after deducting all relevant expenses are estimated to be approximately HK\$336.4 million, which are intended to be used for the acquisition of the entire equity interest in Shenzhen City Qianhai Wanke Financial Services Company Limited ("Qianhai Wanke"). The open offer was completed, and share certificates for the offer shares dispatched on 27 October 2017. The breakdown of the use of proceeds is set out as follows:

公開發售所得款項用途

於二零一七年八月二十九日，本公司擬透過按認購價每股發售股份0.5港元按於記錄日期(即二零一七年九月十四日)每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份，以籌集約338,800,000港元(扣除開支前)，股款須於申請時繳足。公開發售的所得款項淨額(扣除所有相關開支後)預計約為336,400,000港元，擬用於收購深圳市前海萬客金融服務有限公司(「前海萬客」)之全部股權。公開發售已於二零一七年十月二十七日完成及就發售股份寄發股票。所得款項用途之明細載列如下：

| | | Amount used as | |
|--|-----------------|----------------|-------|
| | Intended use of | at the date | |
| | net proceeds | of this report | |
| | 所得款項淨額 | 於本報告日期 | |
| | 擬定用途 | 已動用金額 | |
| | HK\$ million | HK\$ million | |
| | 百萬港元 | 百萬港元 | |
| The acquisition of the entire equity interest in Qianhai Wanke | 收購前海萬客之全部股權 | 336.4 | 336.4 |

ISSUANCE OF BONDS

On 29 December 2017, the Company has issued bonds to an independent third party for a principal amount of HK\$300 million. The bonds are interest-bearing at 8% per annum at issue and interest is payable quarterly in arrears and will mature on 28 December 2019. The first instalment of interest was payable on 20 March 2018. According to the subscription agreement, the bonds are non-callable until 29 December 2018. The purpose of the bonds is to satisfy the funding needs of the money lending operation, the capital expenditures for the development of nursery education business and the general working capital of the Group. The proceeds of the bonds were received on 2 January 2018.

發行債券

於二零一七年十二月二十九日，本公司向一名獨立第三方發行本金額為300,000,000港元之債券。該等債券於發行時按年利率8%計息，利息須於每季度支付及將於二零一八年十二月二十八日到期。第一筆分期付款之利息應於二零一八年三月二十日支付。根據認購協議，該等債券於截至二零一八年十二月二十九日止為不可贖回。該等債券乃旨在滿足本集團之放債業務的資金需求、發展幼兒教育業務之資本開支及一般營運資金。有關債券款項已於二零一八年一月二日收取。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

DIRECTORS

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

Executive Directors:

Ms Yeung So Lai
Mr Lee Chi Shing Caesar

Independent Non-executive Directors:

Mr Chiu Sze Wai Wilfred
Mr Chow Wai Leung William
Ms Hu Gin Ing

BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the current directors are set out on page 17 to page 19 of this annual report.

DIRECTOR'S SERVICE CONTRACTS AND ROTATION

The appointment of each Director is subject to retirement by rotation and, being eligible, offer themselves for re-election in accordance with Bye-law 84 of the Company's Bye-laws and Code Provision A.4.2 of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules. All of the independent non-executive Directors are appointed for a specific term.

In accordance with Bye-law 84 of the Company's Bye-laws, Mr Lee Chi Shing Caesar, and Mr Chiu Sze Wai Wilfred shall retire from the Board by rotation at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

None of the Directors has entered or has proposed to enter into any service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without payment of compensation other than statutory compensation.

物業、廠房及設備

年內，本集團之物業、廠房及設備之變動詳情載於綜合財務報表附註13。

董事

於年內及截至本報告刊發日期之董事如下：

執行董事：

楊素麗女士
李志成先生

獨立非執行董事：

趙思璋先生
周偉良先生
胡競英女士

董事之履歷詳情

現任董事之履歷詳情載於本年報第17至19頁。

董事服務合約與輪值

根據本公司細則第84條及上市規則附錄十四所載之企業管治守則(「企業管治守則」)守則條文第A.4.2條，各委任董事均須輪值退任且符合資格並願意重選連任。所有獨立非執行董事均按指定任期獲委任。

根據本公司之公司細則第84條，李志成先生及趙思璋先生將於本公司即將舉行之股東週年大會上退任董事職務，而彼等符合資格並願意重選連任。

董事概無與本公司或其任何附屬公司訂立或擬訂立並非於一年內屆滿或僱傭公司不可於一年內不作補償(法定補償除外)而終止之服務合約。

DIRECTOR'S EMOLUMENTS

Details of Director's emoluments on a named basis are set out in note 9 to the consolidated financial statements.

The executive Directors, Ms Yeung So Lai and Mr Lee Chi Shing Caesar have waived part of their salaries of approximately HK\$1,100,000 and HK\$900,000 respectively during the year.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

DIRECTORS' INTEREST IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2018, the interests of the Directors and their associates in the ordinary shares and underlying ordinary shares of the Company and any of its associated corporations (within the meaning of Part XV of the SFO which are 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 they have taken or are deemed to have taken under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

董事酬金

董事酬金詳情以具名方式載列於綜合財務報表附註9。

於本年度，執行董事楊素麗女士及李志成先生已放棄彼等部分薪金分別約1,100,000港元及900,000港元。

獨立非執行董事之獨立性

根據上市規則第3.13條之規定，本公司已收到每位獨立非執行董事就其獨立性之年度確認。本公司認為所有獨立非執行董事均屬獨立人士。

董事於本公司及其相聯法團證券之權益

於二零一八年十二月三十一日，董事及其聯繫人於本公司及其任何相聯法團(定義見證券及期貨條例第XV部)之普通股及相關普通股中，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之權益(包括根據證券及期貨條例該等條文被當作或被視為擁有之權益及淡倉)，或根據證券及期貨條例第352條須記入本條所述之登記冊之權益，或根據上市發行人董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

DIRECTORS' INTEREST IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS *(Continued)*

董事於本公司及其相聯法團證券之權益(續)

Long Positions in the Shares of the Company

於本公司股份之好倉

| Name of director 董事姓名 | Corporate Interest 公司權益 | Number of shares 股份數目 | |
|----------------------------------|------------------------------|--------------------------|--|
| | | Total 總計 | Percentage of aggregate interest to total number of shares in issue* 總權益佔已發行股份總數之百分比* |
| Ms Yeung So Lai 楊素麗女士 | 1,152,731,997 ⁽¹⁾ | 1,152,731,997 | 56.71% |
| Mr Lee Chi Shing Caesar 李志成先生 | 1,152,731,997 ⁽²⁾ | 1,152,731,997 | 56.71% |

Notes:

(1) This represents interest hold by Ms Yeung So Lai through Super Fame Holdings Limited ("Super Fame") which holds 1,152,731,997 shares of the Company. Ms Yeung So Lai has 55% interest in Super Fame, and she is therefore deemed to be interested in 1,152,731,997 shares of the Company.

(2) This represents interest held by Mr Lee Chi Shing Caesar through Super Fame which holds 1,152,731,997 shares of the Company. Mr Lee Chi Shing Caesar has 45% interest in Super Fame, and he is therefore deemed to be interested in 1,152,731,997 shares of the Company.

* The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2018 (i.e. 2,032,571,385 shares).

附註：

(1) 指楊素麗女士透過持有本公司1,152,731,997股股份之超名控股有限公司(「超名」)持有之權益。楊素麗女士擁有超名之55%權益，故彼被視為於本公司1,152,731,997股股份中擁有權益。

(2) 指李志成先生透過持有本公司1,152,731,997股股份之超名持有之權益。李志成先生擁有超名之45%權益，故彼被視為於本公司1,152,731,997股股份中擁有權益。

* 該百分比已按本公司於二零一八年十二月三十一日已發行股份總數(即2,032,571,385股)予以調整。

Other than as disclosed above, neither the Directors nor any of their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

除以上披露者，董事或彼等之任何聯繫人概無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 36 to the consolidated financial statements headed "Related Party Transactions", no other contracts of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this annual report, none of the Directors is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

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

董事於重大合約中之權益

除綜合財務報表附註36「關連人士交易」所披露者外，於本年度末或年內任何時間概無存續由本公司、其控股公司或其任何附屬公司訂立而董事直接或間接於其中擁有重大權益之其他重大合約。

董事於競爭業務中之權益

於本年度內及直至本年報日期，概無董事被視為於與本集團之業務直接或間接形成競爭或可能形成競爭之業務(定義見上市規則)中擁有權益。

董事購入股份或債券之權利

本公司、其控股公司或其任何附屬公司在本年度內任何時間概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而得益。

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2018, the interests or short positions of those persons (other than Directors whose interests disclosed above) in the ordinary shares and underlying ordinary shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO were as follows:

Long Positions

| Name | Capacity in which shares were held | Number of shares | Percentage of aggregate interest to total number of shares in issue* 總權益 佔已發行股份 總數之百分比* |
|---|------------------------------------|-------------------|--|
| 名稱 | 持有股份的身份 | 股份數目 | |
| Super Fame ¹ 超名 ¹ | Beneficial owner 實益擁有人 | 1,152,731,997 (L) | 56.71% |
| Jade Treasure Global Limited ("Jade Treasure") ² 致達環球有限公司(「致達」) ² | Security interest 抵押權益 | 1,152,731,997 (L) | 56.71% |

L: Long position

Notes:

1. Super Fame is owned as to 55% by Ms Yeung So Lai and 45% by Mr Lee Chi Shing Caesar. As such, Ms Yeung So Lai and Mr Lee Chi Shing Caesar were deemed to be interested in 1,152,731,997 shares of the Company held by Super Fame.

於本公司股本中之主要權益

於二零一八年十二月三十一日，根據證券及期貨條例第336條本公司須存置之登記冊所記錄，該等人士(不包括其權益於上文披露之董事)於本公司普通股及相關普通股持有之權益或淡倉如下：

好倉

L: 好倉

附註：

1. 超名由楊素麗女士及李志成先生分別擁有55%及45%權益。因此，楊素麗女士及李志成先生被視為於超名持有的1,152,731,997股本公司股份中擁有權益。

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY (Continued)

Long Positions (Continued)

- Jade Treasure is wholly-owned by Right Select International Limited ("Right Select"), which is in turn wholly-owned by China Huarong International Holdings Limited ("Huarong International"). Huarong International is owned as to 11.9% by Huarong Zhiyuan Investment & Management Co., Ltd. ("Huarong Zhiyuan") and 88.1% by Huarong Real Estate Co., Ltd. ("Huarong Real Estate"). Huarong Zhiyuan and Huarong Real Estate are wholly-owned by China Huarong Asset Management Co., Ltd. ("China Huarong"). Thus, each of Right Select, Huarong International, Huarong Real Estate and China Huarong are deemed to be interested in 1,152,731,997 Shares in which Jade Treasure has a security interest.

* The percentage has been adjusted based on the total number of shares of the Company in issue at 31 December 2018 (i.e. 2,032,571,385 shares).

Save as disclosed above, as at 31 December 2018, the Company has not been notified of any other interests or short positions in the ordinary shares and underlying ordinary shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors throughout the year and up to the date of this annual report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws, and there was no restriction against such rights under the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PENSION SCHEMES

The pension schemes of the Group are primarily in the form of contributions to Hong Kong's Mandatory Provident Fund and the PRC statutory public welfare fund, respectively.

於本公司股本中之主要權益(續)

好倉(續)

- 致達由Right Select International Limited ("Right Select")全資擁有，而Right Select由中國華融國際控股有限公司("華融國際")全資擁有。華融國際由華融致遠投資管理有限責任公司("華融致遠")擁有11.9%權益及華融置業有限責任公司("華融置業")擁有88.1%權益。華融致遠以及華融置業由中國華融資產管理股份有限公司("中國華融")全資擁有。因此，Right Select、華融國際、華融置業及中國華融各自被視為於致達擁有抵押權益之1,152,731,997股股份中擁有權益。

* 該百分比已按本公司於二零一八年十二月三十一日已發行股份總數(即2,032,571,385股)予以調整。

除上文所披露者外，於二零一八年十二月三十一日，本公司並未獲知會有任何其他人士擁有根據證券及期貨條例第336條須存置之登記冊所記錄之本公司普通股及相關普通股之任何其他權益或淡倉。

公眾持股量

根據本公司可獲得之公開資料，並就董事所知悉，本公司於本年度及直至本年報日期內維持充足的公眾持股量，其並不少於上市規則規定之本公司已發行股份之25%。

優先購買權

本公司之公司細則概無有關優先購買權之條文，百慕達法律亦沒有該等權利之規定，使本公司須按比例向現有股東發售新股。

退休金計劃

本集團之退休金計劃主要供款形式分別為香港強制性公積金計劃及中國法定公益金供款計劃。

CONNECTED TRANSACTIONS

During the year, the Company did not have any connected transactions which were subject to requirements of the Listing Rules. Other transactions which were exempted from the requirements of the Listing Rules are also disclosed in note 36 to the consolidated financial statements as related party transactions.

MANAGEMENT CONTRACT

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

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

The Company has not purchased, sold or redeemed any of the Company's listed securities during the year.

BUSINESS REVIEW

Business review is set out on page 9 to page 16 under Management Discussion and Analysis of this annual report.

MAJOR CUSTOMERS AND MAJOR SUPPLIERS

Sales to the largest customer and the five largest customers accounted for 41.36% and 69.54%, respectively, of total revenues for the year.

Purchases from the largest supplier and the five largest suppliers accounted for 15.16% and 51.20%, respectively, of total purchases for the year.

As far as the Directors are aware, none of the Directors, their close associates, or any shareholder (which to the knowledge of the Directors own more than 5% of the Company's total issued shares) has any interest in the customers or suppliers of the Company disclosed above.

關聯交易

於本年度，本公司並無訂立任何須遵守上市規則的關聯交易。獲上市規則豁免的其他交易亦於綜合財務報表附註36披露作關連人士交易。

管理合約

本年度概無訂立或於年末存續任何有關本公司全部或絕大部分業務管理與行政之合約。

購買、出售或贖回本公司上市證券

本公司於本年度概無購買、出售或贖回本公司任何上市證券。

業務回顧

業務回顧載於本年報管理層討論與分析第9至16頁。

主要客戶及主要供應商

最大客戶及五大客戶之銷售額分別佔本年度總收益額之41.36%及69.54%。

最大供應商及五大供應商之採購額分別佔本年度總採購額之15.16%及51.20%。

據董事所知，概無董事、其緊密聯繫人或據董事所知擁有本公司已發行股份總數5%以上權益之任何股東於上文所披露之本公司客戶或供應商擁有任何權益。

PERMITTED INDEMNITY PROVISION

The Bye-laws of the Company provides that directors shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they are or any of them shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against Directors.

EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2018 and up to the date of this annual report.

SHARE OPTION

On 6 June 2017, a resolution was passed in the 2017 annual general meeting of the Company to adopt a new share option scheme (the "Share Option Scheme").

The Listing Committee of the Stock Exchange has granted the listing of, and permission to deal in the shares of the Company which may fall to be issued pursuant to the exercise of the options which was granted and/or may be granted under the Share Option Scheme subsequently.

As at 31 December 2018, no share options were granted under the Share Option Scheme.

The following is a summary of the principal terms of the Share Option Scheme.

獲准許的彌償條文

本公司之公司細則規定董事或其任何一人於或就各自執行其職務或應執行之職務時而所作出、發生之作為或不作為而將會或可能招致或蒙受之所有訴訟、費用、收費、損失、損害及開支，可獲確保就此免受任何損害，並從本公司的資產獲得彌償。本公司已就董事可能面對任何訴訟時產生的責任及相關的費用購買保險。

報告期後事項

董事並不知悉於二零一八年十二月三十一日後及至本年報日期發生任何須予披露的重大事件。

購股權

於二零一七年六月六日，一項決議案已於本公司二零一七年股東週年大會上通過，以採納新購股權計劃（「購股權計劃」）。

聯交所上市委員會已批准本公司其後根據購股權計劃授出及／或可能授出之購股權獲行使後而須予發行之股份上市及買賣。

於二零一八年十二月三十一日，概無購股權根據購股權計劃獲授出。

以下為購股權計劃之主要條款概要。

SHARE OPTION *(Continued)*

(A) Share Option Scheme

Purpose

To attract and retain the grantees and to promote the success of the business of the Group.

Participants

Eligible participants include:

- (a) any director, employee, consultant or advisor, substantial shareholder, distributor, contractor, supplier, agent, customer, business partner or service provider to the Group or a company in which the Group holds an interest or a subsidiary of such company (the "Affiliate")
- (b) a company beneficially owned by any director, employee, consultant or advisor, substantial shareholder, distributor, contractor, supplier, agent, customer, business partner or service provider to the Group or an Affiliate

Exercise price

Determined by the Board and shall not be less than the higher of:

- (a) the closing price of one (1) share as stated in the Stock Exchange's daily quotation sheets at the offer date, which must be a business day;
- (b) the average closing price of one (1) share as stated in the Stock Exchange's daily quotation sheets for the five (5) business days immediately preceding the offer date; and
- (c) the nominal value of the share on the offer date,

provided that in case of fractional prices, the exercise price per share shall be rounded upwards to the nearest whole cents.

購股權(續)

(A) 購股權計劃

目的

吸引及挽留承授人並推動本集團業務成功。

參與者

合資格參與者包括：

- (a) 本集團、本集團持有權益之公司或該公司附屬公司(「聯屬公司」)之任何董事、僱員、顧問或諮詢人、主要股東、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商
- (b) 本集團或聯屬公司之任何董事、僱員、顧問或諮詢人、主要股東、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商所實益擁有之公司

行使價

由董事會釐定，且不得低於以下之較高者：

- (a) 於授出日期(須為營業日)一(1)股股份在聯交所每日報價單所列之收市價；
- (b) 緊接授出日期前五(5)個營業日一(1)股股份在聯交所每日報價單所列之平均收市價；及
- (c) 股份於授出日期之面值，

惟就碎股股價而言，每股行使價應湊整至最接近完整仙位。

SHARE OPTION *(Continued)*

(A) Share Option Scheme *(Continued)*

Total number of shares available for issue and the percentage of the issued share capital that it represents as at the date of this annual report

203,257,138 shares, being approximately 10.00% of the issued shares of the Company.

Maximum entitlement of each participant

Not exceed 1% of the shares in issue in any 12-month period.

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of the offer.

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$1.00 payable upon acceptance of the offer.

購股權 *(續)*

(A) 購股權計劃 *(續)*

可發行股份總數及於本年度報告日期佔已發行股本之百分比

203,257,138 股股份，佔本公司已發行股份約 10.00%。

每名參與者之最高配額

不超過於任何十二個月期間已發行股份之 1%。

根據購股權認購證券之期限

由董事會酌情釐定，如並無釐定，由接納日期起至有關購股權失效之日及授出日期起計滿十年之較早者。

購股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付 1.00 港元。

SHARE OPTION *(Continued)*

(A) Share Option Scheme *(Continued)*

Period within which calls/loans must be made/repaid

Not applicable.

Remaining life of the scheme

The scheme will be valid and effective until 5 June 2027, after which no further options will be granted, but the provisions of the scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 5 June 2026 shall continue to be exercisable in accordance with their terms of the grant, notwithstanding the expiry of the scheme.

(B) Movements of the Share Option Scheme

No share option has been granted under the Share Option Scheme since the date of the adoption of the scheme.

AUDITOR

The consolidated financial statements for the year have been audited by BDO Limited which will retire and being eligible, offer themselves for reappointment at the forthcoming annual general meeting.

On behalf of the Board

Superactive Group Company Limited

Yeung So Lai

Chairman

Hong Kong, 29 March 2019

購股權(續)

(A) 購股權計劃(續)

付款金額／貸款須作出／償還之期限
不適用。

計劃之餘下年期

計劃將生效及有效直至二零二七年六月五日，此後將不會進一步授出任何購股權，但計劃之條文於所有其他方面將維持十足效力及有效。於計劃期內授出且於緊接二零二六年六月五日前仍未獲行使但符合上市規則條文之購股權，將可繼續根據彼等之授出條款予以行使，儘管計劃之期限已屆滿。

(B) 購股權計劃之變動

自購股權計劃採納日期以來概無根據計劃授出任何購股權。

核數師

本年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核，該核數師將於應屆股東週年大會上退任並願意重選連任。

代表董事會

先機企業集團有限公司

楊素麗

主席

香港，二零一九年三月二十九日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintaining a high standard of corporate governance practices to enhance corporate performance and accountability. Continuous efforts are made to review and enhance the Group's procedures in light of changes in regulations and developments in best practices.

CORPORATE GOVERNANCE CODE

The Company has adopted all the code provisions in the CG Code as set out in Appendix 14 of the Listing Rules. Throughout the year, the Company complied with applicable code provisions of the CG Code, save as disclosed below.

Under Code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer ("CEO") should be separated and should not be performed by the same individual. The Company does not at present have an officer with the title CEO. The daily operation and management of the Company are monitored by the executive Directors. The Board considers the present structure is more suitable for the Company because it can promote the efficient formulation and implementation of the Company's strategies.

Under Code provision E.1.2 of the CG Code, the chairman of the Board should attend the general meetings of the Company and invite the chairman of the committees to attend; Under Code provision A.6.7 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. However, due to her other business commitment, Ms Hu Gin Ing, the chairman of the Audit and Risk Committee and Remuneration Committee of the Company and an independent non-executive Director, did not attend the annual general meeting of the Company held on 12 June 2018 and the special general meetings held on 17 July 2018.

BOARD OF DIRECTORS

As at the date of this report, the Board comprises five Directors, with two executive Directors and three independent non-executive Directors.

本公司致力維持高水平企業管治常規，以提升企業表現及問責性。鑒於法規變動及最佳慣例之演變，我們亦持續審閱及加強本集團之程序。

企業管治守則

本公司已採納上市規則附錄十四所載之企業管治守則之所有守則條文。於整個年度內，除下文披露者外，本公司一直遵守企業管治守則之適用守則條文。

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁（「行政總裁」）之角色應予分開，不應由同一人士兼任。本公司並無任何職稱為「行政總裁」之主管人員。本公司之日常運作及管理由執行董事監察。董事會認為現有架構適合本公司，因為其可促進本公司策略之有效制訂及實施。

根據企業管治守則之守則條文第E.1.2條，董事會主席應出席本公司股東大會並邀請委員會主席出席；根據企業管治守則之守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會及均衡了解股東的意見。然而，由於其他公務，胡競英女士（為本公司審核及風險委員會及薪酬委員會主席及獨立非執行董事）未出席於二零一八年六月十二日舉行的本公司股東週年大會及於二零一八年七月十七日舉行的股東特別大會。

董事會

於本報告刊發日期，董事會由五名董事組成，其中兩名為執行董事及三名為獨立非執行董事。

BOARD OF DIRECTORS (Continued)

Appropriate directors' and officers' liability insurance had been arranged for all the Directors and Officers of the Company.

Each newly appointed director receives comprehensive, formal and tailored induction on his/her appointment, so as to ensure that he/she has an appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements. Directors are also regularly updated on the Group's business and accounting reporting standards in the board meetings. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided a record of the training they received for the year to the Company.

During the year, the company secretary, who is the employee of the Company, has taken no less than 15 hours of the relevant professional training requirement.

The Board has a balance of appropriate skills and experience to meet the requirements of the businesses of the Group. All Directors had separate and independent access to the advice and services of the senior management, the chief financial officer and the company secretary of the Company, with a view to ensuring that Board procedures, and all applicable rules and regulations, are followed.

During the year, the Board met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing more than one-third of the board of directors, with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company had received from each of its independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considered them to be independent.

董事會(續)

本公司已為全體董事及高級職員投購合適之董事及高級職員責任保險。

各新委任董事獲委任時均會獲得一項全面、正規及切合個人需要的入職指引，以確保彼對本公司的業務及營運有恰當了解，並完全知悉其根據上市規則及有關監管要求的職責及責任。於董事會會議上，董事定時獲得與本集團業務及會計申報準則有關的更新資料。全體董事已參與持續專業發展，以發展並重溫其知識及技能，並已向本公司提供彼等年內所接受培訓之記錄。

年內，公司秘書(其為本公司之僱員)已符合不少於15小時的相關專業培訓規定。

董事會具備適當的技能和經驗以滿足本集團之業務需求。全體董事均有個別和獨立途徑取得高級管理層、首席財務官及本公司公司秘書之建議和服務，從而確保董事會程序，以及所有適用規則和規定得以遵從。

年內，董事會已遵守上市規則有關委任至少三名獨立非執行董事(超過董事會三份之一成員)，且其中一名須具備適當專業資格或會計或相關財務管理專長的規定。

根據上市規則第3.13條，本公司已接獲每名獨立非執行董事就其獨立性作出之年度確認書，並認為彼等均屬獨立。

BOARD OF DIRECTORS *(Continued)*

Appointment and Succession Planning of Directors

The Company has established the nomination and corporate governance committee (“NCG Committee”) and adopted formal, considered and transparent procedures for the appointment and succession planning of Directors. Appropriate candidates as properly selected by the NCG Committee will be proposed to the Board for approval.

The Board and the NCG Committee as a whole are responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors. The Board reviews its structure, size and composition, as appropriate, to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company.

In accordance with the Company’s Bye-laws, one third of the Directors are subject to retirement by rotation every year, and any new Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at such meeting.

The Board recommended the re-appointment of the Directors standing for re-election at the forthcoming annual general meeting of the Company. Detailed information of the Directors standing for re-election will be set out in the circular of the Company in relation to the forthcoming annual general meeting to be despatched to the shareholders.

董事會(續)

董事之委任及續任計劃

本公司已成立提名及企業管治委員會(「提名及企業管治委員會」)並就董事的委任及繼任計劃制訂正式、經周詳考慮及透明的程序。經提名及企業管治委員會挑選考慮合適人選，再向董事會提名、通過落實。

董事會連同提名及企業管治委員會整體上負責審閱董事會的組成、確立及制訂提名及委任董事的有關程序、監察董事的委任及繼任計劃，並評估獨立非執行董事的獨立性。董事會會在適當時候檢討其架構、成員人數及組成，確保其具備適合本公司業務需求的專業知識、技能及經驗。

根據本公司的公司細則，本公司三分之一董事每年均須輪流退任，而獲委任填補臨時空缺或新增董事會職位的任何新董事，僅留任至本公司下屆股東週年大會為止，屆時彼等將符合資格於該大會上膺選連任。

董事會建議被重新委任的董事將於本公司應屆股東週年大會上接受重選。寄發予股東的本公司應屆股東週年大會通函將載有接受重選董事的詳細資料。

BOARD OF DIRECTORS (Continued)

Board Diversity Policy

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. In January 2019, the Board adopted a Board Diversity Policy.

The Company believes that diversity of the Board can be achieved through consideration of a number of factors when deciding on appointments of Directors, including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how and any other factors that the Board deems appropriate from time to time. In implementing its perspectives on Board diversity, the Company will also take into account factors based on its business model and specific needs from time to time.

The composition, experience and balance of skills in the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring(s) fresh perspectives and diverse experiences to the Board. The NCG Committee has the primary responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out such responsibility, will give adequate consideration to the Board Diversity Policy. The NCG Committee believes that the current composition of the Board is based on the history and actual conditions of the Company and it reflects the achievement of full consideration of factors of Board diversity.

The Board will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness.

董事會(續)

董事會多元化政策

本公司一直務求提升董事會效率及維持最高水平之企業管治，認同並確信董事會成員多元化之好處。於二零一九年一月，董事會採納董事會多元化政策。

在決定任命董事時，本公司相信要獲得董事會多元化，可以從多方面的因素考慮，包括(但不限於)性別、年齡、經驗、文化及教育背景、專業經驗、技能及知識及董事會不時認為適用的其他因素。在實行董事會多元化方面，本公司亦將根據其業務模式及不時之特定需要考慮各種因素。

董事會定期檢討其組合、經驗及技能平衡，確保董事會保留一組對本集團有長期認識之核心成員，同時不時委任之新董事可為董事會帶來新觀點及多元化經驗。提名及企業管治委員會負有物色具備合適資格人選成為董事會成員的主要責任，且在履行該職責時將充分考慮董事會多元化政策。提名及企業管治委員會認為現時董事會的組成乃結合本公司的歷史及實際情況，並反映董事會多元化的因素已經獲得充份的考慮。

董事會將在適當時候檢討董事會多元化政策，以確保其持續有效。

BOARD OF DIRECTORS *(Continued)*

The Board meets regularly, and the Board meetings are held at least four times a year, and at other times as necessary. Where appropriate, decisions are also taken by way of circulated resolutions. The Board monitors and reviews, among others, the performance of the Group companies, including operations, finance, risk management, internal controls and strategic issues. The principal functions of the Board are to:

- play a key role in the implementation and monitoring of internal controls, financial reporting and risk management;
- assume responsibility for corporate governance and compliance with applicable laws and regulations; and
- approve the Group's strategies, directions and financial objectives.

The overall management of the Company's business is vested in the Board. The Board reserves for its decision all significant matters of the Company and it has delegated the day-to-day management, administration and operations of the Company to the executive Directors and senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board for all material transactions entered into by senior management and other executives.

The Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

For all of the Board meetings, proper and reasonable notices, adequate and appropriate information in the form of agenda, board papers and minutes of the meetings are prepared and circulated to all the Directors in a reasonable time.

董事會(續)

董事會定期會面，一年最少召開四次董事會會議，及於必要時在其他時間召開會議。在適當情況下，亦會以傳閱決議案之方式作決定。董事會監察及檢討(其中包括)本集團成員公司於營運、財務、風險管理、內部控制及策略等事項之表現。董事會之主要職能為：

- 在執行和監察內部控制、財務報告及風險管理方面擔當重要角色；
- 承擔企業管治責任並遵守適用法律及法規；及
- 批核本集團之策略、方向及財務目標。

董事會負責本公司業務之整體管理。董事會對本公司所有重大事宜保留決策權，並委派執行董事及高級管理層負責本公司之日常管理、行政及運作，並定期檢討獲分派的職能及職責。高級管理人員及其他行政人員訂立的所有重大交易必須獲董事會批准。

董事會定期檢討各董事向本公司履行其職責時所作出的貢獻。

就所有董事會會議而言，正規及合理的通知以及充足及適當的資料包括議程、董事會文件及會議記錄均會在合理時間內編製及發送予各董事。

BOARD OF DIRECTORS (Continued)

The attendance records of all the Directors for the Board and Committee meetings for the year are set out below:

董事會(續)

於本年度，所有董事的董事會及委員會會議出席記錄載列如下：

| Directors | 董事 | No. of meetings attended/No. of meetings held 出席會議數目/舉行會議數目 | | | | |
|---|---------------------------------------|--|--|-------------------------------------|---------------------------------|---------------------------|
| | | Full Board 董事會 全體會議 | Audit and Risk Committee 審核及風險 委員會 | NGC Committee 提名及 企業管治 委員會 | Remuneration Committee 薪酬委員會 | General meeting* 股東大會* |
| <i>Executive Directors:</i> | <i>執行董事：</i> | | | | | |
| Ms. Yeung So Lai | 楊素麗女士 | 15/15 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 2/2 |
| Mr. Lee Chi Shing Caesar | 李志成先生 | 15/15 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 2/2 |
| <i>Independent Non-executive Directors:</i> | <i>獨立非執行董事：</i> | | | | | |
| Ms. Hu Gin Ing | 胡競英女士 | 9/15 | 1/2 | 1/2 | 1/2 | 0/2 |
| Mr. Chiu Sze Wai Wilfred | 趙思璋先生 | 12/15 | 2/2 | 1/1 | 1/1 | 2/2 |
| Mr. Chow Wai Leung William | 周偉良先生 | 12/15 | 2/2 | 1/1 | 1/1 | 2/2 |
| Number of meetings held during the year ended 31 December 2018 | 截至二零一八年十二月三十一日 止年度內舉行之會議數目 | 15 | 2 | 1 | 1 | 2 |

* 2018 annual general meeting held on 12 June 2018.

* 二零一八年股東週年大會於二零一八年六月十二日舉行。

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee assists the Board in fulfilling its oversight responsibilities as to the Company's financial statements, reporting, audit findings and reviewing the risk management and internal control systems of the Company, as well as the Company's process for monitoring compliance with certain laws and regulations.

The members of the Audit and Risk Committee are as follows: Ms Hu Gin Ing (Chairman of the Audit and Risk Committee), Mr Chiu Sze Wai Wilfred and Mr Chow Wai Leung William, all of whom are independent non-executive Directors.

Work done during the year

- reviewed the annual report and the interim report in accordance with the accounting policies and practices, accounting standards, Listing Rules and legal requirements;
- reviewed the appointment of auditors for audit and non-audit related services and their fees;
- reviewed the audit plans and findings of auditors, risk management, internal controls and financial reporting matters;
- discussed the audit approach and significant audit and accounting issues with the auditors; and

The Audit and Risk Committee met twice a year with the external auditors in the absence of the executive Directors during the year.

There was no disagreement between the Audit and Risk Committee and the Directors in respect of matters about selection, appointment, resignation or dismissal of external auditor.

During the year, the Company's annual results for the year ended 31 December 2017 and the interim results for the six months ended 30 June 2018 have been reviewed by the Audit and Risk Committee.

審核及風險委員會

審核及風險委員會協助董事會履行監察本公司之財務報表、匯報、核數結果及審閱風險管理及內部控制系統，以及本公司監督遵循若干法律及法規程序之責任。

審核及風險委員會由以下人士組成：胡競英女士(審核及風險委員會主席)、趙思璋先生及周偉良先生，全部皆為獨立非執行董事。

於本年度處理的工作

- 根據會計政策及常規、會計準則、上市規則及法定要求，審閱年報及中期報告；
- 審閱委聘核數師提供核數及非核數相關服務及其酬金；
- 審閱核數師的核數計劃及結果、風險管理、內部控制及財務報告事宜；
- 與核數師討論審核方法及重大審核及會計事宜；及

於本年度，審核及風險委員會在執行董事缺席的情況下每年與外聘核數師舉行兩次會議。

審核及風險委員會於遴選、委聘、辭任或罷免外聘核數師的事宜上，與董事並無意見分歧。

於本年度內，審核及風險委員會已審閱本公司截至二零一七年十二月三十一日止年度的全年業績及截至二零一八年六月三十日止六個月的中期業績。

REMUNERATION COMMITTEE

The Remuneration Committee advises the Board on the Group's compensation policy and practices with a view that a meaningful portion of management's compensation should be contingent upon financial performance of the Group to foster the creation of long term shareholder value.

The Remuneration Committee adopted the model described in code provision B.1.2(c)(i) of the CG Code.

The members of the Remuneration Committee are as follows: Ms Hu Gin Ing (Chairman of the Remuneration Committee), Mr Chiu Sze Wai Wilfred and Mr Chow Wai Leung William, all of whom are independent non-executive Directors.

Work done during the year

- reviewed the remuneration policy for the Directors and management with reference to the Board's corporate goals and objectives;
- reviewed and determined packages of the Directors and management with reference to their duties and responsibilities with the Company; and
- ensured no Director or any of his/her associate is involved in deciding his/her remuneration.

Pursuant to code provision B.1.5 of the CG Code, the emoluments of the members of the senior management of the Group by bands is set out below:

| Remuneration Bands 酬金級別 | | Number of Individuals 人數 |
|-------------------------------|----------------------------|-----------------------------|
| Nil to HK\$1,000,000 | 零至 1,000,000 港元 | 3 |
| HK\$1,000,001 – HK\$5,000,000 | 1,000,001 港元至 5,000,000 港元 | 1 |
| HK\$5,000,001 – above | 5,000,001 港元以上 | 1 |
| | | 5 |

薪酬委員會

薪酬委員會就本集團之薪酬政策及慣例向董事會提供意見，其認為管理層薪酬之合理部分應與本集團之財務表現掛鉤，以加強創造股東長遠價值。

薪酬委員會採用企業管治守則中守則條文 B.1.2(c)(i) 所述之模式。

薪酬委員會由以下人士組成：胡競英女士(薪酬委員會主席)、趙思璋先生及周偉良先生，全部皆為獨立非執行董事。

於本年度處理的工作

- 參考董事會的企業方針及目標，審閱董事及管理層的薪酬政策；
- 參考董事及管理層於本公司的職務及職責，審閱及釐定彼等的待遇；及
- 確保並無董事或其任何聯繫人士參與決定其薪酬。

根據企業管治守則守則條文第 B.1.5 條，本集團高級管理層成員之酬金級別載列如下：

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

The NCG Committee oversees the composition of the Board to ensure that qualified individuals meeting the criteria of the provisions of the Listing Rules serve as members of the Board and its committees. The NCG Committee also has the responsibility to develop, recommend to the Board and oversee the implementation of corporate governance principles and policies relating to the operation of the Board and its committees and the Company as a whole.

Where vacancies on the Board exist or an additional Director is considered necessary, the NCG Committee will identify suitable candidates and propose the appointment of such candidates to the Board for consideration and the NCG Committee will take into account the qualification as required by the Listing Rules, ability, working experience, leadership and professional ethics, etc. of the candidates and approved if such appointment is considered suitable.

The members of the NCG Committee are as follows: Mr Chow Wai Leung William (Chairman of the NCG Committee), Mr Chiu Sze Wai Wilfred and Ms Hu Gin Ing, all of whom are independent non-executive Directors.

Work done during the year

- reviewed the structure, size and composition of the Board, and is of the view that there is an appropriate and diverse mix of skills and experience;
- assessed the independence of independent non-executive Directors and confirmed that all independent non-executive Directors are considered independent;

提名及企業管治委員會

提名及企業管治委員會監督董事會之組成，以確保由符合上市規則條文所訂標準之合資格人士出任董事會及其委員會之成員。提名及企業管治委員會亦有責任制定、向董事會提出建議及監督有關董事會及其委員會以及本公司整體營運之企業管治原則及政策之執行。

倘董事會出現空缺或認為有必要增加董事，提名及企業管治委員會將物色合適候選人，並向董事會提呈有關候選人之委任事項以供審議，提名及企業管治委員會則將考慮候選人是否符合上市規則規定之資格、能力、工作經驗、領導才能及職業道德操守等因素，如認為有關委任合適則給予批准。

提名及企業管治委員會由以下人士組成：周偉良先生(提名及企業管治委員會主席)、趙思璋先生及胡競英女士，全部皆為獨立非執行董事。

於本年度處理的工作

- 檢討董事會的架構、規模及組成，並認為董事會成員具備適當而多元化的技能及經驗；
- 評估獨立非執行董事的獨立性，並確認全體獨立非執行董事均屬獨立；

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE (“NCG COMMITTEE”) (Continued)

Work done during the year (Continued)

- reviewed the profile and performance of Directors who will stand for re-election at the annual general meeting and confirmed that all those Directors are suitable to stand for re-election;
- developed and reviewed the Company’s policies and practices on corporate governance;
- reviewed and monitored the Company’s policies and practices on compliance with legal and regulatory requirements; and
- reviewed the Company’s compliance with the code provisions of the CG Code and disclosure in the Corporate Governance Report.

The NCG Committee continued to monitor the Board composition with regard to its diversity policy by reviewing its size, structure and composition to ensure that the Board has a balance of ages, talents, expertise, skills, experience, culture, knowledge and gender appropriate to the requirements of the Company. The Company believes diversity is important to enhance the Board’s effectiveness by encouraging a diversity of perspectives and to maintain high standards of corporate governance. The Company will continue to monitor and develop new objectives for implementing and achieving improved diversity on the Board as and when it considers appropriate with regard to the specific needs of the Company and the market from time to time.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct governing Directors’ securities transactions. All Directors have confirmed, following a specific enquiry by the Company, that they had complied with the required standards set out in the Model Code throughout the year.

提名及企業管治委員會(「提名及企業管治委員會」)(續)

於本年度處理的工作(續)

- 審閱將於股東週年大會上參與重選董事的履歷及表現，並確認所有有關董事適合參與重選；
- 制定及審閱本公司企業管治的政策及常規；
- 審閱及監察本公司政策及常規在遵守法定及監管要求的情況；及
- 審閱本公司遵守企業管治守則的守則條文及企業管治報告的披露要求的情況。

針對董事會的多元化政策，提名及企業管治委員會透過審閱董事會的規模、架構及組成監察董事會的組成，以確保董事會於年齡、才能、專長、技能、經驗、文化、知識及性別方面可取得平衡，以切合本公司的要求。本公司相信多元化政策能鼓勵多元視野並維持企業管治處於高水平，對提升董事會的效能起重要作用。本公司將繼續監察，並不時因應本公司及市場的特別需要，在其認為適當時，制定落實及提升董事會多元化發展的新目標。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載標準守則作為其本身之董事進行證券交易之操守準則。全體董事經本公司作出特別查詢後確認，彼等於整個年度內一直遵守標準守則內所規定之準則。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's systems of risk management and internal control involve the operation and/or supervision of the Board and the Audit and Risk Committee. The main features and the key processes that have been established in reviewing the adequacy and effectiveness of such systems are stated below.

The Board is responsible for overseeing the Group's systems of risk management and internal control. However, these systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or financial losses or fraud.

The Board has overall responsibility in monitoring the process of corporate reporting and control system throughout the Group. The Audit and Risk Committee reviews and briefs the systems at least annually.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the systems of risk management and internal control when there are changes to the business environment or regulatory guidelines. The effectiveness and efficiency of risk management and internal control systems are reviewed annually.

The Group has developed an internal control system, which covers major financial, operational and compliance controls to safeguard its assets against unauthorised use, ensure the maintenance of proper accounting records and ensure compliance with relevant laws and regulations. The internal control system is reviewed on an ongoing basis by the Board and Audit and Risk Committee annually. For any identified internal control weaknesses or defects, the Group will enhance control measures to rectify such control weaknesses or defects.

風險管理及內部控制

本集團之風險管理及內部監控系統涉及董事會及審核及風險委員會之運作及／或監督。本集團所確立供審閱該等系統的充足性及有效性的主要特點及主要程序載列如下。

董事會負責監督本集團風險管理及內部監控系統。然而，該等系統的設計旨在將本集團的風險控制在可接受的風險範圍內(而非完全消除失誤風險)，以達至本集團業務目標。因此，有關系統僅可就管理層及財務資料及紀錄的重大錯誤陳述或財務損失或欺詐提供合理而非絕對的保證。

董事會負責監察本集團整體企業匯報及控制系統之程序。審核及風險委員會每年至少進行一次檢討及簡述系統。

董事會已確立既定程序，以識別、評估及管理本集團所面對的重大風險，有關程序包括於營商環境或監管指引變更時更新風險管理及內部監控系統。每年均就風險管理及內部監控系統之有效性及其效率進行檢討。

本集團已制定內部監控系統，該系統涵蓋主要財務、營運及合規監控，以保障資產免受未經授權的使用，確保維持正式會計記錄及確保遵守相關法律及法規。董事會和審核及風險委員會每年以持續基準檢討內部監控系統。本集團將針對任何已識別的內部監控弱點或缺陷加強監控措施，以糾正有關監控弱點或缺陷。

RISK MANAGEMENT AND INTERNAL CONTROLS *(Continued)*

The key processes that have been established in reviewing the adequacy and integrity of the systems of risk management and internal control include the following:

- the Audit and Risk Committee reviews risk management and internal control issues (if any) identified by the external auditor, regulatory authorities and management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems.

The Group has already established the inside information policies. They depict the decision trees to distinguish inside information and the necessary actions. Employees are required to keep all inside information in strict confidence. Once the inside information needs disclosure, the manner must be equal, timely and effective.

AUDITOR'S REMUNERATION

The Company's principal auditor is BDO Limited. The total remuneration paid to BDO Limited and auditors of subsidiaries and associate in respect of audit services and non-audit services during the year amounted to approximately HK\$1,213,000 and HK\$245,000, respectively.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

All Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2018. The auditor of the Company acknowledges its reporting responsibilities on the financial statements for the year ended 31 December 2018 as set out in the Independent Auditor's Report on pages 74 to 82.

風險管理及內部控制(續)

本集團已確立主要程序以審閱風險管理及內部監控系統的充足性及完整性，該等程序包括：

- 審核及風險委員會審閱外聘核數師、監管機構及管理層所識別的風險管理及內部監控事項(如有)，並評估本集團風險管理及內部監控系統的充足性及有效性。

本集團已訂立內幕消息政策。該政策已描述決策樹以區別內幕消息及必要行動。僱員必須絕對保密所有內幕消息。如需披露內幕消息，必須以平等、適時及有效的方式披露。

核數師酬金

本公司之主要核數師為香港立信德豪會計師事務所有限公司。於年內，就已付香港立信德豪會計師事務所有限公司，以及附屬公司及聯營公司核數師之核數服務及非核數服務之酬金總額分別約為1,213,000港元及245,000港元。

有關財務報表之責任

全體董事知悉彼等編製截至二零一八年十二月三十一日止年度之財務報表之責任。本公司核數師知悉其對第74至82頁獨立核數師報告載列之截至二零一八年十二月三十一日止年度財務報表之申報責任。

COMMUNICATION WITH SHAREHOLDERS

The Company is committed to ensuring that the Group complies with disclosure obligations under the Listing Rules and other applicable laws and regulations and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information issued by the Company. Information regularly provided to the shareholders includes annual and interim reports, circulars and announcements in accordance with the Listing Rules.

The Company welcomes the attendance of shareholders at general meetings to express their views. All the Directors are encouraged to attend the general meetings to have personal communication with shareholders. The external auditor is also required to be present to assist the Directors in addressing any relevant queries by shareholders.

Except for the chairman of Audit and Risk, Remuneration Committees, due to her other business commitment, did not attend the annual general meeting of the Company, the Chairman of the Company, chairman of NCG Committee and representatives of BDO Limited, the external auditor of the Company, attended the annual general meeting held on 12 June 2018. All these persons were available to answer questions at the annual general meeting.

For both institutional and retail investors, the Company's website at www.superactive.com.hk, provide up-to-date information of the Group. All key information such as announcements, annual and interim reports and circulars can be downloaded from these websites.

與股東之通訊

本公司致力確保本集團遵守上市規則項下之披露責任以及其他適用法律及法規，而所有股東及潛在投資者均有同等機會接獲及取得本公司發放之對外公開資料。本公司根據上市規則定期向股東提供之資料包括年報及中期報告、通函及公佈。

本公司歡迎股東出席股東大會以表達意見，並鼓勵所有董事出席股東大會與股東直接溝通。外聘核數師亦須出席股東大會，以協助董事回答股東之任何相關提問。

除審核及風險委員會及薪酬委員會主席因其他公務，未能出席本公司之股東週年大會外，本公司主席、提名及企業管治委員會的主席以及香港立信德豪會計師事務所有限公司(本公司外聘核數師)的代表均有出席於二零一八年六月十二日舉行的股東週年大會，從而在股東週年大會上解答問題。

機構及散戶投資者可於本公司網站 www.superactive.com.hk 獲得有關本集團之最新資料。所有主要資料如公佈、年報及中期報告及通函均可於上述網址下載。

SHAREHOLDERS' RIGHTS

(i) Procedures by which Shareholders can convene a Special General Meeting ("SGM")

The Board shall, on the requisition in writing of the shareholders of not less than one-tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene a SGM.

The requisition must state the purpose of the meeting and must be signed by the requisitionists and deposited at the registered office of the Company with a copy to the Company's head office and principal place of business in Hong Kong at Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong, for the attention of the Company Secretary.

