



EAGLE RIDE INVESTMENT HOLDINGS LIMITED
鷹力投資控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號: 901)

POSITIVE, SAGACIOUS,
ENTERPRISING &
INNOVATIVE

2018
ANNUAL REPORT 年報



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Corporate Information

公司資料

DIRECTORS

Executive Director

CHAN Yiu Pun, Clement

Non-executive Directors

HU Haisong

TUNG Shu Sun (*Chairman*)

DANG Yin Liang

DING Shiguo

Independent Non-executive Directors

GUI Shengyue

WANG Xianzhang

Vichai PHAISALAKANI (also known as Mr. Andy HUNG)

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

YU Tak Shing, Eric

NOMINATION COMMITTEE

HU Haisong

WANG Xianzhang (*Chairman of Nomination Committee*)

Vichai PHAISALAKANI

REMUNERATION COMMITTEE

HU Haisong

WANG Xianzhang (*Chairman of Remuneration Committee*)

Vichai PHAISALAKANI

AUDIT COMMITTEE

HU Haisong

Vichai PHAISALAKANI (*Chairman of Audit Committee*)

WANG Xianzhang

INVESTMENT COMMITTEE

CHAN Yiu Pun, Clement (*Chairman of Investment Committee*)

HU Haisong

WANG Xianzhang

董事

執行董事

陳耀彬

非執行董事

胡海松

董樹新 (*主席*)

黨銀良

丁世國

獨立非執行董事

桂生悅

王憲章

熊敬柳

首席財務官兼 公司秘書

于德誠

提名委員會

胡海松

王憲章 (*提名委員會主席*)

熊敬柳

薪酬委員會

胡海松

王憲章 (*薪酬委員會主席*)

熊敬柳

審核委員會

胡海松

熊敬柳 (*審核委員會主席*)

王憲章

投資委員會

陳耀彬 (*投資委員會主席*)

胡海松

王憲章

Corporate Information

公司資料

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 4001, 40th Floor
China Resources Building
26 Harbour Road, Wanchai
Hong Kong

INVESTMENT MANAGER

Fortune Legendary Asset Management Limited

AUDITOR

HLM CPA Limited
Certified Public Accountants

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Chong Hing Bank Limited

PRINCIPAL SHARE REGISTRAR IN THE CAYMAN ISLANDS

Royal Bank of Canada Trust
Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
PO Box 1586, Grand Cayman
KY1-1110
Cayman Islands

BRANCH SHARE REGISTRAR IN HONG KONG

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

STOCK CODE

901

COMPANY WEBSITE

<http://www.eaglerideinvestment.com>

註冊辦事處

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

香港主要營業地點

香港
灣仔港灣道26號
華潤大廈
40樓4001室

投資經理

財富榮耀資產管理有限公司

核數師

恒健會計師行有限公司
執業會計師

主要往來銀行

香港上海滙豐銀行有限公司
創興銀行有限公司

開曼群島股份過戶登記總處

Royal Bank of Canada Trust
Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
PO Box 1586, Grand Cayman
KY1-1110
Cayman Islands

香港股份過戶登記分處

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

股份代號

901

公司網址

<http://www.eaglerideinvestment.com>

Chairman's Statement

主席報告

On behalf of the Board of Directors (the “**Board**”) of Eagle Ride Investment Holdings Limited (“**Eagle Ride**” or the “**Company**”), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2018.

During the year under review, the invested projects of the Company included (1) E-Com Holdings Pte. Ltd., a company principally engaging in the provision of Chinese e-learning platforms. Chinese e-learning platforms are available in most of the primary schools in Singapore and its coverage is gradually expanding into other Asian regions and the rest of the world. It is considered as the most effective Chinese learning platform and medium. This company was profit-making this year and its future was prospective; and (2) the listed equity investment held by the Company.

Looking forward, the investment market is expected to remain challenging in 2019. The Company will continue to adopt and maintain a prudent investment approach to capture attractive investment opportunities as and when they arise. It will also strive to bring the maximum returns for all the shareholders.

Finally, I would like to take this opportunity to express my sincere gratitude to the shareholders, management staff and business partners of the Company for their unremitting dedications. The management will, as always, endeavour to deliver the best results possible so as to reward the shareholders for their support to Eagle Ride.

TUNG Shu Sun

Chairman

29 March 2019

本人謹代表鷹力投資控股有限公司（「**鷹力投資**」或「**本公司**」）董事會（「**董事會**」）欣然提呈本公司及其附屬公司（合稱「**本集團**」）截至二零一八年十二月三十一日止年度的全年業績報告。

於回顧年度內，本公司之投資項目包括：(1) E-Com Holdings Pte. Ltd.，該公司主要從事中文網絡平台教育，目前中文電子學習平台已涵蓋新加坡絕大部分小學，並逐步擴展到其他亞洲地區及全世界，成為最有效的中文學習平台和媒體，本年度有盈利，前景可期；及(2)本公司持有的上市股本投資。

展望未來，二零一九年之投資市場預期繼續充滿挑戰。本公司將繼續採取及維持審慎投資方針，努力把握所湧現之具吸引力投資機遇，致力為所有股東帶來最佳回報。

最後，我希望藉此機會，對本公司股東、管理層員工及商業合作夥伴的不懈努力表示衷心的感謝。管理層將一如既往，全力做好業績，以回饋股東對鷹力投資的支持。

主席

董樹新

二零一九年三月二十九日

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Eagle Ride Investment Holdings Limited is an investment holding company. The Company's investment instruments are to be made in the form of equity securities or equity related securities or debt-related instruments in listed and unlisted companies. The investments normally are to be made in enterprises which are established within their respective fields. The Company may also seek to identify investments where there are synergies with other investee entities. For further details of the Company's investment objectives, policies and restriction, please refer to the announcement of the Company dated 24 February 2014, the circular of the Company dated 8 May 2018 and the Articles of Association of the Company, all of which are available at the website of the Company.

Year 2018 was a year full of challenges and uncertainties. The global financial markets were volatile and tainted by economic and political uncertainties. The prospect of fading US policy support in 2019, together with escalation in the US-China trade conflict, reduced monetary stimulus and global growth concerns eventually took their toll on investor confidence. Furthermore, the increase in interest rate may negatively affect business profits, stock prices and consumer spending. All these contributed to cautious sentiment among investors, and created a challenging market environment for the Company.

During the year ended 31 December 2018, the Company continued its investments in both listed and unlisted equity securities and other related financial assets. As at 31 December 2018, the Company's investment portfolio was diversified and across different business sectors including education and investment in securities. During the year under review, the investments held by the Company included (a) E-Com Holding Pte. Ltd.; (b) China Partners Consultancy Limited; (c) Tech Pro Technology Development Limited; and (d) State Energy Group International Assets Holdings Limited. For further details of the investments held by the Company, please refer to note 19 to the consolidated financial statements.

鷹力投資控股有限公司為一家投資控股公司。本公司之投資工具將會以上市及非上市公司之股本證券、股本相關證券或債務相關工具之形式制訂。本公司一般投資於在其相關領域已確立地位之企業。本公司亦致力物色與其他接受投資實體具有協同效益之投資。有關本公司投資目標、政策及限制的進一步詳情，請參閱本公司日期為二零一四年二月二十四日之公佈、本公司日期為二零一八年五月八日之通函及本公司組織章程細則，均可於本公司網站查閱。

二零一八年是充滿挑戰和不穩定因素的一年。全球金融市場波動不穩，被不穩定政經因素所籠罩。二零一九年美國政策支持減少的前景，以及中美貿易衝突加劇，降低了貨幣刺激，全球發展問題最終沉重打擊了投資者信心。此外，加息或對業務盈利、股價及消費支出造成負面影響。所有這些將導致投資者持謹慎態度，為本公司製造了一個充滿挑戰的市場環境。

於截至二零一八年十二月三十一日止年度內，本公司繼續投資於上市及非上市股本證券以及其他相關財務資產。於二零一八年十二月三十一日，本公司擁有多元化之投資組合，涵蓋教育及證券投資等不同業務板塊。於回顧年度內，本公司於以下公司持有投資，包括(a)E-Com Holdings Pte. Ltd.;(b)中國合伙人諮詢有限公司；(c)德普科技發展有限公司；及(d)國能集團國際資產控股有限公司。本公司所持有投資之進一步詳情，請參閱綜合財務報表附註19。

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BUSINESS REVIEW

The Company has been adopting and maintaining a prudent approach in investing in any investments/target entities. During the year ended 31 December 2018, the Company has signed six memoranda of understanding as follows:

- (i) on 8 March 2018, the Company entered into a memorandum of understanding (“**中金MOU**”) with 中金(深圳)娛樂有限公司 (“**中金(深圳)娛樂**”) pursuant to which both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the 中金MOU, the Company (or its designated nominee) would subscribe for and/or purchase the shares of 中金(深圳)娛樂 (or its designated third party). For further details of the 中金MOU, please refer to the announcement of the Company dated 8 March 2018;
- (ii) on 29 March 2018, the Company entered into a memorandum of understanding (“**Oceantec MOU**”) with Oceantec Valley Investment Management Co. Ltd. (“**Oceantec Valley**”), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the Oceantec MOU, Oceantec Valley proposed and initiated to establish an equity investment fund which to be positioning in the new energy materials and energy storage sectors. For further details of the Oceantec MOU, please refer to the announcement of the Company dated 3 April 2018;
- (iii) on 9 May 2018, the Company entered into a memorandum of understanding (“**WSQSI MOU**”) with Wall Street Quantitative Systems Inc. (“**WSQSI**”), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the WSQSI MOU, to jointly establish an asset management company (the “**Asset Management Company**”) and propel the Asset Management Company to establish a private equity investment fund (the “**Fund**”) which will own each of the investment projects (the “**Investment Projects**”). The Investment Projects of the Fund are emerging industries with prospective growth on a global scale

業務回顧

本公司於投資於任何投資／目標實體時已採納及保持審慎態度。於截至二零一八年十二月三十一日止年度內，本公司已簽署六份諒解備忘錄如下：

- (i) 於二零一八年三月八日，本公司與中金(深圳)娛樂有限公司(「**中金(深圳)娛樂**」)訂立諒解備忘錄(「**中金備忘錄**」)，據此，雙方同意探尋可能合作及投資機會以及在中金備忘錄條款及條件的規限下，本公司(或其指定的代名人)將認購及／或購買中金(深圳)娛樂(或其指定的第三方)之股份。有關中金備忘錄之進一步詳情，請參閱本公司日期為二零一八年三月八日之公佈；
- (ii) 於二零一八年三月二十九日，本公司與青島藍谷科創投資管理有限公司(「**藍谷科創**」)訂立諒解備忘錄(「**藍谷備忘錄**」)，據此，雙方同意探尋可能合作及投資機會以及在藍谷備忘錄之條款及條件規限下，藍谷科創擬主導發起設立一支立足新能源材料，儲能領域的股權投資基金。有關藍谷備忘錄之進一步詳情，請參閱本公司日期為二零一八年四月三日之公佈；
- (iii) 於二零一八年五月九日，本公司與華爾街量化系統有限公司(「**華爾街量化系統**」)簽定諒解備忘錄(「**華爾街量化系統備忘錄**」)，據此，雙方同意探尋合作及投資機會以及在備忘錄條款及條件的規限下，合作成立一間資產管理公司(「**資產管理公司**」)，並促使資產管理公司成立一個私募投資基金(「**基金**」)，由基金持有各個投資項目(「**投資項目**」)。基金的投資項目為全球性預期增長領域的新興產業(包括但不限於生物技術、AR、人工智能、物聯網等)。有關華爾街量化系統備忘錄之進

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(including but not limited to biotechnology, AR, artificial intelligence, internet-of-things, etc.). For further details of the WSQSI MOU, please refer to the announcement of the Company dated 9 May 2018;

(iv) on 5 June 2018, the Company entered into a memorandum of understanding (“**中融優清 MOU**”) with 中融優清健康管理有限公司 (“**中融優清**”), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the 中融優清MOU, the Company (or its designated nominee) would subscribe for the shares of 中融優清. 中融優清 is a health and data management company positioned in the public market targeting elderly, women and children in counties (districts). It is engaged in health check, referral and medical guide services and health data management services in counties (districts), and it intends to establish a special medical and health e-commerce platform targeting elderly and the mass population. By leveraging the big data technology, it creates a medical and health ecology with popular characteristics. For further details of the 中融優清MOU, please refer to the announcement of the Company dated 5 June 2018;

(v) on 5 July 2018, the Company entered into a memorandum of understanding (“**Shenzhen MFExchange MOU**”) with Shenzhen MFExchange Financial Information Service Co. Ltd (“**Shenzhen MFExchange**”), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the Shenzhen MFExchange MOU, the Company (or its designated nominee) would subscribe for the shares of Shenzhen MFExchange (collectively, the “**Possible Investment**”). Based on years of risk control experience from provisions of middle and small-sized enterprise credit rating services to banks, Shenzhen MFExchange, through scientific risk rating and access mechanism with the use of solid financial technology, provides micro borrowers and wealth management clients with an exchange-based Internet finance platform with transactions, facilitation and disposition. As the Internet financial platform, Shenzhen MFExchange leads the

一步詳情，請參閱本公司日期為二零一八年五月九日之公佈；

(iv) 於二零一八年六月五日，本公司與中融優清健康管理有限公司（「**中融優清**」）簽定諒解備忘錄（「**中融優清備忘錄**」），據此，雙方同意探尋合作及投資機會以及在備忘錄條款及條件的規限下，本公司（或其指定的代名人）擬從中融優清認購其發行之股份。中融優清定位於大眾市場的健康及數據管理公司，以縣（區）老齡人口、婦女兒童等為切入點，在縣（區）開展健康檢、轉診導診服務及健康數據管理服務，並擬建立針對老齡及大眾人口的特色醫療健康電商，憑借大數據技術，衍生進入大眾特色的醫療健康生態。有關中融優清備忘錄之進一步詳情，請參閱本公司日期為二零一八年六月五日之公佈；

(v) 於二零一八年七月五日，本公司與深圳微金所金融信息服務有限公司（「**深圳微金所**」）簽定諒解備忘錄（「**深圳微金所備忘錄**」），據此，雙方同意探尋合作及投資機會以及在備忘錄條款及條件的規限下，本公司（或其指定的代名人）擬從深圳微金所認購其發行之股份（統稱「**可能投資**」）。深圳微金所是基於其多年為銀行提供中小企業信用評級服務的風控經驗，通過科學的風險評級及准入機制，運用紮實的金融科技技術，為小微借款人和理財客戶提供交易、撮合、配置的交易所模式互聯網金融平台。深圳微金所作為互聯網金融平台，以金融科技（FinTech）如大數據及人工智能技術引領互聯網二次革命，推動各行各業的發展，尤其是推動金融信息服務的創新。有關深圳微金所備忘錄之進一步詳情，請參閱

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second revolution of the Internet with FinTech, including big data and artificial intelligence technology, to facilitate the development of all industries, especially the innovation of financial information services. For further details of the Shenzhen MFExchange MOU, please refer to the announcement of the Company dated 5 July 2018. However, after due and careful consideration of various factors, the Directors consider that the Potential Investment under the Shenzhen MFExchange MOU is not in the interests of the Company and its shareholders as a whole and therefore have decided not to proceed with the Possible Investment. For further details of the update on the Shenzhen MFExchange MOU, please refer to the announcement of the Company dated 31 July 2018; and

(vi) on 27 August 2018, the Company entered into a memorandum of understanding (“**Beijing Elive Technology MOU**”) with Beijing Elive Technology Co., Ltd. (“**Beijing Elive Technology**”), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the Beijing Elive Technology MOU, the Company (or its designated nominee) proposes to cooperate with Beijing Elive Technology (or a third party designated by it) on certain transactions. Beijing Elive Technology (NEEQ stock code: 836792) is a leading comprehensive security service provider and synergistic operator based on mobile internet in China. The company has been devoting to the research and development of intelligent security technologies over the years. With its leading carrier grade video cloud platform and professional smart video alarm technologies, the company is able to establish a three-dimensional public security prevention and control system quickly through the intelligent application of videos and big data analysis and management system, thus providing customers with structural, data-based and intelligent integrated solutions. For further details of the Beijing Elive Technology MOU, please refer to the announcement of the Company dated 27 August 2018.

本公司日期為二零一八年七月五日之公佈。然而，經審慎考慮各項因素後，董事認為根據深圳微金所備忘錄進行的可能投資並不符合本公司及其股東之整體利益，因此決定不進行可能投資，有關深圳微金所諒解備忘錄更新的進一步詳情，請參閱本公司日期為二零一八年七月三十一日之公佈；及

(vi) 於二零一八年八月二十七日，本公司與北京易家信息科技股份有限公司（「北京易家信息科技」）簽定諒解備忘錄（「北京易家信息科技備忘錄」），據此，雙方同意探尋合作及投資機會以及在備忘錄條款及條件的規限下，本公司（或其指定的代名人）擬與北京易家信息科技（或其指定的第三方）在若干交易中合作。北京易家信息科技（新三板股票代碼：836792）是一家作為中國領先的基於移動互聯網的安防綜合服務提供商及協同運營商，多年來致力於智能安防技術的研發與投入，利用其領先的電信級視頻雲平台、專業級視頻智能報警技術，通過視頻智能化應用和大數據分析及管理系統，可以快速構建立體化社會治安防控體系，為客戶提供結構化、數據化、智能化的一體解決方案。有關北京易家信息科技備忘錄之進一步詳情，請參閱本公司日期為二零一八年八月二十七日之公佈。

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At the end of the reporting period, the Company's investment performances were as follows:

1. Realised gain on disposal of unlisted corporate bond was approximately HK\$194,000;
2. net unrealised loss arising on revaluation of financial assets at fair value through profit or loss ("FVTPL") was approximately HK\$2,051,000;

FINANCIAL REVIEW

The Company derived approximately HK\$661,000 revenue as bond interest income for the year 2018 (2017: approximately HK\$718,000). The net loss attributable to owners of the Company was approximately HK\$53,268,000, an increment loss of approximately HK\$8,019,000 from the loss of approximately HK\$45,249,000 in the last financial year.

The increment in loss position was mainly attributable to the impairment loss on other receivable of approximately HK\$2,317,000 whereas a legal action was taken and filed to the district court on 12 March 2019; and increase in administrative cost of approximately HK\$9.0 million which was spent on searching the potential investors.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2018, the Group has cash and cash equivalents of approximately HK\$14,447,000 (2017: approximately HK\$30,907,000). The Company is fully aware of the financial position and financial performance of the reporting period. The Board are of the opinion that the Company will have sufficient financial resources to meet its financial obligations as they fall due for at least the next twelve months from the end of the reporting period, after taking into consideration of the following:

1. On 28 March 2019, the Company had obtained a loan from an independent money lending company at a principal amount of HK\$50,000,000 which is repayable within 18 months with no securities pledged nor guarantee and bearing fixed interest rate at 16% per annum;

於報告期末，本公司錄得以下投資表現：

1. 出售非上市公司債券之已變現收益約194,000港元；
2. 重估按公允值計入損益（「按公允值計入損益」）之財務資產所產生之未變現虧損淨額約2,051,000港元；

財務回顧

本公司於二零一八年產生來自債券利息收入約661,000港元的收益（二零一七年：約718,000港元）。本公司擁有人應佔虧損淨額約53,268,000港元，較上個財政年度之虧損約45,249,000港元增加約8,019,000港元。

虧蝕情況加重乃主要由於其他應收款項減值虧損約2,317,000港元（於二零一九年三月十二日已就此向區域法院提起法律訴訟），以及行政成本增加約9.0百萬港元（用於尋找潛在投資者）。

流動資金及財務資源

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約14,447,000港元（二零一七年：約30,907,000港元）。本公司充份瞭解財務狀況及報告期的財務表現。董事會認為至少於報告期末後的未來十二個月，本公司將有足夠的財政資源，以滿足其財政需要，因為考慮到以下：

1. 於二零一九年三月二十八日，本公司自獨立貸款公司獲得本金額為50,000,000港元的貸款，須於18個月內償還，無證券抵押或擔保，按固定年利率16%計息；

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2. In February 2019, the Company has entered into a subscription agreement with an independent private investor to issue corporate bond through the placing agent with the principal amount of HK\$10,000,000, bearing interest at 5% per annum and for a period of 7 years effective from 1 February 2019;
2. 於二零一九年二月，本公司與一名獨立私人投資者訂立認購協議，以透過配售代理發行公司債券，本金額為10,000,000港元，年利率為5%，有效期從二零一九年二月一日起為7年；
3. The Group will seek to obtain additional financing including but not limited to borrow loans, issuing additional equity or debt securities;
3. 本集團將尋求獲得額外資金，包括但不限於借貸、發行額外股本或債務證券；
4. In January 2019, the borrower of an unsecured loan of HK\$8,000,000 has agreed to extend the due date to January 2020; and
4. 於二零一九年一月，無抵押貸款8,000,000港元之借款人已同意將到期日延長至二零二零年一月；及
5. Mr. Hu the non-executive director and ultimate controlling shareholder of the Company, has confirmed in writing that despite the term for the loans due to him is within twelve months, he will not demand repayment of the loans until the Group is financially viable to make the repayment and he will provide continuous financial support to the Group to meet its financial obligations.
5. 本公司非執行董事及最終控股股東胡先生以書面確認，儘管尚欠的貸款於十二個月內到期，惟於本集團在財務上有能力償還款項前並不會要求本集團還款以及他願意向本集團提供持續財務支援以供本集團應付其財務需要。

The directors of the Company have carried out a detailed review of the cash flow forecast of the Group for the next twelve months from the reporting date taking into account the impact of the above measures, the directors of the Company believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements.

本公司董事經考慮上述措施的影響，已對本集團自報告期末的未來十二個月的現金流量預測進行了詳細的檢討，本公司董事相信，本集團將有充裕現金資源滿足其未來營運資金及其他融資需要。

DIVIDENDS

The Board does not recommend the payment of a final dividend for the current year (2017: HK\$ nil).