If within twenty-one days of such deposit the Board fails to proceed to convene the SGM, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any meeting so convened shall not be held after three months from the date of the original deposit.

(ii) Procedures for putting forward proposals at General Meetings ("GM")

Shareholders can submit a written requisition to move a resolution at GM. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all shareholders having, at the date of the requisition, a right to vote at the GM, or who are no less than 100 shareholders.

股東之權利

(i) 股東召開股東特別大會(「股東特別大會」)之程序

應持有不少於本公司十分之一已繳足股本且已繳付所有到期催繳股款或其他款項之股東之書面請求，董事會須立即就此召開股東特別大會。

呈請須列明會議目的，並須由呈請人簽署並送交本公司註冊辦事處，且抄送至本公司總辦事處及於香港之主要營業地點(地址為香港上環干諾道中168-200號信德中心招商局大廈1206室)，註明公司秘書收。

倘董事會並未於該請求書發出日期起計二十一日內召開股東特別大會，則提出該請求人士或持有全體請求人士之過半數總表決權之任何請求人士可自行召開股東特別大會，惟任何如此召開之會議不得於原先發出要求日期起計三個月後舉行。

(ii) 於股東大會(「股東大會」)提出建議之程序

股東可於股東大會上提出書面請求動議決議案。股東之數目須不少於在該請求提出之日期有權於股東大會上表決之所有股東之總表決權二十分之一，或不少於100名股東。

SHAREHOLDERS' RIGHTS *(Continued)*

(ii) Procedures for putting forward proposals at General Meetings ("GM") *(Continued)*

The written requisition must state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at the GM. It must also be signed by all of the shareholders concerned and be deposited at the Company's head office and principal place of business in Hong Kong at Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong, for the attention of the Company Secretary not less than six weeks before the GM in case of a requisition requiring notice of a resolution and not less than one week before the GM in case of any other requisition.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

(iii) Shareholders' Enquiries

Shareholders should direct their questions about their shareholdings to the Company's registrar. Shareholders and the investment community may at any time make a request for information on the Company to the extent that such information is publicly available. Shareholders may also make enquiries to the Board by writing to the Company Secretary at the Company's head office and principal place of business in Hong Kong at Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

股東之權利 *(續)*

(ii) 於股東大會(「股東大會」)提出建議之程序 *(續)*

該請求書須列明有關決議案，連同一份不多於一千字之陳述書，內容有關任何提案所提述之事宜，或有關將在該股東大會上處理之事務。該請求書亦須由全體有關股東簽署並送交本公司之總辦事處及於香港之主要營業地點(地址為香港上環干諾道中168-200號信德中心招商局大廈1206室)，註明公司秘書收。如屬要求發出決議案通知之情況，該請求書須在該股東大會舉行前不少於六個星期送交；如屬任何其他情況，則須在該股東大會舉行前不少於一個星期送交。

有關股東須存放一筆合理及充足之款項，用以支付本公司根據適用法律及規則送達決議案通知及傳閱有關股東提交之陳述書所產生之開支。

(iii) 股東之查詢

股東如對名下持股有任何疑問，應向本公司之股份過戶登記處提出。股東及投資人士可隨時要求索取有關本公司之公開資料。股東亦可透過致函本公司總辦事處及於香港之主要營業地點(地址為香港上環干諾道中168-200號信德中心招商局大廈1206室)之公司秘書向董事會作出查詢。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

The Group (hereafter “We” and the “Superactive”) is a diversified holding company with principal engagement in manufacturing and sales of consumer electronics. With increasing global concern on sustainability and corporate social responsibility, we, as a responsible corporate, shall share the common goals to foster sustainable development. By integrating the principles of sustainability throughout our businesses activities, this can help us capture the business opportunities, sustain the long-term business growth, as well as maintaining a strong competitive edge in the industry.

We are pleased to publish our third environmental, social and governance (“ESG”) report, which communicates our policies, management practices and the ESG performance of our business activities to our stakeholders — from our head office in Hong Kong and the manufacturing facility of our main subsidiary — the Foshan Shunde Alford Electronics Co. Ltd. in Guangdong, China.

This report was prepared in accordance with the Environmental, Social and Governance Reporting Guide under Appendix 27 of the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (“HKEx ESG Reporting Guide”) and the report covered the period from 1 January 2018 to 31 December 2018 (“the Reporting Period”, “FY2018”). The report was reviewed and approved by the Board.

We would like to hear your feedback on this report. If you have any suggestions, please contact us at info@superactive.com.hk.

環境、社會及管治報告

本集團(以下簡稱「我們」及「先機企業」)是一家多元化控股公司，主要從事消費電子產品的製造及銷售。隨著全球日益關注可持續發展及企業社會責任，我們作為一間負責任的企業，應擁有促進可持續發展的共同目標。我們通過於業務活動貫徹整合可持續性原則，即可幫助我們抓住商機，維持長期業務增長，亦可保持業內強勁競爭優勢。

我們欣然刊發第三份環境、社會及管治(「環境、社會及管治」)報告，該報告向我們的持份者傳達我們的政策、管理實踐以及我們業務活動—香港總部及我們於中國廣東省的主要附屬公司佛山市順德區雅富電子有限公司的生產設施的環境、社會及管治表現。

本報告依據香港聯合交易所有限公司主板上市規則附錄二十七環境、社會及管治報告指引(「港交所環境、社會及管治報告指引」)編製，本報告涵蓋自二零一八年一月一日起至二零一八年十二月三十一日期間(「報告期間」，「二零一八財年」)。本報告已經董事會審閱及通過。

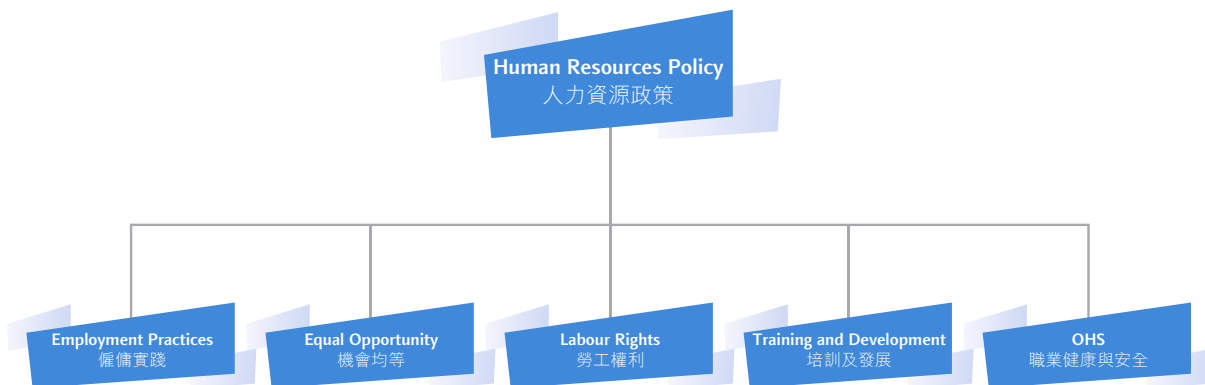
我們希望聽取閣下對本報告的反饋和意見。倘閣下有任何建議，請通過info@superactive.com.hk與我們聯繫。

CARING OUR PEOPLE

Building and developing sustainable workforce is the key factor for leading the Group's long-term business success and continuity. Apart from complying with the requirements of relevant laws and regulations such as Hong Kong Employment Ordinance (Cap.57), the Labour Law of the People's Republic of China and Labour Contract Law of the People's Republic of China and other industrial standards such as Electronic Industry Citizenship Coalition ("EICC") Code of Conduct and International Council of Toy Industries ("ICTI") Code of Business Codes, we strive to create a motivating, harmonious and safe working environment for our employees, foster the staff equal opportunity and development and ensure the well-beings of employees working in Superactive through the implementation of our Human Resource Management System. We closely manage and optimise five focused areas: employment practices, equal opportunity and anti-discrimination, labour rights, staff training and development, and occupational health and safety ("OHS") to ensure all employees are treated with the highest respect and dignity.

關愛我們的員工

建立及發展可持續的員工隊伍是領導本集團業務的長期持續成功的關鍵因素。除遵守《香港僱傭條例》(第57章)、《中華人民共和國勞動法》及《中華人民共和國勞動合同法》等相關法律法規的規定以及電子行業公民聯盟(「EICC」)行業守則及國際玩具工業協會(「ICTI」)行業規範等其他行業標準外，我們通過實施人力資源管理體系，努力為僱員創造一個激勵、和諧及安全的工作環境，促進員工的平等機會及發展以及確保於先機企業工作的僱員的福祉。我們密切管理及優化五個重點領域：僱傭實踐、平等機會及反歧視、勞工權利、員工培訓及發展以及職業健康與安全(「職業健康與安全」)，以確保所有員工以最高尊重及尊嚴相待。



Employment Practices

The Group offers a competitive remuneration package to all employees including attractive wage, fixed working hours, comprehensive insurance coverage (e.g. medical insurance or "Five insurance and one fund"), overtime compensation and allowances etc. Our employees are entitled to other additional holidays such as maternity leaves, paternity leaves, marriage leaves and compassionate leaves apart from annual leaves. We also provide monetary incentives and promotions to employees with outstanding achievements and performance in various aspects and units of our works.

僱傭實踐

本集團為全體員工提供具有競爭力的薪酬待遇，包括具吸引力的工資、固定的工作時間、全面保險(如醫療保險或「五險一金」)、加班補貼及津貼等。我們的員工有權享受除年假以外之其他額外的假期，如產假、陪產假、婚假及體恤假期等。我們亦為在工作各個方面及單位均有出色成就及表現的員工提供金錢獎勵及晉升。

As at 31 December 2018, the Group had 421 full-time employees, consisting of 17 in Hong Kong and 404 in Mainland China respectively within the reporting scope. The breakdown of the staff profile is showed in the charts below:

於二零一八年十二月三十一日，本集團於報告範圍內擁有全職僱員421人，分別包括香港的17名以及中國大陸的404名員工。員工概況明細如下圖所示：

Breakdown of Staff Profile & Employee Turnover Rate

員工概況及員工流失率明細

| | | 2018 二零一八 | | 2017 二零一七 | |
|-------------------------------|----------------|---|--|---|--|
| | | Total number of employees (Note 1) | Employee turnover rate (%) (Note 2) | Total number of employees (Note 1) | Employee turnover rate (%) (Note 2) |
| | | 員工總數 (附註1) | 員工流失率 (%) (附註2) | 員工總數 (附註1) | 員工流失率 (%) (附註2) |
| By Gender | 按性別劃分 | | | | |
| Male | 男性 | 188 | 62.70 | 221 | 66.16 |
| Female | 女性 | 233 | 47.76 | 257 | 54.35 |
| By Employment Type | 按員工類別劃分 | | | | |
| Full-time | 全職 | 421 | 55.68 | 478 | 60.69 |
| Part-time/Temporary | 兼職／臨時 | 0 | 0 | 0 | 0 |
| By Age Group | 按年齡組別劃分 | | | | |
| Below 30 | 30歲以下 | 177 | 67.46 | 291 | 64.43 |
| 30 – 50 | 30歲-50歲 | 227 | 41.49 | 172 | 54.86 |
| Over 50 | 50歲以上 | 17 | 5.56 | 15 | 11.76 |
| By Geographical Region | 按地區劃分 | | | | |
| Hong Kong | 香港 | 17 | 19.05 | 17 | 26.09 |
| China | 中國 | 404 | 56.51 | 461 | 61.36 |

Note 1: The figure is calculated based on the total number of employees as at 31 December 2018 and as at 31 December 2017 respectively.

附註1：該數字乃分別基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的員工總數計算。

Note 2: The figure is calculated based on the actual number of employees.

附註2：該數字乃基於實際員工數目計算。

Equal Opportunity

We are committed to the principles of equal opportunities and diversity, and strive to provide a respectful and fair working environment for our employees. During the recruitment, job rotation and promotion processes, we make the decision solely based on the candidates' individual qualification, experience and performance against the discrimination on the ground of nationality, age, gender, religion, sexual orientation, gender identity, ethnicity, disability, pregnancy, political inclination, union membership and/or other forms of difference that is unrelated to job requirements. We also strictly prohibit any forms of harassment and victimisation in our workplace.

Labour Rights

We have zero tolerance policy towards child labour and forced labour in our workplace. By strictly following the relevant local labour laws and ordinances, and EICC standard, we forbid employment of any persons who are under the age of 16, and other unlawful form of labour. All employees can exercise their freedom to pick their careers and terminate employment with proper notifications or pay in lieu of notice. We also ensure our staff works consensually, including overtime work and disapprove any forced labour behaviour in the workplace, as well as protecting their freedom and rights of association and collective bargaining in Mainland China.

To prevent any recruitment of child labour and forced labour, we clearly explain to all applicants about the Group's stance on child labour and force labour during the job interview. The identity, employment eligibility prove and academic qualification of job candidates are examined and verified thoroughly by our Human Resources Department before the job is offered. If any child or forced labour is discovered; unfortunately, we will stop all the work of the identified child or forced labour immediately and offer medical checks and treatment where appropriate. Subsequent investigation will be carried out to find out the root cause of child or forced labour employment and revise the employment management procedure whenever possible to plug the loophole.

平等機會

我們秉持平等機會及多元化的原則，努力為員工提供受尊重及公平的工作環境。於招聘、工作輪換及晉升過程中，我們僅根據候選人的個人資格、經驗和表現作出決定，反對基於國籍、年齡、性別、宗教信仰、性取向、性別認同、種族、殘疾、懷孕、政治傾向、工會會員身份及／或與工作要求無關的其他形式差異的歧視。我們的工作場所亦嚴禁任何形式的騷擾及傷害行為。

勞工權利

我們對工作場所使用童工及強迫勞工採取零容忍政策。通過嚴格遵守相關地方勞動法律及條例及EICC標準，我們禁止僱用任何16歲以下的員工及以其他非法形式聘用的勞工。所有員工均可自由選擇職業並通過適當的通知或以代通知金終止僱傭關係。我們亦確保我們的員工在自願情況下工作，包括加班工作及不贊成工作場所的強迫勞動行為，以及保護他們在中國大陸的自由及結社權以及集體談判權。

為防止聘用任何童工及強迫勞工，我們於求職面試中向所有申請人清楚解釋本集團對童工及強迫勞工的立場。在僱用前，我們的人力資源部門將會對候選人的身份、僱傭資格證明以及學歷資格進行檢查並深入核實。倘不幸發現任何童工或強迫勞工，我們將立即停止所識別童工或強迫勞工的所有工作，並在適當情況下提供醫療檢查及治療。隨後我們將調查並找出使用童工或強迫勞工就業的根本原因，並盡可能修訂僱傭管理程序，以堵塞漏洞。

In addition, we request our suppliers to observe the same labour standards when conducting business with the Group and regular assessments will be carried out to evaluate if the suppliers meet the same labour requirements. The Group will refuse to have business partnerships with the suppliers who violate the labour standards.

During the Reporting Period, we were not aware of any legal case regarding to the use of child labour and forced labour had been identified.

Staff Well-being and Communication

We strive to encourage and promote work-life balance to our employees as it is crucial to the staff personal health and development, improve the staff productivity and performance at work, as well as enhancing the employees' loyalty and the engagement level to the Group ultimately. We organised various activities such as sport activities, sports fun day and festive celebrations to our staff during the Reporting Period, aiming to inspire healthy lifestyle, reduce stress levels from work and strengthen the staff bonding.

We encourage staff participation, and raise their concerns or recommendations towards the Group's corporate management, OHS and environmental management or staff benefits and welfare. They can make suggestions or complaints via various established communication channels such as suggestion box, letters, direct report to supervisors or to the Human Resources Department. Once complaints or grievances are received, a dedicated team will handle and resolve the problems promptly and the results will be communicated to both complainants and the management. All the information received from our employees is kept in confidentiality. For the employees in China, they can also utilise the two-way communication channel with the senior management through the Labour Union to express their views on the existing management approaches and make recommendations for improvement.

此外，我們要求供應商在與本集團開展業務時遵守相同的勞工標準，並進行定期評估，以評估供應商是否符合同一勞工規定。本集團將拒絕與違反勞工標準的供應商建立業務夥伴關係。

於報告期間，我們並無發現有關使用童工及強迫勞工的任何法律案件。

員工福祉及溝通

我們致力於鼓勵及促進僱員的工作與生活平衡，因為這對員工的個人健康與發展、提高員工的工作效率及工作表現，以及最終提高僱員對本集團的忠誠度及參與度至關重要。於報告期間，我們為員工組織體育活動、趣味運動會及節慶等各類活動，旨在啟發健康的生活方式、緩解工作壓力以及加強員工聯繫。

我們鼓勵員工參與，並提出彼等對本集團的企業管理、職業健康與安全以及環境管理或員工待遇及福利的問題或建議。員工可通過多個既定的溝通渠道(如建議箱及信件)直接向主管或人力資源部門提出建議或投訴。當收到投訴或申訴後，特別小組將及時處理並解決問題，並將結果傳達至投訴人及管理層。一切所接收來自我們員工的資訊內容均獲保密。對於中國僱員，彼等亦可以通過工會利用雙向溝通渠道與高級管理層溝通，對現有管理方法發表意見，並提出改進建議。

Occupational Health and Safety

Superactive puts safety first at work to safeguard the well-being of our workforce. To achieve our ultimate goal of zero-accident in our workplace, we have implemented the safety and health management system to effectively control safety hazards and risks posed to our employees and our premises, as well as fulfilling the legal requirements such as Work Safety Law of the People's Republic of China and Law of the People's Republic of China on the Prevention and Control of Occupational Diseases in order to thoroughly implement safety production in our manufacturing facility.

Regular safety risk identification assessments are conducted by our Health and Safety Committee to evaluate the risks levels and hazards exposure towards workers in the workplace. Relevant safety procedures, working instructions, machines and equipment maintenance safety guidelines, in-house safety rules and suitable personal protective equipment provision have been implemented to avoid, minimise and mitigate the safety risks in the workplace. Daily safety inspections are conducted to ensure that safety control measures are effectively maintained. Moreover, we engaged an external certified body to carry out a workplace occupational hazard inspection in regular basis to verify the effectiveness of safety control measures, and the levels of potential hazards (e.g. noise, indoor air quality, chemicals exposure etc.) do not exceed the levels under the applicable national standards.

職業健康與安全

先機企業將工作安全放在首位，以保障僱員福祉。為實現工作場所零事故的最終目標，我們已實施安全與健康管理系統，以有效控制對員工及工作場所構成的安全隱患和風險，以及符合《中華人民共和國安全生產法》及《中華人民共和國職業病防治法》等法律要求，以便在我們的製造廠房貫徹實施安全生產。

我們的健康與安全委員會定期進行安全風險識別評估，以評估工人在工作場所面臨的風險等級和危害。我們已經實施了相關的安全程序、工作指導、機械及設備維護安全指南、內部安全規則及提供適當的個人防護裝備，以避免、減少和紓解工作場所的安全風險。為確保安全控制措施得到有效維護，我們會進行日常安全檢查。此外，我們委託外部認證機構定期進行工作場所職業危害檢查，以核查安全控制措施的有效性以及潛在危害(如噪音、室內空氣質素及化學品接觸及暴露情況等)的水平不超過適用的國家標準水平。

Maintaining a safe working environment requires the cooperative efforts among the Group and all employees. We strive to raise the employees' safety awareness and equip our workers with knowledge on safe work. We offer a compulsory safety and health training to all new hirers before they commence work in manufacturing facility and internal OHS training courses with specific topics are provided to all workers in regular time intervals so that they are aware of the significance of work safety. Workers who operate in relative high-risk activities such as electrical works, welding, mobile machines and equipment operation (e.g. forklift truck) are required to attend specific training courses and qualified as competent persons before starting their on-site operations. Full supervision is needed in particular to welding and cutting works to prevent fire hazards.

To strengthen our employees' capability of coping with unlikely emergency situations such as chemical leakage, fire and explosion in our factory, we have established an Emergency Contingency Plan which details the potential risks, emergency reporting procedure and corresponded actions taken in emergencies for our workers to follow so that they can have prompt response to the emergency cases safely and minimise damages. The plan is reviewed annually to ensure its compatibility in the operation. We also perform regular emergency drills such as fire and chemical spill drills to enhance the emergency response competency of our workers.

During the Reporting Period, there was no work-related fatality or lost days due to work injuries and we confirmed that no breaches of relevant national or local laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards were identified.

維持安全的工作環境需要本集團與全體僱員的通力合作。我們努力提高僱員的安全意識，並為我們的員工提供安全工作知識。於所有新僱員開始在製造廠房工作前，我們提供強制性的安全與健康培訓，並定期向全體工人提供具有特定主題的內部職業健康與安全培訓課程，以便員工瞭解工作安全的重要性。於現場實施操作前，從事電氣工程、焊接、移動器械及設備操作(例如叉車)等相對高風險活動的工人須參加特定的培訓課程並具備合格人員資格。為防止火險，焊接及切割工作尤其須接受全面監督。

為提高僱員應對工廠化學品洩漏、火災及爆炸等出現機率不大的緊急情況的能力，我們已擬備緊急應變計劃，當中詳列潛在風險、緊急事故報告程序以及緊急情況下我們工人採取的相應措施，以便工人能以安全方式及時應對緊急情況及盡量降低損害。該計劃每年進行一次審查，以確保其在營運中的適用性。我們亦定期進行消防及化學品洩漏演練等應急演習，以提高我們的工人應對緊急事故的能力。

於報告期間，概無工亡事故或因工傷損失工作日數，且我們確認概無發現違反有關提供安全工作環境及保障僱員免受職業危險的相關國家或地方法律法規的情況。

Staff Training and Development

Under the evolving business environment, Superactive recognises that it is vital to maximise its employees' potentials and advance their skills and knowledge, in order to retain talents and maintain its competitive edge. The Group seeks to empower our employees by providing suitable on-the-job and external training programmes, to further nurture their professional knowledge and personal goals for continuous career development.

Followed by our Training Management Procedure, we identify the training needs of our staff members depending on their different positions and career stages, and tailor a yearly training programme for staff skills and knowledge advancement. Reviews are being conducted at regular time intervals to evaluate the effectiveness and suitability of training, aiming to make adjustment or improvement for further training opportunities where necessary.

員工培訓及發展

先機企業認可於不斷變化的商業環境中，最大化僱員潛力並提升彼等技能及專業知識，以挽留人才並保持競爭優勢至關重要。本集團力求通過提供適當的在職及外部培訓課程提高僱員的能力，以進一步培養僱員的專業知識及個人目標實現持續的職業發展。

遵循我們的培訓管理程序，我們根據員工不同的職位及職業階段確定員工的培訓需求，以及針對員工技能及知識拓展量身定制年度培訓計劃，並定期進行檢討，評估培訓的有效性與適當性，旨在於必要情況下調整或改善進一步培訓機會。



An orientation training programme, which covers the topics of the Group's business profile and organisation, employees' welfares and obligations, basic products description and the concepts of quality assurance, fundamental ISO management systems, occupational health and safety knowledge, is offered to all new hirers within three months upon their arrival. Additionally, we regularly provide internal on-the-job training (e.g. Quality control principles and management, chemical use, hazardous waste segregation and handling, Restriction of Hazardous Substances ("RoHS") standard and Customs-Trade Partnership Against Terrorism (C-TPAT) system etc.) with assessment to all existing employees at different levels or departments to suit the operation needs. To encourage life-long learning, we offer financial subsidiaries to eligible employees and attend external training courses in order to pursue their professional development.

我們為所有新入職者於彼等到崗後三個月內提供入職培訓計劃，涵蓋本集團業務概況及組織、僱員福利及義務、基本產品描述及質量保證的概念、基本的ISO管理體系、職業健康與安全知識等主題。此外，我們定期對各個層級或部門的所有現有僱員提供內部在職培訓(如質量控制原則及管理、化學品使用、有害廢物分類及處理、《有害物質限用指令》(「RoHS」)標準及海關－商貿反恐聯盟(C-TPAT)系統等)並作出評估，以滿足營運需求。為鼓勵終身學習，我們為合資格僱員提供財務支持，以參加外部培訓課程，追求彼等的專業發展。

Percentage of employees trained & Average training hours per employee

受訓僱員百分比及每名僱員平均受訓時數

| | | 2018 二零一八 | | 2017 二零一七 | |
|--------------------|------------|--|-------------|--|------|
| | | Average training hours 平均 受訓時數 | % | Average training hours 平均 受訓時數 | % |
| By gender | 按性別 | | | | |
| Male | 男性 | 10.78 | 54.1 | 27.98 | 50.8 |
| Female | 女性 | 10.35 | 45.9 | 30.24 | 49.2 |
| By Position | 按職位 | | | | |
| Management | 管理層 | 20.14 | 7.7 | 31.89 | 7.2 |
| General Staff | 一般員工 | 9.78 | 92.3 | 36.57 | 92.8 |

MANAGING OUR SUPPLIERS

We closely collaborate with a variety of suppliers or contractors as we depend on their supplies for supporting our daily production. We are committed to effective management of environmental and social performance throughout our supply chain to ensure the quality of our products at sources, and mutually step towards the path of sustainability.

管理我們的供應商

我們依賴供應商的供應以支持我們的日常生產，因此我們與各類供應商或承包商保持密切合作。我們著力於整個供應鏈中有效管理環境及社會表現，以從源頭確保我們的產品質量，並共同邁進可持續發展的道路。

Supply Chain Management

We have established our “Procurement Management Procedure” to select suitable and capable suppliers to support our manufacturing operations and manage all the procurement practices to ensure all suppliers treated with fair and equal competition.

Under our procurement policy, new suppliers are required to fill in the pre-qualification questionnaire to reveal their competency in the following areas: 1) Production capability; 2) Management of quality assurance, safety and environmental compliance; 3) Partnerships; 4) Process on materials procurement; and 5) Practices on corporate social responsibility for our assessment. Besides that, they are requested to submit sample products with full specifications, external laboratory testing reports, as well as hazardous substance free (“HSF”) declarations, to make sure all materials to be supplied meet the requirements of relevant national regulations and international standards, such as the RoHS and Registration, Evaluation, Authorisation and Restriction of Chemicals (“REACH”). Only those suppliers fulfilling all the above requirements can be qualified as approved suppliers. As at 31 December 2018, over 99% of our engaged suppliers are from the local industries of Mainland China and Hong Kong.

供應鏈管理

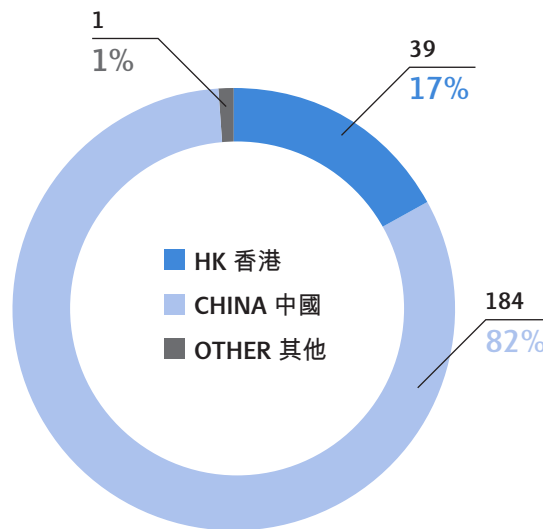
我們已設立「採購管理程序」，以選擇合適且有能力的供應商以支持我們的生產業務及管理所有採購實踐，以確保所有供應商得到公平及平等的競爭。

根據我們的採購政策，新供應商需要填寫資格預審調查問卷以供我們評估，以表明他們在以下方面的能力：1) 生產能力；2) 質量保證、安全及環境合規管理；3) 合作夥伴關係；4) 材料採購流程；5) 企業社會責任實踐。此外，彼等亦須提交具完整規格的樣品、外部實驗室檢測報告以及無有害物質（「無有害物質」）聲明，以確保所有供應的材料符合相關國家法規及國際標準規定，例如 RoHS 及《化學品註冊、評估、授權及限制法規》（「REACH」）。供應商須符合上述所有要求方可成為認可的供應商。於二零一八年十二月三十一日，我們聘用的供應商超過 99% 均來自中國內地及香港本地工業。

To ensure our suppliers' performance meet our required standards, regular performance assessments with all suppliers, including on-site inspections, are carried out to monitor and evaluate their continuous performances. When any non-conformities are identified based on the assessment findings, we will issue corresponding areas-for-improvement reports to the suppliers and request rectifications or taking corrective actions for improvement under the grace period. Those suppliers who are consecutively fail to fulfil our requirements will contribute to the disqualification from our approved supplier list.

為確保供應商的表現符合我們要求的標準，我們定期對所有供應商進行績效評估(包括現場檢查)以監察及評估彼等的持續表現。當根據評估結果確定任何不合格情況時，我們將向供應商發出相應的須待改善方面的報告，並要求在寬限期內進行整改或採取糾正措施以進行改進。多次不符合我們要求的供應商將自我們的批准供應商名單取消資格。

Number of Suppliers (by geographical region) 供應商數目 (按地理區域劃分)



In order to promote the values of social responsibility and sustainability to our suppliers, the suppliers must follow our “Supplier Code of Business Conduct” and associated practices (e.g. labour practices, legal compliance, anti-corruption and anti-bribery and data protection etc.) in our business dealings. A self-assessment survey of CSR performance is distributed to all suppliers to complete and our procurement team will evaluate the performance annually. To explicitly work against the exploitation of human rights and the use of conflict minerals (e.g. Tantalum, Tungsten, Tin, Gold etc.), we requested all the supplies from our suppliers are free from the materials come from the conflict zone such as the Democratic Republic of the Congo. The suppliers are also requested to sign the “Declaration of Anti-corruption, Social Responsibility and Ethics” to ensure they are fully understood our requirements of operating responsible and ethical business and are committed to upholding the same.

MAINTAINING QUALITY PRODUCTS & SERVICES

In adherence with our commitment under our quality management policy — gaining customer trust and satisfaction with superior products, we strive to provide high quality products that are safe to use at competitive prices to our customers, as well as exerting our expertise to meeting their needs and expectations.

Products quality & health and safety

We have established a comprehensive quality management system (“QMS”), which is certified with the international standard of ISO 9001:2015 and IECQ QC080000 Hazardous Substance Process Management, in our production plant. Through the implementation of QMS, we can address the potential risks and opportunities of product quality and safety issues along the production chain systematically, securing all our products are upheld against the highest quality standard as well as complying with the national laws, regulations (e.g. the Product Quality Law of the People’s Republic of China (the “PRC”) and international industrial standards such as Waste Electrical and Electronic Equipment Directive (“WEEE”), RoHS and REACH.

為了向供應商宣揚社會責任及可持續發展的價值觀，於我們的業務往來中，供應商必須遵守我們的「供應商商業行為規範」及相關實踐（例如勞工實踐、法律合規、反貪污及反賄賂以及數據保護等）。我們將向所有供應商分發企業社會責任績效的自我評估調查以供填寫，我們的採購團隊將每年評估績效。為明確反對剝削人權及使用有衝突礦產使用（例如鈹、鎢、錫、金等），我們要求供應商提供的所有供應物都不含來自衝突礦區（如剛果民主共和國）的物料。供應商亦須簽署「反腐敗、社會責任及道德宣言」，以確保彼等完全瞭解我們的經營責任及業務道德的要求，並承諾維護相關要求。

保持優質產品及服務

我們遵循質量管理政策承諾 — 贏得客戶的信賴及對優質產品的滿意度，我們努力為客戶提供可安全使用並具競爭力價格的優質產品，並運用我們的專業知識達到彼等的需求及期望。

產品質量及健康與安全

我們已在我們的生產廠房建立全面的質量管理體系（「QMS」），該體系已通過ISO 9001:2015國際標準及IECQ QC080000有害物質過程管理認證。通過QMS的實施，我們可系統地解決生產鏈中產品質量與安全問題的潛在風險及機遇，保證我們所有產品均符合最高質量標準，並遵循國家法律法規（如《中華人民共和國產品質量法》及國際行業標準（如廢棄電子電氣設備指令（「WEEE」）、RoHS及REACH）。

We have set up a series of standardised management procedures for carrying out stringent quality assurance inspections along the production cycle — from incoming materials checks, manufacturing process inspections to final products examination based on the latest national regulations and international industrial standards. By conducting incoming materials inspections, we can verify the types, quantity and quality of the parts, components, materials and machine equipment which are consistent to the purchase order, and comply with the required product specifications and relevant local and international standards, particularly to those certified hazardous substance free materials, before putting them into mass production. Our effective in-house quality control system and regular sampling checks help identify the quality problems immediately and take prompt corrections and preventive actions in order to maintain the product quality and prevent the severe defects of final products during our manufacturing processes. Our final product quality assurance examination aid to ascertain the goods that are free from defects and with proper safety labelling and packing, and meet the required product specifications before delivery.

The products with defects identified during quality inspections and audits will be subject to re-work, repair or scrapped following the “Non-conformity Goods Control Procedure”. Our Quality Control department and specialist engineers will further analyse the causes of the non-conformities and take relevant corrective actions to avoid occurrence of future defects on products.

To ensure the effectiveness of the QMS implementation, we have arranged on-the-job training and external training related to quality management to our workers to build up their capability and ensure they understand our requirements on quality assurance to resolve the quality and technical problems in work. Regular internal and external quality audits are performed to continually identify the areas for improvement.

我們設立一系列標準化管理程序，以便根據最新的國家法規及國際行業標準，於生產週期內進行嚴格質量保證檢查—從來料檢查、製造過程檢查到最終產品檢驗。於進行批量生產前，通過進行來料檢查，我們可核實零件、組件、材料及機器設備的類型、數量及質量與採購訂單一致，以及符合規定的產品規格及相關地方及國際標準，尤其是獲認證屬無有害物質的物料。我們有效的內部質量控制制度及定期抽樣檢查有助我們於立即識別質量問題並及時採取糾正及預防措施，以保持產品質量以及防止於我們的生產過程中製成的最終產品出現嚴重缺陷。我們的最終產品質量保證檢查有助在產品交付前確定製造的產品並無缺陷，以及配有適當的安全標籤及包裝，以及符合規定的產品規格。

於質量檢驗及審核過程中發現有缺陷的產品將根據「不合格品控制程序」進行再加工、維修或報廢。我們的質量控制部門及專業工程師將進一步分析導致不合格的原因並採取相應的糾正措施避免日後產品出現缺陷。

為保證QMS實施的有效性，我們就質量管理為員工安排相關的在職培訓及外部培訓，以提升彼等的能力，並確保彼等瞭解我們的質量保證規定，以解決工作時的質量及技術問題。我們定期進行內部及外部質量審核，以持續確定需要提升的領域。

During the Reporting Period, we were not aware of any material non-compliance cases and product recalls relating to quality, safety and health reasons.

Customer Services

The valuable customer feedback and opinions can serve as a driver to refine our products, services and management systems or processes in return to enhance the customer satisfaction on an on-going basis. Hence, we solicit customer feedback through annual customer satisfaction survey to understand their needs and expectations. Based on the survey results and the comments or suggestions offered by the respondents, a customer satisfaction analysis report is prepared to further review our strengths and weaknesses and identify the areas for continuous improvement. This helps us keep track on addressing customer needs and enhancing customer experience.

In event of communications or complaints are received from our customers with regard to the product quality and schedule of product delivery, our Marketing Department will promptly follow up and attend to the concerned customers by following our “Customer Complaint Handling Procedure”. Subsequent investigations will be carried out to confirm the nature of the complaints. Relevant root-cause analysis will be conducted for the confirmed cases by the responsible department, where corrections and corrective actions will be employed to avoid recurrence of the cases. We are committed to replying to the complainants within three working days as per our performance pledge. During the Reporting Period, no products and services related complaints were received.

於報告期間，我們並無發現與質量、安全及健康原因有關的重大不合規案件及產品召回事宜。

客戶服務

寶貴的客戶反饋及意見可作為改進產品、服務及管理體系或流程的驅動力，以持續提高客戶滿意度。因此，我們通過年度客戶滿意度調查徵求客戶反饋，以瞭解彼等的需求及期望。我們基於調查結果及受訪者提供的意見或建議編製客戶滿意度分析報告，以進一步審查我們的優勢及劣勢，以及識別可繼續改善的領域。此舉有助於我們跟蹤滿足客戶需求及提升客戶體驗。

倘我們收到客戶就產品質量及產品交付時間表的來信或投訴，我們的營銷部門將按照「客戶投訴處理程序」及時跟進並關注相關客戶。隨後將進行調查以確認投訴的性質。負責部門將分析所確認情況發生的相關根本原因，並採取糾正措施以避免再次發生類似情況。我們致力根據我們的服務承諾於三個工作日內回覆投訴者。於報告期間，概無收到任何與產品及服務相關的投訴。

Customers Privacy & Intellectual Property Rights

All tangible and intangible assets and information (e.g. sample raw materials, sub-assemblies and mould etc.) provided by our customers are stored in designated area with proper labelling and kept in confidentiality. All the assets and information can only be accessed and handled by our authorised personnel for operational purposes and staff members forbidden to copy, transfer and disclose any information, particular to intellectual property and customer personal data, to any third parties without prior consent from the customers.

To prevent any infringement of intellectual property rights (i.e. trademarks, patents and designs), we consult legal advice from solicitors for drafting patent licence agreements or service contracts, to ensure all our business activities are in compliance with all the national laws and regulations (e.g. the Patent Law of PRC and the Implementation Rules of Patent Law of the PRC) and there is no infringement on intellectual property rights.

ETHICAL BUSINESS

Business integrity and accountability is the core pillar to sustain the business development and success. The Group enacts zero tolerance policy against any form of bribery, fraud, extortion and corruption practices in our operations and upholds the highest degree of honesty, transparency and accountability in our business dealings. The Group complies with the relevant national and local laws and regulations such as the Criminal Law of the PRC and Prevention of Bribery Ordinance (Cap. 201) in Hong Kong.

客戶私隱及知識產權

我們客戶提供的所有有形及無形資產以及資料(例如樣品原材料, 子組件及模具等)都帶有適當的標籤存放於指定區域並保密。所有資產及資料僅可就營運目的由我們的授權人員進行存取及處理。工作人員不得未經客戶事先同意向任何第三方複製、傳輸及披露任何資料, 尤其是知識產權及客戶個人資料。

為防止侵犯知識產權(即商標、專利及設計), 我們就起草專利許可協議或服務合同向律師諮詢法律建議, 以確保我們所有的業務活動符合所有國家法律法規(如《中華人民共和國專利法》及《中華人民共和國專利法實施細則》)的同時不侵犯知識產權。

商業道德

商業誠信及責任是維持業務發展及成功的核心支柱。本集團對業務營運中任何形式的賄賂、欺詐、勒索及貪污行為實施零容忍政策, 以及在業務往來中秉承最高程度的誠實、透明和責任。本集團遵守相關的國家及地方法律法規, 如《中華人民共和國刑法》及香港法例第201章《防止賄賂條例》。

Anti-Corruption

We have established a series of anti-corruption policy, management principles and measures, as stipulated in our “EICC Social Responsibility Manual” and “Code of Business Conduct”, for all our employees and business partners to strictly abide by. We forbidden our employees offering or asking for any forms of benefits such as presents, coupons and money for any advantages and favours in the business. In case those benefits cannot be refuted, they shall be handed over to our Ethics Committee for further handling within one week. Employees will be subject to disciplinary action, which includes termination of the employment contract if they are found violating the rules. Similarly, our suppliers are required to follow the practices, as stated in the declaration of anti-corruption and “Supplier Code of Conduct”, and uphold the same ethical standard when running businesses with us. Quarterly inspections by the Ethics Committee are being carried out to verify the existing control measures are well-maintained and check if there are any misconducts and malpractices occurred in the workplace.

We encourage our employees and stakeholders to raise concerns on any suspected or actual case(s) of corruption, misconducts or malpractices, especially related to the violation of the Code of Business Conduct and relevant legislations. Our whistle-blowing mechanism with clear reporting channels is in place and allow whistle-blowers to report such case(s) in good faith. All the collected information from the whistle-blower is treated confidentially to protect the whistle-blowers against reprisal, discrimination and victimisation. In the event of receiving any reported case(s), the Ethics Committee will handle on the cases in a timely manner. Dedicated investigation team is nominated and deal with the case to ensure the independence and the reliability of the investigation results. The result of the investigation will be communicated to the whistle-blower within two months. If discovered the personnel who suspect the violation of laws in corruption or participating in other unlawful activities upon the internal investigation, the cases will be further handed over to the relevant justice authorities for relevant legal actions.

During the Reporting Period, we were not aware of any breaches of relevant laws and regulations relating to bribery, extortion, fraud and money laundering and we confirmed that no concluded legal cases regarding corrupt practices brought against the group and our employees.

反貪污

根據「EICC 社會責任手冊」及「商業行為規範」規定，我們設立一系列反貪污政策、管理原則及措施予全體僱員及業務合作夥伴嚴格遵守。我們禁止僱員提供或要求任何形式的福利(如禮品、優惠券及現金)以在業務中獲得任何利益及好處。倘該等福利無法被駁回，彼等應於一周內將其移交至道德委員會進一步處理。倘發現違反規定，僱員將受到紀律處分，包括終止僱傭合同。同樣，我們的供應商須遵守反貪污聲明及「供應商行為規範」中所述規定，及與我們合作時遵守相同的道德標準。道德委員會進行季度檢查，以核實現有的控制措施是否得到良好維護，並核查工作場所是否存在任何不當行為及玩忽職守行為。

我們鼓勵我們的員工及持份者對任何涉嫌或實際貪污、不當行為或玩忽職守行為提出質疑，尤其是違反商業行為規範及相關法律有關的情況。我們實施具備明確匯報渠道的舉報機制，並允許舉報人真誠舉報此類情況。所有自舉報人收集的信息均保密處理，以保護舉報人免遭報復、歧視及傷害。倘收到任何報告案件，道德委員會將及時處理案件。特別調查小組獲提名並處理案件，以確保調查結果的獨立性及可靠性。調查結果將於兩個月內傳達舉報人。倘於內部調查中發現涉嫌貪污違法行為或參與其他非法活動的人員，案件將進一步轉交相關司法機關進行相關法律訴訟。

於報告期間，我們概無發現任何違反有關賄賂、勒索、欺詐及洗錢的相關法律法規的行為，且我們確認亦無針對本集團及我們僱員涉及貪污行為的已完結法律案件。

PROTECTING OUR ENVIRONMENT

Maintaining environmental sustainability is essential to our daily operations and closely related to our long-term business development, as we rely wholly on the natural resources from our planet for consumer electronics productions and office operations. We have policies in place and guide us to ensure our operations are strictly followed with the requirements of relevant environmental laws, regulations and other industrial requirements (e.g. The Environmental Protection Law of the PRC, The Environmental Protection Tax Law of the People's Republic of China etc.), to enhance the resource efficiency as well as minimising the adverse impact on the environment resulted from pollution. We also have implemented an environmental management system certified to the international standard of ISO 14001:2015 in our manufacturing facility to manage the environmental issues in a well-planned and organised manner. During the Reporting Period, we were not aware of any breaches of relevant laws and regulations relating to air and greenhouse gas emissions, water discharges and waste generation.

Emissions

Air Emission

Exhaust gas generated from tin soldering on the electronic appliances, the use of injection molding machine and the volatile organic compounds from the use of organic solvents are the major sources of air emission from our production. To maintain the good indoor air quality of the factory and safeguard our workers' health, we have installed sufficient ventilation fans in the workplace, particularly in the working area of tin soldering to avoid excessive exhaust gas accumulation. Regular air quality inspections in the manufacturing facility are conducted by our engaged third party to ensure the level of pollutants emitted to the air is complied with the national regulations and standards such as the Atmospheric Pollution Prevention and Control Law of the PRC and Emission limits of air pollutants (DB44/27-2001).

保護我們的環境

我們完全依賴於地球上的自然資源生產消費電子產品及辦公營運，因此，維持環境的可持續性對我們的日常營運至關重要，並與我們的長期業務發展息息相關。我們制定相關政策，指引我們保證業務營運嚴格遵守相關環境法律法規及其他行業規定(如《中華人民共和國環境保護法》及《中華人民共和國環境保護稅法》等)，以提高資源效率以及盡力減少污染對環境產生的不利影響。於我們的製造廠房，我們亦實施通過ISO 14001:2015 國際標準認證的環境管理體系，以有計劃及有組織的方式管理環境問題。於報告期間，我們概無發現違反有關氣體及溫室氣體排放、污水排放及廢物產生的相關法律法規的情況。

排放

氣體排放

生產中的主要氣體排放源頭是電子設備錫焊及使用注塑機產生的廢氣，以及使用有機溶劑造成的揮發性有機化合物。為保持廠房良好室內空氣質量以及保障工人的健康，我們於工作場所安裝足夠的抽氣扇，尤其是在錫焊工作區域，以避免廢氣過度聚集。我們聘用第三方定期對製造廠房進行空氣質量檢查，以確保排放至空氣中的污染物水平符合國家法規及標準(如《中華人民共和國大氣污染防治法》及大氣污染物排放限值(DB44/27-2001))。

Resources Use

We strive to maximise the resources efficiency and reduce our waste generation and disposal by adopting the 3R principles (reduce, reuse and recycle). With the increasing concerns on global warming significantly, which threatens the ecosystems stability, biodiversity and socioeconomic development nowadays, we proactively take measures to manage the energy use and cut down the direct and indirect carbon emission from our operation.

Energy & Greenhouse Gas (“GHG”) Emission Management

Electricity and fossil fuels are the main sources of energy consumption in our operations. To improve our energy consumption efficiency and in turn reduce our carbon footprints, we actively look for energy saving opportunities and improve the energy efficiency in our production activities. For instance, we replaced conventional lighting by energy-efficient LED lights and phased out the old models of machine with high consumption of electricity. During the Reporting Period, we replaced two sets of surface mount technology machines and one set of injection molding machines, aiming at increasing the energy efficiency in the production process by capital investment. Likewise, inverters are installed on air conditioners and plastic injection moulding machine to limit the electricity consumption.

In addition, our production team continues to improve the manufacturing process by technical and process modification, leading to lower electricity consumption. Our maintenance team carries out regular maintenance on the air conditioning, ventilation system and machines to ensure they work with maximum energy efficiency.

Apart from adopting energy saving measures in our manufacturing processes, we have also implemented green practices in our offices and manufacturing facility, and engage our staff to take up the shared responsibility in energy saving. Our energy saving working guideline outlines the good practices of energy saving for our staff to follow in our workplace. For example, opting for higher energy-efficient models when purchasing new office appliance, turning off the office appliances when they are not in use, utilising natural lighting and natural ventilation as much as possible and maintaining the comfort room temperature at 25 degrees celsius.

資源的使用

通過採納3R原則(減少、再利用及回收)，我們力求最大化資源效率並減少廢物的產生及處置。隨著人們對全球變暖問題日益關注，而全球變暖如今威脅生態系統的穩定、生物多樣性及社會經濟發展，我們積極採取措施管理能源的利用並於營運中降低直接及間接碳排放。

能源及溫室氣體(「GHG」)排放管理

我們營運中能源消耗的主要來源為電力及化石燃料。為提高能源消耗效率，從而降低我們的碳足跡，我們積極找尋節能機會以提高我們於生產活動中的能源效率。例如，我們使用節能型LED照明替代傳統照明，淘汰耗電量高的過時機噐。於報告期間，我們置換兩套表面貼裝技術機器及一套注塑機，以求通過投入資金提高生產過程的能源效率。我們亦在空調及注塑機上安裝逆變器以限制電力消耗。

此外，我們的生產團隊通過修改技術及方法不斷改進製造工藝，從而降低電力消耗。我們的維護團隊定期對空調、通風系統及機械進行維護，以確保器械以最高的能源效率運行。

除了在生產過程採用節能措施外，我們亦在辦公室及製造廠房實施綠色實踐，並促使我們的員工共同承擔節能責任。我們的節能工作指南載列於工作場所員工應遵循的良好節能實踐。例如，於購置新辦公設備時選擇更高能效的型號、不使用辦公設備時將其關閉、盡可能利用自然採光及自然通風以及維持25攝氏度舒適的室溫。

In order to reduce the fuel consumption from vehicles transportation, prior approval must be sought from the department head for vehicle use, aiming at having a well-planned transportation route to minimise unnecessary transportation needs. Regular maintenance for all the Group's vehicles are carried out to make sure they function in the optimum conditions. Besides, we prioritise the selection of the local vendors for products and service supplies in order to shorten the distance transportation and hence minimise the energy use and GHG emission.

Water and Effluent Management

In order to wisely use the precious water resource, we follow our "Water Management Regulation" in our offices and manufacturing facility. All departments are responsible to maintain good conditions of the water supply facilities. In the scenarios of any leakage and damage of the water supply facilities, this should be reported to the maintenance team immediately for replacement or repair to avoid water wastage. Water-saving posters are placed in workplace, particularly in our toilets, pantry and cleaning facilities, to increase the employees' awareness on water conservation. Water contaminated by chemicals must be separately collected, stored properly in designated area and consigned to a licensed chemical waste collector for treatment to prevent contamination of water bodies. Annual inspection on the water quality is conducted by a third party to ensure the level of pollutants discharge to the water body is complied with the national regulations (e.g. the Water Pollution Prevention and Control Law of the PRC & Discharge limits of water pollutants (DB44/26-2001) etc.). During the Reporting Period, there was no water sourcing issue fitting for purpose as we mainly use water supplied from municipal water authority.

為降低車輛運輸的燃料消耗，使用車輛須事先獲得部門負責人批准，以求規劃運輸安排以盡量省去不必要的運輸需求。我們定期對本集團的全部車輛進行保養，以確保車輛以最佳狀況運行。另外，我們優先選擇本地產品及服務供應商，以縮短運輸距離，從而最小化能源的使用及溫室氣體排放。

水及污水管理

為明智地使用寶貴的水資源，我們於辦公室及製造廠房遵循「水資源管理規定」。所有部門均有責任維持供水設施狀況良好。倘供水設施發生任何洩漏及損壞情況，應立即向保養設施團隊報告更換或維修，避免水浪費。節水海報張貼於工作場所，尤其在洗手間、配餐室以及清潔設施，以提高員工的節水意識。受化學品污染的水須分開收集及妥善存放於指定區域，並委託持牌化學廢物收集商處理，以防止水污染。水質由第三方進行年檢，確保向水體排放的污染物水平符合國家法規（如《中華人民共和國水污染防治法》及水污染物排放限值（DB44/26-2001）等）。於報告期間，我們主要使用市水務局的供水，故在求取適用水源上概無任何問題。

Waste Management

To ensure in compliance with relevant national and local laws (e.g. Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste) and minimise negative impact on the environment due to the waste disposal, we have implemented an effective waste management system by adopting the 3R principles (Reduce, Recycle and Reuse) for wastes generated from our offices and manufacturing facility.

To reduce the waste at source, we regularly review the materials in-out records and analyse the amount of materials used in production in order to prevent the unnecessary waste of materials. To facilitate our workers in waste segregation and recycling, we have provided different recycling bins nearby the working area to properly sort and collect the recyclable materials without mixing with the non-recyclable materials, and reuse or recover the useful materials in the manufacturing processes as much as possible. The remaining recyclable materials are then sold to the designated waste collectors for recycling. We keep track on the types and amount of non-hazardous waste generated in the factory and continue to seek opportunities to minimise the waste generation.

We recognise that it is inevitable to generate certain amount of waste such as tin residues, organic solvents and activated carbon that are categorised as hazardous waste under the national laws during the production process, and these hazardous wastes must receive proper treatment before disposal to harm our environment. All the hazardous wastes are properly categorised, segregated and stored in rigid containers that are resistant to chemicals actions with drip tray in the designated storage area, in order to avoid mixing with incompatible wastes and to prevent chemical leakage. Proper safety labelling and cautions signage are placed on the containers for hazard identifications and fire safety. The hazardous wastes are consigned to licensed waste collectors for further treatment and disposal. To minimise the amount of hazardous waste generated, the chemicals and solvents will be recycled and reused in the production process as much as possible.

廢物管理

為確保遵守有關國家及地方法律(如《中華人民共和國固體廢物污染環境防治法》)及盡量降低廢物處理對環境的負面影響,我們透過對辦公室及製造廠房產生的廢物採用3R原則(減少、回收及再利用),實施有效的廢物管理系統。

在源頭實行減少浪費,我們定期對物料進出記錄進行審查及分析生產時材料使用數量,以防止不必要的物料浪費。為方便我們的工人進行廢物分類及回收,我們於工作區域周圍提供不同的回收箱,以便區分並正確分類可回收物料與不可回收物料及收集可回收物料,並於生產過程中盡可能重複使用或回收有用物料。餘下可回收物料隨後出售予指定廢物收集商回收。我們追蹤記錄廠房所產生的非危險廢物的種類及數量,並繼續找尋機會以盡量減少廢物的產生。

我們意識到生產過程中不可避免地產生了若干數量的廢物,如錫渣、有機溶劑及活性炭(根據國家法律被歸類為危險廢物),該等危險廢物對環境造成危害前須經過妥善處理方可棄置。所有危險廢物會進行妥善分類、隔離,並於指定區域擺放及貯存在附有防漏盆且耐化學作用的堅固容器當中,以避免和不相容廢物混合及防止化學品洩漏。該等容器上均貼有適當安全標籤和警告牌,便於識別危險及保障消防安全。該等危險廢物均由持牌廢物收集商作進一步處理及處置。為減少產生的危險廢物量,生產過程中會盡量回收及重用化學品及溶劑。

To utilise resources effectively and avoid unnecessary waste generation in our office, we reduce the paper printing by the application of electronic document filing system. We also recycle all the cartridges by our service provider, and reuse the office stationery such as document folders and envelop for internal documents transfer.

Green Purchasing

We are dedicated to selecting the environmentally friendly products with competitive prices and good quality, in order to safeguard end-users' health and safety, to prevent pollution and to efficiently use the natural resources. Guided by our "Procurement Management Procedure" and "Hazardous Substance Management Procedure", we strive to consider the products' life cycle and select the raw materials, sub-assemblies and parts that are eco-friendly, hazardous substance free or emitting smaller toxic substances during installation, use or upon disposal for manufacture. We require our vendors to provide proves (e.g. laboratory testing reports and product specifications etc.) to evidence the supplies are all in compliance with the national regulations and international industrial standards such as WEEE, RoHS and REACH.

All departments are required to take into account environmental considerations and search for the products with high recycled content, with greater durability or with greater water and energy efficiency when purchasing office appliances, machines and equipment for daily operation, in order to optimise the resource efficiency and minimise pollutions and waste generation.

為在辦公室有效利用資源和避免不必要的廢物產生，我們透過應用電子文檔系統減少列印。我們亦回收由服務供應商提供的所有墨盒，並在進行內部文件轉存時重用文件夾及信封等辦公室文儀。

綠色採購

我們致力選擇具有競爭力的價格及優質的環保產品，以保障最終用戶的健康與安全，防止污染及有效利用自然資源。根據「採購管理程序」和「有害物質管理程序」，於安裝、使用或生產處置過程中，我們考慮產品的生命週期並盡量選擇環保、無有害物質或排放較少有毒物質的原材料、子組件及零件。我們要求我們的供應商提供證據（如實驗室測試報告及產品規格等）以證明彼等的供應均符合國家法規及WEEE、RoHS以及REACH等國際行業標準。

所有部門均要求考慮環境因素，並於購置日常營運所需的辦公用品、器械及設備時，物色具有高回收成分、更耐用或水和能源效率更高的產品，以優化資源效率、減少污染以及產生的廢物。

Environmental Performance

環境表現

| Superactive Group Company Limited 先機企業集團有限公司 | | | |
|---|--|------------------|--------------|
| | Unit ^(Note 1) 單位(附註1) | 2018 二零一八 | 2017 二零一七 |
| Types of Resources Use 使用的資源種類 | | | |
| Direct Energy ^(Note 2) 直接能源 ^(附註2) | | | |
| – Unleaded Petrol for Mobile Combustion – 汽車燃燒的無鉛汽油 | Litre (“L”) 升(「L」) | 11,644.83 | 9,861.78 |
| | Giga Joule (“GJ”) 吉焦耳(「GJ」) | 381.74 | 356.21 |
| – Diesel Oil for Mobile Combustion – 汽車燃燒的柴油 | L 升 | 5,172.50 | 4,886.95 |
| | GJ 吉焦耳 | 186.83 | 160.20 |
| – Diesel Oil for Stationary Combustion – 固定燃燒的柴油 | L 升 | 10,600.00 | 930.00 |
| | GJ 吉焦耳 | 382.87 | 33.59 |
| Total Energy 能源總量 | GJ 吉焦耳 | 951.44 | 550.00 |
| Intensity 密度 | GJ per unit production output GJ／每產量單位 | 0.0018 | 0.0010 |
| Indirect Energy 間接能源 | | | |
| – Electricity – 電力 | Megawatt hour (“MWh”) 兆瓦時(「兆瓦時」) | 1,105.21 | 1,132.51 |
| Intensity 密度 | MWh per unit production output 兆瓦時／每產量單位 | 0.0021 | 0.0020 |
| Water | | | |
| 水 | m ³ 立方米 | 16,499.00 | 18,926.00 |
| Intensity 密度 | m ³ per unit production output 立方米／每產量單位 | 0.032 | 0.033 |

| Superactive Group Company Limited 先機企業集團有限公司 | | | |
|---|--|------------------|--------------------------|
| | Unit ^(Note 1) 單位 ^(附註1) | FY2018 二零一八財年 | FY2017 二零一七財年 |
| Packaging Materials 包裝物料 | Tonne 噸 | 180.40 | 148.43 |
| Intensity 密度 | Tonne per unit production output 噸／每產量單位 | 0.00035 | 0.00026 |
| Paper 紙張 | Tonne 噸 | 2.63 | 2.72 ^(Note 3) |
| Refrigerant 製冷劑 | kg 公斤 | 66.00 | 39.00 |
| Type of Waste Generation 產生的廢物種類 | | | |
| – Non-hazardous Waste – 無害廢物 | Tonne 噸 | 7.78 | 3.09 |
| Intensity 密度 | Tonne per unit of production output 噸／每產量單位 | 0.000015 | 0.0000054 |
| – Hazardous Waste – 有害廢物 | Tonne 噸 | 0.69 | 0.38 |
| Intensity 密度 | Tonne per unit of production output 噸／每產量單位 | 0.0000013 | 0.00000067 |
| GHG Emissions GHG 排放 | | | |
| Direct Emission (Scope 1) ^(Note 4) 直接排放(範疇1) ^(附註4) | Tonne of carbon dioxide equivalent ("tCO ₂ e") 噸二氧化碳當量 (「噸二氧化碳當量」) | 188.28 | 112.05 |
| Indirect Emission (Scope 2) ^(Note 5) 間接排放(範疇2) ^(附註5) | tCO ₂ e 噸二氧化碳當量 | 986.86 | 1,011.41 |
| Other Indirect Emission (Scope 3) ^(Note 6) 其他間接排放(範疇3) ^(附註6) | tCO ₂ e 噸二氧化碳當量 | 2.90 | 2.21 |
| Intensity ^(Note 7) 密度 ^(附註7) | tCO ₂ e per unit of production output 噸二氧化碳當量／每產量單位 | 0.0023 | 0.0020 |

Note 1: The intensity unit of production output refers to the total number of products produced in the corresponding Reporting Period. The total production output in 2017 and 2018 is 568,970 sets and 520,106 sets respectively.

Note 2: The direct and indirect energy consumption in 2017 include the manufacturing facility and office only and the consumption in 2018 include the manufacturing facility, staff canteen and office. The conversion factors from volumetric units of unleaded petrol and diesel oil consumption to energy units are in reference to CDP Technical note: Conversion of fuel data to MWh in 2018. The energy values of the unleaded petrol and diesel oil in 2017 are recalculated based on the actual fuel consumption data.

Note 3: We adjusted the data in 2017 due to the different unit adopted in the data calculation.

Note 4: The direct emission (Scope 1) covered the emission from the stationary sources combustion, mobile sources combustion, and fugitive emissions from the use of refrigerants. The calculation is using the published emission factors from Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, published by EPD and Electrical and Mechanical Services Department, 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the guidance worksheets of World Resources Institute's GHG Protocol Tool for Mobile Combustion and the GHG Protocol Tool for Stationary Combustion.

Note 5: The indirect emission (Scope 2) covered the emission from the purchased electricity from Power Company. The calculation is using the emission factors from Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, published by EPD and Electrical and Mechanical Services Department and 2015 Emission Factors for purchased electricity within Mainland China, published by Climate Change Info-Net.

Note 6: The other indirect emission (Scope 3) covered the emission from the business travel of employees only.

Note 7: The GHG intensity the sum of Scope 1 emissions and Scope 2 emissions, divided by the total number of products produced in the Reporting Period.

附註1：產量密度單位指於相應報告期間生產的產品總數。二零一七年及二零一八年的總產量分別為568,970套及520,106套。

附註2：二零一七年的直接及間接能源消耗僅包括製造廠房及辦公室，二零一八年的能源消耗包括製造廠房、員工食堂及辦公室。從無鉛汽油及柴油消耗量的容積單位到能源單位的轉換因子參考CDP技術說明：二零一八年的燃料數據轉換為兆瓦時。二零一七財年的無鉛汽油及柴油的能源值乃基於實際燃料消耗數據重新計算。

附註3：由於採用不同的單位計算數據，我們對二零一七年的數據作出調整。

附註4：直接排放(範疇1)包括固定源燃燒、移動源燃燒及使用製冷劑產生的逸散性排放。計算方法根據香港環境保護署及香港機電工程署公佈的《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》及二零零六年IPCC國家溫室氣體清單指南以及世界資源研究所提供的工作指南—移動燃燒的溫室氣體核算工具以及固定燃燒的溫室氣體核算工具公佈的排放因子計算。

附註5：間接排放(範疇2)包括自電力公司購買電力的排放。計算方法根據香港環境保護署及香港機電工程署公佈的《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》及中國氣候變化信息網刊登的《2015年中國區域電網基準線排放因子》公佈的排放因子計算。

附註6：其他間接排放(範疇3)僅包括員工的商務差旅排放。

附註7：溫室氣體密度為範疇1排放及範疇2排放的總和除以報告期間生產的產品總數。

CONTRIBUTING TO OUR COMMUNITY

The Group recognises the importance and the values of giving back to the society that we operate. We are dedicated to undertaking activities that promote the well-being and sustainable development of the society. We participated in the Community Chest Green Day in August 2018 and made donation amounted to HK\$4,800 in order to raise funds for the medical and health services programme supported by the organisation, simultaneously encouraging the adoption of green lifestyle to our colleagues.

Looking forward, we will formulate our community investment policy with strategies that linked with the local concerned issues and leverage our business competency and resources for supporting our communities. We also continue to enlarge the employee participation in various voluntary and charitable activities to exert our cares about the underprivileged ones in the community, which will enable us to better shoulder our corporate responsibilities and create benefits to the society.

為我們的社區作出貢獻

本集團認同回饋我們經營所載社區的重要性及價值。我們努力開展可促進社會福祉及可持續發展的活動。我們參與二零一八年八月的公益綠識日並捐款4,800港元，以為該組織支持的醫療衛生服務計劃籌集資金，同時鼓勵我們的同事採納綠色生活方式。

展望未來，我們將擬備社區投資政策，根據當地相關問題制定戰略，並利用我們的業務能力及資源支持我們的社區。我們亦繼續鼓勵員工參與多項自願及慈善活動，以表達我們對社區中弱勢群體的關懷，此舉有助於我們更好地承擔企業責任，為社會創造效益。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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TO THE SHAREHOLDERS OF SUPERACTIVE GROUP COMPANY LIMITED

(incorporated in Bermuda with limited liability)

致先機企業集團有限公司股東

(於百慕達註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Superactive Group Company Limited (the “Company”) and its subsidiaries (herein referred to as the “Group”) set out on pages 83 to 250, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

意見

我們已審核第83頁至第250頁所載先機企業集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一八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、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及包括主要會計政策概要在内的綜合財務報表附註。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度 貴集團的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements 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 assessment of licenses and goodwill allocated to the cash generating units (“CGUs”)

(Refer to note 17 and the Group’s accounting policies set out in note 3 Goodwill, note 3 Impairment of non-financial assets (excluding goodwill) and critical accounting estimates and judgements set out in note 4)

As at 31 December 2018, the Group had licenses and goodwill of HK\$139,737,000 which are allocated to the CGUs of nursery education services, money lending business, regulated financial services business, electronics products and property development and management segments for annual impairment testing.

The Company’s directors have concluded that there were impairment losses on licenses and goodwill amounted to HK\$69,314,000 and HK\$34,720,000 respectively in current year (2017: Nil). This conclusion was based on the impairment testing carried out by the management for these CGUs as set out in note 17. The impairment assessment was prepared in accordance with the Group’s accounting policies which are set out in detail in note 3 Goodwill, note 3 Impairment of non-financial assets (excluding goodwill). The calculation of recoverable amount, which is the higher of value-in-use and fair value less costs to sell, involved significant judgement and assumptions with respect to the determination of the pre-tax discount rates and the estimation of the underlying future cash flows.

意見基礎

我們已根據香港會計師公會頒佈的香港審核準則(「香港審核準則」)進行審核工作。根據該等準則，我們的責任於本報告「核數師對審核綜合財務報表的責任」一節中詳述。根據香港會計師公會「專業會計師道德守則」(「守則」)，我們獨立於貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證足夠及能適當地為我們的意見提供基礎。

關鍵審核事項

關鍵審核事項為我們的專業判斷中有關審核本期間的綜合財務報表中最重要的事項。我們於審核整體綜合財務報表中處理此等事項及就此達致意見，而不會就此等事項單獨發表意見。

分配至現金產生單位(「現金產生單位」)之牌照及商譽之減值評估

(請參考附註17及附註3商譽、附註3非金融資產減值(商譽除外)所載貴集團之會計政策及附註4所載重大會計估計及判斷)

於二零一八年十二月三十一日，貴集團之牌照及商譽為139,737,000港元，並分配至幼兒教育服務、放債業務、受規管金融服務業務、電子產品及物業開發和管理分類之現金產生單位作年度減值測試。

貴公司董事認為於本年度，牌照及商譽的減值虧損分別為69,314,000港元及34,720,000港元(二零一七年：無)。此結論建基於附註17所載管理層就該等現金產生單位進行之減值測試。減值評估乃根據附註3商譽、附註3非金融資產減值(商譽除外)所詳述貴集團之會計政策編製。計算可收回金額(即使用價值與公允值減銷售成本較高者)涉及對釐定除稅前貼現率及估計相關未來現金流量的重大判斷及假設。

KEY AUDIT MATTERS *(Continued)*

Impairment assessment of licenses and goodwill allocated to the cash generating units (“CGUs”) *(Continued)*

We identified the impairment testing of licenses and goodwill of the relevant CGUs as a key audit matter because of its significance to the consolidated financial statements and because the impairment testing involved significant management judgement and estimates as explained above.

Our response

Our audit team included our internal valuation expert. Our audit procedures in relation to management's impairment assessment above included:

- Evaluating the models used by management in the value-in-use calculations and where applicable, fair value less costs to sell, for impairment testing;
- Assessing the reasonableness of discount rates and growth rates applied to the impairment testing;
- Challenging the reasonableness of other key assumptions based on our knowledge of the business and industry;
- Checking input data to supporting evidence, such as approved budget and considering the reasonableness of the budget;
- Checking the value-in-use calculations and where applicable, fair value less costs to sell, mathematically;
- Performing sensitivity analysis including assessing the effect of a change in the key assumptions to the recoverable amounts of the CGUs; and
- Considering the overall adequacy of the disclosure in respect of impairment testing included in the consolidated financial statements.

關鍵審核事項 *(續)*

分配至現金產生單位(「現金產生單位」)之牌照及商譽之減值評估 *(續)*

我們將相關現金產生單位之牌照及商譽之減值測試識別為關鍵審核事項，原因為其對綜合財務報表而言屬重大，以及減值測試涉及管理層如上所述作出的重大判斷及估計。

我們的回應

我們的審核團隊包括我們內部的評估專家。我們就管理層上述減值評估所採納審核程序包括：

- 評核管理層於減值測試之使用價值及公允值減銷售成本(倘適用)計算中採用之模型；
- 評估減值測試所應用貼現率及增長率的合理性；
- 基於我們對業務及行業的認識，質疑其他主要假設的合理性；
- 測試支持輸入值的證據，例如獲批准預算及考慮預算的合理性；
- 測試使用價值及公允值減銷售成本(倘適用)的計算；
- 進行敏感度分析，包括評估更改主要假設對收回金額之影響；及
- 考慮綜合財務報表所包含之減值測試披露的整體充足性。

KEY AUDIT MATTERS *(Continued)*

Impairment assessment of trade receivables and loan receivables

(Refer to the note 20 and note 22 and the Group's accounting policy set out in note 3 Financial Instruments (accounting policies from 1 January 2018) - Impairment loss on financial assets and critical accounting estimates and judgements set out in note 4)

As at 31 December 2018, the Group had trade receivables amounting to HK\$59,394,000 and loan receivables amounting to HK\$238,593,000. The Group has applied HKFRS 9 Financial Instruments ("HKFRS 9") on 1 January 2018 and assessed impairment for these receivables based on expected credit losses model. Loss allowance for expected credit losses amounting to HK\$3,169,000 and HK\$11,929,000 respectively has been made for the trade receivables and loan receivables as at 31 December 2018.

Assessing expected credit losses on trade and loan receivables is a subjective area as it requires application of judgement and uses of estimates. Judgement is applied in assessing whether the credit risk of the loan receivables has increased significantly since initial recognition and whether the receivables are credit-impaired. In this regard, management considers factors including those relevant forward-looking information and how it has impact on the historical data. These require significant judgement by the management.

We have identified impairment assessment of trade receivables and loan receivables as a key audit matter due to considerable amount of judgement and estimation being required in conducting impairment assessment as mentioned in the foregoing paragraph.

關鍵審核事項 (續)

應收貿易賬款及應收貸款的減值評估

(請參閱綜合財務報表附註20及附註22以及附註3金融工具(自二零一八年一月一日起應用的會計政策) - 金融資產之減值虧損所載 貴集團會計政策及附註4所載重大會計估計及判斷)

於二零一八年十二月三十一日，貴集團分別有應收貿易賬款59,394,000港元及應收貸款238,593,000港元。貴集團已於二零一八年一月一日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」)，並根據預期信貸虧損模式評估該等應收款項的減值。於二零一八年十二月三十一日，已分別就應收貿易賬款及應收貸款計提預期信貸虧損減值撥備3,169,000港元及11,929,000港元。

評估應收貿易賬款及應收貸款的預期信貸虧損為主觀事項，需要使用判斷及估計。於評估應收貸款信貸風險自首次確認以來是否出現重大變動及應收款項是否信貸減值時應用判斷。就此而言，管理層考慮各種因素，包括相關前瞻性資料及其如何影響過往數據。管理層須行使重大判斷。

由於如上一段所述，進行減值評估時須行使大量判斷及估計，我們已識別應收貿易賬款及應收貸款的減值評估為關鍵審核事項。

KEY AUDIT MATTERS *(Continued)*

Our response

Our audit procedures in relation to management's assessment of expected credit losses on trade receivables and loan receivables included:

- Obtaining an understanding on the key controls over credit risk assessment and how management estimates the loss allowance for trade receivables and loan receivables;
- Assessing the appropriateness of the loss allowance calculation methodology used by the management;
- Testing the integrity of information used by management in assessing the credit risk of individual customers, on a sample basis, by comparing historical default rates to the actual losses recorded during the current financial year;
- Evaluating management's assessment of the historical credit loss rates by sample checking inputs in respect of the assumptions made, such as historical payment records, correspondence on any disputes or claims with the customers and subsequent settlement records; and
- Assessing the factors considered by the management for determining whether the credit risk of the loan receivables has increased significantly since initial recognition and whether the trade receivables and loan receivables are credit-impaired which include:
 - Challenging management's consideration of other factors including changes in repayment pattern of borrowers and changes in value of collateral since initial recognition (if applicable);
 - Assessing how reasonably management has incorporated in their assessment forward-looking information including expected changes in economic and financial conditions which is expected to cause a significant change in the customers' ability to meet their debt obligations; and
 - Checking subsequent settlement of the year end trade receivables and loan receivables on a sample basis.

關鍵審核事項 (續)

我們的回應

我們就管理層上述應收貿易賬款及應收貸款的減值評估所採納審核程序包括：

- 了解對信貸風險評估的關鍵監控及管理層如何估計應收貿易賬款及應收貸款的虧損撥備；
- 評估管理層所採用減值虧損計算模型是否合適；
- 透過對比過往違約率與當前財政年度錄得的實際虧損，抽樣測試管理層用於評估個別客戶信貸風險的資料的完整性；
- 透過抽樣檢查所作假設的輸入數據（例如過往付款記錄、與客戶的任何糾紛或申索的對應及期後還款記錄），評估管理層對過往信貸虧損率的評估；及
- 評估管理層釐定應收貸款信貸風險自首次確認以來是否大幅增加以及應收貿易賬款及應收貸款是否信貸減值時考慮的因素，包括：
 - 挑戰管理層考慮其他因素，包括借款人還款模式以及自初次確認應收款後抵押品價值變動（如適用）；
 - 評估管理層是否合理於評估時考慮前瞻性資料，包括預期會對客戶履行債務責任的能力造成重大變動的經濟及財務狀況的預期變動；及
 - 抽樣檢查於年終之應收貿易賬款及應收貸款結餘之其後還款情況。

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 also responsible for overseeing the Group's financial reporting process. The Audit and Risk Committee assists the directors in discharging their responsibility in this regard.

年報的其他資料

董事負責其他資料。其他資料包括 貴公司年報所載資料，但不包括綜合財務報表及相關核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，我們的責任為閱覽其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審核過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。我們並無就此報告任何事項。

董事對綜合財務報表的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實且公平的綜合財務報表，並為其認為為使編製綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述而必需的內部監控措施負責。

編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

董事亦負責監督 貴集團的財務報告過程。審核及風險委員會協助董事履行有關責任。

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

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

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

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

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

核數師對審核綜合財務報表的責任

我們的目標為合理確定整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有我們意見的核數師報告。我們僅向閣下(作為整體)按照百慕達一九八一年公司法第90條報告，除此之外本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。

合理確定屬高層次核證，但不能擔保根據香港審計準則進行的審核工作一定能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

根據香港審計準則進行審核時，我們運用專業判斷，於整個審核過程中抱持專業懷疑態度。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誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為我們的意見提供基礎。由於欺詐可能涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見。

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

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

We communicate with the Audit and Risk 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.

核數師對審核綜合財務報表的責任 (續)

- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足恰當的審核憑證，以就綜合財務報表發表意見。我們須負責指導、監督及執行集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們與審核及風險委員會就(其中包括)審核工作的計劃範圍及審核時間及重大審核發現(包括我們於審核期間識別出內部監控的任何重大缺陷)進行溝通。

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

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

From the matters communicated with the directors, 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.

BDO Limited

Certified Public Accountants

Li Pak Ki

Practising Certificate Number P01330

Hong Kong, 29 March 2019

核數師對審核綜合財務報表的責任 (續)

我們亦向審核及風險委員會提交聲明，說明我們已遵守有關獨立身份的道德要求，並就所有被合理認為可能影響我們的獨立身份的關係及其他事宜及相關防範措施(如適用)與審核委員會溝通。

我們從與董事溝通的事項中，釐定對本期間綜合財務報表的審核工作最為重要的事項，並據此構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則我們會於核數師報告中描述此等事項。

香港立信德豪會計師事務所有限公司

執業會計師

李柏基

執業證書號碼：P01330

香港，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止年度

| | | Notes | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|---------------------|-------|----------------------------------|----------------------------------|
| Revenue | 收益 | 5 | 237,525 | 206,526 |
| Cost of sales | 銷售成本 | | (195,456) | (186,507) |
| Gross profit | 毛利 | | 42,069 | 20,019 |
| Other net gains | 其他收益淨額 | 6 | 16,607 | 63,368 |
| Selling and distribution costs | 銷售及分銷成本 | | (4,567) | (4,902) |
| Administrative costs | 行政成本 | | (89,254) | (53,495) |
| Finance costs | 財務成本 | 7 | (26,941) | (223) |
| Impairment of assets | 資產減值 | 8 | (107,859) | — |
| Net impairment losses on financial assets | 金融資產減值淨值 | 8 | (35,157) | 159 |
| Share of results of associates | 應佔聯營公司之業績 | 14 | 11,929 | 54,122 |
| (Loss)/profit before tax | 除稅前(虧損)/溢利 | 8 | (193,173) | 79,048 |
| Income tax credit/(expense) | 所得稅抵免/(開支) | 10 | 11,167 | (10,074) |
| (Loss)/profit for the year | 年內(虧損)/溢利 | | (182,006) | 68,974 |
| (Loss)/profit for the year attributable to: | 應佔年內(虧損)/溢利： | | | |
| Owners of the Company | 本公司擁有人 | | (174,334) | 69,324 |
| Non-controlling interests | 非控股權益 | | (7,672) | (350) |
| | | | (182,006) | 68,974 |
| (Loss)/earnings per share | 每股(虧損)/盈利 | | | |
| Basic and diluted | 基本及攤薄 | 12 | HK cents (8.58)港仙 | HK cents 4.74港仙 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

| | Notes 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| (Loss)/profit for the year | 年內(虧損)/溢利 | (182,006) | 68,974 |
| Other comprehensive income | 其他全面收益 | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | 其後可能會重新分類至損益之項目： | | |
| Exchange differences arising from the translation of foreign operations | 換算海外業務產生之匯兌差額 | (23,176) | 9,476 |
| Exchange differences arising from the translation of interest in a foreign associate | 換算於一間海外聯營公司之權益產生之匯兌差額 | 10,812 | 12,749 |
| | 14 | | |
| Reclassification adjustments on reserves upon disposal of a subsidiary | 出售一間附屬公司後儲備之重新分類調整 | (17,269) | — |
| Share of other comprehensive income of an associate | 應佔一間聯營公司的其他全面收益 | 305 | (432) |
| | 14 | | |
| Other comprehensive income for the year, net of tax | 年內其他全面收益，扣除稅項 | (29,328) | 21,793 |
| Total comprehensive income for the year | 年內全面收益總額 | (211,334) | 90,767 |
| Total comprehensive income for the year attributable to: | 應佔年內全面收益總額： | | |
| Owners of the Company | 本公司擁有人 | (203,584) | 91,014 |
| Non-controlling interests | 非控股權益 | (7,750) | (247) |
| | | (211,334) | 90,767 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

| | | Notes | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|-----------------|-------|----------------------------------|----------------------------------|
| | | 附註 | | |
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 13 | 346,195 | 9,442 |
| Interest in an associate | 於一間聯營公司之權益 | 14 | 155,611 | 221,648 |
| Available-for-sale financial assets | 可供出售金融資產 | 15 | — | 25,010 |
| Financial assets at fair value through profit or loss | 按公允值於損益列賬之金融資產 | 15 | 26,086 | — |
| Deferred tax assets | 遞延稅項資產 | 27 | 8,789 | 9,269 |
| Land appreciation tax recoverables | 可收回土地增值稅 | | 1,738 | 2,782 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 21 | 3,866 | 65,857 |
| Intangible assets | 無形資產 | 16 | 35,703 | 117,111 |
| | | | 577,988 | 451,119 |
| CURRENT ASSETS | 流動資產 | | | |
| Inventories | 存貨 | 18 | 41,514 | 24,917 |
| Properties held for sale | 持作出售物業 | 19 | 507,855 | — |
| Properties under development | 開發中物業 | 19 | — | 498,854 |
| Trade and bills receivables | 應收貿易賬款及應收票據 | 20 | 58,039 | 51,961 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 21 | 44,679 | 63,764 |
| Loan receivables | 應收貸款 | 22 | 226,664 | 58,803 |
| Cash and bank balances | 現金及銀行結餘 | | 28,464 | 108,131 |
| | | | 907,215 | 806,430 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade and other payables | 應付貿易賬款及其他應付款項 | 23 | 302,652 | 152,856 |
| Deferred revenues | 遞延收益 | | 2,170 | 1,660 |
| Contract liabilities | 合約負債 | 24 | 3,782 | — |
| Amount due to a shareholder | 應付一名股東款項 | 25 | 152 | 9,500 |
| Amounts due to non-controlling interests | 應付非控股權益款項 | 25 | 2,843 | 1,801 |
| Interest-bearing borrowings | 計息借款 | 26 | 286,565 | 3,021 |
| Tax payable | 應付稅項 | | 10,582 | 11,539 |
| | | | 608,746 | 180,377 |
| NET CURRENT ASSETS | 流動資產淨值 | | 298,469 | 626,053 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | | 876,457 | 1,077,172 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

| | | Notes 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|-------------------|-------------|----------------------------------|----------------------------------|
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Other payables | 其他應付款項 | 23 | — | 117,693 |
| Interest-bearing borrowings | 計息借款 | 26 | 152,704 | — |
| Deferred tax liabilities | 遞延稅項負債 | 27 | 1,515 | 28,133 |
| | | | 154,219 | 145,826 |
| NET ASSETS | 資產淨值 | | 722,238 | 931,346 |
| CAPITAL AND RESERVES | 股本及儲備 | | | |
| Share capital | 股本 | 28 | 203,257 | 203,257 |
| Reserves | 儲備 | 29 | 514,383 | 717,967 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | 本公司擁有人應佔權益 | | 717,640 | 921,224 |
| Non-controlling interests | 非控股權益 | 30 | 4,598 | 10,122 |
| TOTAL EQUITY | 權益總額 | | 722,238 | 931,346 |

The consolidated financial statements on pages 83 to 250 were approved and authorised for issue by the board of directors of the Company ("Directors") on 29 March 2019 and are signed on its behalf by:

載於第83至250頁的綜合財務報表已於二零一九年三月二十九日經本公司董事會(董事)批准並授權刊發，且由以下人士代表簽署：

YEUNG SO LAI
楊素麗
DIRECTOR
董事

LEE CHI SHING CAESAR
李志成
DIRECTOR
董事

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

| | | Share capital | Share premium* | Other reserve* | Capital redemption reserve* | Capital reserve* | Translation reserve* | Investment revaluation reserve* | Retained profits* | Total | Non controlling interests | Total equity |
|--|-----------------------------|---------------|----------------|----------------|-----------------------------|------------------|----------------------|---------------------------------|-------------------|----------------|---------------------------|----------------|
| | | 股本 | 股份溢價* | 其他儲備* | 資本贖回儲備* | 資本儲備* | 換算儲備* | 儲備* | 保留溢利* | 總計 | 權益 | 權益總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2017 | 於二零一七年一月一日 | 131,828 | 188,254 | 40 | 1,442 | 19,870 | (5,178) | 131 | 133,659 | 470,046 | - | 470,046 |
| Issue of shares under open offer | 根據公開發售發行股份 | 67,752 | 271,009 | - | - | - | - | - | - | 338,761 | - | 338,761 |
| Transaction costs attributable to open offer | 公開發售應佔交易成本 | - | (2,386) | - | - | - | - | - | - | (2,386) | - | (2,386) |
| Issue of shares upon acquisition of a subsidiary | 於收購一間附屬公司時發行股份 | 3,677 | 20,112 | - | - | - | - | - | - | 23,789 | - | 23,789 |
| Acquisition of a subsidiary (note 31) | 收購一間附屬公司(附註31) | - | - | - | - | - | - | - | - | - | 10,369 | 10,369 |
| Transactions with owners | 與擁有人之交易 | 71,429 | 288,735 | - | - | - | - | - | - | 360,164 | 10,369 | 370,533 |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | - | 69,324 | 69,324 | (350) | 68,974 |
| Other comprehensive income: | 其他全面收益： | | | | | | | | | | | |
| Exchange differences arising from the translation of foreign operations | 換算海外業務產生之匯兌差額 | - | - | - | - | - | 9,373 | - | - | 9,373 | 103 | 9,476 |
| Exchange differences arising from the translation of interest in a foreign associate (note 14) | 換算於一間海外聯營公司之權益產生之匯兌差額(附註14) | - | - | - | - | - | 12,749 | - | - | 12,749 | - | 12,749 |
| Share of other comprehensive income of an associate (note 14) | 應佔一間聯營公司的其他全面收益(附註14) | - | - | - | - | - | - | (432) | - | (432) | - | (432) |
| Total comprehensive income for the year | 年內全面收益總額 | - | - | - | - | - | 22,122 | (432) | 69,324 | 91,014 | (247) | 90,767 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 203,257 | 476,989 | 40 | 1,442 | 19,870 | 16,944 | (301) | 202,983 | 921,224 | 10,122 | 931,346 |

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

| | | Share | Share | Other | Capital | | Investment | | | Non | Total | | |
|--|-----------------------------|----------|----------|----------|----------|------------|------------|-------------|-------------|-----------|----------|-----------|-------------|
| | | capital | premium* | | reserve* | redemption | Capital | Translation | revaluation | | | Retained | controlling |
| | | | | | reserve* | reserve* | reserve* | profits* | interests | equity | | | |
| | | 股本 | 股份溢價* | 其他儲備* | 資本贖回 | 資本儲備* | 換算儲備* | 儲備* | 投資重估 | 保留溢利* | 總計 | 非控股 | 權益總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2018 | 於二零一八年一月一日 | 203,257 | 476,989 | 40 | 1,442 | 19,870 | 16,944 | (301) | 202,983 | 921,224 | 10,122 | 931,346 | |
| Acquisition of subsidiaries (note 31) | 收購附屬公司 (附註31) | - | - | - | - | - | - | - | - | - | 1,088 | 1,088 | |
| Capital contributions | 注資 | - | - | - | - | - | - | - | - | - | 1,138 | 1,138 | |
| Transactions with owners | 與擁有人之交易 | - | - | - | - | - | - | - | - | - | 2,226 | 2,226 | |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | - | (174,334) | (174,334) | (7,672) | (182,006) | |
| Other comprehensive income: | 其他全面收益： | | | | | | | | | | | | |
| Exchange differences arising from the translation of foreign operations | 換算海外業務產生之匯兌差額 | - | - | - | - | - | (23,098) | - | - | (23,098) | (78) | (23,176) | |
| Exchange differences arising from the translation of interest in a foreign associate (note 14) | 換算於一間海外聯營公司之權益產生之匯兌差額(附註14) | - | - | - | - | - | 10,812 | - | - | 10,812 | - | 10,812 | |
| Reclassification adjustments on reserves upon disposal of a subsidiary (note 32) | 出售一間附屬公司後儲備之重新分類調整(附註32) | - | - | - | - | - | (17,265) | (4) | - | (17,269) | - | (17,269) | |
| Share of other comprehensive income of an associate (note 14) | 應佔一間聯營公司的其他全面收益(附註14) | - | - | - | - | - | - | 305 | - | 305 | - | 305 | |
| Total comprehensive income for the year | 年內全面收益總額 | - | - | - | - | - | (29,551) | 301 | (174,334) | (203,584) | (7,750) | (211,334) | |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 203,257 | 476,989 | 40 | 1,442 | 19,870 | (12,607) | - | 28,649 | 717,640 | 4,598 | 722,238 | |

* The total reserves at 31 December 2018 is HK\$514,383,000 (2017: HK\$717,967,000).

* 於二零一八年十二月三十一日之儲備總計為514,383,000港元(二零一七年: 717,967,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

| | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Cash flows from operating activities: 經營活動產生之現金流量： | | |
| (Loss)/profit before tax 除稅前(虧損)/溢利 | (193,173) | 79,048 |
| Adjustment for: 下列項目之調整： | | |
| Interest income 利息收入 | (111) | (760) |
| Interest on bank borrowings and overdrafts and other borrowings 銀行借款及透支以及 其他借貸之利息 | 26,941 | 223 |
| Share of results of associates 應佔聯營公司之業績 | (11,929) | (54,122) |
| Impairment of assets 資產減值 | 107,859 | — |
| Over provision of payables in relation to properties under development 開發中物業應付款項之 超額撥備 | (5,980) | — |
| Fair value loss on financial assets at fair value through profit or loss 按公允值於損益列賬之 金融資產的公允值虧損 | 914 | — |
| Depreciation of property, plant and equipment 物業、廠房及設備之折舊 | 19,499 | 2,037 |
| Loss on disposal of property, plant and equipment 出售物業、廠房及設備之 虧損 | 139 | 34 |
| (Gain)/loss on disposal of subsidiaries 出售附屬公司之(收益)/ 虧損 | (1,024) | 1,110 |
| Gain on bargain purchase of subsidiaries 議價收購附屬公司之收益 | — | (60,190) |
| Net impairment losses on financial assets 金融資產減值 虧損淨額 | 35,157 | (159) |
| Impairment loss on inventories 存貨之減值虧損 | 4,965 | 992 |
| Operating cash flows before movements in working capital 營運資金變動前之經營 現金流量 | (16,743) | (31,787) |
| Increase in inventories 存貨增加 | (6,767) | (1,301) |
| Increase in properties under development and held for sale 開發中及持作出售之 物業增加 | (30,794) | (2,135) |
| Increase in loan receivables 應收貸款增加 | (179,790) | (58,803) |
| Decrease/(increase) in trade and other receivables 應收貿易賬款及其他應收 款項減少/(增加) | 12,592 | (29,615) |
| Decrease in trade and other payables 應付貿易賬款及其他應付 款項減少 | (43,437) | (27,543) |
| Decrease in deferred revenues 遞延收益減少 | (703) | (632) |
| Increase in contract liabilities 合約負債增加 | 3,782 | — |
| Decrease in land appreciation tax recoverables 可收回土地增值稅減少 | 900 | — |
| Net cash used in operations 業務營運已動用之現金淨額 | (260,960) | (151,816) |
| Income tax paid 已付所得稅 | (4,938) | (1,467) |
| Net cash used in operating activities 經營活動已動用之現金淨額 | (265,898) | (153,283) |

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|-------------------------|----------------------------------|----------------------------------|
| Cash flows from investing activities: | 投資活動產生之現金流量： | | |
| Purchase of property, plant and equipment | 購買物業、廠房及設備 | (297,341) | (190,185) |
| Acquisition of an associate | 收購一間聯營公司 | (91,071) | — |
| Purchase of financial assets at fair value through profit or loss/available-for-sale investments | 購買按公允值於損益列賬之金融資產／可供銷售投資 | (27,000) | (25,010) |
| Interest received | 已收利息 | 111 | 760 |
| Disposal of financial assets at fair value through profit or loss | 出售按公允值於損益列賬之金融資產 | 23,088 | — |
| Acquisition of subsidiaries (note 31) | 收購附屬公司(附註31) | (38,228) | (44,674) |
| Deposit paid for acquisition of properties | 收購物業之已付按金 | — | (59,267) |
| Proceed from disposal of subsidiaries (note 32) | 出售附屬公司所得款項(附註32) | 213,943 | 185,000 |
| Capital injection from non-controlling interests | 非控股權益注資 | 1,138 | — |
| Deposit paid for possible acquisition | 可能收購事項之已付按金 | — | (23,886) |
| Acquisition of intangible assets | 收購無形資產 | (600) | — |
| Net cash used in investing activities | 投資活動已動用之現金淨額 | (215,960) | (157,262) |
| Cash flows from financing activities: | 融資活動產生之現金流量： | | |
| Repayments of interest-bearing borrowings | 償還計息借款 | (25,227) | (237,757) |
| Interest paid on interest-bearing borrowings | 計息借款之已付利息 | (26,881) | (16) |
| (Repayments)/advance (to)/from a shareholder | 一名股東之(還款)/墊款 | (10,548) | 9,500 |
| Proceeds from open offer | 公開發售所得款項 | — | 336,375 |
| Proceeds from interest-bearing borrowings | 計息借款所得款項 | 461,120 | 4,901 |
| Advance from non-controlling interests | 非控股權益墊款 | 1,138 | — |
| Net cash generated from financing activities | 融資活動產生之現金淨額 | 399,602 | 113,003 |
| Net decrease in cash and cash equivalents | 現金及現金等價物減少淨額 | (82,256) | (197,542) |
| Effect of foreign exchange rates | 外匯匯率影響 | 2,589 | (7,943) |
| Cash and cash equivalents at the beginning of the year | 年初之現金及現金等價物 | 108,131 | 313,616 |
| Cash and cash equivalents at the end of the year | 年末之現金及現金等價物 | 28,464 | 108,131 |
| Analysis of balances of cash and cash equivalents: | 現金及現金等價物結餘分析： | | |
| Cash and bank balances | 現金及銀行結餘 | 28,464 | 108,131 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

1. GENERAL INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of its business is Room 1206, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In the opinion of the Directors, at 31 December 2018, Super Fame Holdings Limited, a company incorporated in the British Virgin Islands, is the immediate holding company and Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar are the ultimate controlling parties of the Company.

The functional currency and the presentation currency of the Company is Hong Kong dollars ("HK\$"). Each entity in the Group maintains its books and records in its own functional currency.

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collectively include all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments, which are stated at their fair value. The measurement bases are fully described in accounting policies set out below.