股息

董事會不建議就本年度派付末期股息（二零一七年：零港元）。

During the year, there were no bonus shares issued (2017: nil).

年內，概無發行紅股（二零一七年：無）。

GEARING RATIO

The gearing ratio (total borrowings/total assets) as at 31 December 2018 was 245.21% (2017: 96.58%).

資產負債比率

於二零一八年十二月三十一日，資產負債比率（總借貸／總資產）為245.21%（二零一七年：96.58%）。

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The Group's capital management objectives are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth.

The directors of the Company actively and regularly reviews and manages the Group's capital structure, taking into consideration the future capital requirements of the Group, to ensure optimal shareholders' returns. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares, raise new debts or sells assets to reduce debt.

LITIGATION

No outstanding litigation as at 31 December 2018 was noted (2017: nil).

CONTINGENT LIABILITIES

As at 31 December 2018, the Company did not have any contingent liabilities (2017: nil).

PLEDGE OF ASSETS

At the end of the reporting period, no margin facility (2017: nil) from a regulated securities broker was granted to the Group under which financial assets at FVTPL of approximately HK\$nil (2017: approximately HK\$466,000) were treated as collateral for the facilities granted.

FOREIGN EXCHANGE RISK

The Company has foreign currency investments in financial assets, which expose it to foreign currency risk. The Group is mainly exposed to the effects of fluctuation of the S\$. If the exchange rate of HK\$ against S\$ has been increased/decreased by 5% (2017: 5%), the Group's loss for the year would have been decreased/increased by approximately HK\$827,000 (2017: approximately HK\$921,000).

本集團之資本管理目標為保障本公司繼續持續經營之能力從而為股東提供回報及為其他持份者提供利益、維持最佳資本架構以減少資金成本以及支持本集團之穩定性及增長。

本公司董事積極及定期審閱及管理本集團之資本架構，考慮本集團之未來資金需要以確保最佳股東回報。本集團因應經濟環境變動及相關資產之風險特性管理資本架構及對此作出調整。為維持或調整資本架構，本集團可能發行新股份、籌措新債務或出售資產以減少債務。

訴訟

於二零一八年十二月三十一日，概無獲悉任何尚未了結之訴訟（二零一七年：無）。

或然負債

於二零一八年十二月三十一日，本公司並無任何或然負債（二零一七年：無）。

資產抵押

於報告期末，本集團概無獲一間受規管證券經紀行授予孖展信貸（二零一七年：無），當中按公允價值計入損益之財務資產約零港元（二零一七年：約466,000港元）被視為所獲信貸之抵押品。

外匯風險

本公司因擁有財務資產外幣投資而須承受外匯風險。本集團主要承受新加坡元波動之影響。倘港元兌新加坡元之匯率上升/下跌5%（二零一七年：5%），則本集團年內虧損將減少/增加約827,000港元（二零一七年：約921,000港元）。

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EMPLOYEES

As at 31 December 2018 the Group had 9 (2017: 13) employees. The total employees remuneration (excluding directors' emoluments) was approximately HK\$6,424,000 (2017: approximately HK\$5,803,000) for the current financial year. The Group's emolument policies are formulated based on the performance of individual employees and is reviewed regularly every year.

OUTLOOK

Looking forward into the year of 2019, the operating environment for financial markets is expected to remain challenging. Despite a recent strong economic upswing across the world had set a favourable backdrop that helped boost investment sentiment in capital markets, many economic and political uncertainties remain. Capital markets in 2019 are likely to be volatile. The Company will continue to adopt and maintain a prudent investment approach to capture attractive investment opportunities as and when they arise. The Company will continue fully leveraging its strong market analytical capability and carefully identify the market trend through a flexible investment strategy to bring the maximum returns for all the shareholders.

GOING CONCERN

The consolidated financial statements for the year ended 31 December 2018 have been prepared by the directors of the Company on a going concern basis after taking into account of (i) the measures as disclosed by the Company to improve the financial position; and the cash flow forecast prepared by the management that the Company would have sufficient cash resources to satisfy its future working capital and other financing requirements. However, the Company's auditors expressed a disclaimer of opinion on the Company's ability to continue as a going concern in view of the material uncertainties relating to the results of the measures to be undertaken by the Company (the "**Audit Qualification**").

僱員

於二零一八年十二月三十一日，本集團聘有9名（二零一七年：13名）僱員。本財政年度之僱員薪酬總額（不包括董事酬金）約6,424,000港元（二零一七年：約5,803,000港元）。本集團之薪酬政策乃參照個別僱員之表現制訂，並每年定期檢討。

展望

展望二零一九年年度，金融市場的經營環境預期繼續充滿挑戰。儘管近期全球經濟強勢上揚，造就了利好環境，有助刺激資本市場的投資氣氛，惟眾多經濟及政治不穩定因素持續。二零一九年資本市場可能仍有頗大變動。本公司將繼續採取及維持審慎的投資方針，並把握市場脈搏，以靈活投資風險的策略，確保為其股東帶來最佳回報。

持續經營

截至二零一八年十二月三十一日止年度的綜合財務報表由本公司董事按持續經營基準經計及下列各項編製：(i) 本公司所披露為改善財務狀況的措施；及管理層所編製本公司擁有充足現金資源以滿足其未來營運資金及其他融資需求的現金流量預測。然而，鑒於本公司所採取措施結果的重大不確定性，本公司核數師就本公司持續經營能力發出免責聲明意見（「**審核保留意見**」）。

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In view of the above, the Company would advise the following:

1. In light of the Audit Qualification, the respective view of the Board and the Audit Committee is that notwithstanding the Company recorded net loss, net operating cash outflow, net current liabilities and net liabilities as at 31 December 2018, the financial statements should be prepared on a going concern basis due to the fact that the Company is executing the financing plan mentioned in paragraph 3 below. If the plan are executed, the financial position could be turnaround.
2. The Audit Committee has reviewed the significant financial judgements contained in the financial statements, the going concern assumptions and given due consideration to any matters raised by the Company's auditors and discussed the Audit Qualification with the auditors at the Audit Committee Meeting held on 29 March 2019. The Audit Committee reported the proceedings of the meeting and its position concerning the Audit Qualification to the Board at the Board Meeting (approving the final results for the year ended 31 December 2018 of the Company) on the same day.
3. The Company would like to take several measures (including but not limited to) to address the Audit Qualification and the Company's plan and timetable to implement each measures are as follows:
 - A. Placing of 20% of the issued share capital of the Company (pursuant to the general mandate granted to the Directors at the Annual General Meeting held on 31 May 2018) in May 2019.
 - B. Placing of 20% of the issued share capital of the Company (pursuant to the general mandate granted to the Directors at the Annual General Meeting to be held on 5 June 2019) in September 2019.

鑒於以上所述，本公司提出下列意見：

1. 鑒於審核保留意見，董事會及審核委員會各自發表意見，儘管本公司於二零一八年十二月三十一日錄得淨虧損、經營現金流出淨額、流動負債淨值及負債淨值，由於本公司正執行下文第3段所述融資計劃，因此財務報表仍應按持續經營基準編製。倘計劃獲執行，財務狀況可能扭轉。
2. 審核委員會已檢討財務報表中的重大財務判斷及持續經營假設，對本公司核數師所提出的任何事項進行適當考慮，並於二零一九年三月二十九日舉行的審核委員會會議上與核數師討論審核保留意見。審核委員會於同日在董事會會議（批准本公司截至二零一八年十二月三十一日止年度末期業績）上向董事會報告會議程序及有關審核保留意見的狀況。
3. 本公司將採取若干措施（包括但不限於）以應對審核保留意見及本公司的計劃及時間表以實施下列各項措施：
 - A. 於二零一九年五月配售本公司已發行股本的20%（根據二零一八年五月三十一日舉行的股東週年大會上授予董事的一般授權）。
 - B. 於二零一九年九月配售本公司已發行股本的20%（根據二零一九年六月五日舉行的股東週年大會上授予董事的一般授權）。

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- C. Right Issue of the issued share capital of the Company (special mandate granted by shareholders at the Extra-ordinary General Meeting may or may not be required) if necessary.
- D. To realize gain on disposal of unlisted equity investment, namely E- Com Holdings Pte. Ltd. in the appropriate time and consideration.
- E. To seek for new investors as shareholders of the Company in 2019.
4. The Company would like to make the following cash flow projections which support that the Company would have sufficient working capital to finance its operations and financial obligations in the next twelve months.
- A. First of all, the Company would like to turnaround the net liabilities into net assets position through placings in the coming months.
- B. Then, when the Company achieves the goal of turning into net assets position, it would allow the Company to invest accordingly so that normal operation activities could be carried out.
- C. Besides placings, in order to ensure the Company has sufficient fund to support its operation, the Company also carries out the followings:
- (a) In March 2019, the Company entered into a facility agreement with a company incorporated in Anguilla, an independent third party, which it agreed to provide an unsecured loan facility of HK\$50 million with fixed interest rate at 16% per annum for a period of 18 months;
- (b) The Company would also consider to perform: (i) right issue; (ii) to realize gain on disposal of unlisted equity investment, namely E- Com Holdings Pte.; and (iii) to seek for new investors as shareholders of the Company.
- C. 本公司已發行股本供股(股東於股東特別大會授出的特別授權可能會或可能不會屬有必要)(倘必要)。
- D. 於適當時間及以適當代價變現出售非上市股本投資收益,即E— Com Holdings Pte. Ltd.。
- E. 於二零一九年尋找新投資者作為本公司股東。
4. 本公司可能作出下列現金流量預測,支持本公司擁有充足營運資金以於未來十二個月為經營及財務義務提供資金。
- A. 首先,本公司可能於未來數月透過配售將負債淨額轉變為資產淨值。
- B. 其次,倘本公司實現轉變為資產淨值狀況的目標,將使本公司能夠作出相應投資,以開展日常經營活動。
- C. 除配售外,為確保本公司擁有充足資金以支持其運營,本公司亦開展下列活動:
- (a) 於二零一九年三月,本公司與一間在安圭拉註冊成立的公司(獨立第三方)訂立融資協議,該第三方同意提供50百萬港元的無抵押貸款融資,固定年利率為16%,為期18個月;
- (b) 本公司亦會考慮進行:(i) 供股;(ii) 變現出售非上市股本投資收益,即E— Com Holdings Pte.;及(iii) 尋找新投資者作為本公司股東。

Biographical Details of Directors

董事履歷

EXECUTIVE DIRECTOR

Mr. CHAN Yiu Pun, Clement, aged 61, was appointed an Executive Director of the Company on 1 November, 2013. He was an Executive Director and Authorised Representative of Opes Asia Development Limited, a company listed on the Hong Kong Stock Exchange with stock code: 810, from September 2012 to October 2013. Mr. Chan had over 20 years of experience in the financial industry, including professional management of investments on behalf of third party investors through his role in Opes Asia Development Limited and experiences as responsible officers for type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Future Ordinance (“SFO”) for a number of corporations including China International Capital Limited from May 2007 to January 2013 and Wealth Assets Management Limited from November 2005 to August 2012. In addition, Mr. Chan also served as a responsible officer for type 4 (advising on securities) regulated activity under the SFO of Gain Miles Financial Planning Consultants Limited from February 2005 to August 2006. Mr. Chan also worked in AIG Financial Advisor Services, Limited (now known as AIA Wealth Management Company Limited) from May 2000 to May 2003 with last position as director and head of the team of wholesalers and Keen Shing Investment Consultants Ltd (now known as China International Capital Limited) from June 1996 to March 2000 with last position as investment director.

He is a member of The Institute of Financial Planners of Hong Kong Limited and also a Certified Financial Planner in Hong Kong. Mr. Chan obtained a higher diploma in accountancy from the Hong Kong Polytechnic (now known as the Polytechnic University of Hong Kong) in November 1980 and a master of science in corporate governance & directorship from the Hong Kong Baptist University in November 2008.

執行董事

陳耀彬先生，61歲，於二零一三年十一月一日獲委任為本公司執行董事。彼於二零一二年九月至二零一三年十月間曾任香港聯交所上市公司華保亞洲發展有限公司（股份代號：810）之執行董事及授權代表。陳先生金融界積逾20年經驗，包括透過其於華保亞洲發展有限公司之角色代表第三方投資者進行專業投資管理，並擔任負責人員，為多間企業從事證券及期貨條例（「證券及期貨條例」）項下第4類（就證券提供意見）及第9類（提供資產管理）受規管活動，包括於二零零七年五月至二零一三年一月為中國國際資本有限公司以及於二零零五年十一月至二零一二年八月為盈富資產有限公司提供服務。此外，陳先生亦曾於二零零五年二月至二零零六年八月擔任駿隆財務策劃顧問有限公司之負責人員，為該公司從事證券及期貨條例項下第4類（就證券提供意見）受規管活動提供服務。陳先生曾於二零零零年五月至二零零三年五月效力AIG Financial Advisor Services, Limited（現稱為友邦財富管理有限公司），離職前時任董事及團隊營銷部主管，並於一九九六年六月至二零零零年三月效力見成投資顧問有限公司（現稱為中國國際資本有限公司），離職前時任投資董事。

彼為香港財務策劃師學會有限公司成員，亦為香港認可財務策劃師。陳先生於一九八零年十一月取得香港理工學院（現稱為香港理工大學）之高級會計文憑，並於二零零八年十一月取得香港浸會大學之公司管治與董事學理學碩士。

Biographical Details of Directors

董事履歷

NON-EXECUTIVE DIRECTORS

Mr. HU Haisong, aged 51, was appointed a Non-executive Director of the Company on 1 November, 2013. He has a strong track record in pursuing crossborder business opportunities primarily in the energy and resources industry. Mr. Hu has substantial experience in business management and management and supervision of investment projects in various sectors and industries, including oil and gas related industry, trading of commodities and real estates. Mr. Hu is currently the chairman and director of each of APAC Investment Holdings Limited (“**APAC**”) and Eagle Ride Investments Limited (“**Eagle Ride Investments**”). APAC is principally engaged in investment holding focusing on the energy sector and high growth private investments and Eagle Ride Investments is an investment holding company. Mr. Hu is also a director of Bluesea Energy Holdings Limited, a limited liability company incorporated in Hong Kong and is principally engaged in providing consultancy services in the oil and gas related industry and the trading of petroleum related products, including crude oil and fuel oil. Mr. Hu obtained a Doctor degree in Business Administration honoris causa by Dubna International University for Nature, Society and Man in June 2013.

Mr. TUNG Shu Sun, aged 71, was appointed a Non-executive Director of the Company on 1 November, 2013. He used to be the chief executive officer of APAC. APAC is principally engaged in investment holding focusing on the energy sector and high growth private investments. Mr. Tung was the executive director and the executive deputy managing director of COSCO International Holdings Limited, a company listed on the Stock Exchange with stock code: 517, from December 1997 to July 2003 and has extensive experiences in corporate management, management of investment projects as well as management and mergers and acquisitions of listed companies. Mr. Tung joined China Ocean Shipping (Group) Company since 1968 and served in sea transportation, shipbuilding, container transportation, external affairs and administrative management as well as real estate and infrastructure.

非執行董事

胡海松先生，51歲，於二零一三年十一月一日獲委任為本公司非執行董事。彼於進行主要於能源及資源行業之跨境商機擁有強勁往績記錄。胡先生於多個界別及行業（包括油氣相關行業、買賣商品及房地產）之業務管理及投資項目管理與監督方面具有豐富經驗。胡先生現時分別為龍德投資控股有限公司（「龍德」）及 Eagle Ride Investments Limited（「**Eagle Ride Investments**」）之主席及董事。龍德之主要業務為專注於能源行業及高增長私人投資之投資控股，而 Eagle Ride Investments 為一間投資控股公司。胡先生亦為藍海能源控股有限公司之董事，該公司為一間於香港註冊成立之有限公司，主要從事提供油氣相關行業之顧問服務及買賣石油相關產品（包括原油及燃油）業務。胡先生於二零一三年六月於杜布納自然、社會與人類國際大學（Dubna International University for Nature, Society and Man）取得榮譽工商管理博士學位。

董樹新先生，71歲，於二零一三年十一月一日獲委任為本公司非執行董事。彼曾任龍德之行政總裁。龍德之主要業務為專注於能源行業及高增長私人投資之投資控股。董先生於一九九七年十二月至二零零三年七月間曾任聯交所上市公司中遠國際控股有限公司（股份代號：517）之執行董事及董事常務副總經理，在企業管理、投資項目管理及上市公司管理、併購等方面積累豐富經驗。董先生於一九六八年加入中國遠洋運輸（集團）總公司，曾任職航運、造船、集裝箱運輸、外務及行政管理以及房地產、市政投資部門。

Biographical Details of Directors

董事履歷

Mr. DANG Yin Liang, aged 47, was appointed as Non-Executive Director of the Company on 16 April 2018. He has served as the vice general manager of the business department of Shenzhen Hong Ling Zhong Lu Securities (深圳紅嶺中路證券) of Guosen Securities Company Limited (國信證券股份有限公司) responsible for corporate business with focuses on business development of listed companies, Sunshine private funds and hedging funds. He has served as the head of IT at IT department of Shenzhen Baoan Road Branch of China Galaxy Securities Co., Ltd. responsible for the safety of computer system and technical maintenance and development. He has served as the vice general manager of Shanxi Zhongcheng Investment Consultation Company Limited (山西中誠投資顧問有限公司) responsible for investment business. Since 2016, he has founded Yi Fan (Shenzhen) Assets Management Company Limited (一番(深圳)資產管理有限公司) and served as an executive director focusing on the operation and management of equity investment, merger fund project and various medical and healthcare projects at nurturing stage being invested and managed. Mr. Dang graduated from the Department of International Trade of Tianjin University of Finance and Economics with a master's degree in economics and Electronic Science and Technology of China (Chengdu) with a master's degree in engineering majoring in computer software. He holds professional certificates in securities and private funds from the Securities Association of China.

黨銀良先生，47歲，於二零一八年四月十六日獲委任為本公司非執行董事。黨先生曾經出任國信證券股份有限公司深圳紅嶺中路證券營業部副總經理，負責機構業務，專注於上市公司、陽光私募、對沖基金業務開發；曾經出任中國銀河證券股份有限公司深圳寶安路營業部電腦技術部電腦主管，負責電腦系統安全和技術維護發展；曾經出任山西中誠投資顧問有限公司副總經理，主管投資業務。自二零一六年始，創立一番(深圳)資產管理有限公司並出任執行董事，專注於股權投資、併購基金專案的運作與管理，投資和管理的處於培育期的醫療健康類項目多個。黨先生畢業於天津財經學院國際貿易系，獲經濟學碩士學位；電子科技大學(成都)電腦系軟體專業，獲工學碩士學位。其持有中國證券業協會證券、私募基金從業資格證書。

Biographical Details of Directors

董事履歷

Mr. Ding Shiguo, aged 39, was appointed a Non-executive Director of the Company on 16 October 2018. He holds a bachelor's degree from Jilin University and an EMBA from University of Texas, and is the founder and chairman of Zenith Capital Holding Group. He has focused on domestic and foreign capital markets for many years and possesses indepth theoretical research and extensive practical experience in private equity fund sector and is devoted to creating the ecosystem of Zenith Financial Holding (鼎典金融控股). Mr. Ding is an advocator and manager of National Strategic Emerging Industry Guidance Fund and has successfully established certain companies and served as director and consultant of many enterprises and institutions, including serving as an independent director of TianJin 712 Communication & Broadcasting Co Ltd (天津七一二通信廣播股份有限公司) which is a Shanghai main board listed company. He also advises relevant governments regarding the investment and financing of industrial development, capital markets and infrastructure and acts as consultant of other financial sectors. His keen personal research is financial strategy management. He published many articles on finance and industry, and has conducted indepth research and accumulated extensive experience in private equity fund, venture capital fund, and merger and acquisition and reorganisation of listed companies. Mr. Ding has all along been adhering to the development philosophy of "prudence, practicality, pioneering and innovative" in fund management business. The venture capital funds and equity investment funds managed by him have mainly been focusing on national strategic emerging industries and pillar industries such as bio-pharmaceuticals, and invested a lot in start-up companies and preliminary and intermediate stage enterprises and support the growth of emerging enterprises, while also taking care of investor returns and achieved sound results. The specialized funds initiated and managed by Mr. Ding have participated in the merger and acquisition and reorganisation of a large number of listed companies and earned extensive practical experience. He is currently a member of the investment decision-making committee of National New Energy Venture Capital Fund (國家新能源創投基金) as well as other fund companies.

丁世國先生，39歲，於二零一八年十月十六日獲委任為本公司非執行董事。丁先生持有吉林大學學士學位和美國德克薩斯大學高級工商管理碩士學位。鼎典資本控股集團創始人，兼任董事長。長期專注於國內外資本市場，在私募股權基金領域有深入的理論研究和豐富的實踐經驗，致力於創建鼎典金融控股生態系統。國家戰略新興產業引導基金的倡導者和管理人；成功創辦若干家企業，並擔任多家企事業單位的董事及顧問，包括擔任上海主板上市公司天津七一二通信廣播股份有限公司的獨立董事；亦向有關政府提供產業發展、資本市場、基礎設施投融資的建議以及擔任其他金融領域的顧問。個人研究方向為金融戰略管理，曾發表多篇金融和產業類文章，在私募股權投資基金、創業投資基金以及上市公司併購重組領域進行過深入研究，積累了豐富經驗。丁先生在基金管理業務中一直秉承「穩健務實、開拓創新」的發展理念，由其管理的創業投資基金、股權投資基金等重點關注國家戰略新興產業及生物製藥等支柱產業領域，投資了大量初創期、早中期企業，扶持創業企業成長，同時兼顧投資人收益，取得不俗業績。由丁先生發起並管理的專項基金參與了大量上市公司的併購重組業務，實戰經驗非常豐富。現任國家新能源創投基金及其他多家基金公司的投資決策委員會委員。

Biographical Details of Directors

董事履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. GUI Shengyue, aged 55, was appointed an Independent Non-executive Director of the Company on 1 November, 2013. He is currently the Chief Executive Officer of Geely Automobile Holdings Limited (“**Geely**”), a company listed on the Stock Exchange with stock code: 175, since February 2006, and is responsible for the overall administration, risk management and compliance of Geely. Mr. Gui joined Geely in June 2005.