1. 一般資料

本公司在百慕達註冊成立為受豁免有限公司。本公司註冊辦事處之地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda，且主要營業地點為香港上環香港上環干諾道中168-200號信德中心招商局大廈1206室。

本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。董事認為，於二零一八年十二月三十一日，超名控股有限公司（一間於英屬處女群島註冊成立之公司）為直接控股公司及楊素麗女士與李志成先生為本公司之最終控制方。

本公司的功能貨幣及呈列貨幣為港元（「港元」）。本集團內各實體按其本身的功能貨幣記賬及記錄。

此等綜合財務報表乃根據香港財務報告準則（「香港財務報告準則」）（其中包括所有適用香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋及香港公司條例之披露規定而編製。綜合財務報表亦包括適用之聯交所證券上市規則之披露規定。

綜合財務報表按歷史成本法編製，惟若干以公允值入賬之金融工具除外。有關計量基準於下文會計政策詳述。

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2. ADOPTION OF HKFRSs

(a) Adoption of new/revised HKFRSs – effective 1 January 2018

In current year, the Group has adopted the following new/revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for the current accounting period.

| | |
|---|--|
| Annual Improvements to HKFRSs 2014-2016 Cycle | Amendments to HKFRS 1, First-time adoption of Hong Kong Financial Reporting Standards |
| Annual Improvements to HKFRSs 2014-2016 Cycle | Amendments to HKAS 28, Investments in Associates and Joint Ventures |
| Amendments to HKFRS 2 | Classification and Measurement of Share-based Payment Transactions |
| HKFRS 9 | Financial Instruments |
| HKFRS 15 | Revenue from Contracts with Customers |
| Amendments to HKFRS 15 | Revenue from Contracts with Customers (Clarifications to HKFRS 15) |
| Amendments to HKAS 40 HK(IFRIC)-Int 22 | Transfers of Investment Property Foreign Currency Transactions and Advance Consideration |

2. 採納香港財務報告準則

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效

於本年度，本集團已採納下列由香港會計師公會頒佈的與其經營有關且於本會計期間生效之新訂／經修訂香港財務報告準則。

| | |
|----------------------------|-----------------------------|
| 香港財務報告準則二零一四年至二零一六年週期之年度改進 | 香港財務報告準則第1號之修訂，首次採納香港財務報告準則 |
| 香港財務報告準則二零一四年至二零一六年週期之年度改進 | 香港會計準則第28號之修訂，於聯營公司及合營企業投資 |
| 香港財務報告準則第2號之修訂 | 以股份為基礎付款交易之分類及計量 |
| 香港財務報告準則第9號 | 金融工具 |
| 香港財務報告準則第15號 | 來自客戶合約之收益 |
| 香港財務報告準則第15號之修訂 | 來自客戶合約之收益（香港財務報告準則第15號之澄清） |
| 香港會計準則第40號 | 轉讓投資物業 |
| 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 |

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

Annual Improvements to HKFRSs 2014-2016 Cycle – Amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards, removing transition provision exemptions relating to accounting periods that had already passed and were therefore no longer applicable.

The adoption of these amendments has no impact on the consolidated financial statements as the periods to which the transition provision exemptions related have passed.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則 – 於二零一八年一月一日起生效 (續)

香港財務報告準則二零一四年至二零一六年週期的年度改進 – 香港財務報告準則第1號的修訂本首次採納香港財務報告準則

根據該年度改進過程頒佈的修訂對若干準則中目前不清晰之處作出輕微而不迫切的更改。其中包括香港財務報告準則第1號首次採納香港財務報告準則的修訂本，該修訂刪去與已結束因而不再適用的會計期間有關的過渡條文豁免。

因與過渡條文豁免有關的期間已結束，故採納該等修訂本對綜合財務報表並無影響。

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For the year ended 31 December 2018
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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

Annual Improvements to HKFRSs 2014-2016 Cycle – Amendments to HKAS 28, Investments in Associates and Joint Ventures

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 28, Investments in Associates and Joint Ventures, clarifying that a venture capital organisation's permissible election to measure its associates or joint ventures at fair value is made separately for each associate or joint venture.

The adoption of these amendments has no impact on the consolidated financial statements as the Group is not a venture capital organisation.

Amendments to HKFRS 2 – Classification and Measurement of Share-Based Payment Transactions

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The adoption of these amendments has no impact on the consolidated financial statements as the Group does not have any cash-settled share-based payment transaction and has no share-based payment transaction with net settlement features for withholding tax.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港 財務報告準則 – 於二零 一八年一月一日起生效 (續)

香港財務報告準則二零一四年至二零一六年週期的年度改進 – 香港會計準則第28號修訂本，於聯營公司及合營企業的投資

根據年度改進過程頒佈的修訂本對準則中現時尚不明確之處作出輕微而不迫切的變動，其中包括香港會計準則第28號修訂本，於聯營公司及合營企業的投資，該修訂本澄清風險資本機構為按公允值計量聯營公司或合營企業而獲准許作出的選擇乃就各聯營公司或合營企業分別作出。

因本集團並非風險資本機構，故採納該等修訂本對綜合財務報表並無影響。

香港財務報告準則第2號修訂本 – 以股份為基礎付款交易之分類及計量

修訂本訂明有關歸屬及非歸屬條件對現金結算以股份為基礎付款之計量的影響；就預扣稅責任具有淨額結算特徵之以股份為基礎付款交易；以及使交易類別由現金結算變更為權益結算以股份為基礎付款條款及條件之修訂之會計處理規定。

因本集團並無任何現金結算以股份為基礎付款之交易，且並無就預扣稅具有淨額結算特徵的以股份為基礎付款交易，故採納該等修訂本對綜合財務報表並無影響。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments

(i) Classification and measurement of financial instruments

HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of HKFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in the consolidated financial statements.

There was no significant impact of transition to HKFRS 9 on the opening balances of retained earnings, other reserves and non-controlling interests as at 1 January 2018.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則 – 於二零一八年一月一日起生效 (續)

A 香港財務報告準則第9號 – 金融工具

(i) 金融工具之分類及計量

香港財務報告準則第9號於二零一八年一月一日或之後開始的年度期間取代了香港會計準則第39號金融工具：確認及計量，合併金融工具會計處理的所有三個方面：(1)分類及計量；(2)減值；及(3)對沖會計處理。自二零一八年一月一日起採納香港財務報告準則第9號已導致本集團會計政策及綜合財務報表所確認的金額產生變動。

過渡至香港財務報告準則第9號對截至二零一八年一月一日的保留溢利、其他儲備及非控股權益的期初結餘並無重大影響。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at fair value through profit or loss (“FVTPL”), where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of HKFRS 9 on the Group’s classification and measurement of financial assets is set out below.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港 財務報告準則－於二零 一八年一月一日起生效 (續)

A 香港財務報告準則第9號－ 金融工具 (續)

(i) 金融工具之分類及計 量 (續)

香港財務報告準則第9號貫徹香港會計準則第39號有關金融負債確認、分類及計量之規定，惟指定按公允值計入損益（「按公允值計入損益」）之金融負債除外，除非會導致或擴大會計錯配，否則該負債之信貸風險變動引起之公允值變動金額於其他全面收入確認。此外，香港財務報告準則第9號保留香港會計準則第39號終止確認金融資產及金融負債之規定。然而，其取消香港會計準則第39號先前就持有至到期金融資產、貸款及應收款項及可供出售金融資產的金融資產類別。採納香港財務報告準則第9號對本集團有關金融負債及衍生金融工具的會計政策並無重大影響。香港財務報告準則第9號對本集團金融資產分類及計量的影響載列如下。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

Under HKFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“amortised cost”); (ii) financial assets at fair value through other comprehensive income (“FVTOCI”); or (iii) FVTPL. The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”). Under HKFRS 9, embedded derivatives are no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則 – 於二零一八年一月一日起生效 (續)

A 香港財務報告準則第9號 – 金融工具 (續)

(i) 金融工具之分類及計量 (續)

根據香港財務報告準則第9號，除若干應收貿易賬款(根據香港財務報告準則第15號，應收貿易賬款並無包括重大融資成分)外，實體於初次確認時須按其公允值加交易成本(倘為並非按公允值計入損益的金融資產)計量金融資產。金融資產分類為：(i)按攤銷成本(「攤銷成本」)計量的金融資產；(ii)按公允值計入其他全面收益(「按公允值計入其他全面收益」)的金融資產；或(iii)按公允值計入損益。根據香港財務報告準則第9號，金融資產的分類一般基於兩個準則：(i)受管理金融資產的業務模式及(ii)合約現金流特徵(「僅支付本金及利息準則」，亦稱為「SPPI準則」)。根據香港財務報告準則第9號，嵌入式衍生工具毋須與主體金融資產分開列示。取而代之，混合式金融工具須整體評估分類。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

A debt investment is measured at FVTOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to be achieved by both collecting contractual cash flows and selling financial assets; and

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效(續)

A 香港財務報告準則第9號－金融工具(續)

(i) 金融工具之分類及計量(續)

當金融資產同時符合以下條件，且並無指定按公允值計入損益，則該金融資產按攤銷成本計量：

- 該金融資產由一個旨在通過持有金融資產收取合約現金流量的業務模式所持有；及
- 該金融資產的合約條款使於特定日期產生符合僅支付本金及利息準則的現金流量。

倘債務投資同時符合以下條件，且並非指定按公允值計入損益，則該債務投資按公允值計入其他全面收益：

- 該債務投資由一個旨在收取合約現金流量及銷售金融資產的業務模式所持有；及

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVTOCI as described above are classified as FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVTOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則 – 於二零一八年一月一日起生效 (續)

A 香港財務報告準則第9號 – 金融工具 (續)

(i) 金融工具之分類及計量 (續)

- 該金融資產的合約條款使於特定日期產生符合僅支付本金及利息準則的現金流量。

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公允值的後續變動。該選擇乃按投資逐項基準作出。所有其他並非按上述分類為按攤銷成本計量或按公允值計入其他全面收益的金融資產，均分類為按公允值計入損益。此包括所有衍生金融資產。於初次確認時，本集團可不可撤回地指定金融資產(於其他方面符合按攤銷成本計量或按公允值計入其他全面收益的規定)為按公允值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

The following accounting policies would be applied to the Group's financial assets:

FVTPL

按公允值計入損益

FVTPL is subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.

按公允值計入損益其後按公允值計量。公允值、股息及利息收入的變動均於損益確認。

Amortised cost

攤銷成本

Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港 財務報告準則－於二零 一八年一月一日起生效(續)

A 香港財務報告準則第9號－ 金融工具(續)

(i) 金融工具之分類及計 量(續)

以下會計政策將適用於本集團的金融資產：

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

- (l) As at 1 January 2018, certain unlisted equity investments were reclassified from available-for-sale financial assets at cost to financial assets at FVTPL. These unlisted equity instrument has no quoted price in an active market. The Group does not intend to hold these unlisted equity investment for long term strategic purposes. Therefore, the Group has designated such unlisted equity instrument at the date of initial application as measured at FVTPL. As at 1 January 2018, the management estimates that the fair value of the financial assets approximates its carrying value as the investee was newly set up as a fund for property investment in Australia and has not carried out any business activities and the underlying assets of the investee are predominately cash and cash equivalents temporarily placed with financial institutions pending identification of suitable property investment opportunities.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

A 香港財務報告準則第9號－金融工具 (續)

(i) 金融工具之分類及計量 (續)

- (i) 於二零一八年一月一日，若干非上市股本投資由按成本列賬之可供出售金融資產重新分類至按公允值計入損益之金融資產。該等非上市股本工具在活躍市場中沒有報價。本集團無意持有該等未上市股本投資作長期策略目的。因此，本集團於首次應用日期已指定該等非上市股本工具按公允值計入損益計量。於二零一八年一月一日，由於被投資方新近成立作為於澳洲物業投資的基金，且並無進行任何業務活動，而被投資方的相關資產主要為現金及現金等價物，於物色合適的投資機會前暫時存放於金融機構，故管理層估計有關金融資產的公允值與其賬面值相若。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

(l) (Continued)

The following table summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group's financial assets as at 1 January 2018:

| Financial assets | Original classification under HKAS 39 | New classification under HKFRS 9 | Carrying amount as at 1 January 2018 under HKAS 39 HK\$'000 根據香港會計準則第39號於二零一八年一月一日的賬面值 千港元 | Carrying amount as at 1 January 2018 under HKFRS 9 HK\$'000 根據香港財務報告準則第9號於二零一八年一月一日的賬面值 千港元 |
|-----------------------------|--|------------------------------------|---|--|
| Unlisted equity investments | Available-for-sale (at cost) (note 2(a)A(i)(l)) | FVTPL | 25,010 | 25,010 |
| 非上市股本投資 | 可供出售(按成本) (附註2(a)A(i)(l)) | 按公允值計入損益 | | |
| Trade and bills receivables | Loans and receivables | Financial assets at amortised cost | 51,961 | 51,961 |
| 應收貿易賬款及應收票據 | 貸款及應收款項 | 按攤銷成本計量之金融資產 | | |

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港 財務報告準則－於二零 一八年一月一日起生效(續)

A 香港財務報告準則第9號－ 金融工具(續)

(i) 金融工具之分類及計 量(續)

(i) (續)

下表概述本集團於二零一八年一月一日各類金融資產根據香港會計準則第39號原有計量類別及根據香港財務報告準則第9號的新計量類別：

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective
1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of
financial instruments (Continued)

(l) (Continued)

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港
財務報告準則 – 於二零
一八年一月一日起生效 (續)

A 香港財務報告準則第9號 –
金融工具 (續)

(i) 金融工具之分類及計
量 (續)

(i) (續)

| Financial assets | Original classification under HKAS 39 | New classification under HKFRS 9 | Carrying amount as at 1 January 2018 under HKAS 39 HK\$'000 根據香港會計準則第39號於二零一八年一月一日的賬面值 千港元 | Carrying amount as at 1 January 2018 under HKFRS 9 HK\$'000 根據香港財務報告準則第9號於二零一八年一月一日的賬面值 千港元 |
|--------------------------------|---------------------------------------|------------------------------------|--|---|
| 金融資產 | 根據香港會計準則第39號原有分類 | 根據香港財務報告準則第9號的新分類 | | |
| Deposits and other receivables | Loans and receivables | Financial assets at amortised cost | 62,187 | 62,187 |
| 按金及其他應收款項 | 貸款及應收款項 | 按攤銷成本計量之金融資產 | | |
| Loan receivables | Loans and receivables | Financial assets at amortised cost | 58,803 | 58,803 |
| 應收貸款 | 貸款及應收款項 | 按攤銷成本計量之金融資產 | | |
| Cash and bank balances | Loans and receivables | Financial assets at amortised cost | 108,131 | 108,131 |
| 現金及銀行結餘 | 貸款及應收款項 | 按攤銷成本計量之金融資產 | | |

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets

The adoption of HKFRS 9 has changed the Group's impairment model by replacing the HKAS 39 "incurred loss model" to the "expected credit loss ("ECL") model". HKFRS 9 requires the Group to recognise ECLs for trade receivables, financial assets at amortised cost, contract assets and debt investment at FVTOCI earlier than HKAS 39. Cash and cash equivalents are subject to ECL model but the impairment is immaterial for the current year.

Under HKFRS 9, the loss allowances are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效(續)

A 香港財務報告準則第9號－金融工具(續)

(ii) 金融資產的減值

採納香港財務報告準則第9號更改了本集團的減值模式，將香港會計準則第39號「已產生虧損模式」更改為「預期信貸虧損（「預期信貸虧損」）模式」。香港財務報告準則第9號規定本集團以較香港會計準則第39號為先就應收貿易賬款、按攤銷成本計量的金融資產、合約資產及按公允值計入其他全面收益的債務投資確認預期信貸虧損。現金及現金等價物須受預期信貸虧損模式所限，惟本年度的減值並不重大。

根據香港財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1) 12個月預期信貸虧損：其為於報告日期後12個月內發生的潛在違約事件導致的預期信貸虧損；及(2) 全期預期信貸虧損：此乃於金融工具預計年期內所有可能的違約事件產生的預期信貸虧損。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

A 香港財務報告準則第9號－金融工具 (續)

(ii) 金融資產的減值 (續)

預期信貸虧損之計量

預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額。該差額其後按資產原有實際利率相近的利率貼現。

本集團已選用香港財務報告準則第9號簡化法將應收貿易賬款虧損撥備進行計量，並已根據全期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

For other debt financial assets, the ECLs are based on the 12-month ECLs. The 12-month ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港 財務報告準則－於二零 一八年一月一日起生效(續)

A 香港財務報告準則第9號－ 金融工具(續)

(ii) 金融資產的減值(續)

預期信貸虧損之計量 (續)

就其他債務金融資產而言，預期信貸虧損乃根據12個月預期信貸虧損計算。12個月預期信貸虧損為全期預期信貸虧損的一部份，其源自可能在報告日期後的12個月內發生的金融工具違約事件。然而，自發生以來信貸風險顯著增加時，撥備將以全期預期信貸虧損為基準。當釐定金融資產的信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本或努力後即可獲得的合理及可靠資料。此包括根據本集團的過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when: (1) 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 (2) the financial asset is more than 120 days past due.

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

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效(續)

A 香港財務報告準則第9號－金融工具(續)

(ii) 金融資產的減值(續)

預期信貸虧損之計量(續)

本集團假設，倘逾期超過90日，金融資產的信貸風險會大幅增加。

本集團認為金融資產於下列情況下為違約：(1)借方不大可能在本集團無追索權採取行動(例如：變現抵押)(如持有)的情況下向本集團悉數支付其信貸義務；或(2)該金融資產逾期超過120日。

於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損之呈列

按攤銷成本計量之金融資產的虧損撥備從資產之總賬面值中扣除。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model

(i) Impairment of trade receivables

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which recognises lifetime ECLs for all trade receivables. To measure the ECLs, trade receivable have been grouped based on shared credit risk characteristics and the days past due. The loss allowances as at 1 January 2018 were determined as follows:

| | | Current | 1-60 days past due | 61-90 days past due | 91-120 days past due | Over 120 days past due | Total |
|-------------------------------------|---------------|---------|--------------------------|---------------------------|----------------------------|------------------------------|--------|
| 1 January 2018 | 二零一八年 一月一日 | 即期 | 1-60日 逾期 | 61-90日 逾期 | 91-120日 逾期 | 120日以上 逾期 | 總計 |
| Expected credit loss rate (%) | 預期信貸虧損(%) | 0.1% | 0.5% | 5% | 20% | 50% | |
| Gross carrying amount (HK\$'000) | 總賬面值 (千港元) | 30,198 | 21,632 | 32 | 99 | 896 | 52,857 |
| Loss allowances (HK\$'000) | 虧損撥備 (千港元) | 30 | 108 | 2 | 20 | 448 | 608 |

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港 財務報告準則－於二零 一八年一月一日起生效(續)

A 香港財務報告準則第9號－ 金融工具(續)

(ii) 金融資產的減值(續)

預期信貸虧損模式之
影響

(i) 應收貿易賬款之 減值

如上文所述，本集團應用香港財務報告準則第9號簡化法計量確認所有應收貿易賬款之全期預期信貸虧損之預期信貸虧損。為計量預期信貸虧損，應收貿易賬項已按照攤估信貸風險特點及逾期天數分類。於二零一八年一月一日之虧損撥備釐定如下：

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model (Continued)

(i) Impairment of trade receivables (Continued)

The loss allowances for trade receivables under ECL were HK\$288,000 less than the original loss allowances under HKAS 39. The loss allowances for trade receivables further increased to approximately HK\$3,169,000 during the year ended 31 December 2018.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

A 香港財務報告準則第9號－金融工具 (續)

(ii) 金融資產的減值 (續)

預期信貸虧損模式之影響 (續)

(i) 應收貿易賬款之減值 (續)

應收貿易賬款於預期信貸虧損項下之虧損撥備為288,000港元，少於香港會計準則第39號項下之原有虧損撥備。於截至二零一八年十二月三十一日止年度，應收貿易賬款的虧損撥備進一步增加至約3,169,000港元。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model (Continued)

(II) Impairment of other receivables

As mentioned above, the Group applies 12-month ECL on debt instruments other than trade receivables. To measure the ECLs, other receivables have been grouped based on share credit risk characteristics. An ECL rate of 1% has been adopted by the management as the history of default for other receivables is low. Under the ECL assessment, the loss allowances for other receivables as at 1 January 2018 are estimated to increase by HK\$192,000.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港 財務報告準則－於二零 一八年一月一日起生效(續)

A 香港財務報告準則第9號－ 金融工具(續)

(ii) 金融資產的減值(續)

預期信貸虧損模式之
影響(續)

(II) 其他應收款項之 減值

據上文所述，本集團就應收貿易賬款外的債務工具應用12個月預期信貸虧損。為計量預期信貸虧損，其他應收款項已按共同信貸風險特徵分類。由於其他應收款項之違約記錄屬低，故管理層採納1%預期信貸虧損率。根據預期信貸虧損評估，其他應收款項於二零一八年一月一日之虧損撥備估計增加192,000港元。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model (Continued)

(iii) Impairment of loan receivables

ECLs for loan receivables are assessed on 12-month ECLs basis as there had been no significant increase in credit risk since initial recognition. Management has adopted an ECL rate of 3% as the risk of default of these loan receivables which are secured by assets or guaranteed by other parties is low. An increase in loss allowances for loan receivables of HK\$1,764,000 is expected under the ECL model.

The ECLs for other financial assets at amortised cost, including cash and bank balances and deposits, are assessed on 12-month ECLs basis and the impact of the ECLs is considered immaterial.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效(續)

A 香港財務報告準則第9號－金融工具(續)

(ii) 金融資產的減值(續)

預期信貸虧損模式之影響(續)

(iii) 應收貸款之減值

應收貸款之預期信貸虧損按12個月預期信貸虧損基準評估，乃由於自初步確認起信貸風險並無明顯增加。由於該等應收貸款由其他人士的資產抵押或擔保，而本集團估計違約風險屬低，故管理層採納3%預期信貸虧損率。根據預期信貸虧損模式，應收貸款之預期虧損撥備增加1,764,000港元。

按攤銷成本計量之其他金融資產(包括現金及銀行結餘及按金)之預期信貸虧損按12個月預期信貸虧損基準評估，而預期信貸虧損之影響被視為不重大。

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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model (Continued)

The Directors considered that the measurement of ECLs has no significant impact to the Group's retained earnings as at 1 January 2018, detailed as follows:

| | | HK\$'000 千港元 |
|--|---------------------------------|-----------------|
| On 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 | |
| Decrease in loss allowance on trade receivables | 就應收貿易賬款減少 虧損撥備 | (288) |
| Increase in loss allowance on other receivables | 就其他應收款項增加 虧損撥備 | 192 |
| Increase in loss allowance on loan receivables | 就應收貸款增加虧損撥備 | 1,764 |
| Overall impact on adoption of HKFRS 9 | 採納香港財務報告準則 第9號之整體影響 | 1,668 |

(iii) Hedge accounting

Hedge accounting under HKFRS 9 has no impact on the Group as the Group does not apply hedge accounting in its hedging relationships.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港 財務報告準則－於二零 一八年一月一日起生效(續)

A 香港財務報告準則第9號－ 金融工具(續)

(ii) 金融資產的減值(續)

預期信貸虧損模式之
影響(續)

董事認為，預期信貸
虧損之計量對本集團
於二零一八年一月一
日之保留溢利並無重
大影響，詳情如下：

(iii) 對沖會計處理

根據香港財務報告準
則第9號的對沖會計
處理對本集團並無影
響，因本集團並非應
用對沖會計處理對沖
關係。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(iv) Transition

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the consolidated statement of financial position as at 31 December 2017, but are recognised in the consolidated statement of financial position on 1 January 2018. This means that differences, if any, in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained earnings and other reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效(續)

A 香港財務報告準則第9號－金融工具(續)

(iv) 過渡

本集團已應用香港財務報告準則第9號的過渡條文，以使香港財務報告準則第9號全面獲採納而毋須重列可比較資料。因此，新預期信貸虧損規則產生的重新分類及調整並無於二零一七年十二月三十一日的綜合財務狀況表中反映，惟於二零一八年一月一日的綜合財務狀況表中確認。這意味著採納香港財務報告準則第9號所產生的金融資產與金融負債賬面值的差異(如有)乃於二零一八年一月一日的保留溢利及其他儲備中確認。因此，二零一七年呈列的資料並不反映香港財務報告準則第9號的規定，惟反映香港會計準則第39號的規定。

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(iv) Transition (Continued)

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9:

- The determination of the business model within which a financial asset is held; and
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”)

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations. HKFRS 15 has established a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效(續)

A 香港財務報告準則第9號－金融工具(續)

(iv) 過渡(續)

以下評估乃根據香港財務報告準則第9號初次應用日期存在的事實及情況而作出：

- 釐定持有金融資產的業務模式；及
- 指定及撤銷原來指定的若干金融資產及金融負債為按公允值計入損益計量。

B 香港財務報告準則第15號來自客戶合約之收益(「香港財務報告準則第15號」)

香港財務報告準則第15號取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋。香港財務報告準則第15號建立一個五步模式，以將客戶合約收益列賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨品或服務作交換而有權獲得的代價金額確認。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

The Group has adopted HKFRS 15 using the cumulative effect method without practical expedients. The Group has recognised the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of retained earnings at the date of initial application (which is, 1 January 2018). As a result, the financial information presented for 2017 has not been restated.

The transition to HKFRS 15 has no impact on the opening balances of retained earnings and non-controlling interests as at 1 January 2018.

The following table summarised the impact of adopting HKFRS 15 on the Group’s consolidated statement of financial position as at 1 January 2018 and 31 December 2018. There was no significant material impact on the Groups’ consolidated statement of profit or loss and other comprehensive income and its consolidated statement of cash flows for the year ended 31 December 2018:

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

B 香港財務報告準則第15號來自客戶合約之收益 (「香港財務報告準則第15號」) (續)

本集團已採用累計影響法採納香港財務報告準則第15號(無可行權宜方法)。本集團已將初次應用香港財務報告準則第15號的累計影響確認為於初次應用日期(即二零一八年一月一日)對保留溢利期初結餘的調整。因此，二零一七年呈列的財務資料並未重新呈列。

過渡至香港財務報告準則第15號對保留溢利及非控股權益於二零一八年一月一日的期初結餘並無影響。

下表概述採納香港財務報告準則第15號對本集團於二零一八年一月一日及二零一八年十二月三十一日之綜合財務狀況表的影響。本集團截至二零一八年十二月三十一日止年度的綜合損益及其他全面收益表及綜合現金流量表概無出現重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

Impact on the consolidated statement of financial
position was as follows:

| | | 1 January 2018 二零一八年 一月一日 HK\$'000 千港元 | 31 December 2018 二零一八年 十二月 三十一日 HK\$'000 千港元 |
|---|--------------------------------|---|--|
| Liabilities | 負債 | | |
| Deferred revenues (note 2(a)B(ii)) | 遞延收益 (附註 2(a)B(ii)) | (1,660) | (3,156) |
| Contract liabilities (note 2(a)B(i)(ii)) | 合約負債 (附註 2(a)B(i)(ii)) | 2,371 | 3,782 |
| Trade and other payables (note 2(a)B(i)) | 應付貿易賬款及其他應付款項 (附註 2(a)B(i)) | (711) | (626) |
| Total current liabilities | 流動負債總值 | — | — |
| Total liabilities | 負債總值 | — | — |

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港 財務報告準則—於二零 一八年一月一日起生效 (續)

B 香港財務報告準則第15號 來自客戶合約之收益(「香 港財務報告準則第15號」) (續)

對綜合財務狀況表的影響
如下：

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

Details of the new significant accounting policies and the nature of the changes to previous accounting policies in relation to the Group’s various goods and services are set out below:

| Note | Product/service | Nature of the goods or services, satisfaction of performance obligations and payment terms 貨物或服務的性質、履約責任的進度及付款條款 | Nature of change in accounting policy and impact 會計政策的變動性質及影響 |
|------|---------------------|--|--|
| (i) | Electronic products | Customers obtain control of the electronic products when the goods are delivered to and have been accepted. Revenue is thus recognised when the customers accepted the electronic products. There is generally only one performance obligation. The Group allows credit periods ranging from 0 to 120 days to its customers. | |
| (i) | 電子產品 | 客戶於貨物予以交付及已獲接納時獲得對電子產品的控制權。當客戶接納電子產品後，則因而確認收益。一般僅有一項履約責任。本集團給予貿易客戶0至120日之信貸期。 | |

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

B 香港財務報告準則第15號來自客戶合約之收益 (「香港財務報告準則第15號」) (續)

下文載列有關本集團各種貨物及服務的新重要會計政策以及與過往會計政策變動性質的詳情：

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

B 香港財務報告準則第15號來自客戶合約之收益 (「香港財務報告準則第15號」) (續)

| Note | Product/service | Nature of the goods or services, satisfaction of performance obligations and payment terms | Nature of change in accounting policy and impact |
|------|-----------------|--|---|
| 附註 | 貨物／服務 | 貨物或服務的性質、履約責任的進度及付款條款 | 會計政策的變動性質及影響 |
| | | <p>Volume rebate</p> <p>Some of the Group’s contracts with customers from the sale of electronic products provide customers a volume rebate if the customers purchase more than certain volume of electronic products in a calendar month.</p> <p>銷量回扣</p> <p>本集團與客戶的若干銷售電子產品合約中在客戶於某一月內購買超過一定數量的電子產品，向客戶提供銷量回扣。</p> | <p>Volume rebate</p> <p>Under HKAS 18, the Group estimated the expected volume rebates using the probability-weighted amount of rebates approach and recognised as a reduction of revenue as the sales are recognised. A provision of rebate will be recognised in trade and other payables.</p> <p>銷量回扣</p> <p>根據香港會計準則第18號，本集團以回扣的概率加權數額法估計預期銷量回扣，並於確認銷售額時將其確認為收益之扣減。回扣撥備於應付貿易賬款及其他應付款項中確認。</p> |

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective
1 January 2018 (Continued)

**B HKFRS 15 Revenue from Contracts with
Customers (“HKFRS 15”) (Continued)**

| Note | Product/service | Nature of the goods or services, satisfaction of performance obligations and payment terms 貨物或服務的性質、履約責任 的進度及付款條款 | Nature of change in accounting policy and impact 會計政策的變動性質及影響 |
|------|-----------------|---|---|
| 附註 | 貨物／服務 | | |

Under HKFRS 15, volume rebates give rise to variable consideration. The Group applies the expected value method to estimate the variable consideration. Refund liabilities would be recognised based on the estimate of the expected amount to be paid for customer’s volume-based rebate. 根據香港財務報告準則第15號，銷量回扣產生可變代價。本集團應用預期值法估計可變代價。退貨責任按照預期向客戶支付之銷量回扣估計金額確認。

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港
財務報告準則－於二零
一八年一月一日起生效 (續)

**B 香港財務報告準則第15號
來自客戶合約之收益 (「香
港財務報告準則第15號」)
(續)**

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綜合財務報表附註

For the year ended 31 December 2018
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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

B 香港財務報告準則第15號來自客戶合約之收益 (「香港財務報告準則第15號」) (續)

| Note | Product/service | Nature of the goods or services, satisfaction of performance obligations and payment terms | Nature of change in accounting policy and impact |
|------|-----------------|--|--|
| 附註 | 貨物／服務 | 貨物或服務的性質、履約責任的進度及付款條款 | 會計政策的變動性質及影響 |

Impact

As at 1 January 2018 and 31 December 2018, the adoption of HKFRS 15 has no significant impact on Group's refund liabilities due to the low expected value of volume rebate.

As at 1 January 2018, the Group reclassified HK\$711,000 from trade and other payables to contract liabilities.

As at 31 December 2018, contract liabilities of HK\$626,000 was recognised.

影響

由於銷量回扣預計價值低，於二零一八年一月一日及二零一八年十二月三十一日，採納香港財務報告準則第15號對本集團的退貨責任並無重大影響。

於二零一八年一月一日，本集團從應付貿易賬款及其他應付款項重新劃分711,000港元至合約負債。

於二零一八年十二月三十一日，已確認合約負債為626,000港元。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective
1 January 2018 (Continued)

**B HKFRS 15 Revenue from Contracts with
Customers (“HKFRS 15”) (Continued)**

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港
財務報告準則－於二零
一八年一月一日起生效 (續)

**B 香港財務報告準則第15號
來自客戶合約之收益 (「香
港財務報告準則第15號」)
(續)**

| Note 附註 | Product/service 貨物／服務 | Nature of the goods or services, satisfaction of performance obligations and payment terms 貨物或服務的性質、履約責任 的進度及付款條款 | Nature of change in accounting policy and impact 會計政策的變動性質及影響 |
|------------|------------------------------|---|---|
| (ii) | Nursery education service | Tuition fees and meal plan fees are recognised proportionately over the relevant period. Tuition fees and meal plan fees received from nursery education services are generally paid in advance prior to the beginning of each month. The portion of tuition and meal plan payments received from students but not earned is recorded as contract liabilities and is reflected as current liabilities as such amounts represent revenue that the Group expects to earn within one year. | Impact HKFRS 15 did not result in significant impact on the Group's accounting policies. Upon the adoption of HKFRS 15 on 1 January 2018, the Group has to reclassify from deferred revenues to contract liabilities since under HKFRS 15, if there are obligations to transfer services to a customer for which the Group has received consideration from customers, an entity should recognise contract liabilities. |
| (ii) | 幼兒教育服務 | 學費及餐飲計劃費於相關期間按比例確認自幼兒教育服務收取之學費及餐飲計劃費通常於每月初之前預先支付。由於已收但尚未賺取之學生學費及餐飲計劃費部分為本集團預期於一年內賺取之收益，故該等金額入賬為合約負債並以流動負債呈列。 | 影響 香港財務報告準則第15號並無對本集團的會計政策產生重大影響。採納香港財務報告準則第15號後，本集團須將遞延收益重新分類至合約負債，因根據香港財務報告準則第15號，倘本集團已收取客戶代價而有責任向客戶轉讓服務時，則實體須確認合約負債。 |

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綜合財務報表附註

For the year ended 31 December 2018
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2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

B 香港財務報告準則第15號來自客戶合約之收益 (「香港財務報告準則第15號」) (續)

| Note | Product/service | Nature of the goods or services, satisfaction of performance obligations and payment terms | Nature of change in accounting policy and impact |
|------|-----------------|--|--|
| 附註 | 貨物／服務 | 貨物或服務的性質、履約責任的進度及付款條款 | 會計政策的變動性質及影響 |

As at 1 January 2018, the Group reclassified HK\$1,660,000 from deferred revenues to contract liabilities.

As at 31 December 2018, contract liabilities of HK\$810,000 was recognised.

於二零一八年一月一日，本集團從遞延收益重新劃分1,660,000港元至合約負債。

於二零一八年十二月三十一日，已確認合約負債為810,000港元。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective
1 January 2018 (Continued)

**B HKFRS 15 Revenue from Contracts with
Customers (“HKFRS 15”) (Continued)**

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港
財務報告準則－於二零
一八年一月一日起生效 (續)

**B 香港財務報告準則第15號
來自客戶合約之收益 (「香
港財務報告準則第15號」)
(續)**

| Note | Product/service | Nature of the goods or services, satisfaction of performance obligations and payment terms 貨物或服務的性質、履約責任 的進度及付款條款 | Nature of change in accounting policy and impact 會計政策的變動性質及影響 |
|-------|------------------------|--|---|
| (iii) | Property management | <p>Property management fee is recognised over time as those services are provided.</p> <p>Property management fee received from landlords and tenants are generally paid in advance prior to the commencement of the lease terms.</p> <p>The portion of property management fee received from landlords and tenants but not earned is recorded as contract liabilities and is reflected as a current liabilities as such amounts represent revenue that the Group expects to earn within one year.</p> | <p>Impact</p> <p>HKFRS 15 did not result in significant impact on the Group's accounting policies and there is no impact on 1 January 2018 as the Group did not earn property management fee prior to 1 January 2018. Upon the adoption of HKFRS 15, the Group has to reclassify from deferred revenues to contract liabilities since under HKFRS 15, if there are any obligations to transfer services to a customer for which the Group has received consideration from customers, an entity should recognise contract liabilities.</p> |
| (iii) | 物業管理 | <p>物業管理費乃隨著提供該等服務之時間流逝而確認。</p> <p>向業主及租戶收取之物業管理費通常於各租賃期開始前預先支付。</p> <p>由於向業主及租戶收取之物業管理費為本集團預期於一年內賺取之收益，故該等金額入賬為合約負債並以流動負債呈列。</p> | <p>影響</p> <p>香港財務報告準則第15號並無對本集團的會計政策產生重大影響，而由於本集團於二零一八年一月一日前並未賺取物業管理費，因此於二零一八年一月一日並無影響。採納香港財務報告準則第15號後，本集團須將遞延收益重新分類至合約負債，因根據香港財務報告準則第15號，倘本集團已收取客戶代價而有責任向客戶轉讓服務時，則實體須確認合約負債。</p> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

B 香港財務報告準則第15號來自客戶合約之收益 (「香港財務報告準則第15號」) (續)

| Note | Product/service | Nature of the goods or services, satisfaction of performance obligations and payment terms 貨物或服務的性質、履約責任的進度及付款條款 | Nature of change in accounting policy and impact 會計政策的變動性質及影響 |
|------|------------------------------|--|---|
| 附註 | 貨物／服務 | | |
| (iv) | Regulated financial services | Revenue from asset management services provided to external customers is recognised over time. Invoices for regulated financial services are issued on a semi-annual basis and are usually payable within 60 days. | Impact HKFRS 15 did not result in significant impact on the Group's accounting policies and there is no impact on 1 January 2018 and 31 December 2018. |
| (iv) | 受規管金融服務 | 向外部客戶提供資產管理服務之收益隨時間流逝而確認。受規管金融服務的發票每半年發出，通常於60日內應付。 | 影響 香港財務報告準則第15號並無對本集團的會計政策產生重大影響，且於二零一八年一月一日及二零一八年十二月三十一日概無影響。 |

As at 31 December 2018, contract liabilities of HK\$2,346,000 was recognised.

於二零一八年十二月三十一日，已確認合約負債為2,346,000港元。

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

Amendments HKFRS 15 – Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

The adoption of these amendments has no impact on the consolidated financial statements as the Group first adopted HKFRS 15 and its clarifications for the year ended 31 December 2018.

Amendments to HKAS 40 – Transfers of Investment Property

The amendments clarify that to transfer to or from investment properties there must be a change in use and provides guidance on making this determination. The clarification states that a change in use will occur when a property meets, or ceases to meet, the definition of investment property and there is supporting evidence that a change has occurred.

The amendments also re-characterise the list of evidence in the standard as a non-exhaustive list, thereby allowing for other forms of evidence to support a transfer.

2. 採納香港財務報告準則 (續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一八年一月一日起生效 (續)

香港財務報告準則第15號之修訂－來自客戶合約之收益(香港財務報告準則第15號之澄清)
香港財務報告準則第15號修訂本包括對以下各項之釐清：識別履約責任；應用主理人與代理人；知識產權之許可；以及過渡規定。

由於本集團於截至二零一八年十二月三十一日止年度首次採納香港財務報告準則第15號及有關釐清，故採納該等修訂對綜合財務報表並無影響。

香港會計準則第40號－轉讓投資物業

該修訂本釐清投資物業的轉入或轉出均必定涉及用途改變，並就作出有關釐定提供指引。該釐清列明，倘物業符合或不再符合投資物業之定義及有支持證據證明用途改變，即表示發生用途改變。

該修訂本亦將該準則中的憑證清單重新定性為非詳盡無遺清單，因此，其他形式的憑證亦可證明轉讓。

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

Amendments to HKAS 40, – Transfers of Investment Property (Continued)

The adoption of these amendments has no impact on the financial statements as the clarified treatment is consistent with the manner in which the Group has previously assessed transfers.

HK(IFRIC)–Int 22 – Foreign Currency Transactions and Advance Consideration

The interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The interpretation specifies that 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 thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The adoption of the interpretation has no impact on the consolidated financial statements as the Group has not paid or received advance consideration in a foreign currency.

2. 採納香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則—於二零一八年一月一日起生效(續)

香港會計準則第40號—轉讓投資物業(續)

由於釐清後的處理與本集團先前評估轉讓的方式一致，故採納綜合修訂對該等財務報表並無影響。

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

該詮釋就為釐定用於涉及以外幣支付或收取墊款代價之交易之匯率而釐定交易日期，以及確認非貨幣資產或非貨幣負債提供指引。該詮釋訂明，釐定初次確認相關資產、開支或收益(或當中部分)所使用之匯率之交易日期為實體初次確認支付或收取墊款代價產生的非貨幣資產或非貨幣負債之日期。

由於本集團並無以外幣支付或收取墊款代價，故採納該等詮釋對綜合財務報表並無影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

| | |
|---|--|
| HKFRS 16 | Leases ¹ |
| HK(IFRIC)-Int 23 | Uncertainty over Income Tax Treatments ¹ |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation ¹ |
| Amendments to HKAS 1 and HKAS 8 | Definition of Material ² |
| Amendments to HKAS 28 | Long-term Interests in Associates and Joint Ventures ¹ |
| Annual Improvements to HKFRSs 2015-2017 Cycle | Amendments to HKFRS 3, Business Combinations ¹ |
| Annual Improvements to HKFRSs 2015-2017 Cycle | Amendments to HKAS 12, Income Taxes ¹ |
| Annual Improvements to HKFRSs 2015-2017 Cycle | Amendments to HKAS 23, Borrowing Costs ¹ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |

¹ Effective for annual periods beginning on or after 1 January 2019.

² Effective for annual periods beginning on or after 1 January 2020.

³ The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

2. 採納香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則

以下可能與本集團綜合財務報表有關的新訂／經修訂香港財務報告準則經已頒佈，惟尚未生效，並未獲本集團提早採納。本集團目前擬於其生效日期應用有關變動。

| | |
|----------------------------|---------------------------------------|
| 香港財務報告準則第16號 | 租賃 ¹ |
| 香港(國際財務報告詮釋委員會)－詮釋第23號 | 所得稅處理的不確定性 ¹ |
| 香港財務報告準則第9號之修訂 | 具負補償之提前還款特性 ¹ |
| 香港會計準則第1號及香港會計準則第8號之修訂 | 重大的定義 ² |
| 香港會計準則第28號之修訂 | 於聯營公司及合營企業之長期權益 ¹ |
| 香港財務報告準則二零一五年至二零一七年週期之年度改進 | 香港財務報告準則第3號之修訂，業務合併 ¹ |
| 香港財務報告準則二零一五年至二零一七年週期之年度改進 | 香港會計準則第12號之修訂，所得稅 ¹ |
| 香港財務報告準則二零一五年至二零一七年週期之年度改進 | 香港會計準則第23號之修訂，借貸成本 ¹ |
| 香港財務報告準則第10號及香港會計準則第28號之修訂 | 投資者與其聯營公司或合營公司之間的資產出售或注資 ³ |

¹ 於二零一九年一月一日或之後開始的年度期間生效。

¹ 於二零二零年一月一日或之後開始的年度期間生效。

³ 該等修訂原擬於二零一七年一月一日或之後開始的期間生效。生效日期現已延後／取消。修訂本仍可予提早應用。

For the year ended 31 December 2018
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2. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 16 – Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 Leases and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

2. 採納香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號－租賃

香港財務報告準則第16號於生效日期後將取代香港會計準則第17號租賃及相關詮釋，並將引入單一承租人的會計模式以確認所有年期超過12個月的租賃的資產及負債，除非相關資產屬低價值。具體而言，根據香港財務報告準則第16號，承租人須確認代表其使用相關租賃資產的權利的使用權資產，以及代表其繳付租金的租賃負債。因此，承租人應確認使用權資產的折舊及租賃負債的利息，並將租賃負債的現金還款分類為本金部份及利息部份，以及呈列於現金流量表。此外，使用權資產及租賃負債初步以現值計量。有關計量包括不可撤銷租金，倘承租人合理地肯定其將行使延長租賃的選擇權或行使終止租賃的選擇權，則亦包括可供選擇期內所支付款項。此會計處理與根據前身準則香港會計準則第17號分類為經營租賃的租賃的承租人會計處理截然不同。

就出租人會計而言，香港財務報告準則第16號主要延續香港會計準則第17號的出租人會計規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並將這兩種租賃分別入賬。

2. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 16 – Leases (Continued)

As set out in note 35 to the consolidated financial statements, the Group's total future minimum lease payments under non-cancellable operating leases as at 31 December 2018 amounted to HK\$5,177,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding lease liability in respect of all the leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirement may result in changes in measurement, presentation and disclosure as indicated above.

In the consolidated statement of profit or loss, depreciation will be recognised on the related right-of-use asset and interest expenses will be recognised on the lease liability instead of rental expense. Interest expenses on the lease liability will be presented separately from depreciation under finance costs. The combination of a straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial year of the lease, and decreasing expenses during the latter part of the lease term on a lease by lease basis.

2. 採納香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號 – 租賃(續)

誠如綜合財務報表附註35所載，本集團根據不可撤銷經營租賃之未來最低租賃款項總額為5,177,000港元。初步評估顯示該等安排符合香港財務報告準則第16號對租賃之定義，因此，應用香港財務報告準則第16號後，除非有關租賃符合低價值或短期租賃，否則本集團將就所有該等租賃確認使用權資產及相應租賃負債。此外，應用新規定或會導致上述計量、呈列及披露出現變動。

於綜合損益表，折舊將根據相關使用權資產確認且利息開支將根據租賃負債而非租金開支確認。租賃負債之利息開支將與財務成本項下之折舊分開呈列。使用權資產的直線折舊及租賃負債所採用實際利率法將導致租賃首年計入損益之總金額上升，並使租賃於租賃往後期間按租賃基準的支出減少。

2. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

Amendments to HKFRS 9 – Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met instead of at fair value through profit or loss.

2. 採納香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則(續)

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

該詮釋透過就如何反映所得稅會計處理涉及的不確定性因素的影響提供指引，為香港會計準則第12號「所得稅」的規定提供支持。

根據該詮釋，實體須釐定分別或集中考慮各項不確定稅項處理，以更好預測不確定性因素的解決方式。實體亦須假設稅務機關將會查驗其有權查驗的金額，並在作出上述查驗時完全知悉所有相關資料。如實體釐定稅務機關可能會接受一項不確定稅項處理，則實體應按與其稅務申報相同的方式計量即期及遞延稅項。否則，釐定稅項涉及的不確定性因素採用「最可能金額」或「預期值」法兩者中能更好預測不確定性因素解決方式的方法來反映。

香港財務報告準則第9號之修訂 – 具負補償之提前還款特性

該修訂本澄清在符合特別條件下，具負補償之可預付的金融資產可按攤銷成本或按公允值計入其他全面收益計量，而非按公允值於損益列賬計量。

2. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKAS 28

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 3, Business Combinations

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

2. 採納香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則(續)

香港會計準則第28號之修訂

該修訂本澄清香港財務報告準則第9號應用於構成於聯營公司或合營企業之投資淨額一部分的於聯營公司或合營企業之長期權益(「長期權益」)，並規定香港財務報告準則第9號先於香港會計準則第28號減值虧損指引應用於該等長期權益。

香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港財務報告準則第3號之修訂，業務合併

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第3號修訂本，其闡明當於業務的一名聯合經營者取得聯合經營的控制權時，則該業務合併已初步達成，故此先前持有之股權應重新計量為其收購日期之公允值。

香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港會計準則第12號之修訂，所得稅

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第12號修訂本，其闡明股息之所有所得稅後果與產生可分派溢利之交易採取一致的方式於損益、其他全面收益或直接於權益內確認。

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2. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

Amendments to HKFRS 10 and HKAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

The Group expects that the adoption of these new pronouncements will not have a significant impact on the Group's results and financial position.

2. 採納香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則(續)

香港會計準則第23號之修訂，借貸成本

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第23號修訂本，其闡明為取得合資格資產而專門作出之借貸，於相關合資格資產可用於其擬定用途或進行銷售時仍未償還，則該借貸將成為該實體一般所借資金的一部分並因此計入一般資產池內。

香港財務報告準則第10號及香港會計準則第28號之修訂－投資者與其聯營公司或合營公司之間的資產出售或注資

該修訂本澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務的資產，則僅以無關連投資者於合營企業或聯營公司之權益為限確認收益或虧損。

本集團預期採納該等新修訂公佈對本集團的業績及財務狀況將不會造成重大影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combination and basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group made up to 31 December each year. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

3. 主要會計政策概要

業務合併及綜合基準

綜合財務報表包括本集團直至每年十二月三十一日編製的財務報表。編製綜合財務報表時，公司間交易及集團公司之間的結餘連同未變現盈利將全數對銷。倘已於損益內確認虧損，除非交易能提供已轉讓資產減值的證據，否則未變現虧損亦將對銷。

收購附屬公司或業務乃以收購法入賬。收購事項的成本乃按已轉讓資產於收購日期的公允值、所產生負債及本集團(作為收購人)所發行的權益的總和計量。已收購的可識別資產及所承擔負債主要按收購日期公允值計量。本集團先前所持有於被收購人的權益將按收購日期公允值重新計量，而最終的盈虧則於損益內確認。本集團可能按個別交易的情況選擇按公允值或被收購人可識別淨資產的按比例份額計量代表目前於附屬公司的擁有權利益的非控股權益。除非香港財務報告準則規定其他計量準則，所有其他非控股權益應以公允值計量。除非與收購事項相關的成本乃因發行股本工具而產生且成本已自股本扣除，否則所產生成本已獲支銷。

收購方將予轉讓之任何或然代價按收購日之公允值確認。其後對代價之調整僅於調整源自於計量期間(最長為自收購日期起12個月)獲得有關收購日之公允值之新資料時才會與商譽確認。其後對或然代價分類為資產或負債之所有其他調整均於損益中確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combination and basis of consolidation (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

Subsidiaries

Subsidiaries are investees over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

3. 主要會計政策概要(續)

業務合併及綜合基準(續)

當本集團失去附屬公司控制權時，出售之損益為以下兩者之差額：(i) 已收代價公允值與任何保留權益公允值之總額及(ii)附屬公司與任何非控股權益之資產(包括商譽)及負債之過往賬面值。以往於其他全面收益確認與附屬公司有關之金額按在相關資產或負債已經出售情況下須採取之方式入賬。

收購後，非控股權益賬面值(即現時於附屬公司擁有權權益)為該等權益於初步確認時之金額加有關非控股權益應佔其後權益變動金額。即使全面收益總額撥歸該等非控股權益後造成虧絀，全面收益總額仍須撥歸相關非控股權益。

附屬公司

附屬公司為本公司可行使控制權的被投資人。倘下列三項元素全部存在，則本公司已控制該被投資人：對被投資人的權力、就收取被投資人可變動回報面臨的風險或權利，以及運用其權力影響有關可變動回報的能力。倘出現任何該等控制權元素可能有變的事實或情況，控制權將獲重新評估。

年內所收購或出售的附屬公司的業績已載於自收購事項生效日期起或直至出售事項生效日期(按適用者)的綜合損益表內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsidiaries (Continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

In the notes to the consolidated financial statements that discloses the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the end of the reporting period.

Interest in an associate

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over these policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amounts are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associate are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred they are recognised immediately in profit or loss.

3. 主要會計政策概要 (續)

附屬公司 (續)

如有需要，可於附屬公司的財務報表作出調整，致令其會計政策與本集團其他成員公司所用者一致。

所有集團內公司間交易、結餘、收入及開支已於綜合入賬時對銷。

在披露本公司財務狀況表之綜合財務報表附註中，於附屬公司之投資經扣除任何減值虧損後按成本列賬。本公司將附屬公司的業績以於報告期末所收及應收股息的基準入賬。

於一間聯營公司之權益

聯營公司指本集團能夠對其發揮重大影響力之公司，附屬公司或於合資企業之權益除外。重大影響力是有權參與被投資公司之財務及經營政策決定，但並非控制或共同控制該等政策。

聯營公司採用權益法入賬，據此，聯營公司初步按成本確認，此後其賬面金額因應本集團收購後所佔之聯營公司資產淨值變動予以調整，惟超出本集團於聯營公司之權益之虧損不會被確認，除非有責任妥善處理該等虧損。

所確認的本集團及其聯營公司的交易所產生的損益僅限於聯營公司內互不相關的投資者的權益。投資者因此等交易於聯營公司的損益中分佔的部份於聯營公司的賬面值中對銷。倘未變現虧損能證明所轉讓資產的減值，則其即時於損益中獲確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest in an associate (Continued)

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

Goodwill

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount, and whenever there is an indication that the unit may be impaired.

3. 主要會計政策概要(續)

於一間聯營公司之權益(續)

就聯營公司所支付高於本集團分佔的已收購可識別資產、負債及或然負債公允值的任何溢價已撥充資本，並計算在聯營公司的賬面值之內。倘客觀證據證明於聯營公司的投資已減值，該投資的賬面值須按與其他非金融資產相同的方式進行減值測試。

商譽

倘可識別資產及負債之公允值高於所付代價之公允值、於被收購方任何非控股權益之金額與收購方先前所持被收購方股本權益之收購日公允值的總額，則超出部份於重估後於收購日期在損益確認。

商譽按成本減去減值虧損計量。就減值測試而言，收購產生之商譽分配予預期會受惠於收購協同效益之各相關現金產生單位。現金產生單位為產生現金流入且該現金流入基本上獨立於其他資產或資產組別現金流入的最小可識別資產組合。獲分配商譽之現金產生單位每年透過將賬面值與其可收回金額作比較而進行減值測試，亦於有跡象顯示該單位可能減值時進行減值測試。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less costs to sell (if measurable) or its value-in-use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

Revenue recognition (accounting policies applied from 1 January 2018)

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, 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.

3. 主要會計政策概要 (續)

商譽 (續)

就財政年度內進行收購所產生之商譽而言，獲分配商譽之現金產生單位於該財政年度結束前進行減值測試。當現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至撇減該單位獲分配之任何商譽之賬面值，然後基於該單位內各資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會令個別資產之賬面值減少至低於其公允值減出售成本(如可計量)或其使用價值(如可釐定)(以較高者為準)。商譽之任何減值虧損於損益確認，不會於後續期間撥回。

收益確認(自二零一八年一月一日起應用的會計政策)

來自客戶合約之收益於貨物或服務的控制權轉移至客戶時確認，其金額反映本集團預期就交換該等貨品或服務而有權獲得的代價，不包括代表第三方收取的金額。收益不包括增值稅或其他銷售稅，並扣除任何貿易折扣。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

(i) **Electronic products**

Customers obtain control of the electronic products when the goods are delivered to and have been accepted. Revenue is thus recognised when the customers accept the electronic products. There is generally only one performance obligation. Invoices are usually payable within 120 days.

3. 主要會計政策概要(續)

收益確認(自二零一八年一月一日起應用的會計政策)(續)

視乎合約條款及適用於合約的法律，貨物或服務控制權可隨時間或於某一時間點轉移。倘本集團在履約過程中滿足下列條件，則貨物或服務控制權隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 本集團履約時創建或提升客戶所控制的資產；或
- 沒有創建對本集團有替代用途的資產，且本集團可強制執行其權利收回至今已完成履約部分的款項。

倘貨物或服務控制權隨時間轉移，收益會參考整個合約期間完成履約義務的進度進行確認。否則，收益於客戶獲得貨物或服務控制權時的某一時間點確認。

(i) **電子產品**

客戶於貨物予以交付及已獲接納時獲得對電子產品的控制權。當客戶接納電子產品後，則因而確認收益。一般僅有一項履約責任。發票通常於120日內應付。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

(i) **Electronic products** (Continued)

Some of the Group's contracts with customers from the sale of electronic products provide customers a volume rebate if the customers purchase more than certain volume of electronic products in a calendar year. The volume rebates give rise to variable consideration. The Group applies the expected value method to estimate the variable consideration. A refund liability would be recognised based on the estimate of the amount expected to be paid to customers under volume-based rebate.

(ii) **Nursery education services/properties management**

Revenue is recognised over time as those services are provided. Payment received from customers are generally paid in advance prior to the rendering of services. HKFRS 15 did not result in significant impact on the Group's accounting policies. Upon the adoption of HKFRS 15, the Group has to reclassify from deferred revenues to contract liabilities since under HKFRS 15, if there are obligations to transfer services to a customer for which the Group has received consideration from customer, an entity should recognise contract liabilities.

(iii) **Money lending**

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost 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.

3. 主要會計政策概要(續)

收益確認(自二零一八年一月一日起應用的會計政策)(續)

(i) **電子產品(續)**

本集團與客戶的若干銷售電子產品合約中在客戶於某一歷年內購買超過一定數量的電子產品，向客戶提供銷量回扣。銷量回扣產生可變代價。本集團應用預期值法估計可變代價。退貨責任按照預期向客戶支付之銷量回扣估計金額確認。

(ii) **幼兒教育服務／物業管理**

收益乃隨著提供該等服務之時間轉移而確認。自客戶收取之款項通常於提供該等服務前預先支付。香港財務報告準則第15號並無對本集團的會計政策產生重大影響。採納香港財務報告準則第15號後，本集團須將遞延收益重新分類至合約負債，因根據香港財務報告準則第15號，倘本集團已收取客戶代價而有責任向客戶轉讓服務時，則實體須確認合約負債。

(iii) **放債**

利息收入於產生時根據實際利率法採用將金融資產預計年期的估計未來現金收入折現為該金融資產賬面總值之比率確認。就按攤銷成本計量且並無信貸減值之金融資產而言，按該資產之賬面總值採用實際利率。就已信貸減值之金融資產而言，該資產之攤銷成本(即扣除虧損撥備之賬面總值)採用實際利率。

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截至二零一八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

(iv) Regulated financial services

Revenue from asset management services is recognised over time as those services are provided. Invoices for regulated financial services are issued on a semi-annual basis and are usually payable within 60 days. HKFRS 15 did not result in significant impact on the Group's accounting policies.

(v) Other income

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

Dividend income is recognised when the right to receive the dividend is established.

Revenue recognition (accounting policy applied until 31 December 2017)

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes. Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably, on the following bases:

- (a) Sales of goods are recognised when goods are delivered and title has been passed. This is usually taken as the time when the goods are delivered and the customer has accepted the goods;
- (b) Rental income, including rentals invoiced in advance from leasehold land and building under operating leases, is recognised on a straight-line basis over the term of the lease;

3. 主要會計政策概要(續)

收益確認(自二零一八年一月一日起應用的會計政策)(續)

(iv) 受規管金融服務

資產管理服務之收益乃隨著提供該等服務之時間流逝而確認。受規管金融服務的發票每半年發出，通常於60日內應付。香港財務報告準則第15號並無對本集團的會計政策產生重大影響。

(v) 其他收入

經營租賃項下的租金收入於有關租賃年期按直線基準確認。

利息收入就未償還本金根據適用利率按時間基準累計。

股息收入於有權收取時予以確認。

收益確認(直至二零一七年十二月三十一日應用的會計政策)

收益乃按已收或應收代價之公允值計算，相當於在正常業務過程中所提供貨品及服務經扣除折扣及銷售相關稅項後之應收金額。當經濟利益很可能流入本集團，且收益及成本(視情況而定)能可靠計量時，會按以下方式確認收益：

- (a) 銷售貨品於貨品付運及業權移交後確認，一般為貨品已經交付且客戶已接受貨品時；
- (b) 租金收入(包括來自租賃土地及經營租賃項下樓宇預先開具發票之租金)於租賃年期內以直線法確認；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policy applied until 31 December 2017) (Continued)

- (c) Tuition fee income is recognised when the tuition services are rendered;
- (d) Interest income from a financial asset is recognised as it accrues using the effective interest method; and
- (e) Professional fee income is recognised when professional services are rendered.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Depreciation is provided to write off the cost of property, plant and equipment net of expected residual value over their estimated useful lives, using the straight-line method. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

| | |
|-----------------------------------|--|
| Leasehold improvements | Over the remaining unexpired term of the lease or five years, whichever is shorter |
| Furniture, fixtures and equipment | 10% - 33 $\frac{1}{3}$ % |
| Motor vehicles | 10% - 25% |
| Plant and machinery | 10% - 33 $\frac{1}{3}$ % |

3. 主要會計政策概要 (續)

收益確認(直至二零一七年十二月三十一日應用的會計政策) (續)

- (c) 學費收入於提供教育服務時確認；
- (d) 金融資產之利息收入按實際利率法累計確認；及
- (e) 專業費用收入於提供專業服務時確認。

物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及累計減值虧損列賬。

物業、廠房及設備的成本包括其購買價以及收購有關項目直接產生的成本。

物業、廠房及設備按其估計可使用年期，以直線法撇銷扣除預期剩餘價值後之成本以計算折舊。可使用年期、剩餘價值及折舊方法均於各報告期末審閱，並在適當情況下作出調整。

物業、廠房及設備項目以直線法按下列年率折舊：

| | |
|----------|--------------------------|
| 租賃裝修 | 於租賃尚餘年期內或五年(以較短者為準) |
| 傢俬、裝置及設備 | 10% - 33 $\frac{1}{3}$ % |
| 汽車 | 10% - 25% |
| 廠房及機器 | 10% - 33 $\frac{1}{3}$ % |

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Properties under development and held for sale

Properties under development for future sale in the ordinary course of business are included in current assets at the lower of cost and net realisable value. Cost comprises the consideration for development expenditure (which includes cost of land use rights, construction costs and capitalised interest) directly contributable to the development of the properties.

Financial Instruments (accounting policies applied from 1 January 2018)

Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3. 主要會計政策概要(續)

物業、廠房及設備(續)

根據融資租賃持有之資產，與自置資產相同，均就其估計可使用年期或相關租賃之租期(以較短者為準)計提折舊。

因出售或停用物業、廠房及設備項目引致之收益或虧損乃按銷售所得款項及資產賬面值兩者之差額計算，並於損益內確認。

僅當與項目有關之未來經濟利益很可能流入本集團，且該項目之成本能夠可靠計量時，其後成本方會按該資產之賬面值入賬或確認為獨立資產(視情況而定)。所有其他成本(如維修及保養費)於其產生之財政年度在損益內扣除。

開發中及持作出售之物業

為日常業務過程中將於未來出售之開發中物業乃按成本及可變現淨值兩者間之較低者計入流動資產。成本包括物業開發所直接應佔之發展開支之代價(包括土地使用權成本、建築成本及資本化利息)。

金融工具(自二零一八年一月一日起應用的會計政策)

金融資產

金融資產(並無重大融資部份的應收貿易賬款除外)初步按公允值加上收購或發行應佔的直接交易成本計量(倘屬並非按公允值於損益列賬的金融資產)。並無重大融資部份的應收貿易賬款初步按交易價計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (accounting policies applied from 1 January 2018) (Continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There is one measurement category into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

3. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

所有金融資產之日常買賣於交易日確認，即本集團承諾買賣資產之日期。日常買賣指須根據市場規則或慣例一般訂定之時限內交付資產之金融資產買賣。

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及資產之現金流量特徵。本集團將其債務工具分類為一種計量類別：

攤銷成本：倘為收取合約現金流量而持有之資產之現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。按攤銷成本計量的金融資產其後用實際利率法計量。利息收入、匯兌收益及虧損及減值於損益確認。終止確認的任何收益於損益確認。

股本工具

於初次確認並非作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公允值的後續變動。該選擇乃按投資逐項作出。按公允值計入其他全面收益之股本投資乃按公允值計量。除非股息收入清楚表示為收回部分投資成本，否則股息收入於損益中確認。其他收益及虧損淨額於其他全面收益中確認，且不會重新分類至損益。所有其他股本工具分類為按公允值於損益列賬，公允值變動、股息及利息收入則於損益確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (accounting policies applied from 1 January 2018) (Continued)

Impairment loss on financial assets

The Group recognises loss allowances for ECL on trade receivables and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

3. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

金融資產減值虧損

本集團就應收貿易賬款及按攤銷成本計量的金融資產確認預期信貸虧損的虧損撥備。預期信貸虧損按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內可能發生之違約事件導致的預期信貸虧損；及(2)全期預期信貸虧損：此乃於財務工具預計年期內所有可能違約事件將產生之預期信貸虧損。於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

預期信貸虧損乃信貸虧損的概率加權估計。信貸虧損乃基於根據合約應付本集團之合約現金流量與本集團預期收取之所有現金流量之間的差額。該差額其後按資產原有實際利率相近的差額貼現。

本集團已選用香港財務報告準則第9號簡化法計量應收賬款之虧損撥備，並已根據全期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按債務人特定之前瞻性因素及經濟條件調整。

就其他債務金融資產而言，預期信貸虧損乃基於12個月預期信貸虧損。然而，倘信貸風險自產生以來大幅增加，撥備將基於全期預期信貸虧損。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (accounting policies applied from 1 January 2018) (Continued)

Impairment loss on financial assets (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be credit-impaired when: (1) 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 (2) the financial asset is more than 120 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. All the Group's financial liabilities are at amortised cost and are initially measured at fair value, net of directly attributable costs incurred.

3. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

金融資產減值虧損(續)

當釐定金融資產之信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及毋須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料及分析，包括前瞻性資料。

本集團假設，倘逾期超過90日，金融資產之信貸風險已大幅增加。

本集團認為金融資產於下列情況下為信貸減值：(1)倘本集團不採取如變現抵押品(如持有)等行動，借款人則不可能向本集團悉數支付其信貸義務；或(2)該金融資產逾期超過120日。

信貸減值金融資產的利息收入乃按金融資產的攤銷成本(即賬面總值減虧損撥備)計算。對於非信貸減值之金融資產，利息收入根據賬面總值計算。

金融負債

本集團視乎金融負債產生之目的將其負債分類。本集團所有金融負債均按攤銷成本計算，且初步按公允價值減所產生之直接應佔成本計算。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (accounting policies applied from 1 January 2018) (Continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables and borrowings, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Effective interest method

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

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

3. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

按攤銷成本計量之金融負債

按攤銷成本計算之金融負債包括應付貿易賬款及其他應付款項及借款，採用實際利率法按攤銷成本計量。有關利息開支會於損益確認。

當負債終止確認或進行攤銷時，收益或虧損於損益確認。

實際利率法

實際利率法乃計算金融資產或金融負債之攤銷成本及於有關期間分配利息收入或利息開支之方法。實際利率乃於金融資產或負債估計年期或(倘適用)較短期間實際折現估計日後現金收入或付款之比率。

股本工具

本公司發行的股本工具按所獲得的所得款項減直接發行成本列賬。

終止確認

凡收取金融資產所帶來之未來現金流量之合約權利期間屆滿，或當金融資產被轉讓而轉讓符合香港財務報告準則第9號之終止確認準則，則本集團會終止確認該金融資產。

金融負債於有關合約之特定責任獲解除、取消或到期時終止確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017)

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. Accordingly, the comparative financial information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a Group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the profit or loss.

Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets under a contract whose terms require delivery of assets within the time frame established by regulation or convention in the market place. The accounting policies adopted in respect of each category of financial assets are set out below.

3. 主要會計政策概要(續)

金融工具(直至二零一七年十二月三十一日應用的會計政策)

本集團已追溯應用香港財務報告準則第9號，但選擇不重列比較數據。因此，本集團將繼續按照之前的會計政策對提供的比較數據進行會計處理。

倘集團實體成為工具合約條文之訂約方，則於綜合財務狀況表中確認金融資產及金融負債。金融資產及金融負債初步按公允值計量。因收購或發行金融資產及金融負債(按公允值計入損益之金融資產及金融負債除外)而直接產生之交易成本，於初步確認時加入金融資產或金融負債(如適用)之公允值或自金融資產或金融負債(如適用)之公允值扣除。因收購按公允值計入損益之金融資產及金融負債而直接產生之交易成本即時於損益確認。

金融資產

本集團之金融資產乃分類為貸款及應收款項及可供出售金融資產。所有金融資產之日常買賣於交易日確認及終止確認。日常買賣指有關合約條款訂明須根據市場規則或慣例訂定之時限內交付資產之金融資產買賣。就各類金融資產所採納之會計政策載列如下。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

The Group assesses, at the end of each reporting period, whether there is any objective evidence that the financial asset is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include, but not be limited to: significant financial difficulty of the debtor; a breach of contract, such as a default or delinquency in interest or principal payments; the granting of a concession to a debtor due to financial difficulties; and it becoming probable that the debtor will enter bankruptcy or any other financial reorganisation.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each reporting date subsequent to initial recognition, loans and receivables (including trade and other receivables and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment loss.

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset.

3. 主要會計政策概要(續)

金融工具(直至二零一七年十二月三十一日應用的會計政策) (續)

金融資產(續)

本集團於各個報告期末評估是否存在客觀跡象顯示金融資產出現減值。倘於初步確認資產後發生一項或多項事件導致存在客觀減值跡象，而該項事件對金融資產之估計未來現金流量造成之影響能夠可靠地估計，則有關金融資產出現減值。減值跡象包括但不僅限於以下各項：債務人出現重大財政困難；違反合約，如逾期交付或拖欠支付利息或本金；由於財政困難而給予債務人優惠條件；及債務人有可能破產或進行其他財務重組。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生金融資產，且並無活躍市場報價。於初步確認後之各報告日期，貸款及應收款項(包括應收貿易賬款及其他應收款項以及銀行結餘)乃採用實際利息法按攤銷成本，減任何已識別減值虧損列賬。

倘客觀證據顯示資產出現減值，則減值虧損會於損益確認，並會按資產賬面值與按原實際利率貼現估計未來現金流量之現值兩者之差額計算減值虧損。金融資產通過使用撥備賬戶抵減其賬面金額。如果金融資產的任何部份被視為不可收回，則應就有關金融資產與撥備賬戶進行撇銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

Loans and receivables (Continued)

Impairment loss is reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each reporting date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary instruments, which are recognised in profit or loss.

When the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in other comprehensive income is recognised in the profit or loss.

For available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment loss at the end of each reporting period subsequent to initial recognition. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed.

3. 主要會計政策概要 (續)

金融工具(直至二零一七年十二月三十一日應用的會計政策) (續)

金融資產(續)

貸款及應收款項(續)

倘資產可收回金額之增幅能客觀地指出涉及確認減值後所發生之事件，則減值虧損會於其後期間撥回，惟減值撥回當日之資產賬面值不得超逾如無確認減值時原應攤銷之成本。

可供出售金融資產

可供出售金融資產為非衍生項目，不包括劃分為按公允值計入損益之金融資產、貸款及應收款項或持有至到期之投資。於初步確認後各報告日期，可供出售金融資產按公允值計算。公允值之變動於其他全面收益予以確認，惟貨幣工具之減值虧損及匯兌損益於損益中確認除外。

當該金融資產被出售或確定出現減值，過往於其他全面收益中確認之累計收益或虧損會於損益予以確認。

在活躍市場並無市場報價及無法可靠地計量公允值之可供出售金融資產，以及與該有關無報價股本工具掛鈎及必須以交付無報價股本工具方式償付之衍生工具，於初步確認後按成本扣除各個報告期末之任何已識別減值虧損計量。減值虧損金額按資產賬面值與按類似金融資產之現行市場回報率折現估計未來現金流量之現值間之差額計算。有關減值虧損不會撥回。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

Available-for-sale Financial assets (Continued)

For available-for-sale equity investments, any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognised in the profit or loss.

Financial liabilities and equity

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

Bank borrowings

Interest-bearing bank loans and overdrafts are initially recognised at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Other financial liabilities

Other financial liabilities including trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策概要(續)

金融工具(直至二零一七年十二月三十一日應用的會計政策) (續)

金融資產(續)

可供出售金融資產(續)

就可供出售股本投資而言，任何於減值虧損後上升的公允值於其他全面收益內確認。倘於後續期間，分類為可供出售的債務工具的公允值上升，而有關上升客觀地與減值虧損於損益內確認後發生的事件有關連，則減值虧損應予撥回，而撥回金額將於損益內確認。

金融負債及股本權益

由集團實體發行之金融負債及股本工具按所訂立之合約安排性質，以及金融負債及股本工具之定義而分類。股本工具為證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。就金融負債及股本工具而採納之會計政策載列如下。

銀行借款

計息銀行借款及透支初步按公允值確認，其後以實際利息法按攤銷成本計算。所得款項(經扣除交易成本)與償還或贖回借款之間的差額於借款年期根據本集團有關借款成本之會計政策確認。

其他金融負債

其他金融負債包括應付貿易賬款及其他應付款項，初步按公允值確認，其後以實際利息法按攤銷成本計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial liabilities and equity (Continued)

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in the profit or loss.

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

Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

3. 主要會計政策概要 (續)

金融工具(直至二零一七年十二月三十一日應用的會計政策) (續)

金融負債及股本權益(續)

股本工具

本公司發行之股本工具乃按已收所得款項扣除直接發行成本予以記錄。

取消確認

當收取資產現金流量之權利屆滿或金融資產被轉讓及本集團已將金融資產之所有權之絕大部份風險及回報轉讓，則金融資產將被取消確認。於取消確認金融資產時，資產賬面值與已收取代價及直接於股本中確認之累計收益或虧損總和間之差額於損益中確認。

當有關合約中訂明之責任已解除、註銷或屆滿時，則金融負債將被取消確認。取消確認之金融負債之賬面值與已付及應付代價間之差額於損益中確認。

借貸成本

直接因收購、建築或生產須一段時間方能用作其擬定用途或出售之資產借貸成本，乃資本化為該等資產之一部份成本。將待用於該等資產之特定借貸作短期投資所賺取之收入，會於資本化借貸成本中扣除。所有其他借貸成本於彼等產生期間在損益確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in, first-out method or weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle that obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

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, the existence of which 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.

3. 主要會計政策概要(續)

存貨

存貨初步按成本確認，其後按成本或可變現淨值兩者之較低者入賬。成本包括直接原料及(如適用)直接成本及使存貨達至目前地點及狀況所需之間接成本。成本乃採用先進先出法或加權平均法計算。可變現淨值指於日常業務過程中之估計售價，減完成產品之估計成本及促成銷售所需估計成本。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時轉換為已知數額現金、承受價值變動風險甚微以及一般於購入時三個月內到期之短期高流通性投資，該等金額扣除須應要求償還之銀行透支及作為本集團現金管理之一個完整部份。

撥備及或然負債

當本集團因過往事件而擁有現有責任(法定或推定)，而履行該責任將需要付出經濟效益且責任的金額能夠可靠估計，則會就付款時間或金額不定之負債確認撥備。撥備乃按董事對於報告日期就履行責任所需開支所作之最佳估計計量，倘屬影響重大者，則貼現至現值。

如果經濟利益外流的可能性較低，或無法對有關數額作出可靠的估計，便會披露為或有負債，但經濟利益外流的可能性極低者則除外。當潛在責任之存在僅能以一宗或數宗未來事項發生或不發生來證實，除非付出經濟利益之可能性極小，否則亦披露為或然負債。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets (excluding goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount unless the relevant asset is carried at a revalued amount under the Group's accounting policy. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, 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 assessment of time value of money and the risk specific to the asset. An impairment loss is recognised as an expense immediately.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策概要(續)

非金融資產減值(商譽除外)

於各個報告期間結束時，本集團審核其資產之賬面值，以決定是否有顯示該等資產出現減值虧損。倘一項資產之可收回金額估計少於其賬面值，則該資產之賬面值將調低至其可收回金額，除非相關資產乃根據本集團之會計政策按重估金額列賬。可收回金額為公允值(反映市況減銷售成本)與使用價值兩者之較高者。評估使用價值時，估計未來現金流量使用反映現時市場估計貨幣時間價值之稅前折現率及資產特定風險折現為現值。減值虧損即時確認為支出。

就評估減值而言，倘一項資產並未產生主要獨立於其他資產所產生者之現金流入，則就獨立產生現金流入之最小資產組合(即現金產生單位)釐定可收回金額。因此，若干資產單獨進行減值測試，而若干資產則按現金產生單位水平進行減值測試。

倘其後將減值虧損撥回，該資產之賬面值須增至其可收回金額之經修訂估計值，使已增加之賬面值不會超過倘若過往期間並無確認有關資產之減值虧損而應釐定之賬面值。減值虧損撥回即時確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract assets and liabilities (accounting policies applied from 1 January 2018)

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Income Taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

3. 主要會計政策概要(續)

合約資產及負債(自二零一八年一月一日起應用的會計政策)

合約資產指本集團對於已向客戶轉讓的貨品或服務而收取代價的權利(尚未成為無條件)。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅須待時間推移。

合約負債指本集團因已向客戶收取代價(或已到期收取代價)，而本集團有責任須向客戶轉讓貨品或服務。

所得稅

年內所得稅包括即期稅項及遞延稅項。

即期稅項乃根據日常活動損益，並就所得稅屬不可評稅或不可扣稅的項目作出調整而定，以及按報告期末已頒佈或實際上頒佈的稅率計算。

遞延稅項乃就以財務報告為目的之資產及負債賬面值與以稅務為目的之相應金額之間的暫時差異獲確認。除不會影響會計或應課稅利潤的商譽以及已確認資產及負債外，遞延稅項負債將就所有應課稅暫時差異獲確認。倘於能動用應課稅利潤抵銷可扣除暫時差異，遞延稅項將獲確認。遞延稅項乃按適用於資產或負債的賬面值獲變現或清償的預期方式，且報告期末已頒佈或實際上頒佈的稅率計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

3. 主要會計政策概要 (續)

所得稅 (續)

除本集團可控制撥回暫時差異以及暫時差異於可見將來不會撥回之外，遞延稅項負債乃為投資於附屬公司及聯營公司所產生的應課稅暫時差異而確認。

除非所得稅與已於其他全面收益內確認的項目有關，而稅項亦已於其他全面收益內確認，或所得稅與直接於權益內確認的項目有關，而稅項亦已直接於權益內確認，否則所得稅乃於損益內確認。

政府補助

政府補助於可合理地確定將會收取補助及將符合所有附帶條件時按公允值確認。如補助涉及開支項目，則會於成本支銷的期間內系統性地對應其擬補助的成本確認為收入。

倘補助與資產有關，則其公允值計入遞延收入賬，並在有關資產的預期可使用年內以每年等額分期撥至損益表或自有關資產賬面值扣除並以減少折舊支出的方法撥至損益表。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual Group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at that date, and their income and expenses are translated at the average monthly exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of other comprehensive income (the translation reserve). Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策概要(續)

外幣

於編製各獨立集團實體之財務報表時，以該實體之功能貨幣以外之貨幣(外幣)進行之交易乃按各自之功能貨幣(即實體主要經營之經濟環境之貨幣)以交易當日之現行匯率記錄。於各報告期末，以外幣列值之貨幣項目以報告日期之現行匯率重新換算。按公允值入賬且以外幣列值之非貨幣項目乃按釐定公允值當日之現行匯率重新換算。按以外幣歷史成本計量之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目時所產生之匯兌差額會於其產生期間在損益確認。因重新換算以公允值列賬之非貨幣項目所產生之匯兌差額則計入期內損益，除非因重新換算非貨幣項目所產生之差額的損益已於其他全面收益內確認，在該情況下，匯兌差額亦於其他全面收益內確認。

就呈報綜合財務報表而言，本集團海外業務之資產及負債均按當日之現行匯率換算為本集團之呈報貨幣(即港元)，而其收支則按期內月度平均匯率換算，除非匯率於該段期間內大幅波動則作別論，在該情況下，則採用交易當日之現行匯率，而所產生之匯率差額(如有)會確認為其他全面收益中之獨立部份(匯兌儲備)。該等匯兌差額於出售海外業務之期間在損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 January 2005 have been treated as assets and liabilities of the foreign operation and translated in Hong Kong dollars at the end of reporting period. Exchange differences arising are recognised in the translation reserve.

Leases

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 evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

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

Prepaid land lease payments under operating leases

Leasehold interests in land are up-front payments to acquire the land use rights. The payments are stated at cost less accumulated amortisation and any impairment loss. Amortisation is calculated on the straight-line basis to write off the up-front payments over the lease terms.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

3. 主要會計政策概要 (續)

外幣 (續)

因於二零零五年一月一日或之後收購境外業務而產生之商譽及公允值調整已作為境外業務之資產及負債處理，並已於報告期結束時換算為港元。所產生匯兌差額於換算儲備中確認。

租賃

倘本集團認定某項安排具有在協定期限內通過支付一筆或一系列款項而使用某一特定資產或多項資產之權利，則該安排(由一宗交易或一系列交易組成)屬於租賃或包括租賃。該釐定乃根據安排之內容評估而作出，而不論安排是否具備租賃之法律形式。

凡租賃條款規定將擁有權之絕大部份風險及回報轉讓予承租人之租約，均分類為融資租賃。所有其他租賃則分類為經營租賃。

經營租賃項下之預付土地租賃款項

土地租賃權益指收購土地使用權之預付款項。有關款項按成本減累計攤銷及任何減值虧損列賬。攤銷於租賃期內以直線法計算以撇銷預付款項。

本集團作為出租人

經營租賃的租金收入乃於相關租期內以直線法於損益確認。磋商及安排經營租賃時產生的初步直接成本計入租賃資產的賬面值，並於租期內以直線法確認為開支。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Intangible assets (other than goodwill)

License acquired separately are initially recognised at cost. The cost of license acquired in a business combination is its fair value at the date of acquisition. Subsequently, intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses.

Impairment

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease to the extent of its revaluation surplus.

3. 主要會計政策概要(續)

租賃(續)

本集團作為承租人

經營租賃之應付租金按直線法於有關租賃期內在損益扣除。為吸引訂立經營租賃而收取及應收之利益，按直線法於租期內確認為租金開支之扣減項目。

無形資產(商譽除外)

獨立收購之牌照初步按成本確認。於業務合併中購入之牌照成本為於收購日期之公允值。其後，無限可使用年期之無形資產按成本減任何累計減值虧損列賬。

減值

當有跡象顯示一項資產可能出現減值，則會對有限年期的無形資產進行減值測試。無限可使用年期之無形資產及尚未可供使用之無形資產每年進行減值測試，而不論該等無形資產是否已出現任何減值跡象。無形資產乃透過比較其賬面值與可收回金額進行減值測試。

倘估計資產之可收回金額少於其賬面值，則該項資產之賬面值將減少至其可收回金額。

減值虧損即時確認為開支，除非相關資產按重估金額列賬，在此情況下，減值虧損會視作重估調減處理，以其重估盈餘為限。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefits costs

Payments to the defined contribution retirement plans are charged as expenses when employees have rendered services entitling them to contributions.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (the “MPF Scheme”), for employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Company’s subsidiaries which operate in Mainland China are required to participate in central pension schemes operated by the local municipal government. The subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension schemes. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the central pension scheme.

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 key management personnel of the Group or the Company’s parent.

3. 主要會計政策概要(續)

退休福利成本

定額供款退休計劃之付款於當僱員提供服務使其有權取得供款時支銷。

本集團根據強制性公積金計劃條例，為合資格參與強積金計劃(「強積金計劃」)之僱員推行定額供款退休福利計劃。按照強積金計劃之規定，供款額須按僱員基本薪金之百分比計算，並於應付時在損益扣除。強積金計劃之資產由獨立管理基金與本集團資產分開持有。本集團僱主之供款於向強積金計劃作出供款時全面歸屬予僱員，惟本集團僱主之自願性供款除外。按照強積金計劃之規定，當僱員於自願性供款全面歸屬前離職，該筆供款將退還予本集團。

本公司在中國大陸經營之附屬公司所聘僱員，須參與由地方市政府籌辦之中央退休金計劃。附屬公司須將其薪金成本之若干百分比撥出作為中央退休金計劃之供款。根據中央退休金計劃之規定，供款將於應付時在損益扣除。

關聯方

- (a) 倘任何個人符合以下條件，則該名個人或該名個人近親家屬成員為本集團之關聯方：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本公司之母公司中主要管理人員成員。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

- (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 entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of 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 key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management services to the Group or to the Group's parent.

3. 主要會計政策概要(續)

關聯方(續)

- (b) 倘下列任何條件對其適用，則該實體為本集團之關聯方：
- (i) 該實體與本集團屬同一集團(指一方之母公司、附屬公司及同系附屬公司與另一方存在關聯)成員公司。
 - (ii) 一家實體為另一實體之聯營公司或合營企業(或另一實體其中成員公司之集團成員公司之聯營公司或合營企業)。
 - (iii) 兩家實體均為同一第三方之合營企業。
 - (iv) 一家實體為第三方實體之合營企業而另一實體為該第三方實體之聯營公司。
 - (v) 該實體乃為本集團或與本集團有關聯之實體之僱員福利設立之退休福利計劃。
 - (vi) 該實體由(a)所界定人士控制或共同控制。
 - (vii) (a)(i)所界定人士對該實體具有重大影響力或為該實體(或該實體之母公司)之主要管理人員成員。
 - (viii) 實體、或一間集團之任何成員公司(為集團之一部份)向本集團或本集團之母公司提供主要管理服務。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's executive Director.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

3. 主要會計政策概要 (續)

關聯方 (續)

個人之近親家屬成員指於其與實體進行交易時，預期可影響該人士或受該人士影響之家屬成員，包括：

- (i) 該人士之子女及配偶或家庭伴侶；
- (ii) 該人士配偶或家庭伴侶之子女；及
- (iii) 該人士或該人士配偶或家庭伴侶之受養人。

分類呈報

經營分類按與呈交主要經營決策人的內部報告一致的方式呈報。主要經營決策人已獲確認為本集團的執行董事，彼負責分配經營分類的資源及評估經營分類的表現。

4. 重大會計估計及判斷

於應用本集團的會計政策時，董事須就尚未見於其他來源的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及其他被視為相關的因素。實際結果與該等假設有所不同。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The key accounting judgement is as follows:

Classification of properties held for sale

The Group has temporarily leased out its properties held for sale (shop premises) but has decided not to treat these shop premises as investment properties because it is not the Group's intention to hold these shop premises in the long-term for capital appreciation or rental income. Accordingly, these properties are still treated as properties held for sale.

The key sources of estimation uncertainty are as follows:

Inventories

Inventories are measured at the lower of cost and net realisable value. The management of the Group reviews the carrying amount of the inventories at the end of each reporting period, and makes allowance for any inventory items identified to be carried at a recoverable value that is lower than cost through estimation of the expected selling prices under current market conditions.

Impairment of properties under development and held for sale

Management assessed the recoverability of the carrying amount based on professional valuation of the net realisable value of the underlying properties which involves, inter-alia, considerable analysis of current market price of properties of a comparable standard and location and a forecast of future sales based on zero growth rate of property price. If the actual net realisable values of the underlying properties are more or less than expected as a result of change in market condition and/or significant variation in the budgeted development costs, material reversal of or provision for impairment losses may result.

4. 重大會計估計及判斷 (續)

主要會計判斷如下：

持作出售物業之分類

本集團暫時將其持作出售之物業(商店)出租，但決定不將該等商店視為投資物業，乃由於本集團無意為長期資本增值或收取租金收入而持有該等商店。因此，該等物業仍被視為持作出售物業。

主要估計不確定因素如下：

存貨

存貨按成本或可變現淨值兩者中之較低者計量。本集團管理層於各個報告期末審閱存貨之賬面值，並根據目前市況估計預期售價，就確認為賬面值低於成本之可收回價值之存貨項目計提撥備。

開發中及持作出售之物業減值

管理層根據對相關物業之可變現淨值之專業估值，對賬面值之可收回程度進行評估，當中涉及(其中包括)對相約標準及地點之物業現行市價以及根據物業價格零增長率之未來銷售預測進行大量分析。倘由於市場狀況之變化及/或預算開發成本之重大變化，導致相關物業之實際可變現淨值大於或小於預期，則可能導致減值虧損之重大撥回或撥備產生。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Impairment of non-financial assets (excluding goodwill)

Management periodically reviews each asset for possible impairment or reversal of previously recognised impairment. The recoverable amount of an asset is the higher of its fair value less costs to sell and value-in-use. If such assets are considered by management to be impaired or impairment recognised is no longer required, the impairment required or reversal of impairment previously recognised is measured by the amount by which the carrying amount of the assets exceeds or exceeded by the estimated recoverable amount of the assets respectively. In determining the recoverable amount, the Group seeks professional advice or makes use of independent professional valuations as appropriate which are based on various assumptions and estimates.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2018 was HK\$25,917,000 (2017: HK\$38,611,000). Further details are given in note 17 to the consolidated financial statements.

4. 重大會計估計及判斷(續)

非金融資產減值(商譽除外)

管理層須定期檢討各項資產有否出現減值或以往確認之減值是否需要撥回。資產之可收回金額為公允值(減銷售成本)與使用價值兩者之較高者。倘該項資產被管理層評定為已減值或不再存在減值，則所需減值或先前已確認減值撥回乃分別按資產賬面值超出資產之估計可收回金額或資產估計可收回金額超出資產賬面值金額計量。於釐定可收回金額時，本集團尋求專業建議或使用多項假設及估計之適當獨立專業估值。

商譽減值

本集團至少按年度基準釐定商譽是否出現減值。該過程需要估計獲分配商譽之現金產生單位之使用價值。本集團須於估計使用價值時對現金產生單位之預期未來現金流量作出估計，亦須選用合適之貼現率以計算該等現金流量之現值。於二零一八年十二月三十一日，商譽之賬面值為25,917,000港元(二零一七年：38,611,000港元)。進一步詳情載於綜合財務報表附註17。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Fair value measurement

The fair value measurement of certain of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs;
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the below items at fair value:

- Financial assets at fair value through profit or loss (note 15)

For more detailed information in relation to the fair value measurement of the item above, please refer to the applicable note.

Impairment of trade and loan receivables

Management assesses the expected credit loss on the trade and loan receivables based on the lifetime ECLs and 12-month ECLs respectively. Judgement is required in assessing probability-weighted estimate of credit losses, and the cash flows that the Group expects to receive. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional provision may be required in future accounting periods.

4. 重大會計估計及判斷 (續)

公允值計量

本集團若干金融及非金融資產及負債之公允值計量盡可能利用市場可觀察輸入值及數據。用以釐定公允值計量的輸入值根據估值方法所使用輸入值的可觀察程度分為不同等級(「公允值等級」):

- 第1級: 相同項目於活躍市場之報價(未經調整);
- 第2級: 第1級輸入值以外之可觀察直接或間接輸入值;
- 第3級: 不可觀察輸入值(即並非源自市場數據)。

將項目分類為上述等級乃基於所使用對該項目公允值產生重大影響之最低等級輸入值確定。項目在不同等級間轉換於產生期間予以確認。

本集團按公允值計量下列項目:

- 按公允值於損益列賬之金融資產(附註15)

有關上述項目公允值之更詳盡資料,請參考適用附註。

應收貿易賬款及應收貸款減值

管理層分別按全期預期信貸虧損及12個月預期信貸虧損評估應收貿易賬款及應收貸款的預期信貸虧損。評估信貸虧損的概率加權估計及本集團預期獲得的現金流量時須作出判斷。倘債權人的財務狀況將會惡化而削弱彼等的付款能力,則可能須於日後的會計期間作出額外撥備。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Purchase price allocation for business combinations

Accounting for business combinations requires the Group to allocate the cost of the acquisition to the specific assets acquired and liabilities assumed based on estimated fair values at the date of acquisition. The Group undertakes a process to identify all assets and liabilities acquired, including any identified intangible assets where appropriate. The judgements made in identifying all acquired assets, determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as assets' useful lives, may materially impact the Group's financial position and results of operations. In determining the fair values of the identifiable assets acquired and liabilities assumed, valuations were conducted by an independent professional valuer and estimated fair values are based on information available near the acquisition date and on expectations and assumptions that have been deemed reasonable by management.

5. REVENUE AND SEGMENT INFORMATION

The Group's segment information is based on regular internal financial information reported to the Company's executive Directors and management for their decisions about resources allocation to the Group's business components and their review of these components' performance.

The Group currently has five reportable segments. These segments are managed separately as each business offers different products and services and requires different business strategies as follows: (i) manufacture of electronics products; (ii) provision of nursery education service; (iii) money lending business; (iv) property development and management business; and (v) regulated financial services business.

4. 重大會計估計及判斷(續)

業務合併的購買價分配

按照業務合併的會計處理要求，本集團需將合併成本根據所收購特定資產及負債於收購日的公允值進行分配。本集團實施了流程以識別所有收購的資產及負債，包括任何可識別的無形資產(如適用)。在識別所收購資產、決定分配至各類所收購資產及負債的公允值以及決定資產的可使用年限的過程中所作出的判斷，可能對本集團的財務狀況及經營業績產生重大影響。為確定可識別所收購的資產及負債之公允值，已聘用獨立專業估值師對其進行評估，所評估的公允值乃基於本集團管理層於近於收購日合理的預期及假設。

5. 收益及分類資料

本集團之分類資料乃根據呈報予本公司執行董事及管理層以供其決定本集團業務組成部份之資源分配及評估該等組成部份之表現之定期內部財務資料編製。

本集團目前有五個可報告分類。獨立管理分類，原因是各業務提供不同產品及服務，並需要不同業務策略如下：(i) 電子產品生產；(ii) 提供幼兒教育服務；(iii) 放債業務；(iv) 物業開發和管理業務；及(v) 受規管金融服務業務。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

The Group reportable segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

5. 收益及分類資料(續)

本集團可報告分類乃獨立管理，原因是各業務提供不同產品及服務，並需要不同業務策略。下文概述本集團各個可報告分類的經營：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|----------------------------|----------------------------------|----------------------------------|
| Revenue from contracts with customers within the scope of HKFRS 15: | 香港財務報告準則第15號 來自客戶合約之收益： | | |
| Electronics products - manufacturing and sale of electronics products | 電子產品－ 生產及銷售電子產品 | 198,628 | 200,404 |
| Nursery education - providing nursery education for children | 幼兒教育－ 為兒童提供幼兒教育 | 8,910 | 5,188 |
| Property management - providing management services for landlords and tenants | 物業管理－ 為業主及租戶提供管理服務 | 1,141 | — |
| Regulated financial services - providing asset management services | 受規管金融服務－ 提供資產管理服務 | 12,221 | — |
| | | 220,900 | 205,592 |
| Revenue scoped out of HKFRS 15: | 香港財務報告準則第15號 範圍以外的收益： | | |
| Money lending | 放債 | 16,625 | 934 |
| | | 237,525 | 206,526 |

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綜合財務報表附註

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

5. 收益及分類資料(續)

本集團經營分類所呈報總額與本集團於綜合財務報表內呈報之主要財務數據對賬詳情如下：

| | | Electronics products 電子產品 HK\$'000 千港元 | Nursery education 幼兒教育 HK\$'000 千港元 | Money lending 放債 HK\$'000 千港元 | Property development and management 物業開發和管理 HK\$'000 千港元 | Regulated financial services 受規管金融服務 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--------------|---|--|--|---|--|--------------------------------|
| 2018 | 二零一八年 | | | | | | |
| Segment revenue | 分類收益 | 198,628 | 8,910 | 16,625 | 1,141 | 12,221 | 237,525 |
| Inter-segment revenue | 分類間收益 | — | 391 | — | — | 7,064 | 7,455 |
| Reportable segment revenue | 可報告分類收益 | 198,628 | 9,301 | 16,625 | 1,141 | 19,285 | 244,980 |
| Segment profit/(loss) | 分類溢利/(虧損) | (8,797) | (132,836) | 1,792 | (2,885) | 3,573 | (139,153) |
| Other information: | 其他資料： | | | | | | |
| Additions to segment non-current assets | 添置之分類非流動資產 | 5,953 | 295 | — | 5,105 | 264 | 11,617 |
| Net finance credit | 融資抵免淨額 | (22) | (2) | — | (11) | — | (35) |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 1,802 | 1,136 | — | 230 | 38 | 3,206 |
| Income tax (credit)/expense | 所得稅抵免/(開支) | 591 | (17,329) | — | 3,023 | 870 | (12,845) |
| Net impairment losses on financial assets | 金融資產減值虧損淨額 | 2,273 | 20,955 | 11,929 | — | — | 35,157 |
| Impairment loss on inventories | 存貨減值虧損 | 4,965 | — | — | — | — | 4,965 |
| Impairment of assets | 資產減值 | — | 107,859 | — | — | — | 107,859 |
| 2017 | 二零一七年 | | | | | | |
| Segment revenue | 分類收益 | 200,404 | 5,188 | 934 | — | — | 206,526 |
| Inter-segment revenue | 分類間收益 | — | — | — | — | 1,100 | 1,100 |
| Reportable segment revenue | 可報告分類收益 | 200,404 | 5,188 | 934 | — | 1,100 | 207,626 |
| Segment profit/(loss) | 分類溢利/(虧損) | 834 | (2,389) | (226) | (3,065) | 30 | (4,816) |
| Other information: | 其他資料： | | | | | | |
| Additions to segment non-current assets | 添置之分類非流動資產 | 878 | 2,172 | — | 749 | — | 3,799 |
| Net finance credit | 融資抵免淨額 | (48) | (2) | — | (101) | — | (151) |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 1,311 | 287 | — | 48 | 1 | 1,647 |
| Income tax expense/(credit) | 所得稅開支/(抵免) | 472 | — | — | (1,222) | — | (750) |
| Net impairment losses on financial assets | 金融資產減值虧損淨額 | (159) | — | — | — | — | (159) |
| Impairment loss on inventories | 存貨減值虧損 | 992 | — | — | — | — | 992 |

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

5. 收益及分類資料(續)

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|------------------|----------------------------------|----------------------------------|
| Reportable segment loss | 可報告分類虧損 | (139,153) | (4,816) |
| Share of results of associates | 應佔聯營公司之業績 | 11,929 | 54,122 |
| Other net gains | 其他收益淨額 | 6,133 | 58,210 |
| Unallocated corporate costs (note) | 未分配企業成本(附註) | (45,217) | (28,854) |
| Unallocated corporate net finance (cost)/credit | 未分配企業融資(成本)/抵免淨額 | (26,865) | 386 |
| (Loss)/profit before tax | 除稅前(虧損)/溢利 | (193,173) | 79,048 |

Note:

The unallocated corporate costs mainly comprise staff cost (including Directors' remuneration), legal and professional fee, exchange differences and office rental.