Mr. WANG Xianzhang, aged 76, was appointed an Independent Non-executive Director of the Company on 1 November, 2013. He was the chairman of the board and president of China Life Insurance Company Limited, a company listed on the Stock Exchange with stock code: 2628 since its listing in 2003 to June 2005. Mr. Wang also served as president of China Life Insurance (Group) Company and chairman of China Life Asset Management Company Limited. In addition, Mr. Wang was also appointed as the directors of a number of listed companies in Hong Kong, including the executive director of Pacific Century Insurance Holdings Limited previously listed on the Stock Exchange from June 1999 to November 2000, and re-designated to non-executive director from November 2000 to March 2006 and independent non-executive director from March 2006 to June 2007. Mr. Wang was also the independent non-executive director of Beijing Enterprises Holdings Limited, a company listed on the Stock Exchange with stock code: 392, from April 1997 to March 2008. Currently, Mr. Wang serves as the independent non-executive director of Sino Energy International Holdings Group Limited.

獨立非執行董事

桂生悅先生，55歲，於二零一三年十一月一日獲委任為本公司獨立非執行董事。彼自二零零六年二月起至今出任聯交所上市公司吉利汽車控股有限公司（「吉利」，股份代號：175）之行政總裁，負責吉利之整體行政管理、風險管理及合規審查。桂先生於二零零五年六月加入吉利。

王憲章先生，76歲，於二零一三年十一月一日獲委任為本公司獨立非執行董事。彼曾任聯交所上市公司中國人壽保險股份有限公司（股份代號：2628）之董事長兼總經理，任期由該公司於二零零三年上市起至二零零五年六月止。王先生亦曾任中國人壽保險（集團）公司總經理及中國人壽資產管理有限公司董事長。此外，王先生亦獲委任為香港多間上市公司之董事，包括於一九九九年六月至二零零零年十一月期間出任盈科保險集團有限公司（曾於聯交所上市）之執行董事，於二零零零年十一月至二零零六年三月調任為非執行董事，並於二零零六年三月至二零零七年六月再調任為獨立非執行董事。王先生亦曾於一九九七年四月至二零零八年三月間出任聯交所上市公司北京控股有限公司（股份代號：392）之獨立非執行董事。王先生現擔任中能國際控股集團有限公司之獨立非執行董事。

Biographical Details of Directors

董事履歷

Mr. Vichai PHAISALAKANI, (alias Mr. Andy HUNG), aged 70, was appointed an Independent Non-executive Director of the Company on 1 November, 2013. Mr. Phaisalakani graduated from Minnesota State University at Mankato, Minnesota, the United States of America and is a Chartered Professional Accountant in Canada as well as a member of Hong Kong Institute of Certified Public Accountants. He has worked for an international accounting firm for 11 years and has extensive experience in finance and corporate management with major electronics and garments corporations. Mr. Phaisalakani was the executive director and chief financial officer of Willas-Array Electronics (Holdings) Limited, a company listed on the Main Board of the Singapore Exchange Limited as well as the Main Board of the Hong Kong Stock Exchange, until his retirement in June 2013. He had also served as a senior consultant of Walker Group Holdings Limited, a company listed on the Main Board of the Hong Kong Stock Exchange, until September 2015. Mr. Phaisalakani is currently the Chief Financial Officer of ATAL Engineering Limited. He also serves as an independent non-executive director of Victory City International Holdings Limited, a company listed on the Main Board of the Hong Kong Stock Exchange.

熊敬柳先生，70歲，於二零一三年十一月一日獲委任為本公司獨立非執行董事。熊先生畢業於美國曼卡多明尼蘇達州大學，並為加拿大之特許會計師及香港會計師公會會員。彼於一間國際會計師行任職達11年，在電子與成衣企業之財務及企業管理方面累積豐富經驗。熊先生曾擔任威雅利電子（集團）有限公司（一家於新加坡證券交易所主板及香港聯交所主板上市之公司）之執行董事及首席財務長職務至二零一三年六月退任。彼亦為盈進集團控股有限公司（一家於香港聯交所主板上市之公司）之高級顧問至二零一五年九月。熊先生現為安樂工程有限公司之首席財務長及冠華國際控股有限公司（一家於香港聯交所主板上市之公司）之獨立非執行董事。

Report of the Directors

董事會報告

The Directors submit their annual report and the audited consolidated financial statements for the year ended 31 December 2018 (the “Year”).

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. During the Year, the Group is principally engaged in the investments in the securities of listed and unlisted companies and other related financial assets.

The Company’s investment instruments will be made in the form of equity securities or equity-related securities or debt-related instruments in listed and unlisted companies engaged in, including but not limited to other industries, the oil sector. The investments will normally be made in enterprises which are established in their respective fields. The Company may also seek to identify investments where there is a certain degree of synergy with other investee entities.

BUSINESS REVIEW

A review of the business of the Group during the year under review and a discussion on the Group’s future development are set out in the Chairman’s Statement on page 4 of this report and the Management Discussion and Analysis on pages 5 to 14. These discussions form part of this director’s report.

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 61.

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

FURNITURE, FIXTURES AND EQUIPMENT

Details of the movements in the furniture, fixtures and equipment of the Group during the Year are set out in note 18 to the consolidated financial statements.

董事謹此提呈截至二零一八年十二月三十一日止年度（「本年度」）之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。於本年度內，本集團主要從事投資於上市及非上市公司證券業務及其他相關財務資產。

本公司之投資工具將以從事，包括但不限於其他行業，石油行業之上市及非上市公司之股本證券或股本相關證券或債務相關工具形式作出。投資一般將於在彼等各自之領域已具有確立地位之企業作出。倘與其他被投資實體具有一定程度協同效應，本公司亦可尋求確定投資。

業務回顧

有關本集團對回顧年度內業務的審視與對未來業務發展的討論載於本報告第4頁的主席報告書及第5頁至14頁的管理層討論與分析段落中。該等討論為本董事會報告的一部分。

業績及股息

本集團本年度之業績載於第61頁之綜合損益及其他全面收益表。

董事會不建議派付本年度之末期股息。

傢俬、裝置及設備

本集團之傢俬、裝置及設備於本年度內之變動詳情載於綜合財務報表附註18。

Report of the Directors

董事會報告

CAPITAL STRUCTURE AND SHARE CAPITAL

The net proceeds from the placing was used as general working capital of the Group during the Year.

Details of the movements in the share capital of the Company during the Year are set out in note 25 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group and of the Company during the Year are set out in the consolidated statement of changes in equity and note 34(b) to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

A substantial portion of the Group's income is derived from the Group's investments and bank deposits and thus the disclosure of information regarding customers would not be meaningful. The Group has no major suppliers which require disclosure.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the Year, the Company did not purchase, sell or redeem any of the Company's own securities.

資本架構及股本

配售所得款項淨額已於本年度內用作本集團之一般營運資金。

本公司股本於本年度內之變動詳情載於綜合財務報表附註25。

儲備

本集團及本公司儲備於本年度內之變動載於綜合權益變動報表及綜合財務報表附註34(b)。

主要客戶及供應商

本集團大部分收入源自本集團之投資及銀行存款，披露有關客戶之資料並無意義。本集團並無須要披露之主要供應商。

購買、出售或贖回證券

於本年度，本公司概無購買、出售或贖回本公司本身之任何證券。

Report of the Directors

董事會報告

DIRECTORS

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

Executive Director:

Mr. CHAN Yiu Pun, Clement

Non-executive Directors:

Mr. HU Haisong

Mr. TUNG Shu Sun, Chairman

Mr. DANG Yin Liang

(appointed on 16 April, 2018)

Mr. XU Zheng

(appointed on 19 April, 2018 and
resigned on 28 September 2018)

Mr. DING Shiguo

(appointed on 16 October, 2018)

Independent Non-executive Directors:

Mr. GUI Shengyue

Mr. WANG Xianzhang

Mr. Vichai PHAISALAKANI

According to Article 87(3) of the Article of Association of the Company, Mr. Ding Shiguo, who was appointed as director after the Company's last annual general meeting, shall hold office until the forthcoming annual general meeting of the Company, and being eligible, offer himself for re-election as Director of the Company.

Pursuant to Article 88(1) of the Articles of Association of the Company, Mr. Hu Haisong and Mr. Wang Xianzhang shall retire from office by rotation at the forthcoming annual general meeting of the Company, and being eligible, offer themselves for re-election of Directors of the Company.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual written confirmations from each of its independent non-executive Directors in respect of their independence during the year and all of them are still being considered to be independent.

董事

本年度內及直至本報告日期止，本公司之董事如下：

執行董事：

陳耀彬先生

非執行董事：

胡海松先生

董樹新先生，主席

黨銀良先生

(於二零一八年四月十六日獲委任)

徐崢先生

(於二零一八年四月十九日獲委任
及於二零一八年九月二十八日辭任)

丁世國先生

(於二零一八年十月十六日獲委任)

獨立非執行董事：

桂生悅先生

王憲章先生

熊敬柳先生

根據本公司之組織章程細則第87(3)條，於本公司上屆股東週年大會之後獲委任為董事之丁世國先生將任職直至本公司應屆股東週年大會為止，符合資格且願意膺選連任本公司董事。

根據本公司之組織章程細則第88(1)條，胡海松先生及王憲章先生將於本公司應屆股東週年大會上輪值退任，並符合資格及願意膺選連任本公司董事。

獨立非執行董事之獨立性

本公司已收到各獨立非執行董事就其於年內之獨立性作出之年度書面確認，並認為全體獨立非執行董事均為獨立。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS

As at 31 December 2018, the following persons (other than the Directors of the Company) had interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the Securities and Futures Ordinance (“SFO”):

Name	Capacity	Nature of interests	Number of issued shares held	Approximate percentage of the total issued share capital of the Company
名稱	身份	權益性質	所持已發行股份數目	已發行股本總額之概約百分比
Eagle Ride Investments Limited*	Beneficial owner 實益擁有人	Corporate 公司	966,638,573	53.59

* Eagle Ride Investments Limited, a company incorporated in the British Virgin Islands with limited liability, wholly-owned by APAC Investment Holdings Limited (“APAC”), a company incorporated in Samoa and beneficially owned as to approximately 94.19% by Mr. Hu Haisong (“Mr. Hu”), the Non-executive Director of the Company, and approximately 5.81% by the Investors (“Investors”) (whose interests are held on trust by Mr. Hu). The investors, namely (i) Mr. Wang Haibin, a resident of the People’s Republic of China (the “PRC”) and engages in investment business in the PRC; and (ii) RB International Investments Asia Limited is principally engaged in financial services.

Save as disclosed above, the Company had not been notified by any other person (other than the Directors of the Company) who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 31 December 2018.

主要股東及其他人士之權益及淡倉

於二零一八年十二月三十一日，以下人士（本公司董事除外）擁有本公司根據證券及期貨條例（「證券及期貨條例」）第336條規定存置之登記冊所記錄之本公司股份及相關股份中之權益或淡倉：

* Eagle Ride Investments Limited 為一間於英屬處女群島註冊成立之有限公司，並由龍德投資控股有限公司（「龍德」）全資擁有，而龍德為一間於薩摩亞註冊成立之公司，並由本公司之非執行董事胡海松先生（「胡先生」）實益擁有約94.19%權益及由投資者（「投資者」）實益擁有約5.81%權益（其權益乃由胡先生以信託方式持有）。投資者即(i)王海濱先生，為中華人民共和國（「中國」）居民並從事於中國之投資業務；及(ii)RB International Investments Asia Limited，主要從事金融服務業務。

除上文披露者外，於二零一八年十二月三十一日，本公司並無獲悉有任何其他人士（本公司董事除外）擁有本公司根據證券及期貨條例第336條規定存置之登記冊所記錄之本公司股份及相關股份中之權益或淡倉。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Company's business to which the Company or its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within 1 year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS AND SHORT POSITIONS

As at 31 December 2018, the Directors of the Company and their associates had the following interests and short positions in any shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code").

Long positions

Name	Capacity and nature	Note	Number of shares	Total	% of issued share capital
姓名	身份及性質	附註	股份數目	合計	股本百分比
Mr. HU Haisong 胡海松先生	Interest of corporation 法團權益	(1)	966,638,573	966,638,573	53.59

Note:

- 1) 966,638,573 shares are held through Eagle Ride Investments Limited ("Eagle Ride Investments"). Eagle Ride Investments is an investment holding company, a wholly-owned subsidiary of APAC Investment Holdings Limited, which is beneficially owned as to approximately 94.19% interests by Mr. Hu Haisong and approximately 5.81% by other investors.

董事於合約之權益

本公司或其任何附屬公司概無訂立任何本公司董事直接或間接於其中擁有重大權益而於本年度末或本年度內任何時間仍然生效之與本公司業務有關之重大合約。

董事服務合約

概無建議於應屆股東週年大會上膺選連任之董事與本公司或其任何附屬公司訂有僱主不可於一年內終止而毋須賠償(法定賠償除外)之服務合約。

董事之權益及淡倉

於二零一八年十二月三十一日，本公司董事及彼等之聯繫人士於本公司及其相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份及債券中，擁有以下根據證券及期貨條例第352條規定存置之登記冊所記錄，或根據上市公司董事進行證券交易的標準守則(「標準守則」)須另行知會本公司及聯交所之權益及淡倉。

好倉

Number of shares	Total	% of issued share capital
股份數目	合計	股本百分比

附註：

- 1) 966,638,573股股份乃透過Eagle Ride Investments Limited(「Eagle Ride Investments」)持有。Eagle Ride Investments為一間投資控股公司，其為由胡海松先生實益擁有約94.19%權益及其他投資者實益擁有約5.81%權益之龍德投資控股有限公司之全資附屬公司。

Report of the Directors

董事會報告

Save as disclosed above, as at 31 December 2018, none of the Directors and chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURE

At no time during the Year was the Company or its subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. Save as disclosed under the heading “Share Option Scheme” below, the Company did not grant any right to subscribe for the shares in the Company to any Directors of the Company or their respective spouse or children under the age of 18 during the Year.

SHARE OPTION SCHEME

A new share option scheme was adopted by members of the Company on 22 May 2015 (the “**Scheme**”). The purpose of the Scheme is to reward and provide incentives to eligible participants and encourage them to contribute to the Group. Under the Scheme, the Board of the Company may at their discretion, at any time following the date of the adoption of the Scheme but before the tenth anniversary of that date, grant share options to eligible participants, including directors of the Company and its subsidiaries and any other persons including consultants, advisors, agents, customers, suppliers, etc. to subscribe for shares in the Company.

除上文披露者外，於二零一八年十二月三十一日，概無本公司董事及行政總裁或彼等之聯繫人士於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份及債券中，擁有根據證券及期貨條例第352條規定由本公司存置之登記冊所記錄，或根據標準守則須另行知會本公司及聯交所之權益或淡倉。

收購股份或債券之安排

於本年度內任何時間，本公司或其附屬公司概無訂立任何安排，致使本公司董事可藉收購本公司或任何其他法人團體之股份或債券而獲利。除下文「購股權計劃」一節所披露者外，於本年度內，本公司概無向任何本公司董事或彼等各自之配偶或未滿十八歲之子女授出任何可認購本公司股份之權利。

購股權計劃

本公司股東本於二零一五年五月二十二日通過採納新購股權計劃（「**計劃**」）。計劃的目的是為了使本公司可向合資格參與者提供回報及獎勵，並鼓勵彼等為本集團作出貢獻。根據計劃，本公司董事會可酌情於採納計劃之日後但該日期之第十週年前之任何時間，向合資格參與者（包括本公司及其附屬公司之董事及任何其他人士，有關人士包括諮詢人、顧問、代理、客戶、供應商等）授出購股權以認購本公司股份。

Report of the Directors

董事會報告

The exercise price of share options is the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of offer of the grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of offer of the grant. An offer of an option shall be deemed to have been accepted within 30 days from the date of offer upon acceptance of the option duly signed by the grantee together with a remittance of HK\$1. The maximum number of securities available for issue under the Scheme shall not exceed 10% of the issued capital of the Company. The maximum entitlement of each grantee in any 12-month period is limited to 1% of the ordinary shares in issue of the Company. The option period will not be more than ten years from the date of grant of the option and the Board of the Company may at its discretion determine the minimum period for which the option has to be held or other restriction before the exercise of the subscription right attaching thereon.

As at the date of the adoption of the Scheme, the maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme or any other share option schemes adopted by the Company is 150,005,878 shares. Further details of the Scheme are set out in the circular of the Company dated 21 April 2015.

During the Year, no options granted, exercised or cancelled under the Scheme.

PLEDGE OF ASSETS

Details of pledge of assets are set out in note 30 to the consolidated financial statements.

RETIREMENT BENEFITS SCHEME

Details of the retirement benefits scheme are set out in note 31 to the consolidated financial statements.

購股權的行使價為股份的票面值、股份於購股權要約授予日期在聯交所錄得的收市價及股份於緊隨購股權要約授予日期前五個營業日在聯交所錄得的平均收市價三者中的最高數額。在授予購股權起計30日內，當附有1港元匯款的承受人正式簽署的購股權接納函件已收取，則視作購股權已被接納。根據計劃可發行之證券總數，最多不得超過本公司已發行股本之10%。每名承受人的購股限制為在任何十二個月期間限於本公司已發行普通股的1%。購股權的有效年期由授出購股權當日起計不得超逾十年。本公司董事會可酌情決定參與者在行使購股權所附認購權前必須持有購股權的最短期限或其他限制。

於採納計劃之日，根據計劃或本公司所採納之任何其他購股權計劃授出之所有購股權獲行使時可予發行之最高股份數目為150,005,878股。計劃之詳情載於本公司於二零一五年四月二十一日發出之通函內。

於本年度內，概無購股權根據計劃獲授出、行使或註銷。

資產抵押

資產抵押詳情載於綜合財務報表附註30。

退休福利計劃

退休福利計劃詳情載於綜合財務報表附註31。

Report of the Directors

董事會報告

CONNECTED TRANSACTIONS

The following are connected transactions occurred during the Year.

1. Investment Management Agreement

The Company entered into a new investment management agreement (the “**New Investment Management Agreement**”) with Fortune Legendary Asset Management Limited (Formerly known as “Blue Star Asset Management Limited”) (“**Fortune Legendary**”), on 8 December 2016 to renew the appointment of Fortune Legendary as the investment manager of the Company. Under the New Investment Management Agreement, the investment manager agreed to provide investment management services to the Company for a period of three years commencing from 1 January 2017.

On 5 July 2017, the Company entered into a supplemental agreement (the “**Supplemental Agreement**”) with Fortune Legendary to revise the remuneration payable to Fortune Legendary and the annual caps (the “**Annual Caps**”) thereunder the New Investment Management Agreement. Fortune Legendary, as the investment manager of the Company, was a connected person of the Company pursuant to Rule 14A.08 of the Listing Rules, as such, the transaction contemplated by the Supplemental Agreement constituted a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios, on an annual basis, were more than 25% but the proposed aggregate annual caps were less than HK\$10,000,000, the transaction contemplated under the Supplemental Agreement was subject to reporting, announcement, circular, shareholders’ approval and annual review requirement under Chapter 14A of the Listing Rules.

關連交易

本年度內進行之關連交易如下。

1. 投資管理協議

本公司於二零一六年十二月八日與財富榮耀資產管理有限公司（前稱「藍宇資產管理有限公司」）（「**財富榮耀**」）訂立新投資管理協議（「**新投資管理協議**」），重新委任財富榮耀為本公司之投資經理。根據新投資管理協議，投資經理同意自二零一七年一月一日起向本公司提供投資管理服務，為期三年。

於二零一七年七月五日，本公司與財富榮耀訂立補充協議（「**補充協議**」），以調整財富榮耀於新投資管理協議項下之酬金及年度上限（「**年度上限**」）以及新投資管理協議。根據上市規則第14A.08條，本公司投資經理財富榮耀為本公司之關連人士，因此，補充協議擬進行之交易構成上市規則第14A章項下之本公司持續關連交易。由於適用之年度百分比率高於25%，而建議之年度上限總金額低於10,000,000港元，故補充協議項下擬進行之交易須遵守上市規則第14A章有關申報，公告，通函，股東批准及年度審閱之規定。

Report of the Directors

董事會報告

Eagle Ride Investments Limited was holding an aggregate of approximately 53.59% of the issued share capital of the Company and Eagle Ride Investments Limited issued a written shareholder's approval certificate to approve the Supplemental Agreement and the transactions contemplated thereunder (including the Annual Caps). The Company applied for a waiver from the strict compliance with general meeting requirement pursuant to Rule 14A.37 of the Listing Rules and a waiver was granted by the Hong Kong Stock Exchange and accordingly, no extraordinary general meeting was convened by the Company to approve the Supplemental Agreement.

An Independent Board Committee of the Company comprising the independent non-executive Directors, namely Mr. Gui Shengyue, Mr. Wang Xianzhang and Mr. Vichai Phaisalakani was formed to advise the Shareholders as to whether the Supplemental Agreement and the transactions contemplated thereunder (including the Annual Caps) was on normal commercial terms, fair and reasonable and in the interests of the Company and the shareholders as a whole, after taking into account the recommendations of the independent financial adviser. In this connection, an Independent Financial Adviser was appointed to advise the Independent Board Committee and the Shareholders in regard of the Supplemental Agreement.

The Independent Board Committee considered that the Supplemental Agreement and the transactions contemplated thereunder (including the Annual Caps) were on normal commercial terms, and in the best interest of the Company and the Shareholders as a whole. The Independent Board Committee also considered that the Supplemental Agreement and the transactions contemplated thereunder (including the Annual Caps) were fair and reasonable so far as the shareholders were concerned.

Eagle Ride Investments Limited 擁有本公司已發行股本合共約53.59%，而Eagle Ride Investments Limited 發出書面股東批准證書，批准補充協議及項下擬進行之交易（包括年度上限）。本公司根據上市規則第14A.37條，申請豁免嚴格遵守有關股東大會之規定。本公司獲香港聯交所有關豁免，因此本公司毋須召開股東特別大會，批准補充協議。

本公司獨立董事委員會由獨立非執行董事桂生悅先生、王憲章先生及熊敬柳先生組成，就補充協議及其項下擬進行之交易（包括年度上限）是否基於正常商業條款及屬公平合理，並符合本公司及股東之整體利益，經考慮獨立財務顧問之建議後向股東提供意見。就此而言，本公司委任獨立財務顧問就補充協議向獨立董事委員會及股東提供意見。

獨立董事委員會認為補充協議及其項下擬進行之交易（包括年度上限）乃基於正常商業條款，並符合本公司及股東之整體最佳利益。獨立董事委員會亦認為補充協議及其項下擬進行之交易（包括年度上限）對股東而言屬公平合理。

Report of the Directors

董事會報告

A circular containing, among others, further details of the Supplemental Agreement, the advice of the Independent Financial Adviser to the Independent Board Committee and the shareholders and the recommendation of the Independent Board Committee, was despatched to the shareholders on 15 August 2017.

Details of the continuing connected transaction were disclosed in the announcements of the Company dated 5 July 2017 and 14 July 2017 respectively and circular of the Company dated 15 August 2017.

Blue Star Asset Management Limited changed its company name to Fortune Legendary on 12 September 2017.

2. Confirmation from Auditor and Independent Non-Executive Directors

The Company's auditor and independent non-executive Directors have reviewed the continuing connected transactions of the Company and its subsidiaries for the Year, and confirm that:

- (a) nothing has come to the auditor's attention that causes the auditor to believe that the continuing connected transactions have not been approved by the Board;
- (b) for transactions involving the provision of goods or services by the Group, nothing has come to the auditor's attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) nothing has come to the auditor's attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

本公司於二零一七年八月十五日向股東寄發一份通函，當中載有（其中包括）：補充協議，獨立財務顧問致獨立董事委員會及股東之意見以及獨立董事委員會之建議之進一步詳情。

持續關連交易之詳情於本公司日期為二零一七年七月五日及二零一七年七月十四日之公告及本公司日期為二零一七年八月十五日之通函內披露。

藍宇資產管理有限公司於二零一七年九月十二日改名為財富榮耀。

2. 核數師及獨立非執行董事之確認書

本公司之核數師及獨立非執行董事已審閱本公司及其附屬公司於本年度進行之持續關連交易，並確認：

- (a) 概無事項引起核數師垂注致使核數師相信持續關連交易並未獲董事會批准；
- (b) 就涉及本集團提供貨品或服務之交易而言，概無事項引起核數師垂注致使核數師相信該等交易在所有重要方面並無根據本集團之定價政策進行；
- (c) 概無事項引起核數師垂注致使核數師相信該等交易在所有重要方面並無根據規管該等交易之相關協議進行；及

Report of the Directors

董事會報告

(d) with respect to the aggregate amount of each of the continuing connected transactions, nothing has come to the auditor's attention that causes the auditor to believe that the continuing connected transactions have exceeded the maximum aggregate annual value disclosed in the circular dated 15 August 2017 made by the Company in respect of the continuing connected transactions.”

PUBLIC FLOAT

Based on the information that is public available and within the knowledge of the Directors, the Company maintained the percentage prescribed for public float requirement under the Listing Rules at the date of this report.

AUDIT COMMITTEE

The audit committee, currently comprising one non-executive Director and two independent non-executive Directors, has reviewed the accounting principles and practices adopted by the Group and has discussed the internal controls and financial reporting matters of the Company with the management of the Company. The audit committee has also reviewed the annual results of the Group for the Year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of Cayman Islands, although there are no restrictions against such rights under the laws in the Cayman Islands.

(d) 就各項持續關連交易之總額而言，概無事項引起核數師垂注致使核數師相信持續關連交易已超過本公司就持續關連交易作出之日期為二零一七年八月十五日之通函所披露之最高年度總額。」

公眾持股量

根據公開可得資料及據董事所知，於本報告日期，本公司已維持上市規則項下規定之指定公眾持股量百分比。

審核委員會

審核委員會現由一名非執行董事及兩名獨立非執行董事組成，並已與本公司管理層共同檢討本集團所採納之會計原則及慣例，以及討論本公司之內部監控及財務申報事宜。審核委員會亦已審閱本集團於本年度之全年業績。

優先購買權

本公司之組織章程細則或開曼群島法例並無有關優先購買權之條文，而開曼群島法例亦無對有關權利之限制。

Report of the Directors

董事會報告

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares.

PERMITTED INDEMNITY PROVISION

The Company maintained Directors' liability insurance to protect them from any loss to which the Directors of the Company might be liable arising from their actual or alleged misconduct.

AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2018 have been audited by HLM CPA Limited who will retire and eligible for re-election at the forthcoming annual general meeting.

ENVIRONMENTAL POLICY

The Group supports environmental protection, implements green office practices and promotes green awareness within the company. Such measures include the using of energy-saving lightings and recycled paper, minimising the use of paper, reducing energy consumption by switching off idle lightings, computers and electrical appliances.

On behalf of the Board

TUNG Shu Sun

Chairman

Hong Kong, 29 March 2019

稅務減免

本公司並不知悉股東因持有股份而可享有任何稅務減免。

獲准許的彌償條文

本公司已投保董事責任保險，以就本公司董事可能需要承擔任何因其事實上或遭指控的不當行為所引致的損失而向彼等提供保障。

核數師

本集團截至二零一八年十二月三十一日止年度之綜合財務報表乃由恒健會計師行有限公司審核，而恒健會計師行有限公司將於應屆股東週年大會上退任並合資格重選。

環境政策

本集團於本公司支持環保，執行綠化辦公室活動及推廣環保意識。有關措施包括使用節能照明及環保紙、減少用紙、關掉閑置照明、電腦及電器等節省耗能。

代表董事會

主席

董樹新

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 maintain statutory and regulatory standards and adherence to the principles of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Company reviews its corporate governance practices from time to time in order to meet the expectations of shareholders and to fulfill its commitment to excellence in corporate governance.

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles, code provisions and recommended best practices as set out in the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). During the year ended 31 December 2018, the Company has complied with all code provisions, and where applicable, certain recommended best practices set out in the CG Code except for code provision A.6.7 of the CG Code as explained below.

Model Code for Securities Transactions by Directors

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”), as contained in Appendix 10 of the Listing Rules, as the required standard for the Directors of the Company to deal in the securities of the Company. Upon enquiry by the Company, all Directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2018.

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. The Board has adopted a Board Diversity Policy which is available on the website of the Company.

本公司致力維持法定及法規標準，並謹守強調透明、獨立、問責及負責之企業管治原則。本公司不時檢討其企業管治常規，以達致股東之期望及履行其對優越企業管治之承諾。

企業管治常規

本公司之企業管治常規乃根據香港聯合交易所有限公司證券上市規則（「**上市規則**」）附錄十四之企業管治守則及企業管治報告（「**企業管治守則**」）所載之原則、守則條文及建議最佳慣例而作出。於截至二零一八年十二月三十一日止年度內，本公司已遵守載於企業管治守則之所有守則條文及（如適用）若干建議最佳慣例，惟下文所述之企業管治守則之守則條文第A.6.7條除外。

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10所載之上市發行人董事進行證券交易之標準守則（「**標準守則**」）作為本公司董事進行本公司證券交易之規定標準。經本公司作出查詢後，本公司全體董事已確認彼等於截至二零一八年十二月三十一日止年度內一直遵守標準守則所載之規定標準。

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。董事會已採納董事會多元化政策，可於本公司之網站查閱。

Corporate Governance Report

企業管治報告

The Company believes that a diversity of perspectives can be achieved through consideration of a number of factors, including but not limited to skills, regional and industrial experience, cultural and educational background, race, gender and other qualities. In forming its perspective on diversity, the Company will also take into account factors based on its own 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 process for the nomination of Directors is led by the Nomination Committee, which has been made on a merit basis. The Board will review the Board Diversity Policy on a regular basis to ensure its continued effectiveness.

The Board

Composition and Appointment

As at 31 December 2018, the Board of the Company comprises eight Directors, consisting of Mr. Chan Yiu Pun, Clement as executive Director; Mr. Hu Haisong, Mr. Tung Shu Sun (Chairman), Mr. Dang Yin Liang and Mr. Ding Shiguo as non-executive Directors; and Mr. Gui Shengyue, Mr. Wang Xianzhang and Mr. Vichai Phaisalakani as independent non-executive Directors. Pursuant to the Listing Rules, each independent non-executive Director had given an annual confirmation of his independence to the Company.

Biographical details of the Directors as at the date of this report are set out in the section headed 'Biographical Details of Directors' of this annual report. Given the composition of the Board and the skills, knowledge and expertise of the Directors, the Board believes that it is appropriately structured to provide sufficient checks and balances to protect the interest of the Group and the shareholders. The Board will review its composition regularly to ensure that it has the appropriate balance of expertise, skills and experience to continue to effectively oversee the business of the Company.

本公司相信要獲得多樣化的觀點，可以從多方面的因素考慮，包括（但不限於）技能、地區與行業經驗、文化與教育背景、種族、性別及其他特質。在實行多元化方面，本公司亦將根據本身的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。提名董事程序由提名委員會帶領，並以用人唯賢為基準。董事會將定期檢討董事會多元化政策，以確保其持續有效。

董事會

組成及委任

於二零一八年十二月三十一日，本公司董事會由八名董事組成，包括執行董事陳耀彬先生；非執行董事胡海松先生、董樹新先生（主席）、黨銀良先生及丁世國先生；以及獨立非執行董事桂生悅先生、王憲章先生及熊敬柳先生。根據上市規則，各獨立非執行董事已向本公司提供其獨立性年度確認書。

於本報告日期，董事履歷載於本年報「董事履歷」一節。鑑於董事會之組成及董事之技能、知識及專長，董事會認為，其架構已能恰當地提供足夠之監察及平衡，以保障本集團及股東之利益。董事會將定期檢討其組成，以確保其在專長、技能及經驗方面維持合適之平衡，以繼續有效地監管本公司之業務。

Corporate Governance Report

企業管治報告

The Board is responsible for the management of and formulation in the Group's overall investment strategies and guidelines in accordance with the investment objective and policies of the Group. The Board is also responsible for performing the corporate governance duties set out in code provision D.3.1 of the CG Code which included developing and reviewing the Company's policies and practices and corporate governance, reviewing the training and continuous professional development of Directors, reviewing the Company's policies and practices on compliance with legal and regulatory requirements, developing, reviewing the code of conduct and compliance manual (if any) applicable to employees and Directors, and reviewing the Company's compliance with the code provision in the CG Code and disclosure in this report.

During the year ended 31 December 2018, the Board has established Board committees, namely, audit committee, remuneration committee, nomination committee and investment committee, and has delegated to these Board committees various responsibilities as set out in their respective terms of reference. The Board is accountable to the members of the Company for the performance and activities of the Group.

All Directors, including non-executive Directors and independent non-executive Directors, were appointed for a specific term of one year or three years and subject to re-election. One-third of the Directors of the Company (both executive and non-executive) are subject to retirement by rotation at an annual general meeting at least once every three years in accordance with the Articles of Association of the Company.

董事會負責根據本集團之投資目標及政策管理及制定本集團之整體投資策略及指引。董事會亦負責履行企業管治守則之守則條文第D.3.1條所載之企業管治職責，其中包括制定及審閱本公司之政策及常規以及企業管治、審閱董事之培訓及持續專業發展、審閱本公司有關遵守法律及規管規定之政策及常規，制定、審閱僱員及董事適用之操守守則及合規手冊（如有）以及審閱本公司遵守企業管治守則之守則條文及本報告內披露事項之情況。

於截至二零一八年十二月三十一日止年度內，董事會已成立董事委員會，即審核委員會、薪酬委員會、提名委員會及投資委員會，並按該等董事委員會各自之職權範圍向其轉授不同職責。董事會須就本集團之表現及業務活動向本公司股東負責。

全體董事（包括非執行董事及獨立非執行董事）已獲委任一年或三年之指定任期，並須接受重選。根據本公司組織章程細則，三分之一本公司董事（執行及非執行）須至少每三年在股東週年大會上輪值退任一次。

Corporate Governance Report

企業管治報告

The Company has complied with Rule 3.10(1), Rule 3.10(2), and Rule 3.10A of the Listing Rules. The Company has appointed three independent non-executive Directors, one of whom possess the requisite appropriate professional qualifications or accounting or related financial management expertise. The Board confirmed that the independence and eligibility of the independent non-executive Directors are in compliance with the relevant requirements of the Listing Rules.

Under the 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 members. All Directors are encouraged to attend the Company's general meetings and each Director makes every effort to attend. However, two independent non-executive Directors and two non-executive Directors were unable to attend the annual general meeting held on 31 May 2018 due to other personal engagements.

The Board has effectively overseen and monitored the business activities, operational and financial performance of the Group, ensured a proper internal control system is in place to enable risks to be assessed and managed and the decisions were made in the best interests of the Company. The Board holds meetings from time to time whenever necessary and the Board considered that sufficient notice of Board meetings is given to Directors. The Company Secretary records and maintains the minutes of the Board meetings for inspection by Directors.

During the financial year ended 31 December 2018, the Board convened a total of 12 meetings and had 23 resolutions in writing in lieu of board meeting, performing its duties in considering, inter alia, interim and final results and other matters pursuant to the provisions of the Articles of Association of the Company. Real-time teleconference system was adopted at meeting to increase the attendance rate.

本公司已遵守上市規則第3.10(1)、3.10(2)及3.10A條之規定。本公司已委任三名獨立非執行董事，其中一名獨立非執行董事具備所需合適專業資格或會計或相關財務管理專長。董事會確認，獨立非執行董事之獨立性及資格符合上市規則之有關規定。

根據企業管治守則條文第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，並對股東之意見有公正之了解。全體董事獲鼓勵出席本公司之股東大會及各董事均盡力出席。然而，二名獨立非執行董事及兩名非執行董事由於須處理其他私人事務，未能出席本公司於二零一八年五月三十一日舉行之股東週年大會。

董事會對本集團業務活動、營運及財務表現進行有效之監督和監控，確保已設立適當之內部監控系統以令風險得到評估及管理，而所作之決策均符合本公司最佳利益。董事會於必要時候不時召開會議，董事會認為董事均獲發出董事會會議之充分通知。公司秘書記錄及保存董事會會議之會議記錄以供董事查閱。

於截至二零一八年十二月三十一日止財政年度內，董事會共召開12次會議及23次書面決議形式代替會議，履行其職責以考慮（其中包括）本公司中期及末期業績及其他根據本公司組織章程細則條文進行之事項。會議均借助同步電話會議系統提高會議出席率。

Corporate Governance Report

企業管治報告

Directors' attendance at the meetings during the financial year ended 31 December 2018 are as follows:

於截至二零一八年十二月三十一日止財政年度，董事之會議出席資料如下：

Name of Director 董事姓名	Title 職銜	Board	Annual	Extra Ordinary
		Meetings 董事會會議	General Meetings 股東週年大會	General Meeting 股東特別大會
		Attended/Held 已出席／舉行次數		
CHAN Yiu Pun, Clement 陳耀彬	Executive Director 執行董事	12/12	1/1	1/1
HU Haisong 胡海松	Non-executive Director 非執行董事	12/12	0/1	0/1
TUNG Shu Sun 董樹新	Chairman, Non-executive Director 主席、非執行董事	12/12	1/1	1/1
DANG Yin Liang (appointed on 16 April 2018) 黨銀良 (於二零一八年 四月十六日獲委任)	Non-executive Director 非執行董事	1/7	1/1	1/1
XU Zheng (appointed on 19 April 2018 and resigned on 28 September 2018) 徐崢 (於二零一八年 四月十九日獲委任及 於二零一八年 九月二十八日辭任)	Non-executive Director 非執行董事	1/3	0/1	0/1
DING Shiguo (appointed on 16 October 2018) 丁世國 (於二零一八年 十月十六日獲委任)	Non-executive Director 非執行董事	0/4	0/0	0/0

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企業管治報告

Name of Director 董事姓名	Title 職銜	Board	Annual	Extra Ordinary
		Meetings	General	General
		董事會會議	股東週年大會	股東特別大會
		Attended/Held 已出席／舉行次數		
GUI Shengyue 桂生悅	Independent Non-executive Director 獨立非執行董事	4/12	0/1	0/1
WANG Xianzhang 王憲章	Independent Non-executive Director 獨立非執行董事	3/12	0/1	0/1
Vichai PHAISALAKANI 熊敬柳	Independent Non-executive Director 獨立非執行董事	4/12	1/1	1/1

Every Board member has full access to the advice and services of the Company Secretary with a view to ensuring that Board procedures, and all applicable rules and regulations are followed and they are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

每位董事會成員均可獲得公司秘書全面之建議及服務，以確保董事會之程序及所有適用規則及規定獲得遵行，彼等亦可全面獲得董事會之文件及相關資料，讓彼等能夠作出知情決定，並履行彼等之職責及責任。

Chairman and Chief Executive Officer

Mr. Tung Shu Sun was the Chairman of the Company and the Company has no Chief Executive Officer during the Year.

主席及行政總裁

於本年度內，董樹新先生擔任本公司主席，而本公司並無行政總裁。

Corporate Governance Report

企業管治報告

DIRECTORS' PROFESSIONAL DEVELOPMENT

Directors' training is an ongoing process. All Directors are encouraged to attend relevant training courses at the Company's expenses. They are requested to provide their respective training records to the Company Secretary.

The Company has complied with the code provision A.6.5 of the CG Code on Directors' training. A record of the training received by the respective Directors are kept and updated by the Company Secretary.

董事之專業發展

董事培訓乃持續過程。全體董事均獲鼓勵出席相關培訓課程，費用由本公司承擔。彼等須向公司秘書提供其各自培訓記錄。

本公司已就董事培訓遵守企業管治守則之守則條文第A.6.5條。各董事所接受之培訓記錄由本公司公司秘書保管及更新。

Directors 董事	Type(s) of continuous professional development activities 持續專業發展活動的類型
CHAN Yiu Pun, Clement 陳耀彬	A, B
HU Haisong 胡海松	B
TUNG Shu Sun 董樹新	B
DANG Yin Liang 黨銀良	B
XU Zheng 徐崢	B
DING Shiguo 丁世國	B
GUI Shengyue 桂生悅	B
WANG Xianzhang 王憲章	B
Vichai PHAISALAKANI 熊敬柳	B
A: Attending training sessions conducted by the Company	A: 出席本公司舉辦的培訓課程
B: Reading articles, journal, newspapers and/or other materials provided by the Company	B: 閱覽本公司提供的文章、期刊、報章及/或其他材料

Corporate Governance Report

企業管治報告

All Directors understand the importance of continuous professional development and are committed to participate any suitable training to develop and refresh their knowledge and skills.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The management provides such explanation and information to the Board and reports regularly to the Board on financial position and prospects of the business of the Group so as to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group. The Directors' responsibilities in the preparation of the consolidated financial statements and the auditor's responsibilities are set out in the Independent Auditor's Report. The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the members of the Company. A statement by auditor about their reporting responsibility is set out in the Independent Auditor's Report.

RISK MANAGEMENT AND INTERNAL CONTROL

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

全體董事知悉持續專業發展之重要性，並承諾參與任何適合的培訓課程，以擴充及更新彼等知識及技能。

問責及審核

財務申報

管理層須就本集團之財政狀況及業務前景向董事會提供有關解釋及資料，並定期向董事會匯報，以令董事會可於其批准前就所提交之財務及其他資料作出知情評估。

董事知悉彼等須負責編製本集團之綜合財務報表。有關董事編製綜合財務報表之責任及核數師之責任均載於獨立核數師報告內。外聘核數師負責根據彼等之審核結果，對董事會所編製之綜合財務報表作出獨立意見，並向本公司股東匯報彼等之意見。核數師作出之申報責任聲明載於獨立核數師報告內。

風險管理及內部監控

董事會確認其監管本集團的風險管理及內部監控系統的責任。審核委員會協助董事會履行其於本集團財務、營運、合規、風險管理及內部監控，以及財務及內部審計職能方面資源的監管及企業管治角色。

Corporate Governance Report

企業管治報告

The Company has established an organizational structure with defined levels of responsibility and reporting procedures. Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements, and key risks that may impact on the Group's performance are appropriately identified and managed. The Company has adopted its risk management policy and the Group's internal control system is designed to provide reasonable assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of business objective. The system includes a defined management structure with segregation of duties and a cash management system such as monthly reconciliation of bank accounts.

The Company has appointed an independent professional as an internal audit and to report directly to the Audit Committee on a semi-annually basis. During the Year, Internal Audit conducted selective reviews of the effectiveness of the systems of risk management and internal controls of the Group over financial, operational and compliance controls with emphasis on information technology and security, data privacy and protection, business continuity management and procurement. These results were reported to the Audit Committee, which then reviewed and reported the same to the Board. The Audit Committee and the Board were not aware of any areas of concern that would have a material impact on the Group's financial position or results of operations and considered the risk management and internal control systems to be generally effective and adequate including the adequacy of resources, staff qualifications and experience, training programs and budget of the accounting, internal audit and financial reporting functions.