附註：

未分配企業成本主要包括員工成本(包括董事酬金)、法律及專業費用、匯兌差額及辦公室租金。

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| Segment assets | 分類資產 | | |
| Electronics products | 消費電子產品 | 154,679 | 114,998 |
| Nursery education | 幼兒教育 | 1,991 | 131,731 |
| Money lending | 放債 | 227,202 | 59,413 |
| Property development and management | 物業開發和管理 | 541,737 | 600,633 |
| Regulated financial services | 受規管金融服務 | 24,495 | 14,125 |
| Total reportable segment assets | 可報告分類資產總額 | 950,104 | 920,900 |
| Unallocated corporate assets | 未分配企業資產 | | |
| Interest in an associate | 於一間聯營公司之權益 | 155,611 | 221,648 |
| Available-for-sale financial assets | 可供出售金融資產 | — | 25,010 |
| Financial assets at fair value through profit or loss | 按公允值於損益列賬之金融資產 | 26,086 | — |
| Property, plant and equipment (note (i)) | 物業、廠房及設備(附註(i)) | 331,913 | — |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 22,730 | 87,139 |
| Elimination of inter-segment receivables | 對銷分類間應收款項 | (1,650) | (150) |
| Others (note (ii)) | 其他(附註(ii)) | 409 | 3,002 |
| Total assets | 資產總值 | 1,485,203 | 1,257,549 |

Notes:

- (i) This mainly represents office buildings acquired during the year, which will be used as corporate head office.
- (ii) The balance mainly represents cash and bank balances retained at corporate level.

附註：

- (i) 此項主要指本年度收購的辦公大樓，並將用作公司總辦事處。
- (ii) 該結餘主要為保留於企業層面的現金及銀行結餘。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

5. 收益及分類資料(續)

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|----------------|----------------------------------|----------------------------------|
| Segment liabilities | 分類資產 | | |
| Electronics products | 電子產品 | 72,881 | 58,214 |
| Nursery education | 幼兒教育 | 7,268 | 23,593 |
| Money lending | 放債 | 3,329 | 259 |
| Property development and management | 物業開發和管理 | 61,026 | 90,729 |
| Regulated financial services | 受規管金融服務 | 2,942 | 1,594 |
| Total reportable segment liabilities | 可報告分類負債總額 | 147,446 | 174,389 |
| Unallocated corporate liabilities | 未分配企業負債 | | |
| Bonds payable | 應付債券 | 280,000 | — |
| Deferred tax liabilities | 遞延稅項負債 | — | 9,289 |
| Interest-bearing borrowings | 計息借款 | 159,269 | — |
| Other payables | 其他應付款項 | 111,590 | 117,693 |
| Fund contribution payable | 應付基金供款 | 59,800 | — |
| Elimination of inter-segment payables | 對銷分類間應付款項 | (1,650) | (150) |
| Others (note) | 其他(附註) | 6,510 | 24,982 |
| Total liabilities | 負債總值 | 762,965 | 326,203 |

Note:

The balance mainly represents amount due to a shareholder and accrued corporate expenses.

附註：

結餘主要為應付股東款項及應計企業開支。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information

The following provides an analysis of the Group's revenue from external customers by geographical market, irrespective of the origin of the goods:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|---------------|----------------------------------|----------------------------------|
| The People's Republic of China ("PRC") | 中華人民共和國(「中國」) | | |
| Mainland China | 中國大陸 | 35,224 | 6,525 |
| Hong Kong (place of domicile) | 香港(註冊地點) | 29,573 | 2,191 |
| | | 64,797 | 8,716 |
| United States of America ("US") | 美利堅合眾國(「美國」) | 139,015 | 156,206 |
| United Kingdom | 英國 | 23,233 | 19,768 |
| Europe | 歐洲 | 8,936 | 12,778 |
| Others | 其他 | 1,544 | 9,058 |
| | | 237,525 | 206,526 |

Information about major customers

For the year ended 31 December 2018, revenue from one customer (2017: two customers) of the manufacture of electronics products segment with whom transactions have exceeded 10% of the Group's revenue for the year as detailed below:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|------------|------|----------------------------------|----------------------------------|
| Customer A | 客戶 A | 98,726 | 80,058 |
| Customer B | 客戶 B | N/A | 52,642 |
| | | 98,726 | 132,700 |

5. 收益及分類資料(續)

地區資料

下表提供本集團按地區市場劃分(不論貨物之來源)的來自外部客戶之收益分析：

有關主要客戶的資料

截至二零一八年十二月三十一日止年度，來自電子產品生產分類一名客戶(二零一七年：二名客戶)的交易收益超過本集團年內收益的10%，詳情如下：

5. REVENUE AND SEGMENT INFORMATION

(Continued)

5. 收益及分類資料(續)

Timing of revenue recognition

收益確認時間

| | Electronics products 電子產品 | | Nursery education 幼兒教育 | | Property management 物業開發 | | Regulated financial services 受規管金融服務 | | Total 總計 | |
|---|------------------------------|----------|------------------------------|----------|--------------------------------|----------|--|----------|-------------|----------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Timing of revenue recognition 收益確認時間 | | | | | | | | | | |
| At a point in time 於某一時間點 | 198,628 | 200,404 | — | — | — | — | — | — | 198,628 | 200,404 |
| Transferred over time 隨時間轉移 | — | — | 8,910 | 5,188 | 1,141 | — | 12,221 | — | 22,272 | 5,188 |
| | 198,628 | 200,404 | 8,910 | 5,188 | 1,141 | — | 12,221 | — | 220,900 | 205,592 |

The following table provides information about trade receivables and contract liabilities from contracts with customers.

下表載列有關與客戶合約的應收貿易賬款及合約負債的資料：

| | | | 31 December 2018 二零一八年 十二月三十一日 | 1 January 2018 二零一八年 一月一日 |
|----------------------|------|-------------|---|------------------------------------|
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Receivables | 應收款項 | 20 | 58,039 | 51,961 |
| Contract liabilities | 合約負債 | 24 | 3,782 | 2,371 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

6. OTHER NET GAINS

6. 其他收益淨額

| | Note | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|------|----------------------------------|----------------------------------|
| | 附註 | | |
| Interest on bank deposit and balances | | 111 | 760 |
| Loss on disposal of property, plant and equipment | | (139) | (34) |
| Gain/(loss) on disposal of subsidiaries | 32 | 1,024 | (1,110) |
| Gain on bargain purchase of subsidiaries | 31 | — | 60,190 |
| Over provision of payables in relation to properties under development | | 5,980 | — |
| Rental income | | 8,172 | 1,678 |
| Fair value loss on financial assets at FVTPL | | (914) | — |
| Others | | 2,373 | 1,884 |
| | | 16,607 | 63,368 |

7. FINANCE COSTS

7. 財務成本

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| Interest on bank borrowings and bank overdrafts and other borrowings | 銀行借款及銀行透支以及其他借款之利息 | 26,941 | 223 |

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8. (LOSS)/PROFIT BEFORE TAX

(Loss)/profit before tax has been arrived at after charging/
(crediting):

8. 除稅前(虧損)/溢利

除稅前(虧損)/溢利乃於扣除/(計
入)以下各項後達致：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|---------------------------|----------------------------------|----------------------------------|
| Staff costs including Directors' emoluments: | 員工成本(包括董事酬金)： | | |
| Directors' emoluments (note 9) | 董事酬金(附註9) | 9,293 | 11,645 |
| Staff salaries, allowance and welfare | 員工薪酬、津貼及福利 | 39,532 | 31,933 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 3,865 | 2,706 |
| Total staff costs | 員工成本總額 | 52,690 | 46,284 |
| Auditors' remuneration | 核數師酬金 | 1,213 | 1,230 |
| Cost of inventories recognised as expenses | 確認為支出之存貨成本 | 159,820 | 156,556 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 19,499 | 2,037 |
| Exchange gain | 匯兌收益 | (54) | (91) |
| Minimum lease payment in respect of rented premises | 租賃物業之最低租賃款項 | 9,584 | 6,856 |
| Impairment loss on intangible assets (note 16) | 無形資產減值虧損(附註16) | 104,034 | — |
| Impairment loss on property, plant and equipment (note 13) | 物業、廠房及設備之減值虧損(附註13) | 3,825 | — |
| Impairment of assets | 資產減值 | 107,859 | — |
| Impairment loss/(reversal of impairment loss) on trade receivables (note 38) | 應收貿易賬款減值虧損/(減值虧損撥回)(附註38) | 2,273 | (159) |
| Impairment loss on other receivables | 其他應收款項減值虧損 | 20,955 | — |
| Impairment loss on loan receivables (note 22) | 應收貸款減值虧損(附註22) | 11,929 | — |
| Net impairment losses on financial assets | 金融資產減值淨額 | 35,157 | (159) |
| Impairment loss on inventories | 存貨減值虧損 | 4,965 | 992 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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截至二零一八年十二月三十一日止年度

9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the Directors are as follows:

For the year ended 31 December 2018

9. 董事及僱員酬金

已付或應付各董事之酬金如下：

截至二零一八年十二月三十一日止年度

| | | Fees | Basic salaries and allowances | Bonuses | Benefits in kind | Retirement benefit scheme contributions | Total |
|--------------------------------------|----------|----------|-------------------------------|----------|------------------|---|----------|
| | | 袍金 | 基本薪金及津貼 | 紅利 | 實物福利 | 退休福利計劃供款 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Executive Directors: | 執行董事： | | | | | | |
| Ms. Yeung So Lai | 楊素麗女士 | 200 | 5,123 | — | — | 30 | 5,353 |
| Mr. Lee Chi Shing Caesar | 李志成先生 | 200 | 3,100 | — | — | 30 | 3,330 |
| Independent non-executive Directors: | 獨立非執行董事： | | | | | | |
| Ms. Hu Gin Ing | 胡競英女士 | 250 | — | — | — | — | 250 |
| Mr. Chiu Sze Wai Wilfred | 趙思璋先生 | 180 | — | — | — | — | 180 |
| Mr. Chow Wai Leung William | 周偉良先生 | 180 | — | — | — | — | 180 |
| | | 1,010 | 8,223 | — | — | 60 | 9,293 |

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

For the year ended 31 December 2017

9. 董事及僱員酬金(續)

截至二零一七年十二月三十一日止年度

| | | Basic salaries and allowances 基本薪金及津貼 | Bonuses 紅利 | Benefits in kind 實物福利 | Retirement benefit scheme contributions 退休福利計劃供款 | Total 總計 | |
|--|--------------------------------------|--|-----------------|--------------------------|---|-----------------|--------|
| | Fees 袍金 | | | | | | |
| | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | |
| Executive Directors: | 執行董事： | | | | | | |
| Ms. Yeung So Lai (appointed on 25 January 2017) | 楊素麗女士 (於二零一七年一月二十五日獲委任) | 224 | 5,532 | 275 | — | 26 | 6,057 |
| Mr. Lee Chi Shing Caesar (appointed on 25 January 2017) | 李志成先生 (於二零一七年一月二十五日獲委任) | 224 | 3,473 | 225 | 779 | 26 | 4,727 |
| Ms. Kelly Lee (resigned on 8 February 2017) | Kelly Lee 女士 (於二零一七年二月八日辭任) | — | 141 | — | 64 | 3 | 208 |
| Non-executive Directors: | 非執行董事： | | | | | | |
| Dato' Choo Chuo Siong (resigned on 8 February 2017) | 拿督 Choo Chuo Siong (於二零一七年二月八日辭任) | 27 | — | — | — | — | 27 |
| Mr. Sun Jih-Hui (resigned on 8 February 2017) | 孫日輝先生 (於二零一七年二月八日辭任) | — | — | — | — | — | — |
| Independent non-executive Directors: | 獨立非執行董事： | | | | | | |
| Ms. Hu Gin Ing | 胡競英女士 | 250 | — | — | — | — | 250 |
| Mr. Chiu Sze Wai Wilfred (appointed on 8 February 2017) | 趙思璋先生 (於二零一七年二月八日獲委任) | 161 | — | — | — | — | 161 |
| Mr. Chow Wai Leung William (appointed on 8 February 2017) | 周偉良先生 (於二零一七年二月八日獲委任) | 161 | — | — | — | — | 161 |
| Dr. Wong Ho Ching (resigned on 8 February 2017) | 黃河清博士 (於二零一七年二月八日辭任) | 27 | — | — | — | — | 27 |
| Mr. Lan Yen-Po (resigned on 8 February 2017) | 藍彥博先生 (於二零一七年二月八日辭任) | 27 | — | — | — | — | 27 |
| | | 1,101 | 9,146 | 500 | 843 | 55 | 11,645 |

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

During the year ended 31 December 2018, Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar have waived part of their emoluments in the amount of HK\$1,100,000 and HK\$900,000 respectively.

During the year ended 31 December 2017, Mr. Sun Jih-Hui waived his emoluments in the amount of HK\$27,000. Save as aforesaid, no Director has waived or agreed to waive any emoluments during the years ended 31 December 2018 and 2017.

No remuneration was paid by the Group to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 December 2018 (2017: Nil).

The five highest paid individuals of the Group included two Directors (2017: two), details of whose emoluments are set out above. The emoluments of the remaining three (2017: three) individuals are as follows:

| | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Salaries and other benefits 薪金及其他福利 | 3,835 | 3,260 |
| Contributions to retirement benefit schemes 退休福利計劃供款 | 60 | 43 |
| | 3,895 | 3,303 |

9. 董事及僱員酬金(續)

截至二零一八年十二月三十一日止年度，楊素麗女士及李志成先生已放棄彼等部分酬金，金額分別為1,100,000港元及900,000港元。

截至二零一七年十二月三十一日止年度，孫日輝先生放棄為數27,000港元的酬金。除上述者外，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酬金。

截至二零一八年十二月三十一日止年度，本集團並無向董事支付薪酬作為將加入或當加入本集團時的獎勵或離職補償(二零一七年：無)。

本集團的五名最高薪酬人士包括兩名(二零一七年：兩名)董事，有關酬金詳情載於上文。剩餘三名(二零一七年：三名)人士之酬金載列如下：

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

Their emoluments were within the following bands:

| | | Number of individuals 人數 | |
|-------------------------------|----------------------------|-----------------------------|---------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| Nil – HK\$1,000,000 | 零至 1,000,000 港元 | 1 | 2 |
| HK\$1,000,001 – HK\$1,500,000 | 1,000,001 港元至 1,500,000 港元 | 1 | — |
| HK\$1,500,001 – HK\$2,000,000 | 1,500,001 港元至 2,000,000 港元 | 1 | 1 |
| | | 3 | 3 |

9. 董事及僱員酬金(續)

彼等之酬金分為下列級別：

The emoluments paid or payable to members of senior management were within the following bands:

已付或應付高級管理層成員之酬金分為下列級別：

| | | Number of individuals 人數 | |
|-------------------------------|----------------------------|-----------------------------|---------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| Nil – HK\$1,000,000 | 零至 1,000,000 港元 | 3 | 8 |
| HK\$3,000,001 – HK\$3,500,000 | 3,000,001 港元至 3,500,000 港元 | 1 | — |
| HK\$4,500,001 – HK\$5,000,000 | 4,500,001 港元至 5,000,000 港元 | — | 1 |
| HK\$5,000,001 – HK\$5,500,000 | 5,000,001 港元至 5,500,000 港元 | 1 | — |
| HK\$6,000,001 – HK\$6,500,000 | 6,000,001 港元至 6,500,000 港元 | — | 1 |
| | | 5 | 10 |

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10. INCOME TAX CREDIT/(EXPENSE)

The income tax credit/(expense) for the year comprises:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| Current income tax – PRC | 本期所得稅－中國 | | |
| Provision for the year | 年內撥備 | (3,936) | (1,587) |
| Under provision in prior years | 過往年度撥備不足 | (548) | (42) |
| | | (4,484) | (1,629) |
| Withholding tax on dividend income from an associate in Taiwan | 來自一間台灣聯營公司的股息收入預扣稅 | — | (3,132) |
| Deferred tax (note 27) | 遞延稅項(附註27) | 15,651 | (5,313) |
| Income tax credit/(expense) | 所得稅抵免/(開支) | 11,167 | (10,074) |

PRC Enterprise Income Tax has been provided on estimated assessable profits of the subsidiaries' operations in the PRC at 25% (2017: 25%).

There is no Taiwan withholding tax levied for the year ended 31 December 2018 as the associate in Taiwan did not distribute any dividend. Taiwan withholding tax is levied at 20% on the dividend distributed by the associate in Taiwan for the year ended 31 December 2017.

Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the year ended 31 December 2018 (2017: 16.5%), except for the first HK\$2,000,000 of the qualified entity's assessable profit is calculated at 8.25%, which is in accordance with the new two-tiered profits tax rates with effect from the year of assessment 2018/19.

10. 所得稅抵免/(開支)

本年度所得稅抵免/(開支)包括：

已就中國營運之附屬公司之估計應課稅溢利按稅率25%(二零一七年：25%)計提撥備中國企業所得稅。

由於台灣聯營公司並無分派任何股息，故截至二零一八年十二月三十一日止年度概無徵收台灣預扣稅。台灣預扣稅乃就台灣聯營公司於截至二零一七年十二月三十一日止年度宣派之股息按20%徵收。

截至二零一八年十二月三十一日止年度，香港利得稅按估計應課稅溢利16.5%計稅(二零一七年：16.5%)，惟根據於二零一八/一九課稅年度生效之新兩級制利得稅率，合資格實體之首2,000,000港元應課稅溢利則按8.25%計稅。

10. INCOME TAX CREDIT/(EXPENSE) (Continued)

The income tax credit/(expense) for the year can be reconciled to the (loss)/profit before tax in the consolidated statement of profit or loss as follows:

10. 所得稅抵免／(開支)(續)

本年度所得稅抵免／(開支)與綜合損益表之除稅前(虧損)／溢利對賬如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|-------------------------|----------------------------------|----------------------------------|
| (Loss)/profit before tax | 除稅前(虧損)／溢利 | (193,173) | 79,048 |
| Tax thereon at domestic rates applicable to profits or losses in the jurisdictions concerned | 於有關司法權區按適用於損益之當地稅率計算之稅項 | 43,629 | (12,723) |
| Tax effect of expenses not deductible for tax purposes | 不可扣稅開支之稅務影響 | (34,214) | (5,947) |
| Tax effect of income not taxable for tax purposes | 毋須課稅收入之稅務影響 | 12,441 | 19,204 |
| Tax effect of tax losses not recognised | 未確認稅項虧損之稅務影響 | (17,821) | (74) |
| Tax effect of temporary differences not recognised | 未確認暫時差異之稅務影響 | 5,579 | — |
| Tax effect of share of results of an associate | 應佔一間聯營公司之業績之稅務影響 | (1,678) | (10,825) |
| Utilisation of tax losses previously not recognised | 動用以往未確認之稅項虧損 | 3,690 | 333 |
| Under provision in respect of prior years | 過往年度撥備不足 | (548) | (42) |
| Effect of special tax exemption | 特殊稅項豁免納稅影響 | 89 | — |
| Income tax credit/(charge) for the year | 年內所得稅抵免／(開支) | 11,167 | (10,074) |

11. DIVIDEND

The board (the "Board") of Directors does not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: nil).

11. 股息

董事會(「董事會」)不建議派付截至二零一八年十二月三十一日止年度之末期股息(二零一七年：無)。

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12. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share is based on the loss attributable to owners of the Company of HK\$174,334,000 (2017: profit of HK\$69,324,000) and the weighted average number of 2,032,571,385 (2017: 1,463,758,150) ordinary shares.

The calculation of weighted average number of ordinary shares is as follows:

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|-----------------------------|----------------------|---------------|
| Issued ordinary shares at 1 January | 於一月一日已發行之普通股 | 2,032,571,385 | 1,318,279,590 |
| Issue of shares upon acquisition of a subsidiary (note (i)) | 因收購一間附屬公司所發行之股份(附註(i)) | — | 22,967,408 |
| Effect of open offer shares issued (note (ii)) | 所發行公開發售股份的影響(附註(ii)) | — | 122,511,152 |
| Weighted average number of ordinary shares at 31 December | 於十二月三十一日普通股加權平均數 | 2,032,571,385 | 1,463,758,150 |
| Basic and diluted (loss)/earnings per share (HK cents) (note (iii)) | 每股基本及攤薄(虧損)/盈利(港仙)(附註(iii)) | (8.58) | 4.74 |

Notes:

- (i) Pursuant to the sale and purchase agreement dated 18 May 2017 in relation to the acquisition of the entire issued share capital of Speed Fame Enterprises Limited ("Speed Fame"), the Company had issued 36,768,000 new shares at issue price of HK\$0.647 at the date of issuance for settlement of partial consideration.
- (ii) On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017). The open offer was completed and share certificates for the offer shares dispatched on 27 October 2017.
- (iii) The basic and diluted (loss)/earnings per share are the same for the years ended 31 December 2018 and 2017 as there were no dilutive potential shares outstanding.

12. 每股(虧損)/盈利

每股基本及攤薄(虧損)/盈利乃根據本公司擁有人應佔虧損174,334,000港元(二零一七年: 溢利69,324,000港元)以及普通股加權平均數2,032,571,385股(二零一七年: 1,463,758,150股)計算。

普通股加權平均數之計算如下:

附註:

- (i) 根據日期為二零一七年五月十八日有關收購迅譽企業有限公司(「迅譽」)全部已發行股本之買賣協議,本公司於發行日期按發行價0.647港元發行36,768,000股新股份,以償付部份代價。
- (ii) 於二零一七年八月二十九日,本公司擬透過按認購價每股發售股份0.5港元按於記錄日期(即二零一七年九月十四日)每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份,以籌集約338,800,000港元(扣除開支前)。於二零一七年十月二十七日,公開發售已完成,並已就發售股份寄發股票。
- (iii) 截至二零一八年及二零一七年十二月三十一日止年度並無具攤薄潛力之發行在外股份,故每股基本及攤薄(虧損)/盈利為相同。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

| | | Land and buildings 土地及樓宇 HK\$'000 千港元 | Leasehold improvements 租賃裝修 HK\$'000 千港元 | Furniture, fixtures and equipment 傢俬、裝置及設備 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Plant and machinery 廠房及機器 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-------------------------|--|---|--|---|---|--------------------------------|
| Cost | 成本 | | | | | | |
| At 1 January 2017 | 於二零一七年一月一日 | — | 474 | 13,152 | 1,063 | 3,215 | 17,904 |
| Additions | 添置 | 186,110 | 2,712 | 1,447 | — | — | 190,269 |
| Acquisition of subsidiaries | 收購附屬公司 | — | 2,889 | 665 | 897 | — | 4,451 |
| Disposals | 出售 | — | — | (44) | (55) | — | (99) |
| Disposal of subsidiaries | 出售附屬公司 | (186,110) | — | — | — | — | (186,110) |
| Currency realignment | 匯率調整 | — | 249 | 620 | 57 | — | 926 |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日及二零一八年一月一日 | — | 6,324 | 15,840 | 1,962 | 3,215 | 27,341 |
| Additions | 添置 | 347,663 | 6,553 | 4,190 | 408 | 504 | 359,318 |
| Acquisition of subsidiaries | 收購附屬公司 | — | — | 355 | 50 | 1,440 | 1,845 |
| Disposals | 出售 | — | (473) | (22) | — | — | (495) |
| Impairment | 減值 | — | (5,426) | (584) | — | — | (6,010) |
| Currency realignment | 匯率調整 | — | (77) | (594) | (62) | (56) | (789) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 347,663 | 6,901 | 19,185 | 2,358 | 5,103 | 381,210 |
| Accumulated depreciation | 累計折舊 | | | | | | |
| At 1 January 2017 | 於二零一七年一月一日 | — | 237 | 9,613 | 607 | 3,215 | 13,672 |
| Depreciation | 折舊 | — | 455 | 1,368 | 214 | — | 2,037 |
| Acquisition of subsidiaries | 收購附屬公司 | — | 504 | 396 | 830 | — | 1,730 |
| Disposals | 出售 | — | — | (13) | (52) | — | (65) |
| Currency realignment | 匯率調整 | — | 38 | 431 | 56 | — | 525 |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日及二零一八年一月一日 | — | 1,234 | 11,795 | 1,655 | 3,215 | 17,899 |
| Depreciation | 折舊 | 15,935 | 1,289 | 1,920 | 253 | 102 | 19,499 |
| Acquisition of subsidiaries | 收購附屬公司 | — | — | 167 | 25 | 427 | 619 |
| Disposals | 出售 | — | (355) | (1) | — | — | (356) |
| Impairment | 減值 | — | (1,804) | (381) | — | — | (2,185) |
| Currency realignment | 匯率調整 | — | (10) | (376) | (58) | (17) | (461) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 15,935 | 354 | 13,124 | 1,875 | 3,727 | 35,015 |
| Net book value | 賬面淨值 | | | | | | |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 331,728 | 6,547 | 6,061 | 483 | 1,376 | 346,195 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | — | 5,090 | 4,045 | 307 | — | 9,442 |

Bank borrowings of HK\$159,269,000 are secured on the Group's land and buildings.

銀行借款159,269,000港元由本集團之土地及樓宇擔保。

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14. INTEREST IN AN ASSOCIATE

14. 於一間聯營公司之權益

| | Note 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|--------------------|----------------------------------|----------------------------------|
| Movements of interest in an associate are as follows: | 於一間聯營公司之權益變動如下： | | |
| At 1 January | 於一月一日 | 221,648 | 155,317 |
| Investment in an associate (note (i)) | 於一間聯營公司之投資 (附註(i)) | 151,000 | — |
| Capital contribution to associate | 向聯營公司注資 | 1,071 | — |
| Share of profits and total comprehensive income of associates | 應佔聯營公司之溢利及全面收益總額 | 12,311 | 53,582 |
| Disposal of a subsidiary (note (ii)) | 出售一間附屬公司 (附註(ii)) | (241,231) | — |
| Currency realignment | 匯兌調整 | 10,812 | 12,749 |
| At 31 December | 於十二月三十一日 | 155,611 | 221,648 |

Notes:

- (i) On 2 May 2018, the Group entered into the limited partnership agreement in relation to the operation of IT City Development Fund LP ("IT City") and two subscription agreements in relation to the application to subscribe for an interest in IT City with a committed capital contribution of HK\$51,000,000 in capacity as general partner through an indirect wholly owned subsidiary of the Company ("GP1") and HK\$100,000,000 in capacity as limited partner (through a direct wholly owned subsidiary of the Company) respectively. The principal purpose of IT City is to invest in properties that can consolidate and promote the development of IT industry and its related supporting facilities. According to the limited partnership agreement, the management, policies and control of IT City shall be vested exclusively in the general partners who, acting unanimously, may make such investment decisions as they shall determine, having given consideration to the investment objective and investment strategy of IT City and the advice of the investment committee of IT City (the "Investment Committee"). GP1 shall be entitled to appoint two members to the Investment Committee, which demonstrates its significant influence over IT City.
- (ii) On 20 July 2018, interest in an associate relating to 27.9% of equity interest in Yuji Development Corporation ("Yuji") was disposed upon the disposal of Rise Up International Limited ("Rise Up"), wholly owned subsidiary of the Company. Rise Up is an investment holding company which holds the Group's 27.9% interest equity in Yuji. Please refer to note 32 for details.

附註：

- (i) 於二零一八年五月二日，本集團訂立一項有限合夥人協議，內容有關經營IT City及兩項認購協議，內容有關申請認購IT City Development Fund LP (「IT City」) 權益，當中已承諾分別透過本公司間接全資附屬公司以普通合夥人 (「普通合夥人一」) 身份出資51,000,000港元及透過本公司直接全資附屬公司以有限合夥人身份出資100,000,000港元。IT City的主要目的是投資於能夠整合及推動IT行業及其相關配套發展的物業。根據有限合夥人協議，IT City的管理、政策及控制權應獨家歸屬予普通合夥人，據此，普通合夥人 (以一致行動行事) 可於考慮IT City的投資目標及投資策略以及IT City之投資委員會 (「投資委員會」) 的意見後按其釐定作出有關投資決定。普通合夥人一應有權委任投資委員會當中兩人，藉此展示其於IT City具重大影響力。
- (ii) 於二零一八年七月二十日，與宇錡建設股份有限公司 (「宇錡」) 相關之於一間聯營公司之權益已出售，連同本公司之全資附屬公司Rise Up International Limited (「Rise Up」) 亦已出售。Rise Up為一間投資控股公司，持有宇錡約27.9%權益。詳情請參閱綜合財務報表附註32。

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14. INTEREST IN AN ASSOCIATE (Continued)

As at 31 December 2018, the Group had an interest in the following associate:

14. 於一間聯營公司之權益(續)

於二零一八年十二月三十一日，本集團於以下聯營公司擁有權益：

| Name of entity | Form of business structure | Place of incorporation | Principal place of operation | Total capital HK\$'000 | Proportion of capital contributed by the Group | Proportion of voting rights held by the Group as general partner | Principal activities |
|----------------|------------------------------|------------------------|------------------------------|------------------------|--|--|------------------------------------|
| 實體名稱 | 業務架構形式 | 註冊成立地點 | 主要營業地點 | 總資本 千港元 | 本集團 貢獻資本比例 | 本集團 作為普通 合夥人所持 投票權比例 | 主要業務 |
| IT City | Limited partnership 有限合夥人 | Cayman Islands 開曼群島 | Hong Kong 香港 | 255,250 | 60% | 28.57% | IT properties investment IT物業投資 |

The summarised financial information in respect of IT City is set out below:

有關IT City之財務資料概述如下：

| | | 2018 二零一八年 HK\$'000 千港元 |
|---|--------------------------|----------------------------------|
| Current assets | 流動資產 | 260,770 |
| Total assets | 總資產 | 260,770 |
| Current liabilities | 流動負債 | (2,720) |
| Total liabilities | 總負債 | (2,720) |
| Net asset | 資產淨值 | 258,050 |
| Share of an associate's net assets | 應佔一間聯營公司之資產淨值 | 155,611 |
| Revenue | 收益 | 7,791 |
| Total comprehensive income | 全面收益總額 | 264 |
| Share of profit and total comprehensive income of an associate (net of tax) | 應佔一間聯營公司之溢利及全面收益總額(扣除稅項) | 3,540 |

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14. INTEREST IN AN ASSOCIATE (CONTINUED)

(Continued)

At the date of this annual report, IT City has not identified any potential project for investment. IT City and its general partners are now inviting potential investors to participate in order to increase the fund size and the investment options.

14. 於一間聯營公司之權益(續)

於本年報日期，IT City 未有識別任何潛在投資項目。IT City 及其普通合夥人正邀約潛在投資者參與，以祈擴大基金規模及增加投資項目選擇。

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/AVAILABLE-FOR-SALE FINANCIAL ASSETS

15. 按公允值於損益列賬之金融資產／可供出售金融資產

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| Available-for-sale financial assets | 可供出售金融資產 | | |
| – Unlisted private fund, at cost (note (i)) | – 非上市私募基金，按成本 (附註i) | – | 25,010 |
| Financial assets at fair value through profit or loss | 按公允值於損益列賬之金融資產 | | |
| – Unlisted equity investment (note (ii)) | – 非上市股本投資(附註(ii)) | 26,086 | – |
| | | 26,086 | 25,010 |

Notes:

- (i) The unlisted private fund consists of 33.33% of the interest in the trust established ultimately to purchase and manage commercial property in Australia. Upon adoption of HKFRS 9, the investment in unlisted private fund was reclassified to financial assets at fair value through profit or loss.

On 19 June 2018, the Group disposed the investment at a consideration of Australian dollars ("AUD") 4,000,000, and an exchange loss of HK\$1,922,000 is recognised in profit or loss.

- (ii) The unlisted equity investment amounted to HK\$26,086,000 consists of 18% of the equity in ORBiz International Limited established for provision of real-time kinematic solution. The equity of Link Complex Limited, who owns this unlisted equity investment and a wholly owned subsidiary of the Company was pledged to secure the Group's bond issued as detailed in note 26 (viii).

附註：

- (i) 非上市私募基金包括於最終成立以購買及管理於澳洲之商業物業之信託之33.33%權益。採納香港財務報告準則第9號後，於非上市私募基金之投資重新分類至按公允值於損益列賬之金融資產。

於二零一八年六月十九日，本集團按代價4,000,000澳元(「澳元」)出售有關投資，並於損益內確認匯兌虧損1,922,000港元。

- (ii) 非上市股本投資為26,086,000港元，包括於ORBiz International Limited的18%股權(為提供實時動態解決方案而確立)。如附註26(viii)所詳述，此項非上市股本投資持有人及本公司之全資附屬公司Link Complex Limited的股權已被質押以為本集團已發行的債券作擔保。

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16. INTANGIBLE ASSETS

16. 無形資產

| | | | License 牌照 | Goodwill 商譽 | Total 總計 |
|---|-------------------------|-----------------|-----------------|-----------------|-----------------|
| | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 January 2017 | 於二零一七年一月一日 | | — | — | — |
| Acquisition of subsidiaries: | 收購附屬公司： | | | | |
| — Nursery education service | — 幼兒教育服務 | 31(a)(iii) | 69,314 | 34,720 | 104,034 |
| — Money lending business | — 放債業務 | 31(a)(iv) | — | 409 | 409 |
| — Regulated financial services business | — 受規管金融服務業務 | 31(a)(vi) | 9,186 | 3,482 | 12,668 |
| 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 | | 78,500 | 38,611 | 117,111 |
| Acquisition of subsidiaries: | 收購附屬公司： | | | | |
| — Electronic products | — 電子產品 | 31(a)(i) | — | 19,538 | 19,538 |
| — Property development and management | — 物業開發和管理 | 31(a)(ii) | — | 3,883 | 3,883 |
| Regulated financial services business | 受規管金融服務業務 | | | | |
| — Addition of license | — 添加牌照 | | 600 | — | 600 |
| Impairment | 減值 | 8 | (69,314) | (34,720) | (104,034) |
| Currency realignment | 匯兌調整 | | — | (1,395) | (1,395) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | | 9,786 | 25,917 | 35,703 |

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16. INTANGIBLE ASSETS (Continued)

The intangible assets comprise licenses and goodwill from business combinations. License mainly represent the nursery education license and Type 1, Type 4, Type 5, Type 6 and Type 9 regulated activities licenses as defined under Securities and Futures Ordinance (“SFO”) Chapter 571 of the Laws of Hong Kong. These licenses were considered to have indefinite useful lives and will be tested for impairment annually and whenever there is an indication that it may be impaired.

The Directors assessed the impairment of licenses under the cash generating units (“CGU”) of nursery education services and regulated financial services business segments at the CGU level. Based on the results of the assessments, the directors are of the opinion that there was impairment of HK\$69,314,000 on the licenses under the nursery education services segment as at 31 December 2018 (2017: nil).

16. 無形資產(續)

無形資產包括業務合併產生的牌照及商譽。牌照主要指幼兒教育牌照以及香港法例第571章《證券及期貨條例》(「《證券及期貨條例》」)項下所界定之第1類、第4類、第5類、第6類及第9類受規管活動牌照。該等牌照被視為無限可使用年期，其將每年及當有跡象顯示可能出現減值時進行減值測試。

董事按現金產生單位(「現金產生單位」)層面評估幼兒教育服務及受規管金融服務業務分類現金產生單位項下之牌照減值。根據評估之結果，董事認為幼兒教育服務分類項下之牌照於二零一八年十二月三十一日的減值為69,314,000港元(二零一七年：無)。

17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL

For the purpose of impairment testing, licenses and goodwill are allocated to the CGUs of nursery education services, money lending business, regulated financial services business, electronic products and property development and management as set out in note 16 to the consolidated financial statements.

Nursery education services

The recoverable amount of the CGU has been determined from higher of fair value less costs to sell or value-in-use calculations. The value-in-use calculation was based on cash flow projections covering a five-year period of 2019 - 2023 (2017: 2018-2022). Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3% (2017: 3%), which does not exceed the long-term growth rate for the nursery education industry in the PRC.

17. 牌照及商譽之減值測試

就減值測試而言，牌照及商譽被分配至誠如綜合財務報表附註16所載之幼兒教育服務、放債業務、受規管金融服務業務、電子產品及物業開發和管理之現金產生單位。

幼兒教育服務

現金產生單位之可回收金額乃根據公允值減銷售成本與使用價值較高者釐定。使用價值根據二零一九年至二零二三年(二零一七年：二零一八年至二零二二年)現金流量預測(涵蓋五年期間)計算。超過五年期間之現金流量乃採用估計加權平均增長率3%(二零一七年：3%)推算，有關增長率不得超過中國幼兒教育行業長期增長率。

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|--|-----------------------|---|
| Discount rate | 貼現率 | 15.45% | 16.53% |
| Monthly tuition fee per student | 每名學生每月學費 | RMB6,100 人民幣6,100元 | RMB 6,000 - 6,400 人民幣 6,000 - 6,400元 |
| Growth rate within 2019 - 2023 (2017: 2018-2022) | 二零一九年至二零二三年 之增長率(二零一七年： 二零一八年至二零二二年) | 3% | 3% to 434% |

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The tuition fees within the five-year period were determined based on past experience.

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

五年期間內之學費乃基於過往經驗釐定。

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

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17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Nursery education services (Continued)

The major change in the assumptions involved in the cash flow projection was the growth rate, which dropped from a maximum of 434% in 2017 to stable growth of 3% in 2018. In 2017, the original business plan was to expand the kindergarten business from 1 kindergarten in 2017 to 6 kindergartens by the acquisition of existing local kindergartens and the maximum growth rate of 434% represents the increase in student number subject to the acquisition of the new kindergartens. However, the Group has to suspend all its expansion process after the announcement of the Opinions (as defined in the section headed "Review and Outlook" in the Chairman's statement included as part of this annual report) and the Group revised the 2019 budget to take into account the likely potential impact of the Opinions to the Group. Given the operating costs (mainly lease expense of the existing kindergarten) cannot be lowered and the economies of scales cannot be achieved, the revised cash flows projection showed a negative discounted cash flows and the value-in-use was therefore considered as nil.

To assess the fair value less costs to sell, management considered the resaleable value of the existing kindergarten would be limited since (1) the operation has been loss-making for years and (2) the Opinions narrowed down the potential buyers base and all transfer of ownership has to obtain the approval from the relevant government department. In order to locate buyers, the Group might incur other direct costs which further lower the recoverable amount. Therefore, management considers the fair value less costs to sell would be close to zero.

Since the value-in-use has nil value and the fair value less costs to sell is close to zero, management considered that a full impairment on nursery education CGU's non-current assets (i.e. license and goodwill of HK\$69,314,000 and HK\$34,720,000 respectively) is required. There was no impairment of license and goodwill as at 31 December 2017 based on the value-in-use calculations.

17. 牌照及商譽之減值測試(續)

幼兒教育服務(續)

涉及現金流量預測的假設的主要變動為增長率，由二零一七年的最高434%跌至二零一八年的穩定增長3%。於二零一七年，原訂業務計劃為透過收購當地現有幼兒園擴張幼兒園業務，由二零一七年的一間幼兒園增至六間幼兒園，而434%的最高增長率指收購新幼兒園後的學生人數增長。然而，本集團須於意見(定義見本年報內主席報告所載「回顧及前景」一節)公佈後暫停一切擴張程序，而本集團已考慮意見對本集團可能構成的潛在影響修訂二零一九年的預算。鑑於營銷成本(主要為現有幼兒園的租賃開支)無法降低，且無法達致規模經濟，經修訂現金流量預測呈現經貼現負現金流量，因此使用價值為零。

為評估公允值減銷售成本，管理層認為現有幼兒園的轉售價值有限，此乃由於(1)業務多年虧損及(2)意見縮小潛在買家層，而所有擁有權轉讓須獲相關政府部門批准。為物色買家，本集團可能須產生其他直接成本，進一步降低可收回金額。因此，管理層認為公允值減銷售成本接近零。

由於使用權價值為零，而公允值減銷售成本接近零，管理層認為幼兒教育現金產生單位的非流動資產(即牌照及商譽)須計提全數減值，分別為69,314,000港元及34,720,000港元。根據使用價值計算，牌照及商譽於二零一七年十二月三十一日概無減值。

17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Regulated financial services business

The recoverable amount of the CGU has been determined from value-in-use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2019 - 2023 (2017: 2018 - 2022). Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3% (2017: 3%), which does not exceed the long-term growth rate for the financial advisory industry in Hong Kong.

17. 牌照及商譽之減值測試(續)

受規管金融服務業務

現金產生單位之可回收金額乃根據正式批准預算之二零一九年至二零二三年現金流量預測(涵蓋五年期間)採用使用價值計算而釐定。超過五年期間之現金流量乃採用估計加權平均增長率3%推算，有關增長率不超過香港財務諮詢行業長期增長率。

| | | 2018 二零一八年 | 2017 二零一七年 |
|----------------------------|--------|---------------|---------------|
| Discount rate | 貼現率 | 15.45% | 16.46% |
| Management fee growth rate | 管理費增長率 | 3% - 5% | 0% - 50% |
| Advisory fee growth rate | 諮詢費增長率 | 5% | 5% |
| Costs growth rate | 成本增長率 | 4% | 4% |

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

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17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Regulated financial services business (Continued)

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

As the recoverable amount of the CGU of the regulated financial services exceeded the combined value of the assets under this CGU, the Directors are of the opinion that there was no impairment on license and goodwill as at 31 December 2018 (2017: nil).

Property management services

The recoverable amount of the CGU has been determined from value-in-use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2019 - 2023. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3%, which does not exceed the long-term growth rate for property management in the PRC.

| | | |
|----------------------------|--------|--------|
| Discount rate | 貼現率 | 16.47% |
| Management fee growth rate | 管理費增長率 | 5% |

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The management fees within the five-year period were determined based on past experience.

17. 牌照及商譽之減值測試(續)

受規管金融服務業務(續)

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

由於受規管金融服務現金產生單位之可收回金額超出此現金產生單位項下資產之總價值，故董事認為牌照及商譽於二零一八年十二月三十一日並無出現減值(二零一七年：零)。

物業管理服務

現金產生單位之可收回金額乃根據涵蓋五年期(二零一九年至二零二三年)的正式批准預算而作出的現金流量預測，採用使用價值計算以釐定。五年期以後之現金流量乃採用估計加權平均增長率3%推算，該比率預期不超過中國物業管理的長期增長率。

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

五年期間內之管理費乃基於過往經驗釐定。

17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Property management services (Continued)

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

As the recoverable amount of the CGU of the property management services exceeded the combined value of the assets under this CGU, the directors are of the opinion that there was no impairment on goodwill as at 31 December 2018.

Electronics products

The recoverable amount of the CGU has been determined from value-in-use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2019 - 2023. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 2%, which does not exceed the long-term growth rate for the manufacturing of electronics products in the PRC.

| | | |
|--|-------------------|-------------|
| Discount rate | 貼現率 | 16.47% |
| Revenue growth rate within 2019 – 2023 | 二零一九年至二零二三年之收益增長率 | 2% - 66.67% |
| Costs growth rate | 成本增長率 | 2% - 37.22% |

17. 牌照及商譽之減值測試(續)

物業管理服務(續)

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

由於物業管理服務現金產生單位之可收回金額超出此現金產生單位項下資產之總價值，故董事認為商譽於二零一八年十二月三十一日並無出現減值。

電子產品

現金產生單位之可收回金額乃根據涵蓋五年期(二零一九年至二零二三年)的正式批准預算而作出的現金流量預測，採用使用價值計算以釐定。五年期以後之現金流量乃採用估計加權平均增長率2%推算，該比率預期不超過中國電子產品生產的長期增長率。

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17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Electronics products (Continued)

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

As the recoverable amount of the CGU of the manufacturing of electronics products exceeded the combined value of the assets under this CGU, the directors are of the opinion that there was no impairment on goodwill as at 31 December 2018.

Sensitivity to changes in assumptions

The management believes that a reasonably possible change in the key assumptions on which management has based its determination of the recoverable amounts of the CGUs of regulated financial services business, property management services and electronic products would not cause the carrying amount of the respective CGU to exceed the respective recoverable amount.