本公司已建立一個有清晰的職責級別及匯報程序的組織架構。適當的政策及監控經已訂立及制定，以確保保障資產不會在未經許可下使用或處置，依從及遵守相關規則及規例，根據相關會計準則及監管申報規定保存可靠的財務及會計記錄，以及適當地識別及管理可能影響本集團表現的主要風險。本公司已採納風險管理政策，而本集團之內部監控系統旨在針對重大失實陳述或損失提供合理保證，並管理及消除營運系統失效及未達成業務目標之風險。該系統包括清晰劃分職責之管理架構及現金管理系統（如銀行賬戶之每月對）。

本公司已委任一獨立專業人士為內部審計，並每半年直接向審核委員會報告。於本年度內，內部審計就本集團風險管理及內部監控系統在財務、營運及合規監控方面的成效作出甄選檢討，著重資訊技術及安全、資料私隱及保護、業務持續性管理及採購方面的監控。有關結果交由內部審計向審核委員會匯報。審核委員會其後審閱有關資料並向董事會匯報。審核委員會及董事會均無發現任何將對本集團的財務狀況或經營業績造成重大影響而需多加關注的事項，亦認為風險管理及內部監控系統整體而言充足並具成效，包括在會計、內部審計及財務匯報職能方面有足夠的資源、員工資歷及經驗，以及有足夠的員工培訓課程及預算。

Corporate Governance Report

企業管治報告

Based on the respective assessments made by management, the Audit Committee considered that for the year ended 31 December 2018:

- The risk management and internal control systems, as well as accounting systems of the Group were in place and functioning effectively and adequately, and were designed to provide reasonable assurance that material assets were protected, business risks attributable to the Group were identified and monitored, material transactions were executed in accordance with management's authorisation and the financial statements were reliable for publication.
- There was an ongoing process in place for identifying, evaluating and managing the significant risks faced by the Group.

NOMINATION COMMITTEE

The nomination committee comprises three members and is currently consisting of two independent non-executive Directors, namely, Mr. Wang Xianzhang and Mr. Vichai Phaisalakani, and one non-executive Director, namely, Mr. Hu Haisong. Mr. Wang Xianzhang is the chairman of the nomination committee.

During the financial year ended 31 December 2018, there was one nomination committee meeting. The attendance of each of the members at such meeting are as follows:-

Name of Member 成員姓名	Title 職銜	Attended/Held 出席／舉行次數
HU Haisong 胡海松	Non-executive Director 非執行董事	1/1
WANG Xianzhang 王憲章	Independent Non-executive Director 獨立非執行董事	1/1
Vichai PHAISALAKANI 熊敬柳	Independent Non-executive Director 獨立非執行董事	1/1

根據管理人員所作之評估，審核委員會認為於截至二零一八年十二月三十一日止年度：

- 本集團的風險管理及內部監控系統，以及會計系統已獲確立、足夠並有效地運作，其目的是為提供合理保證，以確保重要資產獲得保障、本集團營商之風險得到確認及受到監控、重大交易均在管理層授權下執行及財務報表能可靠地對外發表。
- 監控系統持續運作，以識別、評估及管理本集團所面對之重大風險。

提名委員會

提名委員會由三名成員組成，現時包括兩名獨立非執行董事（即王憲章先生及熊敬柳先生）及一名非執行董事（即胡海松先生）。王憲章先生為提名委員會主席。

於截至二零一八年十二月三十一日止財政年度內，本公司舉行一次提名委員會會議。各名成員於該等會議之出席情況如下：-

Corporate Governance Report

企業管治報告

The Board adopted the terms of reference of the nomination committee which is available on the respective websites of the Stock Exchange and the Company. The nomination committee is mainly responsible for the following functions: reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board and making recommendations to the Board on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become Board members and assessing the independence of independent non-executive Directors. The nomination committee also considered the past performance, qualification, general market conditions and the Articles of Association of the Company in selecting and recommending candidates for the directorship. During the financial year ended 31 December 2018, the nomination committee has discussed and reviewed the Board composition and appointment, retirement and reelection of Directors.

REMUNERATION COMMITTEE

The Company has a remuneration committee for determining the remuneration of Directors. The remuneration committee has adopted the model that it will determine, with delegated responsibility, the remuneration package of individual executive Directors and senior management. The remuneration committee comprises three members and is currently consisting of two independent non-executive Directors, namely, Mr. Wang Xianzhang and Mr. Vichai Phaisalakani, and one non-executive Director, namely, Mr. Hu Haisong. Mr. Wang Xianzhang is the chairman of the remuneration committee.

董事會採納提名委員會職權範圍，其可於聯交所及本公司各自網站查閱。提名委員會主要負責以下職能：檢討董事會結構、人數及組成（包括技能、知識及經驗）及就董事會之任何建議變動向董事會作出建議，以配合本公司之企業策略，物色合適之合資格人士成為董事會成員及評估獨立非執行董事之獨立性。於選擇及推薦董事候選人時，提名委員會亦考慮過往表現、資格、一般市場狀況及本公司之組織章程細則。截至二零一八年十二月三十一日止財政年度內，提名委員會已討論及審閱董事會結構及董事之委任、退任及重選。

薪酬委員會

本公司設有薪酬委員會以釐定董事之酬金。薪酬委員會已採納該模式，其獲轉授責任釐定執行董事及高級管理層之個別薪酬待遇。薪酬委員會由三名成員組成，現時包括兩名獨立非執行董事（即王憲章先生及熊敬柳先生）及一名非執行董事（即胡海松先生）。王憲章先生為薪酬委員會主席。

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企業管治報告

During the financial year ended 31 December 2018, there were one remuneration committee meeting and one resolution in writing in lieu of committee meeting to discuss remuneration related matters. The attendance of each of the members at such meeting are as follows:-

於截至二零一八年十二月三十一日止財政年度內，本公司舉行一次薪酬委員會會議及一次以書面決議方式代替委員會會議以討論薪酬有關事宜。各名成員於該等會議之出席情況如下：—

Name of Member 成員姓名	Title 職銜	Attended/Held 出席／舉行次數
HU Haisong 胡海松	Non-executive Director 非執行董事	1/1
WANG Xianzhang 王憲章	Independent Non-executive Director 獨立非執行董事	1/1
Vichai PHAISALAKANI 熊敬柳	Independent Non-executive Director 獨立非執行董事	1/1

The terms of reference of the remuneration committee are of no less exacting terms than those stipulated in the CG Code. The terms of reference of the remuneration committee is available on the respective websites of the Stock Exchange and the Company. The remuneration committee is mainly responsible for the following functions: determining the Company's framework or board policy for remuneration of Directors and senior management, determining the policy and scope of pension and compensation arrangements for executive Directors and senior management, including any compensation payable for loss or termination of their office or appointment and reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals objectives.

薪酬委員會職權範圍之條款之嚴謹程度不遜於企業管治守則所訂明者。薪酬委員會之職權範圍可於聯交所及本公司各自之網站查閱。薪酬委員會主要負責以下職能：參考董事會之公司目標釐定董事及高級管理層薪酬之公司架構或董事會政策，釐定執行董事及高級管理層之退休金及補償安排之政策及範圍，包括彼等失去或終止職務或委任而應付之任何補償，以及檢討及批准管理層之薪酬建議。

During the financial year ended 31 December 2018, the remuneration committee has reviewed the remuneration packages of the Directors and employees of the Group with reference to the factors including but not limited to salaries paid by comparable companies, time commitment and responsibilities of them and considered that are fair and reasonable.

截至二零一八年十二月三十一日止財政年度內，薪酬委員會已參考包括但不限於可比較的公司所支付之薪酬、投入時間及彼等之職責等因素而檢討董事及本集團僱員之薪酬待遇，並認為其屬公平合理。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE

The Company has set up an audit committee to review the accounting principles and practices adopted by the Group and the audit committee has discussed the risk management, internal controls and financial reporting matters of the Group with the management of the Company. The audit committee has also reviewed interim results and the annual results of the Group for the current year. The audit committee comprises three members and is currently consisting of two independent non-executive Directors, namely, Mr. Vichai Phaisalakani and Mr. Wang Xianzhang, and one non-executive Director, namely, Mr. Hu Haisong. Mr. Vichai Phaisalakani is the chairman of the audit committee.

During the financial year ended 31 December 2018, there were two audit committee meetings. The attendance of each of the members at such meetings are as follows:–

Name of Member 成員姓名	Title 職銜	Attended/Held 出席／舉行次數
HU Haisong 胡海松	Non-executive Director 非執行董事	2/2
Vichai PHAISALAKANI 熊敬柳	Independent Non-executive Director 獨立非執行董事	2/2
WANG Xianzhang 王憲章	Independent Non-executive Director 獨立非執行董事	1/2

The terms of reference of the audit committee are of no less exacting terms than those stipulated in the CG Code. The terms of reference of the audit committee is available on the respective websites of the Stock Exchange and the Company. The audit committee is mainly responsible for the following functions: monitoring integrity of the Company's financial statements, including annual report and accounts, interim and other periodic reports, preliminary result announcements and reviewing significant financial reporting judgments contained in them and reviewing the effectiveness of the Group's internal controls and risk management systems.

審核委員會

本公司已設立審核委員會，以審閱本集團所採納之會計準則及常規，且審核委員會已與本公司管理層討論本集團之風險管理，內部監控及財務申報事宜。審核委員會亦已審閱本集團於本年度之中期業績及全年業績。審核委員會由三名成員組成，現時包括兩名獨立非執行董事（即熊敬柳先生及王憲章先生）及一名非執行董事（即胡海松先生）。熊敬柳先生為審核委員會主席。

截至二零一八年十二月三十一日止財政年度內，本公司已舉行兩次審核委員會會議。各成員出席該等會議之情況如下：–

審核委員會職權範圍之條款之嚴謹程度不遜於企業管治守則所訂明者。審核委員會之職權範圍可於聯交所及本公司各自之網站查閱。審核委員會主要負責以下職能：監察本公司財務報表之完整性，包括年報及賬目、中期及其他定期報告、初步業績公佈及審閱其所載之重大財務報告判斷以及審閱本集團之內部監控及風險管理系統之有效性。

Corporate Governance Report

企業管治報告

The audit committee has reviewed the auditing performance, the risk management, the internal controls, the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2018 and the audited consolidated financial statements of the Group for the financial year ended 31 December 2018.

INVESTMENT COMMITTEE

The investment committee is responsible for formulating investment policies and reviewing and determining the investment portfolio of the Group. The investment committee comprises four members and consists of one executive Director, Mr. Chan Yiu Pun, Clement, one non-executive Director, Mr. Hu Haisong, one independent non-executive Director, Mr. Wang Xianzhang and an independent consultant, Dr. Iraj Ershaghi. Mr. Chan Yiu Pun, Clement is the chairman of the investment committee.

During the financial year ended 31 December 2018, there were four investment committee meetings and three resolutions in writing in lieu of committee meeting. The attendance of each of the members at such meetings are as follows:-

審核委員會已審閱核數表現、風險管理、內部監控、本集團截至二零一八年六月三十日止六個月之未經審核綜合中期財務報表及本集團截至二零一八年十二月三十一日止財政年度之經審核綜合財務報表。

投資委員會

投資委員會負責制定投資政策及審閱及釐定本集團之投資組合。投資委員會由四名成員組成，包括一名執行董事陳耀彬先生、一名非執行董事胡海松先生、一名獨立非執行董事王憲章先生及一名獨立顧問 Iraj Ershaghi 博士。陳耀彬先生為投資委員會主席。

截至二零一八年十二月三十一日止財政年度內，本公司已舉行四次投資委員會會議及三次以書面決議方式代替委員會會議。各成員出席該等會議之情況如下：-

Name of Member 成員姓名	Title 職銜	Attended/Held 出席／舉行次數
CHAN Yiu Pun, Clement 陳耀彬	Executive Director 執行董事	4/4
HU Haisong 胡海松	Non-executive Director 非執行董事	4/4
WANG Xianzhang 王憲章	Independent Non-executive Director 獨立非執行董事	3/4
Iraj ERSHAGHI (ceased on 17 August 2018) (於二零一八年八月十七日不再擔任委員)	Independent Consultant 獨立顧問	2/2

Corporate Governance Report

企業管治報告

COMPANY SECRETARY

Mr. Yu Tak Shing, Eric, the Company Secretary of the Company, has confirmed that he has fulfilled the training requirements under the Listing Rules for the financial year ended 31 December 2018.

AUDITOR'S REMUNERATION

For the financial year ended 31 December 2018, the remuneration payable to the Company's external auditor in respect of audit services and non-audit services were approximately HK\$330,000 (2017: HK\$330,000) and HK\$30,000 (2017: HK\$30,000) respectively.

MEMBERS' RIGHTS

Way to Convene an Extraordinary General Meeting

Pursuant to Article 58 of the Articles of Association of the Company, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition.

Members' Enquiries

Members should direct their questions about their shareholdings to the Company's share registrar in Hong Kong. Members may at any time make a request for the Company's information to the extent that such information is publically available. Members may also make enquiries to the following contact details of the Company:

Address: Room 4001, China Resources Building,
26 Harbour Road, Wan Chai, Hong Kong
Tel: +852 3901 0901
Email: info@empiricalgroup.com

公司秘書

于德誠先生為本公司之公司秘書，彼已確認於截至二零一八年十二月三十一日止財政年度已遵守上市規則項下之培訓規定。

核數師酬金

截至二零一八年十二月三十一日止財政年度，本公司就審核服務及非審核服務應付本公司之外聘核數師之薪酬分別約為330,000港元（二零一七年：330,000港元）及30,000港元（二零一七年：30,000港元）。

股東權利

召開股東特別大會之方式

根據本公司之組織章程細則第58條，於遞交呈請日期持有附帶權利可於本公司股東大會上投票之本公司繳足股本不少於十分之一之任何一名或以上股東，於任何時候均有權透過向董事會或本公司秘書提交書面呈請之方式，要求董事會就處理該呈請所指明之任何事務召開股東特別大會。

股東查詢

股東應向本公司香港股份過戶登記處提出有關其股權之疑問。股東可隨時要求索取有關本公司資料（以公開資料為限）。股東亦可透過本公司下列聯絡資料作出查詢：

地址：香港灣仔港灣道26號華潤大廈
4001室
電話：+852 3901 0901
電郵：info@empiricalgroup.com

Corporate Governance Report

企業管治報告

Procedures and Sufficient Contact Details for Putting Forward Proposals at Members' Meetings

Members are welcomed to suggest proposals relating to the operations, strategy and/or management of the Group to be discussed at members' meeting. Proposal shall be sent to the Board or the Company Secretary by written requisition. Pursuant to the Articles of Association of the Company, members who wish to put forward a proposal should convene an extraordinary general meeting by the procedures set out in "Way to Convene an Extraordinary General Meeting" above.

INVESTOR RELATIONS

Communication with Investors

The Board maintains an on-going dialogue with the Company's members through various channels including the Company's financial reports (interim and annual reports), annual general meeting and other general meetings. Members are encouraged to participate in general meetings or to appoint proxies to attend and vote at the general meetings for and on their behalf if they are unable to attend the general meetings. The results of the voting by poll are published on the respective websites of the Stock Exchange and the Company on a timely basis.

For both investors and other stakeholders, the Company's website www.eaglerideinvestment.com provides latest information on the Group. All key information about the Group such as the Company's financial reports, announcements, circular and other corporate information can be downloaded from this website.

於股東大會上提呈建議之程序及充足之聯絡資料

本公司歡迎股東提呈有關本集團業務、策略及／或管理之建議於股東大會上討論。有關建議須透過書面請求送交董事會或公司秘書。根據本公司之組織章程細則，擬提出建議之股東應透過上文「召開股東特別大會之方式」所載之程序召開股東特別大會。

投資者關係

與投資者之溝通

董事會透過多種渠道（包括本公司之財務報告（中期及年度報告）、股東週年大會及其他股東大會）維持與本公司股東保持持續對話。股東獲鼓勵參與股東大會，倘未能出席大會，亦鼓勵彼等委任代表代其出席大會及於會上投票。投票表決結果將及時刊載於聯交所及本公司各自之網站。

就投資者及其他利益相關人士而言，本公司網站 www.eaglerideinvestment.com 提供有關本集團之最新資料。有關本集團之所有重要資料（如本公司之財務報告、公佈、通函及其他公司資料）均可從該網站下載。

Environmental, Social and Governance Report

環境、社會及管治報告

The Company is an investment company and principally engages in investments in a diversified portfolio of listed and unlisted companies. As an investment company, the Company does not directly participate in the production and operation of these listed and unlisted companies. While actively seeking to optimise its investment portfolio and maximise shareholder return, the Company lives up to its corporate social responsibility and strikes a balance between the interests of stakeholders such as the shareholders and the community, with the ultimate goal of achieving a sustainable corporation.

The Company has adopted its policy which set out guidelines to the directors, officers and all relevant employees of the Company to maintain an approach that integrates environmental, social and governance (“**ESG**”) factors into its investment process and business in order to maximize the interests of the Group. The Company will take into account ESG considerations when performing investment analysis and decision-making processes. These assessments form an important input for the Company in reaching a decision whether to invest and in monitoring its investment portfolios.

This environmental, social and governance report (“**ESG Report**”) has been prepared in accordance with the requirements of the Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) as contained in Appendix 27 of the Listing Rules. The ESG Guide requires a listed company to identify and disclose ESG information that is material and relevant to its business.

本公司為一間投資公司，而本公司之主要業務為投資於上市及非上市公司之多元化投資組合。作為投資公司，本公司未直接參與這些上市及非上市公司的生產及營運。然而，本公司於積極尋求優化投資組合，提升股東回報的同時，仍然恪守企業社會責任，平衡股東、社區等各持份者的利益，致力取得企業可持續發展。

本公司已採納政策，當中載列其對本公司董事、高級職員及所有相關僱員之指引，以維持將環境、社會及管治（「**ESG**」）因素整合至其投資過程及業務之方針，從而為本集團帶來最大利益。本公司將於進行投資分析及決策過程中計及ESG考量。該等評估構成本公司於達致是否投資之決定及監管其投資組合時之重要輸入數據。

本環境、社會及管治報告（「**ESG 報告**」）已根據上市規則附錄27所載之環境、社會及管治報告指引（「**ESG 指引**」）編製。ESG 指引規定上市公司識別及披露屬重大及與其業務相關之ESG資料。

Environmental, Social and Governance Report

環境、社會及管治報告

The initiatives of the Company in implementing environment and social-related policies are as follows:

- 1) To optimize efficient use of resources in efforts to minimize impact on the environment and natural resources;
- 2) To encourage employees to be environmentally conscientious; and
- 3) To contribute to the community's well-being.

Stakeholder engagement and materiality

In order to identify the most significant ESG aspects for the Group to report on for this ESG report, key stakeholders such as investors, shareholders and employees have been taken into consideration. As the Group is principally engaged in investments in a diversified portfolio of listed and unlisted companies, the Group did not have any major suppliers, therefore disclosures relating to supply chain management as set forth in the ESG Guide is not applicable to the Group.

Stakeholders' feedback

The Company welcomes stakeholders' feedback on our ESG approach and performance. Suggestions can be sent to us via e-mail at ESG@empiricalgroup.com.

本公司於實行環境及社會相關政策時之措施如下：

- 1) 優化資源的有效運用以盡量減低對環境及天然資源造成的影響；
- 2) 鼓勵僱員有環保意識；及
- 3) 為社群享有更美好的明天作出貢獻。

持份者之參與及重要性

為確定本集團於本環境、社會及管治報告中所匯報之最重要環境、社會及管治方向，當中已考慮主要持份者如投資者、股東及僱員。由於本集團主要從事投資於上市及非上市公司之多元化投資組合，本集團並無任何主要供應商，因此，環境、社會及管治指引中所載有關供應鏈管理的披露對本集團並不適用。

持份者意見

本公司歡迎持份者就我們的環境、社會及管治方針及表現提出意見。相關建議可發送至電郵地址 ESG@empiricalgroup.com。

Environmental, Social and Governance Report

環境、社會及管治報告

A. ENVIRONMENTAL

Emissions and Use of Resources

The Company's operation is mainly office-based and the Company is committed to minimising the impact of businesses on the environment through adopting eco-friendly measures at the office. For example, staff is encouraged to reduce paper consumption by double-sided printing and reusing papers printed on one side.

In terms of energy saving measures, there are a number of good practices at office as follows:

- A mix of LED and fluorescent lights are used to reduce energy consumption for lighting;
- Staff is reminded to switch off lights and airconditioning in the meeting room and the computer at the workstation when it is not in use;
- The room temperature is maintained at 25 degrees Celsius in summer to save energy; and
- Conference calls instead of face-to-face meetings are arranged where possible.

The Company is dedicated to sustain implementation of the measures above, while it will explore other ecofriendly initiatives.

Given the nature of the Group's business, the main emissions and wastes produced by the Group are primarily attributable to its use of electricity, water, paper and gasoline. The Group does not produce any hazardous waste in its operations. The Company believes that its business operations have minimal direct impact on the environment and natural resources. The Company is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the environment and natural resource relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

A. 環境

排放物與資源使用

本公司以辦公室運作為主。因此，本公司通過辦公室內的環保措施，致力盡量減少公司對環境的影響。例如，本公司鼓勵員工多採用雙面打印，以及重用已經單面打印的紙張。

在節能方面，本公司已實施了下列良好措施：

- 以LED光管取代一部份的普通光管，以減低照明的能源消耗；
- 當會議室閒置時，員工會關掉房中的空調和燈；
- 辦公室於夏天的室內溫度亦保持在25攝氏度，以節省能源；及
- 盡量安排以電話會議代替面談。

本公司將繼續致力執行上述措施，同時亦會積極研究推行其他環保措施。

鑑於本集團業務的性質，其主要排放及產生的廢料主要源自其使用的電力、水、紙及汽油。本集團的營運並不產生任何危險廢物。本公司相信其業務營運對環境及自然資源造成的直接影響甚為輕微。就本公司所知，並無任何重大不遵守有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物產生之相關法律法規的情況而對環境及天然資源造成顯著影響。

Environmental, Social and Governance Report

環境、社會及管治報告

Electricity

The Company endeavors to conserve energy by utilising energy efficient equipment and light fixtures. Employees are encouraged to save energy by turning off lights and equipment when not in use.

Electricity consumed by the Group's office in its normal business operations is supplied by The Hongkong Electric Co., Ltd. The electricity consumption by the Group at its office was approximately 40,650 (2017: 39,672) kWh, producing CO₂ equivalent emissions of approximately 32,113 (2017: 31,341) kg and an energy consumption intensity of approximately 43 (2017: 37) kWh per square meter during the year.

Water

There is no direct water supply to the office apart from water uses/effluent discharges at shared facilities of the office building for which no usage statistics are available. Water consumption by the Group for the year involved mainly bottled drinking water uses at its offices premises and the Group's business operations do not require any other water usage. The Group's office utilised a total of approximately 19.80 (2017: 20.6 m³ of drinking water with a water consumption intensity of approximately 1.80 (2017: 1.87) m³ per employee for domestic consumption during the year.

Paper

The Company encourages employees to go paperless as much as possible by limiting printouts as well as communicating via e-mail as opposed to fax. Employees are also encouraged to re-use paper and conserve paper usage by printing double-sided to the extent practicable. The Group has not otherwise adopted any dedicated recycling programme regarding paper uses.

During the year, the Group used a total of approximately 544 (2017: 365) kg of print paper in its normal office-based operations and the total CO₂ equivalent emissions for the paper used was approximately 2,612 (2017: 1,754) kg.

電力

本公司通過使用節能設備和燈具而致力節約能源。本公司鼓勵員工關掉不使用的燈具和設備以節省能源。

本集團辦公室於正常業務營運的用電由香港電燈供應。於本年度，集團辦公室的用電量約為40,650（二零一七年：39,672）千瓦時，產生二氧化碳當量排放約32,113（二零一七年：31,341）公斤而能源消耗強度為每平方米約43（二零一七年：37）千瓦時。

用水

除了在辦公室建築物的共用設施之用水／污水排放（無法取得有關用量的統計數據）外，辦公室並無直接供水。本集團本年度的用水量主要是其辦公室物業的瓶裝水飲用水而本集團的業務營運毋須其他用水。本集團辦公室於本年度使用共約19.80（二零一七年：20.6）立方米的食水而每名僱員在日常使用方面的用水強度約為1.80（二零一七年：1.87）立方米。

用紙

本公司鼓勵僱員盡量無紙化辦公，減少打印並以電郵（而非傳真）通訊。本集團亦鼓勵員工在切實可行情況重用紙張及採用雙面打印節省紙張用量。本集團並無在其他方面就用紙而採納任何專項回收計劃。

於本年度，本集團於正常以辦公室運作為主使用合共約544（二零一七年：365）公斤的印刷紙張，用紙的總二氧化碳當量排放約為2,612（二零一七年：1,754）公斤。

Environmental, Social and Governance Report

環境、社會及管治報告

Gasoline

The Company encourages employees to always keep the environment in mind when undertaking business activities including use of public transportation to travel to properties. Employees are encouraged to optimize resources to help the Group minimize its impact on the environment and natural resources.

During the year, a total of approximately 10,543 (2017: 8,900) litres of unleaded petrol was used for the motor vehicles of the Group.

Emissions data from the vehicles used by the Group are set out as follows:

汽油

本公司鼓勵員工辦公時，時刻以環境為念，包括使用公共交通工具往返不同物業。本集團鼓勵員工優化資源運用，協助集團盡量減少對環境和天然資源造成影響。

於本年度，本集團的汽車已使用合共約10,543(二零一七年：8,900)公升的無鉛汽油。

本集團使用的汽車的排放數據載列如下：

	Nitrogen Oxides 氮氧化物 (NOx) (g) (克)	Sulphur Oxides 硫氧化物 (SOx) (g) (克)	Particulate Matters 懸浮顆粒 (PM) (g) (克)	Carbon Dioxide 二氧化碳 (CO₂) (kg) (公斤)
Unleaded Petrol used by the private vehicles of the Group during the year ended 本集團的私家車於截至以下日期止年度使用的無鉛汽油				
31 December 2018 二零一八年十二月三十一日	4,174	154	307	24,880
31 December 2017 二零一七年十二月三十一日	3,524	131	259	21,004

Environmental, Social and Governance Report

環境、社會及管治報告

B. SOCIAL

Employment and Labour Practices

The Company has complied with the applicable employment-related laws and regulations currently in force in Hong Kong. The Company does not employ staffs who are below 18 years of age. The Company provided such rights and benefits to its employees which are no less than those required statutorily. No employee is paid less than the minimum wage specified by the Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong). The Company's contributions to the defined contribution retirement scheme it operated under the Mandatory Provident Fund Scheme are made by each monthly contribution day.

The Company is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to prevention of child and forced labour.

Working Conditions, Health and Safety

The Company is committed to complying with the laws relating to anti-discrimination and equal opportunities promotion. It also strives to provide a pleasant, safe and healthy workplace for our employees. We care for our employees and recognize that having positive attitude helps motivate employees at workplace.

The Company has developed a set of work safety codes covering areas of environmental hygiene and cleanliness, machine operation, smoking ban and fire prevention, hazardous materials handling, arrangements in times of typhoons and rainstorms, as well as response to emergencies, etc. It also requires strict compliance with these work safety codes by its employees.

The Company is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to providing a safe working environment & protecting employees from occupational hazards during the Year.

B. 社會

僱傭及勞工常規

本公司遵守香港現行之適用的僱傭相關法例及法規。本公司概無僱傭未滿18歲之員工，並向員工提供不低於法定標準的勞工權利及福利。概無向任何僱員支付低於最低工資條例（香港法律第608章）之工資。本公司根據強制性公積金計劃於每個月的供款日之前向其經營之定額供款退休計劃作出供款。

就本公司所知，並無任何重大不遵守相關法律法規的情況而在防止童工及強迫勞動方面對本集團造成顯著影響。

工作環境、健康及安全

本公司致力遵守有關反歧視及推廣平等機會之法例。其亦力求為僱員提供舒適、安全及健康之工作環境。本公司關心其僱員，並明白正面態度有助於工作環境激勵僱員。

本公司已制定一套工作安全守則，其涵蓋環境衛生及清潔、機器操作、禁煙及防火、危險物料處理、颱風及暴雨安排以及緊急情況應對等範圍，並要求其僱員嚴格遵守工作安全守則。

於本年度內，就本公司所知，並無任何重大不遵守相關法律法規的情況而在提供安全工作環境及保障員工免於職業危害事故方面對本集團造成顯著影響。

Environmental, Social and Governance Report

環境、社會及管治報告

Staff Care, Development and Training

We consider our employees an important asset of the Company. We strive to provide a fair and respectful working environment to our employees. In selecting our employees, the Company considers the experience, knowledge and background of the individual that can contribute to the diversity and caliber of the Company.

The Company supports its staff to develop and enhance their professional knowledge and skills to cope with the evolving market environment and compliance level. On top of on-the-job training, the staff is encouraged to take external professional training to strengthen their work-related expertise. The Company offers training program in compliance to our directors and employees through necessary continuous training courses. The range of training hours varies depending on seminar, courses and events available for the year. During the year, the company secretary of the Company has completed more than 15 hours of training related to the Continuing Professional Development (CPD) requirements in order to discharge his duties professionally.

We adopt a five-day workweek and encourage our employees to have a good balance among health, work and social or family activities.

員工關懷、發展及培訓

本公司認為僱員為本公司之重要資產。本公司力求為僱員提供公平及受尊重之工作環境。於選擇僱員時，本公司考慮有關人選之經驗、知識及背景是否可向本公司之多元化及質素作出貢獻。

本公司支持員工發展及提升彼等之專業知識及技能，以應付不斷演變之市場環境及合規水平。除在職培訓外，本公司亦鼓勵員工接受外部專業培訓，以加強彼等與工作相關之專業知識。本公司透過必要之持續培訓課程為本公司董事及僱員提供合規培訓。培訓時數按年內可參與之研討會、課程及活動而有所不同。年內，本公司之公司秘書已完成超過15小時之有關持續專業發展(CPD)規定之培訓，以專業地履行彼之職責。

本公司採納五天工作週，並鼓勵本公司之僱員於健康、工作及社交或家庭活動之間取得良好平衡。

Environmental, Social and Governance Report

環境、社會及管治報告

Anti-corruption

The Company upholds high standards on promoting anti-corruption, with all its employees and directors are required to maintain a high level of business ethics. The Company strives to eliminate bribery and corruption across its management and staff. To do so, all employees are required to comply with the relevant anti-corruption laws and guidelines so as to ensure that they carry out their duties in good faith. The Company closely monitors the conduct of its staff to prevent wrong-doings amongst the Board, its senior management and its staff, such as prohibiting transfer of benefits while considering any company or project investment. The Audit Committee has the overall responsibility for matters related to the internal controls of anti-corruption.

During the reporting period, the Company had no legal cases regarding corrupt practices brought against the Company or its employees.

Community Investment

The Company is fully aware of the importance of interacting with the wider community in fulfilling corporate social responsibility. In this aspect, the Company and its Investment Manager would explore the possibility to identify suitable partners and support community and environmental programmes that align with the Company's missions and values.

The Company believes the best way to serve the community is to drive positive impact through our investment portfolio. During the year, the Company explored investment opportunities in several proposed environmental protection projects. To create shared values with the community and stakeholders, the Company will continue to consider ESG factors in selecting future investment projects.

反貪污

本公司堅持推廣反貪污之高標準，其所有僱員及董事均須維持高水平之商業道德。本公司力求消除其管理層及員工之間之賄賂及貪污。就此而言，本公司要求所有僱員遵守相關反貪污法例及指引，以確保以良好誠信履行彼等之職務。本公司密切監察其員工之行為，以防止董事會、其高級管理層及其員工之不當行為，例如於考慮任何公司或項目投資時禁止轉讓利益。審核委員會須為有關內部控制反貪污之事宜負全責。

於報告期間，本公司並無有關本公司或其僱員之貪污行為之法律案件。

社區投資

本公司充分瞭解跟廣大社會互動的重要性。有鑒於此，本公司將與其投資經理共同探討識別合適的合作夥伴及支持與公司使命和價值觀一致的社區及環境項目的機會。

我們認為回饋社會的最佳方式，是透過本公司的投資組合推動社區的正面影響。於本年度，本公司尋找於不同的環境保護項目作出投資的機會。本公司將繼續探討於選擇投資項目時考慮環境、社會及管治因素的可能性，與社會及持份者創造共同價值。

Environmental, Social and Governance Report

環境、社會及管治報告

C. HKEX ESG GUIDE REFERENCE

聯交所ESG指引參考索引

HKEx ESG Guide Subject Areas 聯交所ESG指引中的主要範疇		ESG Aspects 各範疇的相關層面	Disclosure Reference 披露內容參考索引
Environmental A. 環境		A1. Emissions A1. 排放物	Refer to the “Environmental” section of this ESG Report. 詳情載於本ESG報告的「環境」標題之下。
		A2. Use of resources A2. 資源使用	
		A3. The environment and natural resources A3. 環境及天然資源	The office-based nature of the Company’s operations are not considered to have significant impact on environment and natural resources. 本公司認為其以辦公室為主的運作對環境及天然資源不構成重大影響。
Social B. 社會	Employment and labour practices 僱傭及勞工常規	B1. Employment B1. 僱傭	All matters related to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare complied with the Employment Ordinance. 我們在有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的事項上遵守僱傭條例。
		B2. Health and safety B2. 健康與安全	The office-based operation of the Company is not considered to have significant occupational hazards. The Company has complied with all the major relevant laws and regulations such as Occupational Safety And Health Ordinance. 本公司認為其以辦公室為主的運作不構成重大的職業性危害。我們遵守所有相關法律及規例，如職業安全及健康條例。
		B3. Development and training B3. 發展及培訓	Refer to “Social” section of this ESG Report. 詳情載於本ESG報告的「社會」標題之下。
		B4. Labour standards B4. 勞工準則	Child labour and forced labour are prohibited in the Company. 本公司嚴禁使用童工或強制勞工。
	Operating practices 營運慣例	B5. Supply Chain Management B5. 供應鏈管理	The office-based operation of the Company is not considered to have a significant environmental and social risks of the supply chain. 本公司認為其以辦公室為主的運作在管理供應鏈上不構成重大的環境及社會風險。
		B6. Product responsibility B6. 產品責任	The office-based operation of the Company is not considered to have significant environmental and social risks of product responsibility due to its nature of business. 本公司認為因其業務性質，以其以辦公室為主的運作在產品責任上不構成重大的環境及社會風險。
		B7. Anti-corruption B7. 反貪污	Refer to “Social” section of this ESG Report. 詳情載於本ESG報告的「社會」標題之下。
	Community 社區	B8. Community investment B8. 社區投資	Refer to “Social” section of this ESG Report. 詳情載於本ESG報告的「社會」標題之下。

Independent Auditor's Report

獨立核數師報告

恒健會計師行有限公司

HLM CPA LIMITED

Certified Public Accountants

Room 305, Arion Commercial Centre
2-12 Queen's Road West, Hong Kong.
香港皇后大道西2-12號聯發商業中心305室
Tel 電話:(852) 3103 6980
Fax 傳真:(852) 3104 0170
E-mail 電郵:info@hlm.com.hk

TO THE MEMBERS OF EAGLE RIDE INVESTMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Eagle Ride Investment Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 61 to 171, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements and as to whether the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

As explained in note 2 to the consolidated financial statements, the Group incurred a net loss of approximately HK\$53,268,000 and had net cash outflows from operating activities of approximately HK\$42,519,000 during the year ended 31 December 2018. As at 31 December 2018, the Group had net current liabilities of approximately HK\$9,619,000 and net liabilities of approximately HK\$52,694,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

致鷹力投資控股有限公司各股東

(於開曼群島註冊成立之有限公司)

不發表意見

吾等已審核刊於第61至171頁鷹力投資控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,其中包括於二零一八年十二月三十一日之綜合財務狀況表,以及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動報表及綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

吾等並不就 貴集團綜合財務報表發表意見。因為本報告不發表意見之基礎所述事項的重要性,吾等未能取得充足適當的審核憑證,以就該等綜合財務報表及有關綜合財務報表是否根據香港公司條例的披露規定妥為編製,提供審計意見的基礎。

不發表意見之基礎

如綜合財務報表附註2所述,截至二零一八年十二月三十一日止年度, 貴集團錄得淨虧損約53,268,000港元及經營活動之現金淨流出約42,519,000港元。於二零一八年十二月三十一日, 貴集團擁有流動負債淨額約9,619,000港元及負債淨額約52,694,000港元。該等情況顯出重大不確定性的存在,其對 貴集團持續經營的能力將產生重大疑慮。

Independent Auditor's Report

獨立核數師報告

The directors of the Company have been undertaking certain measures to improve the Group's liquidity and financial position, which are set out in note 2 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the outcome of these measures, which are subject to the following uncertainties, including (i) whether the Group is able to obtain financing support, the attainability depends on the performance of the Group; and (ii) whether the Group is able to generate sufficient cash flow, the attainability depends on the effectiveness of implementation strategies.

These facts and circumstances, along with other matters as described in note 2 to the consolidated financial statements, indicate the existence of multiple material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

RESPONSIBILITIES OF THE DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and such internal control as the directors determined 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.

貴公司董事已採取若干措施以改善 貴集團的流動資金及財務狀況，詳情載於綜合財務報表附註2。該等綜合財務報表乃按持續經營基準編製，其有效性取決於該等措施的結果，並受以下不確定因素影響，包括(i) 貴集團能否獲得融資支持，而其可獲得性取決於 貴集團的表現；及(ii) 貴集團能否產生足夠現金流量，而其可達致性取決於實施策略的成效。

該等事實及情況連同綜合財務報表附註2所述的其他事項顯示存在多項重大不確定因素，可能對 貴集團持續經營能力構成重大疑問。

倘 貴集團無法繼續以持續基準經營業務，則將須進行調整以將資產價值撇減至其可收回金額，以就可能產生的進一步負債計提準備並將非流動資產及非流動負債分別重新分類為流動資產及流動負債。這些調整的影響尚未反映在綜合財務報表中。

董事及審核委員會就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製可真實與公平地呈列之綜合財務報表，並落實董事認為必要之內部監控，以使所編製之綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事負責評估 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。

Independent Auditor's Report

獨立核數師報告

The Audit Committee assists the directors of the Company in discharging their responsibilities for overseeing the Group's financial reporting process.

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and to issue an auditor's report. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

HLM CPA LIMITED

Certified Public Accountants

Ho Pak Tat

Practising certificate number: P05215

Hong Kong, 29 March 2019

審核委員會協助本公司董事履行監督本集團財務報告程序的責任。

核數師就審核綜合財務報表須承擔的責任

吾等之責任為根據由香港會計師公會（「香港會計師公會」）頒佈之香港審計準則（「香港審計準則」）審核 貴集團之綜合財務報表並出具核數師報告。吾等僅向 閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。然而，由於吾等報告之免責聲明意見基礎一節所描述之事項，吾等無法獲得充足適當之審核憑證就該等綜合財務報表提供審計意見之基礎。

根據香港會計師公會頒佈之專業會計師道德守則（「守則」），吾等獨立於 貴集團，並已履行守則中的其他專業道德責任。

恒健會計師行有限公司

執業會計師

何伯達

執業證書編號：P05215

香港，二零一九年三月二十九日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$ 港元	HK\$ 港元
Revenue	收益	(8)	660,685	718,333
Net loss on financial assets at fair value through profit or loss	按公允價值計入損益之財務資產之虧損淨額	(10)	(1,857,072)	(154,346)
Loss on disposal of a subsidiary	出售附屬公司虧損		-	(4,407,726)
Net other income, gains and losses	其他收入、收益及虧損淨值	(8)	(1,440,946)	1,859,568
Administrative and other operating expenses	行政及其他營運開支		(44,478,157)	(35,469,734)
Loss from operations	經營虧損	(11)	(47,115,490)	(37,453,905)
Finance costs	財務費用	(12)	(6,152,200)	(7,794,716)
Loss before tax	除稅前虧損		(53,267,690)	(45,248,621)
Income tax expense	所得稅開支	(13)	-	-
Loss for the year and total comprehensive expenses attributable to owners of the Company	本公司擁有人應佔年內虧損及全面開支總額		(53,267,690)	(45,248,621)
Loss per share	每股虧損			
Basic and diluted	基本及攤薄	(17)	(0.030)	(0.027)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$ 港元	HK\$ 港元
Non-current assets	非流動資產			
Furniture, fixtures and equipment	傢俬、裝置及設備	(18)	1,513	1,184,919
Financial assets at fair value through profit or loss	按公允價值計入損益之財務資產	(19)	16,540,214	18,424,082
Rental deposit	租賃按金	(20)	2,372,498	2,372,498
			18,914,225	21,981,499
Current assets	流動資產			
Other receivables, deposits and prepayments	其他應收款、按金及預付款項	(20)	882,335	3,156,846
Financial assets at fair value through profit or loss	按公允價值計入損益之財務資產	(19)	-	5,271,920
Cash and bank balances	現金及銀行結餘	(21)	14,446,518	30,907,119
			15,328,853	39,335,885
Current liabilities	流動負債			
Creditors and accrued expenses	應付款項及預提費用	(22)	2,969,696	1,535,312
Unsecured borrowings	無抵押借貸	(23)	21,977,858	22,866,153
			24,947,554	24,401,465
Net current (liabilities) assets	流動(負債)資產淨值		(9,618,701)	14,934,420
Total assets less current liabilities	資產總值減流動負債		9,295,524	36,915,919

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$ 港元	HK\$ 港元
Non-current liabilities	非流動負債			
Unsecured borrowings	無抵押借貸	(23)	4,013,389	4,894,148
Corporate bonds	公司債券	(24)	57,975,737	31,447,683
			61,989,126	36,341,831
NET (LIABILITIES) ASSETS	(負債)資產淨值		(52,693,602)	574,088
Capital and reserves	資本及儲備			
Share capital	股本	(25)	22,544,485	22,544,485
Reserves	儲備		(75,238,087)	(21,970,397)
(CAPITAL DEFICIENCY) TOTAL EQUITY	(資本虧絀)權益總額		(52,693,602)	574,088
Net (liability) asset value per share	每股(負債)資產淨值	(28)	(0.0292)	0.0003

The consolidated financial statements on pages 61 to 171 were approved and authorised for issue by the Board of Directors on 29 March 2019 and are signed on its behalf by:

第61至171頁所載之綜合財務報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，並由以下董事代表簽署：

TUNG Shu Sun

董樹新

Director

董事

CHAN Yiu Pun, Clement

陳耀彬

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動報表

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 股本 HK\$ 港元	Share premium 股份溢價 HK\$ 港元	Capital redemption reserves 資本贖回儲備 HK\$ 港元	Accumulated losses 累計虧損 HK\$ 港元	Total 總計 HK\$ 港元
At 1 January 2017	於二零一七年一月一日	20,225,735	629,525,998	168,800	(649,541,588)	378,945
Total comprehensive expenses	全面開支總額	-	-	-	(45,248,621)	(45,248,621)
Placing of shares	配售股份	2,318,750	43,125,014	-	-	45,443,764
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	22,544,485	672,651,012	168,800	(694,790,209)	574,088
Total comprehensive expenses	全面開支總額	-	-	-	(53,267,690)	(53,267,690)
At 31 December 2018	於二零一八年十二月三十一日	22,544,485	672,651,012	168,800	(748,057,899)	(52,693,602)