18. INVENTORIES

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|------------------|-----|----------------------------------|----------------------------------|
| Raw materials | 原料 | 19,540 | 14,720 |
| Work in progress | 半製品 | 9,768 | 5,376 |
| Finished goods | 製成品 | 12,206 | 4,821 |
| | | 41,514 | 24,917 |

17. 牌照及商譽之減值測試(續)

物業管理服務(續)

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

由於電子產品生產現金產生單位之可收回金額超出此現金產生單位項下資產之總價值，故董事認為商譽於二零一八年十二月三十一日並無出現減值。

假設變動的敏感度分析

管理層相信管理層所根據以釐定受規管金融服務業務、物業管理服務及電子產品現金產生單位可收回金額的主要假設的合理可能變動不會導致各現金產生單位的賬面值超出各自的可收回金額。

18. 存貨

19. PROPERTIES UNDER DEVELOPMENT/
PROPERTIES HELD FOR SALE

19. 開發中物業／持作出售物業

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|-------------------------------------|--------------|----------------------------------|----------------------------------|
| Properties under development | 開發中物業 | | |
| Land use rights costs | 土地使用權成本 | — | 8,747 |
| Other development costs | 其他發展成本 | — | 441,271 |
| Capitalised finance costs | 資本化融資成本 | — | 48,836 |
| | | — | 498,854 |
| Properties held for sale | 土地使用權 | 507,855 | — |

The properties are located at the underground of Minzhu Road and Fuhui Road, Lijiang City, Yunan Province, the PRC. The construction and the final acceptance have been completed during the year. The gross floor area of the underground walkway project is approximately 36,583 square metre ("sq. m.") comprising a civil air defence work structure of approximately 13,730 sq. m., 741 units of the saleable shop premises with a total gross floor area of approximately 19,923 sq. m., a non-saleable property utility room of approximately 15 sq. m. and a commercial function room of approximately 2,915 sq. m.. Properties under development have been completed and being reclassified to properties held for sale during the year. Properties held for sale which are expected to be recovered more than twelve months after the end of the reporting period are classified as current assets as it is expected to be realised in the normal operating cycle of the Group.

物業位於中國雲南省麗江市民主路及福慧路地下。經已於本年度完成工程及最終驗收。該地下步行街項目建築面積約為36,583平方米(「平方米」)，由面積約為13,730平方米之一項人民防空工程結構、總建築面積約為19,923平方米之741間可銷售商店、面積約為15平方米之一間不可銷售雜物室及面積約為2,915平方米之一間商業多用途室組成。開發中物業於年內已經完成，並重新劃分為持作出售物業。持作出售之物業預期將於報告期末後十二個月以後收回，由於其預期在本集團正常運營週期內變現，故其分類作為流動資產。

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20. TRADE AND BILLS RECEIVABLES

20. 應收貿易賬款及應收票據

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------------------|-----------|----------------------------------|----------------------------------|
| Trade receivables | 應收貿易賬款 | 59,394 | 52,857 |
| Less: Impairment provision | 減：減值撥備 | (3,169) | (896) |
| Trade receivables – net | 應收貿易賬款－淨額 | 56,225 | 51,961 |
| Bills receivables | 應收票據 | 1,814 | — |
| | | 58,039 | 51,961 |

At the reporting date, the ageing analysis of trade and bills receivables, based on invoice date, is as follows:

按發票日期計，應收貿易賬款及應收票據於報告日期之賬齡分析如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|-----------------------|---------|----------------------------------|----------------------------------|
| 0 - 60 days | 零至60日 | 40,877 | 36,279 |
| 61 - 90 days | 61至90日 | 3,894 | 3,622 |
| 91 - 120 days | 91至120日 | 3,654 | 11,308 |
| Greater than 120 days | 120日以上 | 12,783 | 1,648 |
| | | 61,208 | 52,857 |

The Group allows credit periods ranging from 0 to 120 days (31 December 2017: 30 to 120 days) to its trade customers depending on their credit status and geographical location. The Directors consider that the carrying amounts of trade and bills receivables approximate to their fair values.

本集團視乎其貿易客戶之信貸狀況及地理位置而給予彼等介乎0至120日(二零一七年十二月三十一日：30至120日)之信貸期。董事認為，應收貿易賬款及應收票據賬面值與其公允值相若。

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

21. 預付款項、按金及其他應收款項

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 41,815 | 63,764 |
| Other tax recoverable | 其他可收回稅項 | 6,730 | 6,590 |
| Deposits for acquisition of properties (note) | 收購物業按金(附註) | — | 59,267 |
| | | 48,545 | 129,621 |
| Less: Non-current portion | 減：非流動部份 | | |
| Other tax recoverable | 其他可收回稅項 | 3,866 | 6,590 |
| Deposits for acquisition of properties (note) | 收購物業按金(附註) | — | 59,267 |
| | | 3,866 | 65,857 |
| | | 44,679 | 63,764 |

Note:

On 20 November 2017, the Group entered into formal agreements to acquire the properties located at units 1501, 1502, 1510, 1511, 1512A and 1512B on 15/F of West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong. The acquisitions of the properties have been completed on 9 February 2018. Details please refer to the announcements of the Company dated 7 November 2017 and 21 November 2017 and the circular of the Company dated 22 December 2017.

附註：

於二零一七年十一月二十日，本集團訂立正式協議以收購位於香港干諾道中168-200號信德中心西翼15樓1501室、1502室、1510室、1511室、1512A室及1512B室之物業。有關物業之收購已於二零一八年二月九日完成。詳情請參閱本公司日期為二零一七年十一月七日及二零一七年十一月二十一日之公佈以及本公司日期為二零一七年十二月二十二日之通函。

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22. LOAN RECEIVABLES

22. 應收貸款

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------------------|---------|----------------------------------|----------------------------------|
| Loan receivables | 應收貸款 | 238,593 | 58,803 |
| Less: Impairment provision | 減：減值撥備 | (11,929) | — |
| Loan receivables - net | 應收貸款－淨額 | 226,664 | 58,803 |

As at 31 December 2018, loan receivables with aggregate gross principal amount of HK\$225,269,000 and gross interest receivables of HK\$13,324,000 (2017: gross principal amount of HK\$57,869,000 and gross interest receivables of HK\$934,000) were due from nine (2017: three) independent third parties. The interest rates of the loan receivables range from 6% to 15% per annum (2017: 10% to 14% per annum.) Five of the loan receivables are secured by share charges of the borrowers, and six of the loan receivables are guaranteed by independent third parties. The Group does not have the right to sell or re-pledge the shares held as collateral in the absence of default by the borrowers. All loan receivables which were repayable within twelve months from the end of the reporting period were classified as current assets at the reporting date.

As at reporting date, the ageing analysis of loan receivables, based on loans' drawdown date, is as follows:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---------------|---------|----------------------------------|----------------------------------|
| 0 - 60 days | 零至60日 | 3,325 | 50,581 |
| 61 - 90 days | 61至90日 | 1,582 | — |
| 91 - 120 days | 91至120日 | 1,382 | — |
| Over 120 days | 120日以上 | 232,304 | 8,222 |
| | | 238,593 | 58,803 |

All loan receivables are not yet past due as at reporting date.

於二零一八年十二月三十一日，本金總額合計225,269,000港元之應收貸款及應收利息總額13,324,000港元（二零一七年：本金總額57,869,000港元及應收利息總額934,000港元）乃收自九名（二零一七年：三名）獨立第三方。應收貸款之利率介乎於每年6%至15%之間（二零一七年：每年10%至14%）。其中五項應收貸款由借方股份作質押及其中六項應收貸款由獨立第三方作擔保。本集團不得在借款人並無違約的情況下銷售或再抵押所持作為抵押品之股份。於報告日期，所有自報告期末起須於十二個月內償還之應收貸款均分類為流動資產。

按提取日期計，應收貸款於報告日期之賬齡分析如下：

所有應收貸款於報告日期並未逾期。

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23. TRADE AND OTHER PAYABLES

23. 應付貿易賬款及其他應付款項

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|------------------------------------|-----------------|----------------------------------|----------------------------------|
| Trade payables | 應付貿易賬款 | 95,174 | 122,454 |
| Accruals and other payables (note) | 應計費用及其他應付款項(附註) | 207,478 | 148,095 |
| | | 302,652 | 270,549 |
| Less: Non-current portion | 減：非流動部份 | | |
| Other payables (note) | 其他應付款項(附註) | — | 117,693 |
| | | 302,652 | 152,856 |

Note: The amount includes/represents the purchase consideration of the acquisition of Shenzhen City Qianhai Wanke Financial Services Company Limited ("Qianhai Wanke") and its subsidiaries amounted to RMB100,000,000 (equivalent to HK\$117,693,000) which will be payable on the date falling two years from 5 June 2017.

附註：該金額包括／指收購深圳市前海萬客金融服務有限公司(「前海萬客」)及其附屬公司之收購代價為人民幣100,000,000元(等值117,693,000港元)，將於二零一七年六月五日後滿兩年之日支付。

At the reporting date, the ageing analysis of trade payables, based on invoice date, is as follows:

按發票日期計，應付貿易賬款於報告日期之賬齡分析如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------------|--------|----------------------------------|----------------------------------|
| 0 - 60 days | 零至60日 | 25,556 | 31,933 |
| 61 - 90 days | 61至90日 | 10,266 | 6,259 |
| Greater than 90 days | 90日以上 | 59,352 | 84,262 |
| | | 95,174 | 122,454 |

The Directors consider that the carrying amounts of trade and other payables approximate to their fair values.

董事認為應付貿易賬款及其他應付款項之賬面值與其公允值相若。

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24. CONTRACT LIABILITIES

24. 合約負債

| | | 31 December 十二月三十一日 2018 二零一八年 HK\$'000 千港元 | 1 January 一月一日 2018 二零一八年 HK\$'000 千港元 |
|---|---------------------|--|---|
| <i>Contract liabilities arising from:</i> | <i>下列項目產生之合約負債：</i> | | |
| Provision of nursery service | 提供幼兒服務 | 810 | 1,660 |
| Provision of properties management services | 提供物業管理服務 | 2,346 | — |
| Manufacturing of electronic products | 生產電子產品 | 626 | 711 |
| | | 3,782 | 2,371 |

Typical payment terms which impact on the amount of contract liabilities are as follows:

The contract liabilities primarily relate to the tuition fee and properties management fee received in advance from customers for provision of nursery education services and properties management services, for which revenues are recognised over time. The amount of HK\$2,371,000 recognised as contract liabilities as at 1 January 2018 has been recognised as revenue during the year ended 31 December 2018.

對合約負債金額造成影響之一般付款條款如下：

合約負債主要與提供幼兒教育服務及物業管理服務而從客戶預先收取的預付學費及管理費用有關，該等收益隨時間予以確認。於二零一八年一月的合約負債所確認的2,371,000港元已於截至二零一八年十二月三十一日止年度確認為收益。

25. AMOUNTS DUE TO A SHAREHOLDER/ NON-CONTROLLING INTERESTS

The amounts due to a shareholder/non-controlling interests are unsecured, interest-free and repayable on demand.

25. 應付股東／非控股權益款項

應付股東／非控股權益款項為無抵押、免息及須於要求時償還。

26. INTEREST-BEARING BORROWINGS

26. 計息借款

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|---------------------|----------------------------------|----------------------------------|
| Current: | 流動 | | |
| Secured bank borrowings due within one year comprise: | 一年內到期之有抵押銀行借款包括： | | |
| Export invoices (notes (i) and (ii)) | 出口發票(附註(i)及(ii)) | — | 3,021 |
| Term loans (notes (iii) to (vii)) | 定期貸款(附註(iii)至(vii)) | 6,565 | — |
| Bond payable (note (viii)) | 應付債券(附註(viii)) | 280,000 | — |
| | | 286,565 | 3,021 |
| Non-current: | 非流動： | | |
| Term loans (notes (iii) to (vii)) | 定期貸款(附註(iii)及(vii)) | 152,704 | — |
| Total | 總計 | 439,269 | 3,021 |

- | | |
|---|---|
| <p>(i) At 31 December 2017, the export invoices were denominated in US dollars (“USD”).</p> | <p>(i) 於二零一七年十二月三十一日，出口發票以美元(「美元」)計值。</p> |
| <p>(ii) The effective interest rates on the export invoices range from 4.0% to 4.25% per annum.</p> | <p>(ii) 本集團出口發票之實際年利率介乎4.0厘至4.25厘。</p> |
| <p>(iii) Term loans I and II, which are denominated in HK\$, are repayable in 59 monthly instalments, commencing in March 2018.</p> | <p>(iii) 定期貸款I及II(以港元計值)自二零一八年三月開始，分59個月償還。</p> |
| <p>(iv) Term loans I and II are interest-bearing at 1.4% per annum over one-month HIBOR or the lending bank’s cost of funds, whichever is higher. The average interest rates of term loans I and II as at 31 December 2018 are 2.81% per annum.</p> | <p>(iv) 定期貸款I及II按一個月銀行同業拆息加1.4%年利率或借款銀行資金成本率之較高者計息。定期貸款I及II於二零一八年十二月三十一日之平均年利率為2.81%。</p> |
| <p>(v) Term loans III and IV which are denominated in HK\$ are repayable in 59 monthly instalments, commencing in August 2018.</p> | <p>(v) 定期貸款III及IV(以港元計值)自二零一八年八月開始，分59個月償還。</p> |

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26. INTEREST-BEARING BORROWINGS

(Continued)

- (vi) Term loans III and IV, which are denominated in HK\$, are interest-bearing at 2% per annum over one-month HIBOR or the lending bank's cost of funds, whichever is higher. The average interest rates of term loans III and IV as at 31 December 2018 are 3.78% per annum.
- (vii) All the term loans do not contain repayment on demand clause but are subject to the fulfilment of covenants. If the Group were to breach the covenants, the term loans would become repayable on demand. The Group regularly monitors its compliance with their covenants and there was no breach during the year ended 31 December 2018.
- (viii) During the year, the Group issued bond with principal amount of HK\$300,000,000 to an independent third party. The bonds bear interest at 8% per annum and will mature in December 2019. On 23 July 2018, the Group partially repaid the principal amount of HK\$20,000,000. The interest will be repayable by the Group quarterly and up to the maturity date. The bond payable was secured by pledge of share equity of (i) Chengdu One Two Three Aozhong Education Investment Company Limited, the immediate holding of operating company of the provision of nursery education services in PRC; (ii) Superactive Financial Group Company Limited ("Superactive Financial Group") (formerly known as Shining International Holdings Limited), the operating company of the provision of regulated financial services in Hong Kong; (iii) Link Complex Limited, a company which held 18% equity in ORBiz International Limited; and (iv) Shenzhen Jiaxin Enterprise Management Company Limited ("Shenzhen Jiaxin").

26. 計息借款(續)

- (vi) 定期貸款III及IV(以港元計值)按一個月銀行同業拆息加2%年利率或借款銀行資金成本率之較高者計息。定期貸款III及IV於二零一八年十二月三十一日之平均年利率為3.78%。
- (vii) 所有定期貸款並無按要求償還條款，但須履行契諾。倘本集團違反契諾，定期貸款須按要求償還。本集團定期監察其契諾合規情況，而截至二零一八年十二月三十一日止年度並無違反契諾。
- (viii) 於本年度，本集團向獨立第三方發行本金額為300,000,000港元的債券。債券的年利率為8%，將於二零一九年十二月到期。於二零一八年七月二十三日，本集團已償還20,000,000港元之部分本金額。本集團將每季償還利息，直至到期日為止。應付債券以(i)成都壹貳三澳中教育投資有限公司(一間於中國經營提供幼兒教育服務的公司之直接控股公司)；(ii)先機金融集團(「先機金融集團」)(前稱舜麗國際控股有限公司)(一間於香港經營提供受規管金融服務的公司)；(iii) Link Complex Limited(一間持有ORBiz International Limited 18%權益股份的公司)；及(iv)深圳加信企業管理有限公司(「深圳加信」)的股權作抵押。

26. INTEREST-BEARING BORROWINGS

(Continued)

At 31 December, total current and non-current borrowings were scheduled to be repaid as follows:

26. 計息借款(續)

於十二月三十一日，計劃償還的流動及非流動借款總額如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|------------|----------------------------------|----------------------------------|
| Within one year | 一年內 | 286,565 | 3,021 |
| More than one year, but not exceeding two years | 一年以上但不超過兩年 | 6,565 | — |
| More than two years, but not exceeding five years | 兩年以上但不超過五年 | 146,139 | — |
| | | 439,269 | 3,021 |

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27. DEFERRED TAX ASSETS/(LIABILITIES)

The deferred tax assets/(liabilities) recognised and movements thereon during the current year and prior years:

27. 遞延稅項資產／(負債)

本年度及過往年度確認之遞延稅項資產／(負債)及有關變動：

| | | Tax loss | Undistributed earnings of an associate | Intangible asset | Total |
|---|-------------------------|--------------|--|------------------|--------------|
| | | 稅項虧損 | 未分配盈利 | 無形資產 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2017 | 於二零一七年一月一日 | — | (1,704) | — | (1,704) |
| Acquisition of Speed Fame | 收購迅譽 | — | — | (17,329) | (17,329) |
| Acquisition of Superactive Financial Group | 收購先機金融集團 | — | — | (1,515) | (1,515) |
| Acquisition of Qianhai Wanke | 收購前海萬客 | 6,701 | — | — | 6,701 |
| Credited/(charged) to profit or loss for the year | 年內計入損益／(自損益扣除) | 2,380 | (7,693) | — | (5,313) |
| Credited to other comprehensive income for the year | 計入年內其他全面收益 | — | 108 | — | 108 |
| Currency realignment | 貨幣調整 | 188 | — | — | 188 |
| 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 | 9,269 | (9,289) | (18,844) | (18,864) |
| Credited/(charged) to profit or loss for the year (note 10) | 年內計入損益／(自損益扣除) (附註10) | — | (1,678) | 17,329 | 15,651 |
| Disposal of Rise up (note 32) | 出售Rise up (附註32) | — | 11,043 | — | 11,043 |
| Currency realignment | 貨幣調整 | (480) | (76) | — | (556) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 8,789 | — | (1,515) | 7,274 |

27. DEFERRED TAX ASSETS/(LIABILITIES)

(Continued)

Deferred tax assets have not been recognised for the following:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|-------------------|---------|----------------------------------|----------------------------------|
| Unused tax losses | 未動用稅項虧損 | 144,917 | 117,163 |

The Group records deferred tax assets in respect of tax losses only where there is a reasonable expectation that these tax losses will be utilised in the foreseeable future. Based on forecast income streams and having considered potential future earnings volatility, the Group does not anticipate the utilisation of any significant portion of these unrecognised tax losses in the foreseeable future.

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. The Group is therefore liable to 10% withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

As at 31 December 2018 and 31 December 2017, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings of the Group's subsidiaries established in the PRC. In the opinion of Directors, it is not probable that these subsidiaries will distribute their earnings accrued after 1 January 2008 in the foreseeable future. As at 31 December 2018, the unrecognised deferred tax liability that would be payable on the unremitted earnings of the Group's subsidiaries amounted to approximately HK\$4,600,000 (2017: HK\$1,731,000).

27. 遞延稅項資產／(負債) (續)

未確認遞延稅項資產如下：

本集團僅於可合理預期稅項虧損將於可見將來獲動用之情況下記錄有關遞延稅項資產。根據預測收入流及經考慮潛在未來盈利之波動性後，本集團預期於可見將來並不會動用該等未確認稅項虧損之任何重大部份。

根據中國企業所得稅法，於中國成立之外資企業向外國投資者宣派之股息須繳納10%預扣稅。該規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。倘中國與外國投資者所在司法權區訂立稅項條約，則可調低預扣稅稅率。因此，本集團須就該等於中國內地成立之附屬公司於二零零八年一月一日起賺取之盈利所宣派之股息繳納10%預扣稅。

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，並無就本集團於中國成立之附屬公司應付之未匯出盈利所產生之預扣稅確認為遞延稅項。董事認為，該等附屬公司於可見將來應不會分派彼等於二零零八年一月一日後賺取之盈利。於二零一八年十二月三十一日，將以本集團附屬公司的未匯出盈利支付的未確認遞延稅項負債約為4,600,000港元(二零一七年：1,731,000港元)。

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28. SHARE CAPITAL

28. 股本

| | Note 附註 | 2018 二零一八年 | | 2017 二零一七年 | | |
|---|---|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|--------------------|
| | | Number of shares 股份數目 | Nominal value 面值 HK\$ 港元 | Number of shares 股份數目 | Nominal value 面值 HK\$ 港元 | |
| Authorised: Ordinary shares of HK\$0.10 (2017: HK\$0.10) each | 法定： 每股面值0.10港元 (二零一七年：0.10港元) 的普通股 | (i) | 15,000,000,000 | 1,500,000,000 | 15,000,000,000 | 1,500,000,000 |
| Issued and fully paid: At 1 January | 已發行及繳足： 於一月一日 | | 2,032,571,385 | 203,257,139 | 1,318,279,590 | 131,827,959 |
| Issue of shares upon acquisition of a subsidiary | 於收購附屬公司時 發行股份 | (ii) | — | — | 36,768,000 | 3,676,800 |
| Issue of shares under open offer | 根據公開發售發行股份 | (iii) | — | — | 677,523,795 | 67,752,380 |
| At 31 December | 於十二月三十一日 | | 2,032,571,385 | 203,257,139 | 2,032,571,385 | 203,257,139 |

Notes:

- (i) Pursuant to ordinary resolution passed on 6 June 2017, the authorised share capital of the Company was increased from HK\$150,000,000 divided into 1,500,000,000 shares of HK\$0.10 each to HK\$1,500,000,000 divided into 15,000,000,000 shares of HK\$0.10 each.
- (ii) Pursuant to the sale and purchase agreement dated 18 May 2017 in relation to the acquisition of the entire issued share capital of Speed Fame, the Company had issued 36,768,000 new shares at issue price of HK\$0.647 at the date of issuance for partial settlement of consideration. The fair value of issued shares of HK\$20,122,000 over the nominal value of HK\$3,677,000 was credited to the share premium account. Further details are set out in the announcement of the Company dated 18 May 2017.
- (iii) On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017) and payable in full upon application. The open offer was completed and share certificates for the offer shares dispatched on 27 October 2017. The fair value of issued shares of HK\$271,009,000 over the nominal value of HK\$67,752,000 was credited to the share premium account.

附註：

- (i) 根據於二零一七年六月六日通過之普通決議案，本公司之法定股本由150,000,000港元，分為1,500,000,000股每股0.10港元之股份增至1,500,000,000港元，分為15,000,000,000股每股0.10港元之股份。
- (ii) 根據日期為二零一七年五月十八日有關收購迅譽全部已發行股本之買賣協議，本公司於發行日期按發行價0.647港元發行36,768,000股新股份，以償付部份代價。已發行股份公允值20,122,000港元超出面值3,677,000港元之差額計入股份溢價賬。進一步詳情載於本公司日期為二零一七年五月十八日之公佈。
- (iii) 於二零一七年八月二十九日，本公司擬透過按認購價每股發售股份0.5港元按於記錄日期(即二零一七年九月十四日)每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份，以籌集約338,800,000港元(扣除開支前)，股款須於申請時繳足。於二零一七年十月二十七日，公開發售已完成，並已就發售股份寄發股票。已發行股份公允值271,009,000港元超出面值67,752,000港元之差額計入股份溢價賬。

29. RESERVES

The amounts of the Group's reserves and the movements therein for both the current year and prior years are presented in the consolidated statement of changes in equity on pages 87 and 88 of the consolidated financial statements.

Share Premium

The movement in the share premium account is as follows:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|-----------------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 476,989 | 188,254 |
| Issue of shares upon acquisition of a subsidiary (note (i)) | 於收購附屬公司時發行股份 (附註(i)) | — | 20,112 |
| Effects from open offer shares issued (note (ii)) | 已發行公开发售股份之影響 (附註(ii)) | — | 271,009 |
| Transaction costs attributable to open offer | 公开发售應佔交易成本 | — | (2,386) |
| At 31 December | 於十二月三十一日 | 476,989 | 476,989 |

Notes:

- (i) Pursuant to the sale and purchase agreement dated 18 May 2017 in relation to the acquisition of the entire issued share capital of Speed Fame, the Company had issued 36,768,000 new shares at issue price of HK\$0.647 at the date of issuance for partial settlement of consideration. The fair value of issued shares of HK\$20,122,000 over the nominal value of HK\$3,677,000 was credited to the share premium account. Further details are set out in the announcement of the Company dated 18 May 2017.
- (ii) On 29 August 2017, the Company proposed to raise approximately HK\$338.8 million before expenses by issuing 677,523,795 offer shares at the subscription price of HK\$0.5 per offer share on the basis of one (1) offer share for every two (2) existing shares held on the record date (i.e. 14 September 2017) and payable in full upon application. The open offer was completed and share certificates for the offer shares dispatched on 27 October 2017. The fair value of issued shares of HK\$271,009,000 over the nominal value of HK\$67,752,000 was credited to the share premium account.

29. 儲備

本集團儲備金額及其於本年度及過往年度之變動呈列於綜合財務報表第87及88頁之綜合權益變動表。

股份溢價

股份溢價賬變動如下：

附註：

- (i) 根據日期為二零一七年五月十八日有關收購迅譽全部已發行股本之買賣協議，本公司於發行日期按發行價0.647港元發行36,768,000股新股份，以償付部份代價。已發行股份公允值20,122,000港元超出面值3,677,000港元之差額計入股份溢價賬。進一步詳情載於本公司日期為二零一七年五月十八日之公佈。
- (ii) 於二零一七年八月二十九日，本公司擬透過按認購價每股發售股份0.5港元按於記錄日期(即二零一七年九月十四日)每持有兩(2)股現有股份獲發一(1)股發售股份之基準發行677,523,795股發售股份，以籌集約338,800,000港元(扣除開支前)，股款須於申請時繳足。於二零一七年十月二十七日，公开发售已完成，並已就發售股份寄發股票。已發行股份公允值271,009,000港元超出面值67,752,000港元之差額計入股份溢價賬。

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29. RESERVES (Continued)

Other Reserve

The other reserve represents the net gain on the disposal of the treasury shares.

Capital Reserve

The capital reserve represents the capital reserve arising on the Group reorganisation carried out in 1994.

Translation Reserve

The translation reserve comprises the exchange differences arising on the translation of the financial statements of foreign operations.

Investment Revaluation Reserve

The investment revaluation reserve comprises the change in fair value of the Group's available-for-sale financial assets.

29. 儲備(續)

其他儲備

其他儲備指出售庫存股份之收益淨額。

資本儲備

資本儲備指本集團於一九九四年進行之重組產生之資本儲備。

換算儲備

換算儲備包括換算外地業務之財務報表產生之匯兌差額。

投資重估儲備

投資重估儲備包括本集團可供出售金融資產之公允值變動。

30. NON-CONTROLLING INTERESTS

- (i) 123 China Education Development Limited, a 80% owned subsidiary of the Company, has material non-controlling interests. Summarised financial information in relation to the non-controlling interests of 123 China Education Development Limited and its subsidiaries before intra-group eliminations is presented below:

30. 非控股權益

- (i) 本公司擁有80%權益之附屬公司123中國教育發展有限公司擁有重大非控股權益。有關123中國教育發展有限公司及其附屬公司於集團內對銷前的非控股權益財務資料概要呈列如下：

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| Current assets | 流動資產 | 1,934 | 22,983 |
| Non-current assets | 非流動資產 | — | 4,715 |
| Current liabilities | 流動負債 | (60,100) | (47,635) |
| Non-controlling interests | 非控股權益 | 15,098 | 10,122 |
| Revenue | 收益 | 9,301 | 6,999 |
| Loss for the year | 年內虧損 | (28,404) | (579) |
| Total comprehensive income for the year | 年內全面收益總額 | (28,550) | 682 |
| Loss attributable to the non-controlling interests | 非控股權益應佔虧損 | (6,622) | (350) |
| Other comprehensive income attributable to the non-controlling interests | 非控股權益應佔其他全面收益 | 597 | 103 |
| Total comprehensive income attributable to the non-controlling interests | 非控股權益應佔全面收益總額 | (6,025) | (247) |
| Dividends paid to non-controlling interests | 已付非控股權益股息 | — | — |
| Net cash outflow from operating activities | 經營活動產生之現金流出淨額 | (1,068) | (40,202) |
| Net cash (outflow)/inflow from financing activities | 融資活動產生之現金(流出)/流入淨額 | (450) | 41,130 |
| Net cash (outflow)/inflow | 現金(流出)/流入淨額 | (1,518) | 928 |

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30. NON-CONTROLLING INTERESTS (Continued)

- (ii) Shenzhen Dowis Electronics Company Limited (“Shenzhen Dowis”) and Zhaoqing Shengxiang Electronic Technology Company Limited (“Zhaoqing Shengxiang”), 60% owned subsidiaries of the Company, has material non-controlling interests. Summarised financial information in relation to the non-controlling interests of Shenzhen Dowis and Zhaoqing Shengxiang before intra-group eliminations is presented below:

30. 非控股權益(續)

- (ii) 深圳市德維斯電子有限公司(「深圳德維斯」)及肇慶聖享電子科技有限公司(「肇慶聖享」)(為本公司擁有60%權益之附屬公司)擁有重大非控股權益。有關深圳德維斯及肇慶聖享於集團內對銷前的非控股權益財務資料概要呈列如下：

| | | 2018 二零一八年 HK\$'000 千港元 |
|--|---------------|----------------------------------|
| Current assets | 流動資產 | 29,188 |
| Non-current assets | 非流動資產 | 3,438 |
| Current liabilities | 流動負債 | (28,930) |
| Non-controlling interests | 非控股權益 | (1,489) |
| Revenue | 收益 | 24,390 |
| Loss for the year | 年內虧損 | (1,778) |
| Total comprehensive income for the year | 年內全面收益總額 | (1,817) |
| Loss attributable to the non-controlling interests | 非控股權益應佔虧損 | (711) |
| Other comprehensive income attributable to the non-controlling interests | 非控股權益應佔其他全面收益 | (26) |
| Total comprehensive income attributable to the non-controlling interests | 非控股權益應佔全面收益總額 | (737) |
| Dividends paid to non-controlling interests | 已付非控股權益股息 | — |
| Net cash inflow from operating activities | 經營活動產生之現金流入淨額 | 1,641 |
| Net cash outflow from investing activities | 投資活動產生之現金流出淨額 | (1,783) |
| Net cash outflow from financing activities | 融資活動產生之現金流出淨額 | (364) |
| Net cash outflow | 現金流出淨額 | (506) |

31. BUSINESS COMBINATIONS

(a) Acquisition of subsidiaries

The acquisition of subsidiaries accounted for as business combination are as follows:

(i) Acquisition of entire equity interest of Shenzhen Jiaxin

On 4 July 2018, the Group acquired the entire equity interest of Shenzhen Jiaxin, a company incorporated in PRC with limited liability, for cash consideration of RMB30,000,000 (equivalent to approximately HK\$35,550,000). Shenzhen Jiaxin and its subsidiaries are principally engaged in the manufacturing and trading of electronic products in Shenzhen, the PRC. The fair values of the identifiable assets and liabilities acquired during the year are as follows:

31. 業務合併

(a) 收購附屬公司

收購附屬公司以業務合併入賬如下：

(i) 收購深圳加信全部股權

於二零一八年七月四日，本集團按現金代價人民幣30,000,000元(等值約35,550,000港元)收購深圳加信(於中國註冊成立之有限公司)全部股權。深圳加信及其附屬公司主要於中國深圳市從事電子產品生產及買賣。本年度收購之可識別資產及負債之公允值如下：

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31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(i) Acquisition of entire equity interest of Shenzhen Jiaxin (Continued)

| | | Notes 附註 | Fair value recognised on acquisition 於收購時確認 之公允值 HK\$'000 千港元 |
|--|----------------|-------------|---|
| Property, plant and equipment | 物業、廠房及設備 | 13 | 1,226 |
| Trade receivables | 應收貿易賬款 | | 19,448 |
| Inventories | 存貨 | | 14,795 |
| Other receivables, deposits and prepayments | 其他應收款項、按金及預付款項 | | 896 |
| Cash and cash equivalents | 現金及現金等價物 | | 806 |
| Bank and other borrowings | 銀行及其他借款 | | (356) |
| Trade payables | 應付貿易賬款 | | (14,555) |
| Other payables and accruals | 其他應付款項及應計費用 | | (1,719) |
| Amount due to former shareholder | 應付前股東款項 | | (14,248) |
| Amount due to immediate holding company | 應付直接控股公司款項 | | (3,429) |
| Tax payables | 應付稅項 | | (12) |
| | | | 2,852 |
| Amount due to former shareholder assigned to the Group | 指讓予本集團的應收前股東款項 | | 14,248 |
| Total identifiable net assets at fair value | 按公允值之可識別淨資產總額 | | 17,100 |
| Non-controlling interests | 非控股權益 | | (1,088) |
| | | | 16,012 |
| Goodwill | 商譽 | 16 | 19,538 |
| | | | 35,550 |
| | | | HK\$'000 千港元 |
| Satisfied by: | 支付方式： | | |
| Cash consideration paid | 已付現金代價 | | 35,550 |

31. 業務合併(續)

(a) 收購附屬公司(續)

(i) 收購深圳加信全部股權(續)

31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(i) Acquisition of entire equity interest of Shenzhen Jiaxin (Continued)

An analysis of the cash flows in respect of the acquisition of Shenzhen Jiaxin is as follows:

| | | HK\$'000 千港元 |
|---|---------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (35,550) |
| Cash and cash equivalents acquired | 所收購現金及現金等價物 | 806 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等價物流出淨額 | (34,744) |

The transaction cost of the acquisition is immaterial.

Shenzhen Jiaxin's acquisition contributed HK\$24,390,000 to the Group's revenue and loss of HK\$1,798,000 to the consolidated loss for the year ended 31 December 2018 upon the completion of the acquisition.

Had the combination taken place at the beginning of the year, the Group's revenue and consolidated loss would have been HK\$259,333,000 and HK\$180,986,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future performance.

31. 業務合併(續)

(a) 收購附屬公司(續)

(i) 收購深圳加信全部股權(續)

就收購深圳加信之現金流量之分析如下：

收購事項之交易成本並不重大。

於收購完成後，深圳加信收購於截至二零一八年十二月三十一日止年度為本集團帶來收益24,390,000港元及為綜合虧損帶來虧損1,798,000港元。

倘合併於年初進行，本集團之收益及綜合虧損應分別為259,333,000港元及180,986,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一八年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

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31. BUSINESS COMBINATIONS *(Continued)*

(a) Acquisition of subsidiaries *(Continued)*

(i) Acquisition of entire equity interest of Shenzhen Jiaxin *(Continued)*

The fair value of the trade and other receivables as at the date of acquisition amounted to approximately HK\$20,344,000. The gross contractual amount of trade and other receivables were approximately HK\$20,344,000, of which no balance was expected to be uncollectible.

The non-controlling interests were recognised at their proportionate share of the recognised amounts of Shenzhen Jiaxin's identifiable net assets.

The goodwill arose in the above acquisition because the consideration included benefit of revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

31. 業務合併 *(續)*

(a) 收購附屬公司 *(續)*

(i) 收購深圳加信全部股權 *(續)*

應收貿易賬款及其他應收款項於收購日期之公允值約為20,344,000港元。應收貿易賬款及其他應收款項之合約總金額約為20,344,000港元，預期並無結餘將不可收回。

非控股權益乃按彼等應佔深圳加信可識別淨資產之已確認金額之比例進行確認。

上述收購產生商譽乃由於代價包括收益增長及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認的商譽就所得稅而言不可扣減。

31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(ii) Acquisition of entire equity interest of Lijiang Shunjing Business Administration and Management Limited (“Shunjing”)

On 30 September 2018, the Group acquired the entire equity interest of Shunjing, a company incorporated in PRC with limited liability, for cash consideration of RMB4,000,000 (equivalent to approximately HK\$4,554,000). Shunjing is principally engaged in property management services. The fair values of the identifiable assets and liabilities acquired during the year are as follows:

31. 業務合併(續)

(a) 收購附屬公司(續)

(ii) 收購麗江順境商業經營管理有限公司(「順境」)全部股權

於二零一八年九月三十日，本集團按現金代價人民幣4,000,000元(等值約4,554,000港元)收購順境(於中國註冊成立之有限公司)全部股權。順境主要從事物業管理服務。本年度收購之可識別資產及負債之公允值如下：

| | | Fair value recognised on acquisition 於收購時確認 之公允值 HK\$'000 千港元 |
|---|----------------|---|
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 3,625 |
| Amount due from a fellow subsidiary | 應收同系附屬公司款項 | 595 |
| Cash and cash equivalents | 現金及現金等價物 | 1,070 |
| Trade payables | 應付貿易賬款 | (34) |
| Accruals and other payables | 應計費用及其他應付款項 | (3,372) |
| Contract liabilities | 合約負債 | (1,213) |
| Total identifiable net assets at fair value | 按公允值之可識別淨資產總額 | 671 |
| Goodwill (note 16) | 商譽(附註16) | 3,883 |
| | | 4,554 |

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31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(ii) Acquisition of entire equity interest of Lijiang Shunjing Business Administration and Management Limited (“Shunjing”) (Continued)

| | | HK\$'000 千港元 |
|-------------------------|--------|-----------------|
| Satisfied by: | 支付方式： | |
| Cash consideration paid | 已付現金代價 | 4,554 |

An analysis of the cash flows in respect of the acquisition of Shunjing is as follows:

| | | HK\$'000 千港元 |
|---|---------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (4,554) |
| Cash and cash equivalents acquired | 所收購現金及現金等價物 | 1,070 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等價物流出淨額 | (3,484) |

The transaction cost of the acquisition is immaterial.

Shunjing's acquisition contributed HK\$1,141,000 to the Group's revenue and loss of HK\$940,000 to the consolidated loss for the year ended 31 December 2018 upon the completion of the acquisition.

31. 業務合併(續)

(a) 收購附屬公司(續)

(ii) 收購麗江順境商業經營管理有限公司(「順境」)全部股權(續)

就收購順境之現金流量之分析如下：

收購事項之交易成本並不重大。

於收購完成後，順境收購於截至二零一八年十二月三十一日止年度為本集團帶來收益1,141,000港元及為綜合虧損帶來虧損940,000港元。

31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(ii) Acquisition of entire equity interest of Lijiang Shunjing Business Administration and Management Limited (“Shunjing”) (Continued)

Had the combination taken place at the beginning of the year, the Group's revenue and consolidated loss would have been HK\$243,193,000 and HK\$181,153,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future performance.

The fair value of the other receivables as at the date of acquisition amounted to approximately HK\$3,625,000. The gross contractual amount of other receivables were approximately HK\$3,625,000, of which no balance was expected to be uncollectible.

The goodwill arose in the above acquisition because the consideration included benefit of revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

31. 業務合併(續)

(a) 收購附屬公司(續)

(ii) 收購麗江順境商業經營管理有限公司(「順境」)全部股權(續)

倘合併於年初進行，本集團之收益及綜合虧損應分別為243,193,000港元及181,153,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一八年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

其他應收款項於收購日期之公允值約為3,625,000港元。其他應收款項之合約總金額約為3,625,000港元，預期並無結餘將不可收回。

上述收購產生商譽乃由於代價包括收益增長及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認的商譽就所得稅而言不可扣減。

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31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(iii) Acquisition of entire issued share capital of Speed Fame

On 18 May 2017, the Group acquired entire issued share capital of Speed Fame, a company incorporated in the British Virgin Islands with limited liability, for consideration of HK\$58,119,000. Speed Fame and its subsidiaries are principally engaged in the provision of nursery education service in Chengdu, the PRC.

The fair values of the identifiable assets and liabilities acquired during the year ended 31 December 2017 are as follows:

31. 業務合併(續)

(a) 收購附屬公司(續)

(iii) 收購迅譽全部已發行股本

於二零一七年五月十八日，本集團按代價58,119,000港元收購迅譽(於英屬處女群島註冊成立之有限公司)全部已發行股本。迅譽及其附屬公司主要於中國成都提供幼兒教育服務。

截至二零一七年十二月三十一日止年度收購之可識別資產及負債之公允值如下：

| | | Fair value recognised on acquisition 於收購時 確認之公允值 |
|---|---------------|--|
| | | Notes 附註 |
| | | HK\$'000 千港元 |
| Cash and bank balances | 現金及銀行結餘 | 1,252 |
| Intangible assets | 無形資產 | 16 69,314 |
| Property, plant and equipment | 物業、廠房及設備 | 13 2,618 |
| Trade receivables | 應收貿易賬款 | 600 |
| Prepayments and other receivables | 預付款項及其他應收款項 | 14,578 |
| Trade payables | 應付貿易賬款 | (117) |
| Accruals and other payables | 應計費用及其他應付款項 | (33,160) |
| Deferred revenues | 遞延收益 | (2,292) |
| Deferred tax liabilities | 遞延稅項負債 | (17,329) |
| Amount due to non-controlling interests | 應付非控股權益款項 | (1,696) |
| Total identifiable net assets at fair value | 按公允值之可識別淨資產總額 | 33,768 |
| Non-controlling interests | 非控股權益 | (10,369) |
| | | 23,399 |
| Goodwill | 商譽 | 16 34,720 |
| | | 58,119 |

31. BUSINESS COMBINATIONS (Continued)

31. 業務合併(續)

(a) Acquisition of subsidiaries (Continued)

(a) 收購附屬公司(續)

(iii) Acquisition of entire issued share capital of Speed Fame (Continued)

(iii) 收購迅譽全部已發行股本(續)

| | | HK\$'000 千港元 |
|-------------------------|--------|-----------------|
| Satisfied by: | 支付方式： | |
| Issue of shares | 發行股份 | 23,789 |
| Cash consideration paid | 已付現金代價 | 34,330 |
| | | 58,119 |

An analysis of the cash flows in respect of the acquisition of Speed Fame is as follows:

就收購迅譽之現金流量之分析如下：

| | | HK\$'000 千港元 |
|---|---------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (34,330) |
| Cash and cash equivalents acquired | 所收購現金及現金等價物 | 1,252 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等價物流出淨額 | (33,078) |

The transaction cost of the acquisition is immaterial.

收購事項之交易成本並不重大。

Speed Fame's acquisition contributed HK\$5,188,000 to the Group's revenue and loss of HK\$2,389,000 to the consolidated profit for the year ended 31 December 2017 upon the completion of the acquisition.

於收購完成後，迅譽收購於截至二零一七年十二月三十一日止年度為本集團帶來收益5,188,000港元及為綜合溢利帶來虧損2,389,000港元。

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31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(iii) Acquisition of entire issued share capital of Speed Fame (Continued)

Had the combination taken place at 1 January 2017, the Group's revenue and consolidated profit would have been HK\$210,440,000 and HK\$68,816,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

The fair value of the trade and other receivables as at the date of acquisition amounted to approximately HK\$15,178,000. The gross contractual amount of trade and other receivables were approximately HK\$15,178,000, of which no balance was expected to be uncollectible.

The non-controlling interests were recognised at their proportionate share of the recognised amounts of Speed Fame's identifiable net assets.

The goodwill arose in the above acquisition because the consideration included benefit of revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

31. 業務合併(續)

(a) 收購附屬公司(續)

(iii) 收購迅譽全部已發行股本(續)

倘合併於二零一七年一月一日進行，本集團之收益及綜合溢利應分別為210,440,000港元及68,816,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

應收貿易賬款及其他應收款項於收購日期之公允值約為15,178,000港元。應收貿易賬款及其他應收款項之合約總金額約為15,178,000港元，預期並無結餘將不可收回。

非控股權益乃按彼等應佔迅譽可識別淨資產之已確認金額之比例進行確認。

上述收購產生商譽乃由於代價包括收益增長及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認的商譽就所得稅而言不可扣減。

31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(iv) Acquisition of entire issued share capital of Superactive Finance

On 25 May 2017, the Group acquired entire issued share capital of Superactive Finance, a company incorporated in Hong Kong with limited liability, and holds a money lender's license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) at the consideration of HK\$420,000. Superactive Finance is principally engaged in money lending business in Hong Kong.

The fair values of the identifiable assets and liabilities acquired during the year ended 31 December 2017 are as follows:

| | | Fair value recognised on acquisition 於收購時 確認之公允值 Notes 附註 | HK\$'000 千港元 |
|---|-------------|---|------------------------|
| Cash and bank balances | 現金及銀行結餘 | | 26 |
| Accruals and other payables | 應計費用及其他應付款項 | | (15) |
| Total identifiable net assets at fair value | | 按公允值之可識別淨資產 總額 | 11 |
| Goodwill | 商譽 | 16 | 409 |
| Cash consideration | 現金代價 | | 420 |
| | | | HK\$'000 千港元 |
| Satisfied by: | 支付方式： | | |
| Cash consideration paid | 已付現金代價 | | 420 |

31. 業務合併(續)

(a) 收購附屬公司(續)

(iv) 收購先機財務全部已發行股本

於二零一七年五月二十五日，本集團按代價420,000港元收購先機財務(於香港註冊成立之有限公司，持有香港法例第163章《放債人條例》的放債人牌照)全部已發行股本。先機財務主要於香港從事放債業務。

截至二零一七年十二月三十一日止年度收購之可識別資產及負債之公允值如下：

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31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(iv) Acquisition of entire issued share capital of Superactive Finance (Continued)

An analysis of the cash flows in respect of the acquisition of Superactive Finance is as follows:

| | | HK\$'000 千港元 |
|---|---------------------------|-----------------|
| Consideration settled by cash | 以現金支付代價 | (420) |
| Cash and cash equivalents acquired | 所收購現金及現金等價物 | 26 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等價物流出淨額 | (394) |

The transaction cost of the acquisition is immaterial.

The acquisition contributed HK\$934,000 to the Group's revenue and contributed loss of HK\$226,000 to the consolidated profit for the year ended 31 December 2017.

Had the combination taken place at 1 January 2017, the Group's revenue and consolidated profit would have been HK\$206,526,000 and HK\$68,912,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

The goodwill arose in the above acquisition because the consideration included benefit of future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

31. 業務合併(續)

(a) 收購附屬公司(續)

(iv) 收購先機財務全部已發行股本(續)

就收購先機財務之現金流量之分析如下：

收購事項之交易成本並不重大。

收購於截至二零一七年十二月三十一日止年度為本集團帶來收益934,000港元及為綜合溢利帶來虧損226,000港元。

倘合併於二零一七年一月一日進行，本集團之收益及綜合溢利應分別為206,526,000港元及68,912,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

上述收購產生商譽乃由於代價包括未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認的商譽就所得稅而言不可扣減。

31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(v) Acquisition of the entire equity interest of Qianhai Wanke

On 29 August 2017, the Group acquired the entire equity interest of Qianhai Wanke, a company established in the PRC at the consideration of RMB98,017,000 (approximately HK\$115,285,000). Qianhai Wanke and its subsidiary are principally engaged in property development in the PRC.