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	2017 二零一七年
		Notes 附註	HK\$ 港元	HK\$ 港元
Operating activities	經營活動			
Loss before tax	除稅前虧損		(53,267,690)	(45,248,621)
Adjustments for:	經以下各項調整：			
Depreciation of furniture, fixtures and equipment	傢俬、裝置及設備折舊	(18)	1,127,612	1,308,517
Net loss on financial assets at fair value through profit or loss	按公允價值計入損益之財務資產之虧損淨額	(10)	1,857,072	154,346
Bond interest income	債券利息收入	(8)	(660,685)	(718,333)
Loss on disposal of a subsidiary	出售附屬公司虧損		-	4,407,726
Net exchange loss (gain)	匯兌虧損(收益)淨額		298,716	(1,406,514)
Loss on write-off of furniture, fixtures and equipment	撇減傢俬、裝置及設備之虧損	(8)	55,794	-
Impairment loss on other receivable	其他應收款之減值虧損	(8)	2,317,127	-
Interest income	利息收入	(8)	(398,794)	(81)
Interest expenses	利息開支	(12)	6,152,200	7,794,716
Operating cash outflows before movements in working capital	營運資金變動前經營現金流出		(42,518,648)	(33,708,244)
(Increase) Decrease in other receivables, deposits and prepayments	其他應收款、按金及預付款項(增加)減少		(293,822)	326,011
Increase in creditors and accrued expenses	應付款項及預提費用增加		1,434,384	73,841
Cash used in operating activities	經營活動所動用現金		(41,378,086)	(33,308,392)
Interest received	已收利息		-	81
Net cash used in operating activities	經營活動所動用現金淨額		(41,378,086)	(33,308,311)

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	2017 二零一七年
	Notes 附註	HK\$ 港元	HK\$ 港元
Investing activities	投資活動		
Bond interest received	已收債券利息	1,010,685	700,000
Other receivable interest received	已收其他應收款利息	65,949	–
Proceeds from other receivable	來自其他應收款之 所得款項	234,051	–
Proceeds from disposal of a subsidiary	出售附屬公司所得款項	–	1,500,000
Redemption of financial asset at fair value through profit or loss	贖回按公允價值計入損益 之財務資產	5,000,000	–
Purchase of financial assets at fair value through profit or loss	購買按公允價值計入損益 之財務資產	–	(2,200,000)
Net cash generated from investing activities	投資活動所產生現金淨額	6,310,685	–
Financing activities	融資活動		
Corporate bonds interest paid	公司債券之利息支付 (24)	(2,050,000)	(2,050,000)
Loans interest paid	貸款利息支付	(3,479,321)	(3,356,987)
Net proceeds from issue of corporate bonds	發行公司債券之所得款項 淨額	25,350,000	–
Net proceeds from issue of shares	發行股份之所得款項淨額	–	45,443,764
Net proceeds from unsecured loans	無抵押借貸之所得款項 淨額	–	48,948,864
Repayment of unsecured loans	償還無抵押借貸	(1,213,879)	(51,780,000)
Net cash generated from financing activities	融資活動所產生現金淨額	18,606,800	37,205,641

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	2017 二零一七年
		Notes 附註	HK\$ 港元	HK\$ 港元
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額		(16,460,601)	3,897,330
Cash and cash equivalents at the beginning of year	年初之現金及現金等價物		30,967,338	27,070,008
Cash and cash equivalents at the end of year	年末之現金及現金等價物		14,506,737	30,967,338
Cash and cash equivalents represent:	現金及現金等價物指：			
Cash and bank balances	現金及銀行結餘	(21)	14,446,518	30,907,119
Other receivables — brokers' accounts	其他應收款 — 證券戶口	(20)	60,219	60,219
			14,506,737	30,967,338

Major non-cash transaction

The Group had other receivable due from Huge Profit International (HK) Holdings Limited (“**Huge Profit**”) in the amount of approximately HK\$2,317,000, which has been recognised as impairment loss during the year ended 31 December 2018. In March 2019, the Group commenced a legal proceeding against Huge Profit and Mr. Shu Zhong Wen, the sole shareholder and director of Huge Profit, claiming for the settlement of outstanding debt.

During the year ended 31 December 2017, the Group has early redeemed an unlisted corporate bond, Huge Profit, amounting to HK\$2,200,000. The amount was not yet settled and included in other receivables as at 31 December 2017.

主要非現金交易

貴集團擁有應收鴻利國際(香港)集團有限公司(「鴻利」)的其他應收款項約2,317,000港元，截至二零一八年十二月三十一日止年度期間，已確認為減值虧損。於二零一九年三月，貴集團向鴻利及鴻利的唯一股東及董事舒中文先生提起法律訴訟，以追討未償還債務。

截至二零一七年十二月三十一日止年度，本集團提早購回金額為2,200,000港元的非上市公司(「鴻利」)債券。該金額尚未清償，已計入於二零一七年十二月三十一日之其他應收賬內。

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 is incorporated in the Cayman Islands with limited liability and its shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and its ultimate holding company is APAC Investment Holdings Limited (“**APAC**”) (incorporated in Samoa). Its ultimate controlling party is Mr. Hu Haisong (“**The Ultimate Controlling Party**”), who is a non-executive director of the Company. The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong has changed from Room 2206, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong to Room 4001, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong.

The Group is principally engaged in investment holdings and trading of financial assets at fair value through profit or loss (“**FVTPL**”).

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company. It is authorised for issue on 29 March 2019.

2. BASIS OF PREPARATION

Going Concern

For the year ended 31 December 2018, the Group incurred a net loss of approximately HK\$53,268,000 and net cash outflows from operating activities of approximately HK\$42,519,000. As at 31 December 2018, the Group recorded net current liabilities of approximately HK\$9,619,000 and net liabilities of approximately HK\$52,694,000.

1. 一般資料

本公司為一間於開曼群島註冊成立之有限公司，其股份在香港聯合交易所有限公司（「**聯交所**」）主板上市，而其最終控股公司為龍德投資控股有限公司（「**龍德**」）（於薩摩亞註冊成立）。其最終控制方為胡海松先生（「**最終控制方**」），彼為本公司之非執行董事。本公司之註冊辦事處位於 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, 而其香港主要營業地點已由香港灣仔港灣道26號華潤大廈2206室變更為香港灣仔港灣道26號華潤大廈4001室。

本集團主要從事投資控股及買賣按公允價值計入損益（「**公允價值計入損益**」）之財務資產。

綜合財務報表以港元（「**港元**」）呈報，與本公司之功能貨幣相同。此報表已於二零一九年三月二十九日獲批准刊發。

2. 編製基準

持續經營

截至二零一八年十二月三十一日止年度，本集團錄得淨虧損約53,268,000港元，且經營活動之現金淨流出約42,519,000港元。於二零一八年十二月三十一日，本集團錄得流動負債淨值約9,619,000港元及負債淨值約52,694,000港元。

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. BASIS OF PREPARATION (Continued)

Going Concern (Continued)

In view of such circumstances, the Directors have been given careful consideration to future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to repay the outstanding borrowings and be able to finance its future working capital and finance requirements. Certain measures have been taken to manage its liquidity needs and to improve its financial position which include, but are not limited to, the following:

- (i) In February 2019, the Company signed an extension agreement with a Hong Kong licensed money lending company for an unsecured loan of HK\$8,000,000 to extend the repayment due date from January 2019 to January 2020, bearing interest at 10% per annum, subject to the condition that the Group will pay the entire amount of interest for the whole extension period in the sum of HK\$800,000 in advance on 1 February 2019, and the said HK\$800,000 has been paid on that date;
- (ii) In February 2019, the Company has entered into a subscription agreement with an independent private investor to issue corporate bond through the placing agent with the principal amount of HK\$10,000,000, bearing interest at 5% per annum and for a period of 7 years effective from 1 February 2019;
- (iii) In March 2019, the Company entered into a facility agreement with a company incorporated in Anguilla, an independent third party, which it agreed to provide an unsecured loan facility of HK\$50,000,000 with fixed interest rate of 16% per annum for a period of 18 months;
- (iv) The Ultimate Controlling Party has confirmed in writing that despite the term for the loans due to him is within twelve months, he will not demand repayment of the loans until the Group is financially viable to make the repayment and he will provide continuous financial support to the Group to meet its financial obligations; and

2. 編製基準 (續)

持續經營 (續)

鑒於該等情況，在評估本集團是否有能力償付其尚未償還之借貸及滿足未來營運資金及財務需要時，董事已審慎考慮本集團的未來流動資金及表現以及其可用融資來源。已採取若干措施管理其流動資金需要及改善其財務狀況，包括但不限於以下各項：

- (i) 於二零一九年二月，本公司與香港持牌放債公司已就一筆8,000,000港元之無抵押貸款簽署延長協議，以將還款到期日由二零一九年一月延長至二零二零年一月，以年利率10%計息，並以本集團將於二零一九年二月一日預付總額800,000港元於整個延長期間所產生之利息全額為條件，及於該日已支付所述的800,000港元的利息；
- (ii) 於二零一九年二月，本公司與一名獨立私人投資者訂立認購協議，以透過配售代理發行公司債券，本金額為10,000,000港元，年利率為5%，有效期從二零一九年二月一日起為7年；
- (iii) 於二零一九年三月，本公司與一間在安圭拉註冊成立的公司（獨立第三方）訂立融資協議，該第三方同意提供50,000,000港元的無抵押貸款融資，固定年利率為16%，為期18個月；
- (iv) 最終控制方以書面確認，儘管尚欠的貸款於十二個月內到期，惟於本集團在財務上有能力償還款項前並不會要求本集團還款以及他願意向本集團提供持續財務支援以供本集團應付其財務需要；及

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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. BASIS OF PREPARATION (Continued)

Going Concern (Continued)

- (v) The Group will seek to obtain additional financing including but not limited to borrow loans, issuing additional equity or debt securities.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to obtain the necessary and achieve the abovementioned plans and measures. The Group's ability to continue as a going concern would depend upon (i) whether the Group is able to obtain financing support, the attainability of which depends on the performance of the Group; and (ii) whether the Group is able to generate sufficient cash flow and plans to control costs, the attainability of which depends on the effectiveness of implementation strategies.

These facts and circumstances indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors of the Company have carried out a detailed review of the cash flow forecast of the Group for the next twelve months from the reporting date taking into account the impact of the above measures, the directors of the Company believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements. Accordingly, the consolidated financial statements for the year ended 31 December 2018 have been prepared on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

2. 編製基準 (續)

持續經營 (續)

- (v) 本集團將尋求獲得額外融資，包括但不限於借貸、發行額外股權或債務證券。

儘管上文所述，但本集團能否獲得必要融資及實現上述計劃及措施仍存在重大不確定因素。本集團持續經營的能力將取決於(i)本集團能否取得融資支持，而其能力將取決於本集團的表現；及(ii)本集團能否產生充足的現金流量及控制成本的計劃，而其能力取決於實時策略的有效性。

該等事實及情況表明，存在重大不確定性可能導致對本集團持續經營能力產生重大疑問，因而可能無法於日常業務過程中變現資產及清償負債。

本公司董事經考慮上述措施的影響，已對本集團自報告日期起的未來十二個月的現金流量預測進行了詳細的檢討，本公司董事相信，本集團將有充裕現金資源滿足其未來營運資金及其他融資需要。因此，截至二零一八年十二月三十一日止年度的該等綜合財務報表乃按持續經營基準編製。

倘本集團無法繼續按持續基準營運，則須作出調整以將資產價值撇減至其可收回金額，為可能產生之任何進一步負債作出撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。此等調整之影響並未於綜合財務報表反映。

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綜合財務報表附註

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied for the first time in the current year the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”):

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

Except as described below, the application of the above new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

對本年度強制生效之香港財務報告準則之修訂本

本集團於本年度首次應用以下由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則之修訂本：

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	來自客戶合約的收入及相關修訂本
香港（國際財務報告詮釋委員會）—詮釋第22號	外幣交易及墊付代價
香港財務報告準則第2號之修訂本	以股份支付之交易之分類及計量
香港財務報告準則第4號之修訂本	應用香港財務報告準則第9號金融工具及香港財務報告準則第4號保險合約
香港會計準則第28號之修訂本	二零一四年至二零一六年週期之香港財務報告準則年度改進的一部分
香港會計準則第40號之修訂本	轉移投資物業

除下文所述外，於本年度應用上述新訂香港財務報告準則及其修訂本對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載之披露並無重大影響。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Impacts and changes in accounting policies of application on HKFRS 9

In the current year, the Group has applied HKFRS 9 *Financial Instruments* and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9. i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained earnings and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

The directors of the Company reviewed and assessed the Group’s financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date. Details of the accounting policy for application of HKFRS 9 losses are set out in note 4 of the consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」） (續)

應用香港財務報告準則第9號之影響及會計政策變動

於本年度，本集團已採納香港財務報告準則第9號金融工具及其他香港財務報告準則的相關相應修訂。香港財務報告準則第9號引入1) 財務資產及財務負債的分類及計量、2) 財務資產的預期信貸虧損（「預期信貸虧損」）及3) 一般對沖會計法的新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對於二零一八年一月一日（首次應用日期）尚未終止確認的工具，追溯應用分類及計量規定（包括減值），而並未對該等於二零一八年一月一日已終止確認的工具應用有關規定。於二零一七年十二月三十一日的賬面值與於二零一八年一月一日的賬面值之間的差額於期初保留盈利及權益的其他組成部分確認，而毋須重列比較資料。

因此，若干比較資料未必可與根據香港會計準則第39號金融工具：確認及計量編製的比較資料進行比較。

本公司董事已根據當日存在的事實及情況，審閱及評估本集團於二零一八年一月一日的財務資產。應用香港財務報告準則第9號會計政策之詳情載於綜合財務報表附註4。

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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

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Impacts and changes in accounting policies of application on HKFRS 9 (Continued)

Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement (including impairment) of financial assets under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

	HKAS 39 香港會計準則第39號		HKFRS 9 香港財務報告準則第9號	
	Measurement category 計量類別	Carrying amount 賬面值 HK\$ 港元	Measurement category 計量類別	Carrying amount 賬面值 HK\$ 港元
Financial assets designated as at FVTPL 指定為按公允價值計入損益之財務資產	Fair value through profit or loss (Designated) 公允價值計入損益 (指定)	23,230,082	Fair value through profit or loss (Mandatorily) 公允價值計入損益 (強制性)	23,230,082
Financial assets designated as held for trading 指定為持作買賣之財務資產	Fair value through profit or loss (Held for trading) 公允價值計入損益 (持作買賣)	465,920	Fair value through profit or loss 公允價值計入損益	465,920
Other receivables and deposits 其他應收款及按金	Amortised costs (Loans and receivables) 攤銷成本 (貸款和應收款)	5,130,020	Amortised cost 攤銷成本	5,130,020
Cash and bank balances 現金及銀行結餘	Amortised costs (Loans and receivables) 攤銷成本 (貸款和應收款)	30,907,119	Amortised cost 攤銷成本	30,907,119

There were no changes to the classification and measurement of financial assets and financial liabilities.

Financial assets/financial liabilities at FVTPL

There was no impact on the amounts recognised in relation to the financial assets/liabilities from the application of HKFRS 9.

3. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」) (續)

應用香港財務報告準則第9號之影響及會計政策變動 (續)

首次應用香港財務報告準則第9號所產生影響之概要

下表載列於首次應用日期 (二零一八年一月一日)，根據香港財務報告準則第9號及香港會計準則第39號進行財務資產的分類及計量 (包括減值)。

財務資產和財務負債的分類和計量並無變動。

按公允價值計入損益的財務資產/財務負債

採用香港財務報告準則第9號對與財務資產/負債有關之已確認金額並無影響。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Impacts and changes in accounting policies of application on HKFRS 9 (Continued)

Summary of effects arising from initial application of HKFRS 9 (Continued)

Impairment under ECL model

Loss allowances for financial assets at amortised cost mainly comprise of other receivables and deposits and cash and bank balances, are measured on 12m ECL basis and there had been no significant increase in credit risk since initial recognition.

Based on the assessment by the Group, the accumulated amount of impairment loss to be recognised under the expected credit loss model of HKFRS 9 is immaterial to the Group and therefore no additional credit loss allowance is recognised against retained profits as at 1 January 2018.

Impacts and changes in accounting policies of application on HKFRS 15

The Group has applied HKFRS 15 *Revenue from Contracts with Customers* for the first time in the current year. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」） (續)

應用香港財務報告準則第9號之影響及會計政策變動 (續)

首次應用香港財務報告準則第9號所產生影響之概要 (續)

預期信貸虧損模型下的減值

按攤銷成本列賬的財務資產之虧損撥備主要包括其他應收款及按金以及現金及銀行結餘，按12個月預期信貸虧損基準計量，且自初始確認以來信貸風險並無大幅增加。

根據本集團的評估，根據香港財務報告準則第9號的預期信貸虧損模型將予確認的累計減值虧損金額對本集團而言並不重大，因此，並無於二零一八年一月一日就保留溢利確認額外信貸虧損撥備。

應用香港財務報告準則第15號之影響及會計政策變動

本集團於本年度首次應用香港財務報告準則第15號來自客戶合約的收入。香港財務報告準則第15號取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯採用香港財務報告準則第15號，而初始採用該準則的累計影響於初始採用日期二零一八年一月一日確認。初始採用日期的任何差額於期初保留盈利中確認，及並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅將該準則追溯應用於於二零一八年一月一日尚未完成的合約。因此，根據香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋的指引下的比較資料相比若干比較資料未必具有可比性。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Impacts and changes in accounting policies of application on HKFRS 15 (Continued)

Summary of effects arising from initial application of HKFRS 15

The transition to HKFRS 15 does not have impact on the Group’s retained earnings at 1 January 2018.

There is no significant impact of applying HKFRS 15 on the Group’s annual consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2018.

Key changes in accounting policies resulting from application of HK(IFRIC) Int – 22

HK(IFRIC) Int 22 *Foreign currency transactions and advance consideration* provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

HK(IFRIC) — Int 22 clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way.

Summary of effects arising from initial application of HK(IFRIC) — Int 22

There is no significant impact of applying HK(IFRIC) — Int 22 on the Group’s consolidated statement of financial position and the financial results of the Group.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第15號之影響及會計政策變動（續）

首次應用香港財務報告準則第15號產生之影響摘要

過渡至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的保留盈利並無影響。

截至二零一八年十二月三十一日止年度應用香港財務報告準則第15號對本集團的年度綜合損益及其他全面收益表並無影響。

應用香港（國際財務報告詮釋委員會）— 詮釋第22號而導致的會計政策之主要變動

香港（國際財務報告詮釋委員會）— 詮釋第22號外幣交易及墊付代價就初始確認實體以外幣收取或支付預付代價的交易的相關資產、支出或收入（或其中的部分）時為釐定所使用的匯率而釐定「交易日期」提供指引。

香港（國際財務報告詮釋委員會）— 詮釋第22號澄清，「交易日期」為初始確認支付或收取預付代價所產生的非貨幣資產或負債之日。若於確認相關項目前有多項支出或收入，則各項支出或收入的交易日期應按此方法釐定。

首次應用香港（國際財務報告詮釋委員會）— 詮釋第22號產生之影響摘要

應用香港（國際財務報告詮釋委員會）— 詮釋第22號對本集團的綜合財務狀況表及本集團的財務業績並無重大影響。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs issued but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ⁴
Amendments to HKFRS 3	Business Combinations ³
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to HKAS 1 and HKAS 8	Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors ²
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle ¹

¹ Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2020, with earlier application permitted.