The fair values of the identifiable assets and liabilities acquired during the year ended 31 December 2017 as follows:

31. 業務合併(續)

(a) 收購附屬公司(續)

(v) 收購前海萬客之全部股權

於二零一七年八月二十九日，本集團按代價人民幣98,017,000元(約115,285,000港元)收購前海萬客(於中國成立之公司)全部股權。前海萬客及其附屬公司主要於中國從事物業開發。

截至二零一七年十二月三十一日止年度收購之可識別資產及負債之公允值如下：

| | | Fair value recognised on acquisition 於收購時 確認之公允值 HK\$'000 千港元 |
|---|-------------------|---|
| | | Notes 附註 |
| Cash and bank balances | 現金及銀行結餘 | 935 |
| Property, plant and equipment | 物業、廠房及設備 | 13 92 |
| Deferred tax assets | 遞延稅項資產 | 6,701 |
| Land appreciation tax recoverables | 可收回土地增值稅 | 2,725 |
| Amount due from related company | 應收關連公司款項 | 3,529 |
| Properties under development held for sale | 持作出售之開發中物業 | 477,198 |
| Prepayments and other receivables | 預付款項及其他應收款項 | 12,955 |
| Trade payables | 應付貿易賬款 | (79,326) |
| Accruals and other payables | 應計費用及其他應付款項 | (14,098) |
| Bank borrowings | 銀行借款 | (235,236) |
| Total identifiable net assets at fair value | 按公允值之可識別 淨資產總額 | 175,475 |
| Less: Purchase consideration | 減：收購代價 | 115,285 |
| Gain on bargain purchase | 議價收購收益 | 6 60,190 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(v) Acquisition of the entire equity interest of Qianhai Wanke (Continued)

| | | HK\$'000 千港元 |
|--|---------------------------|-----------------|
| An analysis of the cash flows in respect of the acquisition of subsidiaries is as follows: | 就收購附屬公司之現金流量分析如下： | |
| Cash and cash equivalents acquired | 所收購現金及現金等價物 | 935 |
| Net inflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之現金及現金等價物流入淨額 | 935 |

Transaction costs of approximately HK\$1,255,000 have been expensed and are included in administrative costs in consolidated statement of profit or loss.

The acquisition did not contribute any revenue to the Group and contributed loss of HK\$3,065,000 to consolidated profit for the year ended 31 December 2017.

交易成本約1,255,000港元已支銷，並於綜合損益表中入賬列為行政成本。

收購於截至二零一七年十二月三十一日止年度並無為本集團帶來任何收益，而為綜合溢利帶來虧損3,065,000港元。

31. 業務合併(續)

(a) 收購附屬公司(續)

(v) 收購前海萬客之全部股權 (續)

31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(v) Acquisition of the entire equity interest of Qianhai Wanke (Continued)

Had the combination taken place at 1 January 2017, the Group's revenue and the consolidated profit would have been HK\$206,526,000 and HK\$51,710,000, respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

The fair value of the other receivables and amount due from related company as at the date of acquisition amounted to approximately HK\$16,484,000. The gross contractual amounts of other receivables and amount due from related company were approximately HK\$16,484,000, of which no balance was expected to be uncollectable.

The acquisition resulted in gain on bargain purchase of HK\$60,190,000 as the completion of the property development project in PRC required significant capital expenditure and the financing of the Group.

31. 業務合併(續)

(a) 收購附屬公司(續)

(v) 收購前海萬客之全部股權(續)

倘合併於二零一七年一月一日進行，本集團之收益及綜合溢利應分別為206,526,000港元及51,710,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

其他應收款項及應收關連公司款項於收購日期之公允值約為16,484,000港元。其他應收款項及應收關連公司款項之合約總金額約為16,484,000港元，預期並無結餘將不可收回。

由於於中國完成物業開發項目涉及重大資本開支，及本集團須就此進行融資，故收購事項產生議價收購收益60,190,000港元。

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31. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries (Continued)

(vi) Acquisition of entire issued share capital of Superactive Financial Group

On 18 October 2017, the Group acquired the entire issued share capital of Superactive Financial Group, a company incorporated in Hong Kong at the consideration of HK\$12,500,000. Superactive Financial Group is principally engaged in the provision of regulated financial service activities.

The fair values of the identifiable assets and liabilities acquired during the year ended 31 December 2017 are as follows:

31. 業務合併(續)

(a) 收購附屬公司(續)

(vi) 收購先機金融集團之全部已發行股本

於二零一七年十月十八日，本集團按代價12,500,000港元收購先機金融集團(於香港註冊成立之公司)全部已發行股本。先機金融集團主要從事提供受規管金融服務活動。

截至二零一七年十二月三十一日止年度收購之可識別資產及負債之公允值如下：

| | | Fair value recognised on acquisition 於收購時 確認之公允值 HK\$'000 千港元 |
|--|----------------------|---|
| | | Notes 附註 |
| Cash and bank balances | 現金及銀行結餘 | 363 |
| Intangible assets | 無形資產 | 16 9,186 |
| Property, plant and equipment | 物業、廠房及設備 | 11 |
| Trade and other receivables | 應收貿易賬款及其他應收款項 | 1,003 |
| Accruals and other payables | 應計費用及其他應付款項 | (19) |
| Deferred tax liabilities | 遞延稅項負債 | (1,515) |
| Amount due to a director | 應付董事款項 | (11) |
| Total identifiable net assets at fair value | 按公允值之可識別淨資產總額 | 9,018 |
| Goodwill | 商譽 | 16 3,482 |
| Cash consideration | 現金代價 | 12,500 |
| | | HK\$'000 千港元 |
| Satisfied by: | 支付方式： | |
| Cash consideration paid | 已付現金代價 | 12,500 |

31. BUSINESS COMBINATIONS (Continued)

31. 業務合併(續)

(a) Acquisition of subsidiaries (Continued)

(a) 收購附屬公司(續)

(vi) Acquisition of entire issued share capital of
Superactive Financial Group (Continued)

(vi) 收購先機金融集團之全部
已發行股本(續)

| | | HK\$'000 千港元 |
|---|-------------------------------|-----------------|
| An analysis of the cash flows in respect of the acquisition of subsidiary is as follows: | 就收購附屬公司之現金流量 分析如下： | |
| Consideration settled by cash | 以現金結算之代價 | (12,500) |
| Cash and cash equivalents acquired | 所收購現金及現金等價物 | 363 |
| Net outflow of cash and cash equivalents included in cash flows from investing activities | 計入投資活動所得現金流量之 現金及現金等價物流出淨額 | (12,137) |

The transaction cost of the acquisition is immaterial.

收購事項之交易成本並不重大。

The acquisition did not contribute any revenue to the Group and contributed loss of HK\$1,070,000 to the consolidated profit for the year ended 31 December 2017.

收購於截至二零一七年十二月三十一日止年度並無為本集團帶來任何收益，而為綜合溢利帶來虧損1,070,000港元。

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31. BUSINESS COMBINATIONS *(Continued)*

(a) Acquisition of subsidiaries *(Continued)*

(vi) Acquisition of entire issued share capital of Superactive Financial Group *(Continued)*

Had the combination taken place at 1 January 2017, the Group's revenue and consolidated profit would have been HK\$207,850,000 and HK\$66,901,000, respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future performance.

The fair value of the trade and other receivables as at the date of acquisition amounted to approximately HK\$1,003,000. The gross contractual amount of trade and other receivables were approximately HK\$1,003,000, of which no balance was expected to be uncollectible.

The goodwill arose in the above acquisition because the consideration included benefit of synergies and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

31. 業務合併(續)

(a) 收購附屬公司(續)

(vi) 收購先機金融集團之全部已發行股本(續)

倘合併於二零一七年一月一日進行，本集團之收益及綜合溢利應分別為207,850,000港元及66,901,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一七年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

應收貿易賬款及其他應收款項於收購日期之公允值約為1,003,000港元。應收貿易賬款及其他應收款項之合約總金額約為1,003,000港元，預期並無結餘將不可收回。

上述收購產生商譽乃由於代價包括協同效應及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認的商譽就所得稅而言不可扣減。

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32. DISPOSAL OF SUBSIDIARIES

- (i) On 27 April 2018, the Group entered into a sale and purchase agreement with a purchaser pursuant to which the Group agreed to sell all of the Group's 100% equity interest of a subsidiary, Rise Up, and shareholder's loan to an independent third party at a consideration of HK\$214,000,000. The disposal of Rise Up was completed on 20 July 2018. The net assets of Rise Up at the disposal date were as follows:

| | | 20 July 2018 二零一八年 七月二十日 HK\$'000 千港元 |
|---|--------------|---|
| | Note 附註 | |
| Net assets disposed of: | 已出售之資產淨值： | |
| Interest in an associate | 於一間聯營公司之權益 | 14 241,231 |
| Cash and cash equivalents | 現金及現金等價物 | 57 |
| Amount due to immediate holding company | 應付直接控股公司款項 | (69,000) |
| Deferred tax liabilities | 遞延稅項負債 | 27 (11,043) |
| | | 161,245 |
| Translation reserve | 換算儲備 | (17,265) |
| Investment revaluation reserve | 投資重估儲備 | (4) |
| | | 143,976 |
| | | HK\$'000 千港元 |
| Consideration | 代價 | 214,000 |
| Less: Net assets disposed of | 減：已出售之資產淨值 | (143,976) |
| Less: Amount due to immediate holding company | 減：應付直接控股公司款項 | (69,000) |
| Gain on disposal | 出售收益 | 6 1,024 |
| | | HK\$'000 千港元 |
| Net cash inflow arising on disposal: | 出售產生之現金流入淨額： | |
| Cash consideration | 現金代價 | 214,000 |
| Cash and cash equivalents disposed of | 已出售之現金及現金等價物 | (57) |
| | | 213,943 |

32. 出售附屬公司

- (i) 於二零一八年四月二十七日，本集團與一名買方訂立買賣協議，據此本集團同意出售本集團於一間附屬公司Rise Up之100%股權，及按代價214,000,000港元向獨立第三方出售股東貸款。出售Rise Up已於二零一八年七月二十日完成。Rise Up於出售日期之資產淨值如下：

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32. DISPOSAL OF SUBSIDIARIES (Continued)

- (ii) On 29 May 2017, Hinda Enterprises Limited (“Hinda”), a direct wholly owned subsidiary of the Group, entered into a sale and purchase agreement to acquire the entire issued share capital and the shareholder’s loan in Wealth Long Limited at a consideration of HK\$185,000,000. The vendor also granted the Group the put option, which require the vendor to purchase from the Group the option shares (representing the entire issued share capital of Wealth Long Limited) and the shareholder’s loan at a consideration of HK\$185,000,000 within 90 days from 29 May 2017. Wealth Long Limited holds a property in Hong Kong and has no other business operation. Therefore, the acquisition is accounted for as an acquisition of assets.

On 8 August 2017, the Group served the notice to exercise the put option to request the vendor to purchase the entire issued share capital of Wealth Long Limited at the option price of HK\$185,000,000. After negotiation with the vendor, entire share capital of Hinda was transferred to the vendor, and the transaction was completed on 10 November 2017. The net assets of Hinda and its subsidiary at the date of disposal were as follows:

| | | 10 November 2017 二零一七年 十一月十日 |
|--|--|---------------------------------------|
| | Note 附註 | HK\$'000 千港元 |
| Property, plant and equipment | 物業、廠房及設備 | 186,110 |
| Net asset disposed of | 已出售資產淨值 | 186,110 |
| Loss on disposal of subsidiaries included in profit for the year for the year ended 31 December 2017 | 計入截至二零一七年十二月 三十一日止年度溢利之出售 附屬公司虧損 | (1,110) |
| Total consideration | 代價總額 | 185,000 |
| Satisfied by and net cash outflow in respect of the disposal: | 支付方式及就出售之 現金流出淨額： | |
| Cash consideration | 現金代價 | 185,000 |

32. 出售附屬公司(續)

- (ii) 於二零一七年五月二十九日，本集團之直接全資附屬公司亨達企業有限公司(「亨達」)訂立一份買賣協議，以收購財順有限公司之全部已發行股本及股東貸款，代價為185,000,000港元。賣方亦授予本集團認沽期權，其要求賣方於自二零一七年五月二十九日起計九十日內按代價185,000,000港元向本集團購回購股權股份(相當於財順有限公司之全部已發行股本)及股東貸款。財順有限公司於香港持有一項物業，且並無其他業務營運。因此，該項收購入賬列為一項資產收購。

於二零一七年八月八日，本集團發出行使認沽期權之通知，要求賣方按期權價185,000,000港元購回財順有限公司之全部已發行股本。經與賣方協商後，亨達之全部股本已轉讓予賣方，及交易已於二零一七年十一月十日完成。亨達及其附屬公司於出售日期之資產淨值如下：

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33. NOTES TO THE CONSOLIDATED
STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities:

33. 綜合現金流量表附註

融資活動產生之負債對賬：

| | | Amount due to a shareholder 應付一名 股東款項 (Note 25) HK\$'000 千港元 | Interest payables included in other payables 計入其他應付款項 之應付利息 HK\$'000 千港元 | Interest- bearing borrowings 計息借款 (Note 26) (附註26) HK\$'000 千港元 | Amounts due to non-controlling interests 應付非控股 權益款項 (Note 25) (附註25) HK\$'000 千港元 |
|---|----------------------|--|--|--|---|
| At 1 January 2017 | 於二零一七年一月一日 | — | 2 | 641 | — |
| Changes from cash flows: | 現金流量變動： | | | | |
| Proceeds from bank borrowings | 銀行借款所得款項 | — | — | 4,901 | — |
| Repayments of bank borrowings | 償還銀行借款 | — | — | (237,757) | — |
| Cash advance from shareholder | 股東之現金墊款 | 9,500 | — | — | — |
| Interest paid | 已付利息 | — | (16) | — | — |
| Total changes from financing cash flows: | 融資現金流量變動總額： | 9,500 | (16) | (232,856) | — |
| Other changes: | 其他變動： | | | | |
| Interest expense | 利息開支 | — | 221 | — | — |
| Acquisition of subsidiaries | 收購附屬公司 | — | — | 235,236 | 1,801 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | 9,500 | 207 | 3,021 | 1,801 |
| Changes from cash flows: | 現金流量變動： | | | | |
| Proceeds from interest bearing borrowings | 計息借款所得款項 | — | — | 461,120 | — |
| Repayments of interest bearing borrowings | 償還計息借款 | — | — | (25,227) | — |
| Repayment to a shareholder | 償還股東之款項 | (10,548) | — | — | — |
| Advance from non-controlling interests | 非控股權益墊款 | — | — | — | 1,138 |
| Interest paid | 已付利息 | — | (26,881) | — | — |
| Total changes from financing cash flows: | 融資現金流量變動總額： | (10,548) | (26,881) | 435,893 | 1,138 |
| Exchange adjustments | 匯兌調整 | — | — | (1) | (96) |
| Other changes: | 其他變動： | | | | |
| Interest expense | 利息開支 | — | 26,941 | — | — |
| Acquisition of subsidiaries | 收購附屬公司 | — | — | 356 | — |
| Acquisition of an associate | 收購聯營公司 | 1,200 | — | — | — |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 152 | 267 | 439,269 | 2,843 |

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34. CONTINGENT LIABILITIES

As at 31 December 2018 and 31 December 2017, the Group did not have any significant contingent liabilities.

35. COMMITMENTS

Operating commitments

As Lessee

At the reporting date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

| | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|--------------------------------------|----------------------------------|
| Operating leases which expire: Within one year | 於下列期間屆滿之經營租賃： 一年內 5,177 | 5,867 |
| | 5,177 | 5,867 |

Operating lease payments represent rentals payable by the Group for certain of its office properties and factories. The leases run for an initial period of 1 to 20 years (2017: 1 to 20 years), with an option to renew the leases and renegotiate the terms at the expiry date or dates as mutually agreed between the Group and the respective landlords. None of the leases contain contingent rentals.

34. 或然負債

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，本集團並無任何重大或然負債。

35. 承擔

經營承擔

作為承租人

於報告日期，本集團根據不可撤銷經營租賃就租賃物業之未來最低租賃款項之承擔到期情況如下：

經營租賃款項乃指本集團就其若干辦公室物業及廠房租約應付之租金。租約之初步年期為1至20年（二零一七年：1至20年），附帶選擇權可於屆滿日期或本集團與各業主相互協定之日期續訂租約及重新協定條款。概無租約含有或然租金。

35. COMMITMENTS (Continued)

Operating commitments (Continued)

As Lessor

The minimum rent receivables under non-cancellable operating leases are as follows:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Not later than one year | 不超過一年 | 11,956 | — |
| Later than one year and not later than two years | 超過一年但不超過兩年 | 1,707 | — |
| Later than two years and not later than five years | 超過兩年但不超過五年 | 509 | — |
| | | 14,172 | — |

Operating lease payments represent rentals receivable by the Group for certain of its office properties and shop premises. The leases run for an initial period of 1-2 years, office properties would be used as own office upon expiry of the tenancy agreements and the shop premises would be sold when potential buyers are located. None of the leases contain contingent rentals.

35. 承擔(續)

經營承擔(續)

作為出租人

不可撤銷經營租賃項下的最低應收租金如下：

經營租賃款項乃指本集團就其若干辦公室物業及商店租約應收之租金。租約之初步年期為1至2年，辦公室物業於租賃協議屆滿後用作自身辦公室，而商店則於覓得潛在買家時出售。概無租約含有或然租金。

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35. COMMITMENTS (Continued)

Capital commitments

At the reporting date, the Group had capital commitments in respect of property development and property, plant and equipment as follows:

| | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Contracted but not provided for 已訂約惟未撥備 | 2,130 | 36,853 |

36. RELATED PARTY TRANSACTIONS

The remuneration of the key management during the year is as follows:

| | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Basic salaries and allowances, bonuses and benefits in kind 基本薪金及津貼、花紅及 實物利益 | 9,233 | 11,590 |
| Mandatory provident fund contributions 強制性公積金供款 | 60 | 55 |
| | 9,293 | 11,645 |

Other than the disclosures above, the Group has not entered into any other related party transactions.

35. 承擔(續)

資本承擔

於報告日期，本集團就物業開發及物業、廠房及設備之資本承擔如下：

36. 關連人士交易

本年度主要管理層之酬金如下：

除以上披露者外，本集團未有訂立任何其他關連人士交易。

37. CAPITAL MANAGEMENT POLICIES AND RISK

The Group's objectives are: to provide returns for shareholders; to safeguard the Group's ability to continue as a going concern so that it continues to provide returns and benefits for its stakeholders; to support the Group's stability and growth; and to provide capital for the purpose of strengthening the Group's risk management capability.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders and issue new shares to reduce its debt level.

Consistent with other industries, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest-bearing borrowings less cash and cash equivalents. Total capital represents total equity, as shown in the consolidated statement of financial position.

The gearing ratio at the end of reporting period was as follows:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|----------------|--------|----------------------------------|----------------------------------|
| Total net debt | 淨債務總額 | 410,805 | – |
| Total capital | 資本總值 | 722,238 | 931,346 |
| Gearing ratio | 資本負債比率 | 56.88% | N/A不適用 |

37. 資本管理政策及風險

本集團之目標為：向股東提供回報；保證本集團之持續經營能力，以繼續為持份者提供回報及利益；支持本集團之穩定性及增長；及提供資金以增強本集團風險管理能力。

為維持或調整資本架構，本集團或會調整支付予股東之股息金額、歸還資本予股東及發行新股以降低其債務水平。

與其他行業一致，本集團基於資本負債比率監控資本。該比率按債務淨額除以資本總額計算。債務淨額按計息借款總額減現金及現金等價物計算。誠如綜合財務狀況表所列示，資本總值指權益總值。

於報告期末之資本負債比率如下：

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38. FINANCIAL RISK MANAGEMENT AND POLICIES

The Group is exposed to a variety of financial risks: including foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by key management under the policies approved by the Board. The Group does not have written risk management policies. However, the Board meets regularly and co-operates closely with key management to identify and evaluate risks and to formulate strategies to manage financial risks.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities.

The Group's financial assets are primarily denominated in HK\$, RMB, USD and AUD. The currencies to which the Group had significant exposure on its monetary financial assets and liabilities included RMB, USD and AUD. At 31 December 2018 and 2017, in view of the fact that HK\$ is pegged to USD, the Company's exposure to USD is considered to be minimal. The net exposure expressed in HK\$ is as follows:

| | | Assets 資產 | |
|-----|-----|----------------------------------|----------------------------------|
| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
| RMB | 人民幣 | 226 | 279 |
| AUD | 澳元 | — | 25,010 |

38. 財務風險管理及政策

本集團須承受不同種類之財務風險，包括外幣風險、利率風險、信貸風險及流動資金風險。本集團之整體風險管理集中於金融市場之未能預計因素，並尋求盡量減低對本集團財務表現之潛在不利影響。風險管理由主要管理層根據董事會批准之政策執行。本集團並無書面風險管理政策。然而，董事會與主要管理層定期會面並緊密合作以識別及評估風險，並制定管理財務風險之策略。

外幣風險

外幣風險為金融工具之公允值或未來現金流量因外幣匯率變動而波動之風險。本集團所承擔外幣匯率變動之風險主要關乎本集團之經營活動。

本集團之金融資產主要以港元、人民幣、美元及澳元計值。本集團涉及貨幣性金融資產及負債的重大風險之有關貨幣包括人民幣、美元及澳元。於二零一八年及二零一七年十二月三十一日，有見於港元與美元掛鈎，本公司承擔的美元風險被視為微不足道。以港元表示之外幣淨風險如下：

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Foreign currency risk (Continued)

The following table indicates the approximate change in the Group's profit for the year ended 31 December 2018 and 2017 in response to reasonably possible change in foreign exchange rates to which the Group has significant exposure at the end of reporting period. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the relevant currencies strengthen 5% against the HK\$. For a 5% weakening of the relevant currencies against the HK\$, there would be an equal and opposite impact on the profit and the balances below would be negative.

| | | 2018 二零一八年 | | 2017 二零一七年 | |
|-----|-----|--|--|--|--|
| | | Increase in exchange rate 匯率增加 % | Effect on profit for the year 對年內溢利 的影響 HK\$'000 千港元 | Increase in exchange rate 匯率增加 % | Effect on profit for the year 對年內溢利 的影響 HK\$'000 千港元 |
| RMB | 人民幣 | 5 | 11 | 5 | 14 |
| AUD | 澳元 | 5 | — | 5 | 1,250 |

38. 財務風險管理及政策 (續)

外幣風險 (續)

下表顯示本集團因應本集團於報告期末承受重大風險之外幣匯率合理可能變動而作出之截至二零一八年及二零一七年十二月三十一日止年度溢利之概約變動。敏感度分析包括尚未處理之外幣計值貨幣項目，並會按外幣匯率之5%變動對其於年末之換算作出調整。下表中之正數顯示倘相關貨幣兌港元升值5%時溢利之增加數額。倘相關貨幣兌港元貶值5%，溢利將會出現相反方向之等額變動，而下列之結餘將為負數。

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38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Interest rate risk

The Group's interest rate risk arises primarily from bank borrowings. Bank borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

At 31 December 2018, it is estimated that a general increase/decrease of 100 basis points in interest rates for variable rate bank borrowings, with all other variables held constant, would increase/decrease the Group's loss after tax (and retained earnings) by approximately HK\$1,277,000.

The analysis is prepared assuming these financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

38. 財務風險管理及政策 (續)

利率風險

本集團的利率風險主要來自銀行借款。按浮息發行的銀行借款使本集團承受現金流利率風險。本集團並未設有利率對沖政策。然而，管理層監控利率風險，並將於有需要時考慮對沖重大利率風險。

於二零一八年十二月三十一日，倘浮息銀利借款的利率整體上升／下降100個基點，而其他所有變數保持不變，估計本集團的除稅後虧損(及保留盈利)將上升／下降約1,277,000港元。

分析假設該等於報告期末尚未償還的金融工具於全年均未償還。利率上升或下降100個基點用於向主要管理層人員內部匯報利率風險，代表管理層對利率合理可能變動的評估。

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk

The Group's credit risk is primarily attributable to trade receivables and loan receivables. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Group is exposed to concentration risk as a significant portion of its business is derived from its largest customers. As at 31 December 2018, trade and bills receivables of 75.1% (2017: 98.1%) and loan receivables of 59.1% (2017: 100%) were contributed by the top five customers. In order to minimise any credit risk, the management of the Group has delegated a team to be responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt on a regular basis to ensure that adequate impairment loss are made for irrecoverable amounts. Management does not expect any significant losses of trade receivables that have not been provided for by way of an allowance.

In respect of loan receivables, all borrowers who obtain loans from the Group are subject to management review. The Group also demands certain borrowers to place collateral at the time the agreement is entered into as securities of loans.

The credit risk on liquid funds is limited because the counterparts are banks with high credit ratings assigned by international credit rating agencies.

38. 財務風險管理及政策 (續)

信貸風險

本集團之信貸風險主要歸因於應收貿易賬款及應收貸款。本集團已制定信貸政策，且信貸風險持續受到監控。

本集團存在過度集中風險，乃因其業務之主要部份來自其最大客戶所致。於二零一八年十二月三十一日，來自五大客戶之應收貿易賬款及應收票據的75.1%（二零一七年：98.1%）及應收貸款的59.1%（二零一七年：100%）。為盡量減低任何信貸風險，本集團管理層已委派團隊負責釐定信貸限額、信貸審批及其他監控程序以確保採取跟進行動收回過期債務。此外，本集團定期審閱各項應收貿易債務之可收回金額，以確保就不可收回金額作出足額減值虧損。管理層並不預期應收貿易賬款中有任何重大虧損而仍未有作出撥備。

就應收貸款而言，所有向本集團取得貸款之借方均需經管理層審閱。本集團亦要求若干借方於訂立協議時提供抵押品，以作為貸款之擔保。

流動資金之信貸風險有限，乃因交易對手為國際信貸評級機構賦予高信貸評級之銀行。

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38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk (Continued)

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

At 31 December 2018

| | | | Gross carrying amount | Lifetime ECL | Net carrying amount |
|------------------------|---------------|---------------------------------------|-----------------------------|---------------------------------|---------------------------|
| | | Lifetime ECL rate 全期預期 信貸虧損率 | 賬面總值 HK\$'000 千港元 | 全期預期 信貸虧損 HK\$'000 千港元 | 賬面淨值 HK\$'000 千港元 |
| Collective assessment | 共同評估 | | | | |
| Current | 即期 | 0.1% | 34,951 | 35 | 34,916 |
| 1 – 60 days past due | 逾期 1 - 60 日 | 0.5% | 17,021 | 85 | 16,936 |
| 61 - 90 days past due | 逾期 61 - 90 日 | 5% | 4,376 | 219 | 4,157 |
| 91 – 120 days past due | 逾期 91 - 120 日 | 25% | 1,950 | 488 | 1,462 |
| Over 120 days past due | 逾期 120 日以上 | 53% | 1,210 | 642 | 568 |
| Individual assessment | 獨立評估 | | 1,700 | 1,700 | — |
| Total | 總計 | | 61,208 | 3,169 | 58,039 |

ECL rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

38. 財務風險管理及政策 (續)

信貸風險(續)

下表載列於二零一八年十二月三十一日本集團就應收貿易賬款及應收票據之信貸風險及預期信貸虧損之資料：

於二零一八年十二月三十一日

預期虧損率基於過去5年之實際虧損經驗。該等比率經已調整以反映歷史數據收集期間之經濟狀況差異、目前狀況以及本集團對應收款項預計年期之經濟狀況的意見。

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk (Continued)

Comparative information under HKAS 39

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 3 Financial instruments – accounting policies applied until 31 December 2017) – Financial assets. At 31 December 2017, trade receivables of HK\$896,000 were determined to be impaired. The ageing analysis of trade debtors that were not considered to be impaired was as follows:

As at 31 December 2017

| | | HK\$'000 千港元 |
|-------------------------------|-------------|-----------------|
| Neither past due nor impaired | 既無逾期亦未減值 | 30,198 |
| 1-60 days past due | 逾期1 - 60日 | 21,632 |
| 61-90 days past due | 逾期61 - 90日 | 32 |
| 91-120 days past due | 逾期91 - 120日 | 99 |
| Total | 總計 | 51,961 |

Trade receivables that were past due but not impaired related to a large number of diversified customers that had a good track record with the Group. Based on past experience, the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group did not hold any collateral in respect of trade receivables that are past due but not impaired.

38. 財務風險管理及政策(續)

信貸風險(續)

香港會計準則第39號項下之比較資料

於二零一八年一月一日前，減值虧損僅於客觀減值證據存在時確認(請參考附註3金融工具 – 直至二零一七年十二月三十一日應用的會計政策) – 金融資產。於二零一七年十二月三十一日，應收貿易賬款896,000港元釐定為將會減值。被視為未減值之應收貿易賬款之賬齡分析如下：

於二零一七年十二月三十一日

已逾期但未減值之應收貿易賬款與多名來自不同層面的客戶有關，該等客戶與本集團擁有良好往績記錄。根據過往經驗，管理層相信，由於信貸質素並無重大變動，而結餘仍視作可全數收回，故毋須就該等結餘作出減值撥備。本集團並無就已逾期但未減值的應收貿易賬款持有任何抵押品。

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38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk (Continued)

Movements in the provision for impairment of trade receivables are as follows:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|------------------------------|-----------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 896 | 1,055 |
| Impairment losses recognised | 已確認減值虧損 | 2,273 | 231 |
| Impairment losses reversed | 已撥回減值虧損 | — | (390) |
| At 31 December | 於十二月三十一日 | 3,169 | 896 |

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

| | | 12-month ECL rate 12個月預期 信貸虧損率 | Gross carrying amount 賬面總值 HK\$'000 千港元 | 12-month ECL 12個月預期 信貸虧損 HK\$'000 千港元 | Net carrying amount 賬面淨值 HK\$'000 千港元 |
|-----------------------|------|---|--|--|---|
| Collective assessment | 共同評估 | | | | |
| Current | 即期 | 5% | 238,593 | 11,929 | 226,664 |
| Total | 總計 | | 238,593 | 11,929 | 226,664 |

38. 財務風險管理及政策 (續)

信貸風險(續)

應收貿易賬款減值撥備之變動如下：

下表呈列本集團於二零一八年十二月三十一日承受的信貸風險及應收貸款預期信貸虧損：

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk (Continued)

Expected loss rates are based on actual loss experience over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Comparative information under HKAS 39

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 3 Financial instruments – accounting policies applied until 31 December 2017) – Financial assets. At 31 December 2017, all loan receivables are not yet past due and no loan receivables were determined to be impaired.

Based on past experience, the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

38. 財務風險管理及政策 (續)

信貸風險 (續)

預期虧損率基於過去2年之實際虧損經驗。該等比率經已調整以反映歷史數據收集期間之經濟狀況差異、目前狀況以及本集團對應收款項預計年期之經濟狀況的意見。

香港會計準則第39號項下之比較資料

於二零一八年一月一日前，減值虧損僅於客觀減值證據存在時確認（請參考附註3金融工具—直至二零一七年十二月三十一日應用的會計政策）—金融資產。於二零一七年十二月三十一日，所有應收貸款均未逾期，且概無應收貸款被視為已減值。

根據過往經驗，管理層相信，由於信貸質素並無重大變動，而結餘仍視作可全數收回，故毋須就該等結餘作出減值撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk (Continued)

Comparative information under HKAS 39 (Continued)

Movements in the provision for impairment of loan receivables are as follows:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|------------------------------|-----------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | — | — |
| Impairment losses recognised | 已確認減值虧損 | 11,929 | — |
| At 31 December | 於十二月三十一日 | 11,929 | — |

The Group has provided in full against those receivables where evidence suggests that the amounts outstanding are not recoverable.

Liquidity risk

The Group's objective is to ensure that adequate funds are available to meet commitments associated with its financial liabilities.

The Group manages its liquidity needs by carefully monitoring short term and long term cash outflows on a regular basis. The Group mainly utilises cash to meet its liquidity requirements for periods up to 30 days. Funding for long term liquidity needs will be considered when liquidity requirements in the long term are identified.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

38. 財務風險管理及政策 (續)

信貸風險(續)

香港會計準則第39號項下之比較資料(續)

應收貸款減值撥備之變動如下：

本集團已就有證據顯示不可收回之未償還應收款項之金額作出全數撥備。

流動資金風險

本集團之目標為確保有足夠資金可供動用以償付與其金融負債有關之承擔。

本集團透過定期嚴密監控短期及長期現金流出以管理其流動資金需求。本集團主要利用現金滿足其於最多30日期間內之流動資金所需。當確定長期流動資金所需時，長期流動資金所需資金將予以考慮。

下表為本集團按淨額基準結算相關到期組別在報告日期直至合約到期日為止之剩餘期限之金融負債之分析。以下為根據金融負債之未貼現現金流量作出之合約到期日分析。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

38. FINANCIAL RISK MANAGEMENT AND
POLICIES (Continued)

38. 財務風險管理及政策 (續)

Liquidity risk (Continued)

流動資金風險 (續)

2018

二零一八年

| | | Within one year or on demand 一年內或 按要求時 HK\$'000 千港元 | More than one year but less than two years 超過一年 但少於兩年 HK\$'000 千港元 | More than two years but less than five years 超過兩年 但少於五年 HK\$'000 千港元 | Total undiscounted amount 未貼現總金額 HK\$'000 千港元 | Carrying amount 賬面值 HK\$'000 千港元 |
|---|-------------------|---|---|---|--|--|
| Non-derivative financial liabilities: | 非衍生金融負債： | | | | | |
| Trade and other payables | 應付貿易賬款及 其他應付款項 | 302,652 | — | — | 302,652 | 302,652 |
| Amount due to a shareholder | 應付一名股東款項 | 152 | — | — | 152 | 152 |
| Amounts due to non-controlling interests | 應付非控股權益 款項 | 2,843 | — | — | 2,843 | 2,843 |
| Interest-bearing borrowings | 計息借款 | 291,402 | 11,089 | 155,386 | 457,877 | 439,269 |
| | | 597,049 | 11,089 | 155,386 | 763,524 | 744,916 |

2017

二零一七年

| | | Within one year or on demand 一年內或 按要求時 HK\$'000 千港元 | More than one year but less than two years 超過一年 但少於兩年 HK\$'000 千港元 | Total undiscounted amount 未貼現總金額 HK\$'000 千港元 | Carrying amount 賬面值 HK\$'000 千港元 |
|--|-------------------|---|---|--|--|
| Non-derivative financial liabilities: | 非衍生金融負債： | | | | |
| Trade and other payables | 應付貿易賬款及 其他應付款項 | 152,856 | 117,693 | 270,549 | 270,549 |
| Amount due to a shareholder | 應付一名股東款項 | 9,500 | — | 9,500 | 9,500 |
| Amount due to non-controlling interests | 應付非控股權益款項 | 1,801 | — | 1,801 | 1,801 |
| Interest-bearing borrowings | 計息借款 | 3,021 | — | 3,021 | 3,021 |
| | | 167,178 | 117,693 | 284,871 | 284,871 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Summary of financial assets and liabilities by category

The carrying amounts of financial assets and liabilities presented in the consolidated statement of financial position relates to the following categories:

Financial assets:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|-------------------|----------------------------------|----------------------------------|
| Financial assets | 金融資產 | | |
| At amortised cost: | 按攤銷成本計量： | | |
| Cash and cash equivalents | 現金及現金等價物 | 28,464 | — |
| Trade and bills receivables | 應收貿易賬款及應收票據 | 58,039 | — |
| Loan receivables | 應收貸款 | 226,664 | — |
| Deposits and other receivables | 按金及其他應收款項 | 39,702 | — |
| At fair value through profit or loss | 按公允值於損益列賬之 | | |
| | 金融資產 | 26,086 | — |
| Loans and receivables: | 貸款及應收款項： | | |
| Cash and cash equivalents | 現金及現金等價物 | — | 108,131 |
| Trade and bills receivables | 應收貿易賬款及應收票據 | — | 51,961 |
| Loan receivables | 應收貸款 | — | 58,803 |
| Deposits and other receivables | 按金及其他應收款項 | — | 62,187 |
| Available-for-sale financial assets | 可供出售金融資產 | — | 25,010 |
| | | 378,955 | 306,092 |

38. 財務風險管理及政策 (續)

金融資產及負債分類概要

於綜合財務狀況表中呈列之金融資產及負債賬面值與以下類別有關：

金融資產：

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Summary of financial assets and liabilities by category (Continued)

The carrying values of the financial assets included above approximate their fair values due to their short term nature.

The carrying values of the financial liabilities (including current portion of interest-bearing borrowings) included above approximate their fair values due to their short term nature.

The fair values of the non-current portion of interest-bearing borrowings have been calculated by discounting the expected future cash flows using rates currently available for borrowings with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing borrowings as at 31 December 2018 and 2017 was assessed to be insignificant. The carrying values of the non-current portion of interest-bearing borrowings also approximate their fair values as at 31 December 2018 and 2017.

Financial liabilities:

| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|---------------|----------------------------------|----------------------------------|
| Financial liabilities measured at amortised cost: | 按攤銷成本計算之金融負債： | | |
| Trade and other payables | 應付貿易賬款及其他應付款項 | 302,652 | 270,549 |
| Interest-bearing borrowings | 計息借款 | 439,269 | 3,021 |
| | | 741,921 | 273,570 |

38. 財務風險管理及政策 (續)

金融資產及負債分類概要(續)

由於其於短期內到期，金融資產的賬面值與其公允價相若。

由於其於短期內到期，金融負債(包括計息借款的流動部分)的賬面值與其公允價相若。

計息借款的非流動部分的公允值以目前可取得且具類似條款、信貸風險及餘下年期的借款的利率貼現預期未來現金流計算。本集團於二零一八年及二零一七年十二月三十一日的計息借款違約風險獲評為輕微。計息借款非流動部分的賬面值與其於二零一八年及二零一七年十二月三十一日的公允值相若。

金融負債：

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截至二零一八年十二月三十一日止年度

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Summary of financial assets and liabilities by category (Continued)

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

38. 財務風險管理及政策 (續)

金融資產及負債分類概要(續)

下表載列根據公允值等級按公允值列賬的金融工具之分析：

- 第1級：相同資產或負債於活躍市場之報價(未經調整)；
- 第2級：除計入第1級之報價外，可就資產或負債直接(即價格)或間接(即源自價格)觀察所得之輸入值；及
- 第3級：並非根據可觀察市場數據的資產或負債輸入值(不可觀察輸入值)

| | | Group 本集團 2018 二零一八年 | | | Relationship of unobservable input(s) to fair value |
|---|--|---|---|---|---|
| Fair value hierarchy | Valuation technique(s) and key input(s) | Fair value HK\$'000 | Significant unobservable input(s) | Relationship of unobservable input(s) to fair value | |
| 公允值層級 | 估值技術及 關鍵輸入值 | 公允值 千港元 | 重大 不可觀察 輸入值 | 不可觀察 輸入值與 公允值的關係 | |
| Financial assets at fair value through profit or loss – Unlisted equity instruments | 按公允值於損益 列賬之金融資產 – 非上市股本工具 | Level 3 Adjusted net assets value of the investment 第3級 投資的經調整 資產淨值 | 26,086 | N/A | N/A |
| | | | | 不適用 | 不適用 |

38. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Summary of financial assets and liabilities by category (Continued)

Reconciliation for financial instruments carried at fair value based on significant unobservable inputs (Level 3) are as follows:

Unlisted equity investments

38. 財務風險管理及政策 (續)

金融資產及負債分類概要 (續)

按公允值列賬之金融工具根據重大不可觀察輸入值(第3級)之對賬載列如下:

非上市股本投資

| | | Financial assets at FVTPL (2018)/Available-for-sale financial assets (2017) 按公允值計入損益之金融資產(二零一八年)/可供出售金融資產(二零一七年) | |
|-----------------------------------|----------|---|----------------------------------|
| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
| At 1 January | 於一月一日 | 25,010 | — |
| Purchases | 購買 | 27,000 | 25,010 |
| Disposal | 出售 | (25,010) | — |
| Total gains or losses: | 收益或虧損總額: | | |
| Fair value change during the year | 年內公允值變動 | (914) | — |
| At 31 December | 於十二月三十一日 | 26,086 | 25,010 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

39. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

39. 本公司財務狀況表及儲備變動

| | | Notes 附註 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
|---|----------------|-------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | | 107 | 421 |
| Investments in subsidiaries | 於附屬公司之投資 | | 21,631 | 21,496 |
| | | | 21,738 | 21,917 |
| CURRENT ASSETS | 流動資產 | | | |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | | 20,554 | 800 |
| Amounts due from subsidiaries | 應收附屬公司款項 | | 963,858 | 697,101 |
| Cash and bank balances | 現金及銀行結餘 | | 108 | 1,800 |
| | | | 984,520 | 699,701 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Accruals and other payables | 應計費用及其他應付款項 | | 5,934 | 8,972 |
| Amount due to a shareholder | 應付一名股東款項 | | 152 | 9,500 |
| Interest-bearing borrowings | 計息借款 | | 280,000 | — |
| | | | 286,086 | 18,472 |
| NET CURRENT ASSETS | 流動資產淨值 | | 698,434 | 681,229 |
| NET ASSETS | 資產淨值 | | 720,172 | 703,146 |
| CAPITAL AND RESERVES | 股本及儲備 | | | |
| Share capital | 股本 | 28 | 203,257 | 203,257 |
| Reserves | 儲備 | | 516,915 | 499,889 |
| TOTAL EQUITY | 權益總額 | | 720,172 | 703,146 |

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 29 March 2019 and are signed on its behalf by:

本公司的財務狀況表已於二零一九年三月二十九日獲董事會批准及授權刊發，並由以下人士代表簽署：

YEUNG SO LAI

楊素麗

DIRECTOR

董事

LEE CHI SHING CAESAR

李志成

DIRECTOR

董事

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For the year ended 31 December 2018
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39. STATEMENT OF FINANCIAL POSITION AND
RESERVE MOVEMENT OF THE COMPANY
(Continued)

39. 本公司財務狀況表及儲備變動
(續)

| | | Share premium | Other reserve | Capital redemption reserve | Contributed surplus | Accumulated losses | Total |
|---|-------------------------|------------------|------------------|----------------------------------|------------------------|-----------------------|----------|
| | | 股份溢價 | 其他儲備 | 贖回儲備 | 繳入盈餘 | 累計虧損 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | | | | (note) (附註) | | |
| At 1 January 2017 | 於二零一七年一月一日 | 188,254 | 54 | 1,442 | 70,911 | (35,238) | 225,423 |
| Issue of shares under open offer | 根據公開發售發行股份 | 271,009 | - | - | - | - | 271,009 |
| Transaction costs attributable to open offer | 公開發售應佔交易成本 | (2,386) | - | - | - | - | (2,386) |
| Issue of shares upon acquisition of a subsidiary | 於收購一間附屬公司時發行股份 | 20,112 | - | - | - | - | 20,112 |
| Transactions with owners | 與擁有人之交易 | 288,735 | - | - | - | - | 288,735 |
| Loss and total comprehensive income for the year | 年內虧損及全面收益總額 | - | - | - | - | (14,269) | (14,269) |
| 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 | 476,989 | 54 | 1,442 | 70,911 | (49,507) | 499,889 |
| Profit and total comprehensive income for the year | 年內溢利全面收益總額 | - | - | - | - | 17,026 | 17,026 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 476,989 | 54 | 1,442 | 70,911 | (32,481) | 516,915 |

Note:

The contributed surplus represents the difference between the book values of the underlying assets of the Company's former subsidiaries, Pantronics Holdings Limited and its subsidiaries, at the date on which the shares of these companies were acquired, and the nominal amount of the share capital issued by the Company under a Group reorganisation in 1994.

In addition to retained profits, under the Companies Act 1981 of Bermuda, the contributed surplus account of a company is also available for distribution. However, the Company cannot pay or declare a dividend, or make a distribution out of contributed surplus if: it is, or would after the payment be, unable to pay its liabilities as they become due; or the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

附註：

繳入盈餘指本公司前附屬公司Pantronics Holdings Limited及其附屬公司之相關資產於該等公司之股份獲收購之日之賬面值與本公司根據本集團於一九九四年進行重組時發行之股本面值之差額。

除未分配溢利外，根據百慕達一九八一年公司法，一家公司之繳入盈餘賬亦可供分派。然而，倘本公司無法或於付款後無法償還其到期負債，或其資產之可變現價值因此將低於其負債與已發行股本及股份溢價賬之總和，則本公司不可派付或宣派股息或自繳入盈餘作出分派。

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40. PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries are as follows:

40. 主要附屬公司

主要附屬公司之詳情如下：

| Name of company 公司名稱 | Place of incorporation or registration/operation 註冊成立或註冊/經營地點 | Issued and fully paid share capital/registered capital 已發行及繳足股本/註冊資本 | Proportion of ownership interest held by the Company 本公司所持 擁有權權益之百分比 | | Principal activities 主要業務 |
|--|--|---|--|------------------|--|
| | | | Directly 直接 | Indirectly 間接 | |
| Alford Industries Limited 雅富實業有限公司 | Hong Kong/Hong Kong 香港/香港 | Ordinary HK\$2,000,000 普通股2,000,000港元 | - | 100% | Design and distribution of consumer electronic products 設計及分銷消費電子產品 |
| Foshan Shunde Alford Electronics Co. Ltd (note) 佛山市順德區雅富電子有限公司(附註) | PRC*/PRC 中國*/中國 | Registered capital HK\$22,074,000 註冊資本22,074,000港元 | - | 100% | Manufacture and design of consumer electronic products 製造及設計消費電子產品 |
| Superactive Financial Group Company Limited 先機金融集團有限公司 | Hong Kong/Hong Kong 香港/香港 | Ordinary HK\$12,500,000 普通股12,500,000港元 | - | 100% | Provision of regulated financial services activities 提供受規管金融服務活動 |
| Lijiang Hua Ou Real Estate Company Limited (note) 麗江華歐房地產置業有限公司(附註) | PRC*/PRC 中國/中國 | Registered capital RMB5,000,000 註冊資本人民幣5,000,000元 | - | 100% | Property development 物業開發 |
| Superactive Finance Company Limited 先機財務有限公司 | Hong Kong/Hong Kong 香港/香港 | Ordinary HK\$15,000 普通股15,000港元 | - | 100% | Money lending 放債 |
| Chengdu Tianfu New Area One Two Three Nursery School (note) 成都市天府新區壹貳叁澳中幼兒園(附註) | PRC*/PRC 中國/中國 | Registered capital RMB500,000 註冊資本人民幣500,000元 | - | 64% | Nursery education 幼兒教育 |
| Shenzhen Dowis Electronic Company Limited (note) 深圳市德維斯電子有限公司(附註) | PRC*/PRC 中國/中國 | Registered capital RMB1,000,000 註冊資本人民幣1,000,000元 | - | 60% | Manufacturing of electronic products 製造電子產品 |

* Established in the PRC as a wholly-owned foreign enterprise.

* 於中國成立之外商獨資企業。

Note: The English name of the subsidiary represents the best effort by the Company's management to translate from its Chinese name as this subsidiary has no official English name.

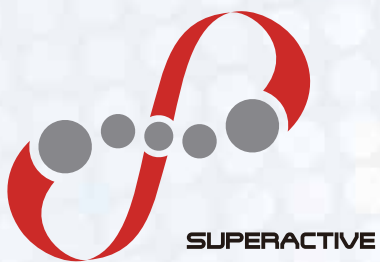
附註：由於該附屬公司並無正式英文名稱，附屬公司的英文名稱為本公司管理層盡力翻譯該公司的中文名稱。

The above list includes the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the assets and liabilities of the Group. To give details of all the other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

根據董事之意見，上述所列本公司之附屬公司均為主要影響本集團於本年度之業績或佔本集團大部份資產及負債的公司。根據董事之意見，提供所有其他附屬公司之詳情可能導致篇幅過於冗長。

None of the subsidiaries had any debt securities subsisting at 31 December 2018 or at any time during the year (year ended 31 December 2017: nil).

於二零一八年十二月三十一日或本年度任何時間，概無附屬公司擁有任何債務證券(截至二零一七年十二月三十一日止年度：無)。



Superactive Group Company Limited
先機企業集團有限公司