³ Effective for business combinations and assets acquisition for which acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

⁴ Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

⁵ Effective date to be determined.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合同 ⁴
香港財務報告準則第3號修訂本	業務合併 ³
香港財務報告準則第9號修訂本	具有負補償的預付款特徵 ¹
香港財務報告準則第10號及香港會計準則第28號（二零一一年）（修訂本）	投資者與其聯營或合營企業之間資產的出售或注資 ⁵
香港會計準則第1號及香港會計準則第8號修訂本	財務報表的呈列和會計政策、會計估計之變動及誤差 ²
香港會計準則第19號修訂本	計劃修改、削減或結算 ¹
香港會計準則第28號修訂本	於合營、聯營企業中的長期權益 ¹
香港（國際財務報告詮釋委員會）詮釋第23號	所得稅不確定事項的處理 ¹
香港財務報告準則修訂本	對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 ¹

¹ 於二零一九年一月一日或之後開始的年度期間生效，允許提早應用。

² 於二零二零年一月一日或之後開始的年度期間生效，允許提早應用。

³ 對於收購日期為於二零二零年一月一日或之後開始的首個年度期間開始時或之後的企業合併及資產收購有效。

⁴ 於二零二一年一月一日或之後開始的年度期間生效，允許提早應用。

⁵ 生效日期有待釐定。

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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

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs issued but not yet effective (Continued)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及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號就識別租賃安排和出租人和承租人的會計處理引入全面的模式。香港財務報告準則第16號將於生效時取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別的資產是否由客戶控制而區分租賃和服務合同。就承租人會計而言，經營租賃和融資租賃的區分已予剔除，取而代之的模式是承租人對所有租賃必須確認使用權資產和相應負債，但短期租賃和低價值資產的租賃除外。

使用權資產按成本進行初始計量，並隨後按成本（某些例外情況除外）減去累計折舊和減值虧損計量，並對租賃負債的任何重新計量進行調整。租賃負債最初是以該日未支付的租賃付款額的現值計量。隨後，因應利息和租賃付款以及租賃修訂的影響等而對租賃負債進行調整。就現金流量分類而言，經營租賃付款乃呈列為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債之租賃付款將分攤為本金及利息部分，呈列為本集團的融資現金流量。

相對於承租人會計，香港財務報告準則第16號實質上沿用香港會計準則第17號的出租人會計規定，並繼續要求出租人將租賃劃分為經營租賃或融資租賃。

此外，香港財務報告準則第16號規定作出廣泛披露。

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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

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs issued but not yet effective (Continued)

HKFRS 16 Leases (Continued)

As at 31 December 2018, the Group had non-cancellable operating lease commitments of approximately HK\$1,601,000 as disclosed in note 29. The directors of the Company do not expect the adoption of HKFRS 16 as compared with HKAS 17 would result in significant impact on the Group's result but expected that the above operating lease 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 liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

In addition, the Group currently considers refundable rental deposits paid of approximately HK\$2,372,000 as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及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）

於二零一八年十二月三十一日，如附註29所披露，本集團有不可撤銷經營租賃承擔約1,601,000港元。與香港會計準則第17號相比，本公司董事預期採納香港財務報告準則第16號將不會對本集團的業績造成重大影響，惟預期上述經營租賃安排將符合香港財務報告準則第16號項下租賃的定義，因此，本集團將就所有該等租賃確認使用權資產及相應負債，除非其於應用香港財務報告準則第16號後符合低價值或短期租賃。

應用新規定可能導致上文所示計量、呈列及披露出現變動。

此外，本集團目前將已付可退還租賃按金約2,372,000港元視為香港會計準則第17號適用的租賃項下權利。根據香港財務報告準則第16號項下租賃付款的定義，該等按金並非與使用相關資產權利有關的付款，因此，該等按金的賬面值可能調整至攤銷成本。對已付可退回租賃按金作出的調整將被視為額外租賃付款，並計入使用權資產的賬面值。

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

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs issued but not yet effective (Continued)

HKFRS 16 Leases (Continued)

The Group intends to elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) — Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) — Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

The directors of the Company anticipate that the application of the other new and amendments to HKFRSs will have no material impact on the consolidated financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

（續）

已頒佈但尚未生效之新訂及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）

本集團擬選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號並未識別為包括租賃的合約應用該準則。因此，本集團將不會重新評估合約是否為或包括於首次應用日期前已存在的租賃。此外，本集團（作為承租人）擬選擇經修訂追溯法應用香港財務報告準則第16號，並將確認首次應用對期初保留溢利的累計影響，而並無重列比較資料。

本公司董事預計，應用其他新訂及經修訂香港財務報告準則將不會對綜合財務報表造成重大影響。

4. 主要會計政策

遵例聲明

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例所規定之適用披露資料。

綜合財務報表乃根據歷史成本基準編製，惟若干於各報告期末按公允價值計量之金融工具則作別論，詳見下文所載之會計政策。

歷史成本一般根據資產交換所得代價之公允價值釐定。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Statement of compliance (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

4. 主要會計政策 (續)

遵例聲明 (續)

公允價值是於計量日期市場參與者之間於有序交易中出售資產所收取或轉讓負債須支付之價格，而不論該價格是否可直接觀察或可使用其他估值技巧估計得出。於估計資產或負債之公允價值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公允價值乃按此基準釐定，惟以下各項除外：屬於香港財務報告準則第2號範圍內之以股份為付款之交易、屬於香港會計準則第17號範圍內之租賃交易，以及其計量與公允價值之計量存在某些相似之處但並非公允價值，例如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值。

此外，就財務報告而言，公允價值計量乃依照其輸入數據之可觀察程度及該等輸入數據之整體重要性劃分為第一級、第二級或第三級，概述如下：

- 第一級輸入數據指該實體於計量日期就相同資產或負債獲得之活躍市場報價（未經調整）；
- 第二級輸入數據指除第一級所包含之報價以外，可直接或間接就資產或負債觀察所得之輸入數據；及
- 第三級輸入數據指資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

- Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of the Group gains control until the date when the Group ceases to control the subsidiary.
- Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the noncontrolling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

4. 主要會計政策 (續)

綜合基準

綜合財務報表包含本公司及本公司及其附屬公司所控制之實體之財務報表。當本公司符合以下情況，即取得控制權：

- 有權控制被投資方；
- 因其參與被投資方業務而獲得或有權獲得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上列三項控制權條件之其中一項或多項有變，本集團則會重新評估其是否控制被投資方。

- 當本集團取得附屬公司之控制權，便將該附屬公司綜合入賬。當本集團失去附屬公司之控制權，便停止將該附屬公司綜合入賬。具體而言，年內收購或出售之附屬公司之收入及支出會於本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團對該附屬公司之控制權終止當日為止。
- 損益及其他全面收入之各個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額乃歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

當有需要時，會調整對附屬公司之財務報表，以使附屬公司之會計政策與本集團之會計政策一致。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

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

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and 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 interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. 主要會計政策 (續)

綜合基準 (續)

集團內各公司間之所有資產及負債、有關本集團成員公司間之交易之權益、收入及開支及現金流量已於綜合賬目時悉數對銷。

本集團對現有附屬公司擁有權權益之變動

本集團對現有附屬公司擁有權權益之變動如並無導致本集團失去對該等附屬公司之控制權，會作為權益交易入賬。本集團之權益及非控股權益之賬面值已予以調整，以反映彼等於附屬公司之相關權益之變動。對非控股權益調整之金額與所付或所收代價之公允價值兩者之間之差額，會直接於權益確認並歸屬於本公司擁有人。

當本集團失去一間附屬公司之控制權時，盈虧於損益內確認，並按：(i) 已收代價公允價值及任何保留權益公允價值總額與(ii) 附屬公司之資產（包括商譽）及負債以及任何非控股權益之先前賬面值之差額計算。所有先前於其他全面收益確認有關該附屬公司之款項，會按猶如本集團已直接出售該附屬公司之相關資產或負債入賬（即按適用香港財務報告準則所指明／許可重新分類至損益或轉撥至另一類權益）。於失去控制權當日於前附屬公司保留之任何投資之公允價值會根據香港會計準則第39號，於其後入賬時被列作初步確認之公允價值，或（如適用）於初步確認時於聯營公司或合營公司之投資成本。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 3)

The Group recognises revenue mainly from dividend income and interest income.

HKFRS 15 introduces a 5-step approach when recognising revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or

4. 主要會計政策 (續)

收益

來自客戶合約的收入 (根據附註3的過渡安排應用香港財務報告準則第15號後)

本集團確認之收益主要來自股息收入及利息收入。

香港財務報告準則第15號引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：合約按履約責任分配交易價
- 第五步：於本公司完成履約責任時確認收益

根據香港財務報告準則第15號，本集團於完成履約責任時（即於特定履約責任相關商品或服務的「控制權」轉移至客戶時）確認收益。

履約責任指個別的商品及服務（或一組商品或服務）或一系列大致相同的個別商品或服務。

倘符合以下其中一項標準，則控制權隨時間轉移，而收益則參照完成履行相關履約責任的進展而隨時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue (Continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 3) (Continued)

- the Group's performance does not create an asset with an alternative use to the Company and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

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. It is assessed for impairment in accordance with HKFRS 9. 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.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Dividend income from investments is recognised when the rights to receive payments have been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4. 主要會計政策 (續)

收益 (續)

來自客戶合約的收入 (根據附註3的過渡安排應用香港財務報告準則第15號後) (續)

- 本集團的履約並未產生讓本公司有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益於客戶獲得個別商品或服務控制權的時間點確認。

合約資產指本集團就換取本集團已向客戶轉讓的商品或服務而收取代價的權利 (尚未成為無條件)，根據香港財務報告準則第9號評估減值。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需時間推移。

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)，而須向客戶轉讓商品或服務的責任。

與相同合約有關的合約資產及合約負債按淨額基準入賬及呈列。

投資之股息收入於收取款項之權利確立時確認。

利息收入乃參照未償還本金及適用實際利率按時間基準累計，而實際利率為於財務資產預期年內將估計未來現金流入準確折現至資產於初步確認日期之賬面淨值之比率。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue (Continued)

Revenue recognition (prior to 1 January 2018)

Under HKAS 18, revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash inflows through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leasing

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.

4. 主要會計政策 (續)

收益 (續)

收益確認 (於二零一八年一月一日之前)

根據香港會計準則第18號，收益按收取或應收的代價的公允價值計量。當收益能可靠計量、未來經濟利益有可能流入本集團及本集團就各項活動符合特定條件時，收益會被確認，所述如下：

投資之股息收入於股東收取款項之權利確立時確認（惟經濟利益有可能流入本集團及收入金額能可靠計量則除外）。

財務資產之利息收入當於經濟利益有可能流入本集團，且收益金額能可靠計量時確認。利息收入乃參照未償還本金及適用實際利率按時間基準累計，而實際利率為於財務資產預期年期內將估計未來現金流入準確折現至資產於初步確認日期之賬面淨值之比率。

租約

凡租約條款將與擁有權有關之絕大部分風險及回報轉移予承租人之租約，均分類為融資租約。所有其他租約分類為經營租約。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing (Continued)

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease terms, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Borrowing costs

Borrowing costs are interests and other costs (e.g. transaction costs) that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those asset until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策 (續)

租約 (續)

本集團作為承租人

經營租約租金於租期內以直線法確認為開支，惟倘另有一個有系統基準更能代表使用租賃資產經濟利益之時間模式則除外。經營租約所產生之或然租金於產生期間確認為開支。

倘於訂立經營租約時收取租賃優惠，則有關優惠會確認為負債。優惠之總利益以直線法確認為租金開支減少，惟倘另有一個有系統基準更能代表使用租賃資產經濟利益之時間模式則除外。

借貸成本

借貸成本為利息及其它成本（例如：交易成本），此實體的產生與借款資金有關聯的。

因收購、建造或生產合資格資產（即需要相當長時間方能達致擬定用途或出售之資產）而直接產生之借貸成本會加入該等資產之成本，直至該等資產大致上可作擬定用途或出售為止。

就於用作合資格資產開支前作短暫投資之特定借貸賺取之投資收入，自合資格撥充資本之借貸成本中扣除。

所有其他借貸成本均於產生之期間在損益中確認。

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4. 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 recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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 on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

4. 主要會計政策 (續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易按交易日期之現行匯率確認。於報告期末，以外幣計值之貨幣項目按該日之現行匯率重新換算。按公允價值列值並以外幣計值之非貨幣項目按釐定公允價值當日之現行匯率重新換算。按歷史成本以外幣計值之非貨幣項目不予重新換算。

貨幣項目之匯兌差額於產生期間在損益中確認，惟以下各項除外：

- 有關供日後生產使用之在建資產之外幣借貸匯兌差額（當有關匯兌差額被視為外幣借貸之利息成本之調整時，會計入該等資產之成本）；
- 為對沖若干外幣風險訂立之交易之匯兌差額；及
- 應收或應付海外業務之貨幣項目之匯兌差額，並無計劃結算，且發生結算之可能性亦不大（因此，其為海外業務投資淨額之一部分，並初步於其他全面收益確認及於償還貨幣項目時由權益重新分類至損益）。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

For the purposes of presenting 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) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Employee benefits

Retirement benefit schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance, for all the 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 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.

4. 主要會計政策 (續)

外幣 (續)

就呈列綜合財務報表而言，本集團海外業務之資產與負債按各報告期末之現行匯率換算為本集團之呈列貨幣（即港元）。收支項目按期內平均匯率換算，惟倘期內匯率波動較大，則使用交易日期之現行匯率。所產生之匯兌差額（如有）於其他全面收益確認，並於權益之匯兌儲備（於適合時歸屬於非控股權益）中累計。

於出售海外業務（即出售本集團於海外業務之全部權益、出售涉及失去對包含海外業務之附屬公司之控制權，或出售包含海外業務之合營安排或聯營公司之部分權益（而於該合營安排或聯營公司之保留權益成為財務資產））時，所有於權益中就該業務累計而歸屬於本公司擁有人之匯兌差額會重新分類至損益。

僱員福利

退休福利計劃

本集團根據香港強制性公積金計劃條例，為所有合資格參與強制性公積金退休福利計劃（「**強積金計劃**」）的僱員提供一項定額供款之強積金計劃。根據強積金計劃之規則，供款按僱員基本薪金之若干百分比釐定，並於應付供款時於損益中扣除。強積金計劃之資產與本集團之資產分開並由獨立管理基金持有。本集團之僱主向強積金計劃供款後，其供款即悉數撥歸僱員所有。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Employee benefits (Continued)

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4. 主要會計政策 (續)

僱員福利 (續)

短期僱員福利

短期僱員福利於僱員提供服務時於預期支付的未貼現福利金額中確認。所有短期僱員福利均被視為開支，除非另有香港財務報告準則要求或允許將利益納入資產成本。

在扣除任何已支付的金額後，僱員所產生的利益（如工資和薪金，年假和病假）被確認為負債。

稅項

所得稅開支為即期應付稅項與遞延稅項之總額。

即期稅項

即期應付稅項根據年內應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面收益表內呈報之「除稅前溢利」，乃因其他年度之應課稅或可扣減收支項目，以及毋須課稅或不獲扣減之項目所致。本集團之即期稅項負債按於報告期末已實施或大致上已實施之稅率計算。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such deferred assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基間之臨時性差異確認。遞延稅項負債一般就所有應課稅臨時性差異確認。遞延稅項資產一般於有可能出現可以可扣減之臨時性差異抵銷之應課稅溢利時，就所有可扣減之臨時性差異確認。倘臨時性差異乃因初步確認（在業務合併情況下除外）不影響應課稅溢利或會計溢利之交易中之資產及負債而引致，則不會確認有關遞延資產及負債。此外，倘臨時性差異乃由於初步確認商譽而引致，則不會確認為遞延稅項負債。

遞延稅項負債按與於附屬公司及聯營公司之投資以及於合營安排之權益有關之應課稅臨時性差異確認，惟本集團可控制撥回臨時性差異及不大可能於可見將來撥回臨時性差異則除外。於可能有足夠應課稅溢利可供動用臨時性差異之利益，且預期會於可見將來撥回有關臨時性差異之情況下，方會確認因與該等投資及權益有關之可扣減臨時性差異而產生之遞延稅項資產。

遞延稅項資產之賬面值於各報告期末進行審閱。倘不大可能再有足夠應課稅溢利用作收回全部或部分資產，則會調減遞延稅項資產之賬面值。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Furniture, fixtures and equipment

Furniture, fixtures and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method, at the following rates:

Leasehold improvements	20%
Furniture and fixtures	20%
Office equipment	20%

4. 主要會計政策 (續)

稅項 (續)

遞延稅項 (續)

遞延稅項資產及負債按照於報告期末已實施或大致實施之稅率(及稅法),以預期於償還負債或變現資產之期間內適用之稅率計算。

遞延稅項負債及資產之計量反映出於報告期末將因依循本集團所預期收回資產或償還負債之賬面值之方式而造成之稅務後果。

年內即期及遞延稅項

即期及遞延稅項於損益內確認,惟倘即期及遞延稅項與其他全面收益或直接於權益確認之項目有關,則亦分別於其他全面收益或直接於權益確認。倘因就業務合併作初步會計處理而產生即期稅項或遞延稅項,有關稅務影響會計入業務合併之會計處理中。

傢俬、裝置及設備

傢俬、裝置及設備乃於綜合財務狀況表中以成本值減其後累計折舊及其後累計減值虧損(如有)列賬。

資產之折舊乃按下列比率以直線法按估計可使用年期撇銷其成本值減其剩餘價值計算:

租賃物業裝修	20%
傢俬及裝置	20%
辦公室設備	20%

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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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Furniture, fixtures and equipment (Continued)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of furniture, fixtures and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of furniture, fixtures and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

4. 主要會計政策 (續)

傢俬、裝置及設備 (續)

估計可使用年期、剩餘價值及折舊方法於各報告期末進行審閱，而任何估計變動之影響按未來適用基準入賬。

傢俬、裝置及設備項目乃於出售或預期持續使用該資產不會產生未來經濟利益時終止確認。出售或報廢傢俬、裝置及設備項目產生之任何收益或虧損，按資產銷售所得款項與其賬面值之差額釐定，並於損益內確認。

有形及無形資產 (商譽除外) 減值

本集團於各報告期末審閱有形及無形資產之賬面值，以釐定該等資產是否有任何減值虧損跡象。倘出現任何有關跡象，則會估計資產之可收回金額，以釐定減值虧損 (如有) 之程度。倘若不能估計個別資產之可收回金額，則本集團估算該資產所屬現金產生單位之可收回金額。如能確定合理而一致之分配基準，公司資產亦分配至個別現金產生單位，否則將分配至能確定合理而一致之分配基準之最小現金產生單位組別。

具無限可使用年期之無形資產及仍未可供使用之無形資產均至少每年及於資產可能出現減值跡象時進行減值測試。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment of tangible and intangible assets other than goodwill (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4. 主要會計政策 (續)

有形及無形資產 (商譽除外) 減值 (續)

可收回金額乃公允價值減出售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量使用稅前貼現率貼現至其現值，該貼現率反映貨幣時間價值之當前市場估計及估計未來現金流量尚未經調整之資產之特有風險。

倘若資產 (或現金產生單位) 之可收回金額估計少於其賬面值，則該資產 (或現金產生單位) 之賬面值調減至其可收回金額。減值虧損即時於損益確認。

倘減值虧損其後撥回，則該資產 (或現金產生單位) 之賬面值增至其可收回金額之經修訂估計值，然而，增加後之賬面值不得超過倘若該資產 (或現金產生單位) 過往年度並無確認減值虧損原應釐定之賬面值。減值虧損之撥回即時於損益確認。

撥備

倘本集團因過往事件而承擔現有責任 (法律或推定)，而本集團可能須償付該項責任，並能可靠地估計該項責任之金額，則確認撥備。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Provisions (Continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. 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 that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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 FVTPL) 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 FVTPL are recognised immediately in profit or loss.

4. 主要會計政策 (續)

撥備 (續)

確認為撥備之金額為於報告期末經計及有關責任之風險及不明朗因素後，對償付現有責任所需代價之最佳估計。倘撥備使用償付現有責任之估計現金流量計量，則其賬面值為該等現金流量之現值（倘金錢之時間價值影響屬重大）。

倘結算撥備所需之部分或全部經濟利益預期將可自第三方收回，則在實質上肯定將收到償款且應收款項金額能可靠計量之情況下，應收款項方會確認為資產。

金融工具

當集團實體成為工具訂約條文之訂約方時，財務資產及財務負債乃予以確認。以常規方式購買或出售財務資產全部按交易日基準確認及終止確認。以常規方式購買或出售，指須於市場規則或慣例設定之時間框架內交付資產之財務資產購買或銷售。

財務資產及財務負債初步按公允價值計量。因收購或發行財務資產及財務負債（按公允價值計入損益之財務資產及財務負債除外）而直接產生之交易成本於初步確認時按適用情況加入或扣自該項財務資產或財務負債之公允價值。因收購按公允價值計入損益之財務資產或財務負債而直接產生之交易成本即時於損益確認。

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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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 3)

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset 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 are solely payments of principal and interest on the principal amount outstanding.

4. 主要會計政策 (續)

金融工具 (續)

實際利息法

實際利息法乃計算債務工具之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃按債務工具之預計年期或(如適用)較短期間內準確折現估計未來現金收款(包括構成實際利率部分之已付或已收取之全部費用及利率點、交易成本及其他溢價或折讓)至於初步確認時之賬面淨值之利率。

財務資產

財務資產分類及計量(根據附註3的過渡安排應用香港財務報告準則第9號後)

在香港財務報告準則第9號要求範疇內之所有已確認財務資產其後按攤銷成本或公允價值計量。

滿足以下條件其後按攤銷成本計量的財務資產：

- 以持有財務資產而收取合約現金流量為目的之經營模式下持有之財務資產；及
- 財務資產之合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 3) (Continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“**FVTOCI**”):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income (“**OCI**”) if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

In addition, the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

財務資產分類及計量 (根據附註3的過渡安排應用香港財務報告準則第9號後) (續)

符合以下條件的財務資產其後按公允價值計入其他全面收益 (「按公允價值計入其他全面收益」) 計量:

- 以收取合約現金流量及出售財務資產為目的之經營模式下持有之財務資產; 及
- 財務資產之合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

所有其他財務資產其後按公允價值計入損益, 但於首次應用/初次確認財務資產之日, 倘該股本投資並非持作買賣, 亦非由於收購方於香港財務報告準則第3號業務合併所適用的業務合併中確認的或然代價, 本集團可不可撤銷地選擇於其他全面收益 (「其他全面收益」) 呈列股本投資的其後公允價值變動。

此外, 本集團可不可撤銷地指定符合攤銷成本或按公允價值計入其他全面收益條件的債務投資為按公允價值計入損益計量, 倘若此舉可消除或顯著減少會計錯配。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 3) (Continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of the reporting year, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the “net loss on financial assets at fair value through profit or loss” line item.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

財務資產分類及計量 (根據附註3的過渡安排應用香港財務報告準則第9號後) (續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的財務資產乃使用實際利息法予以確認。利息收入乃對一項財務資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的財務資產除外 (見下文)。就其後出現信貸減值的財務資產而言，自下一報告期起，利息收入乃對財務資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使財務資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對財務資產賬面總值應用實際利率予以確認。

(ii) 按公允價值計入損益之財務資產
財務資產如不符合按攤銷成本或公允價值計入其他全面收益或指定為按公允價值計入其他全面收益計量的條件，則按公允價值計入損益計量。

於各報告年末，按公允價值計入損益之財務資產按公允價值計量，而任何公允價值收益或虧損於損益確認。於損益確認的收益或虧損淨額不包括就財務資產所賺取的任何股息或利息，並計入「按公允價值計入損益之財務資產之虧損淨額」項目內。

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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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

Financial assets are classified into the following specified categories: financial assets at FVTPL and loans and receivables cost. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(i) Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

財務資產之分類及後續計量 (於二零一八年一月一日應用香港財務報告準則第9號前)

財務資產分為如下指定類別：按公允價值計入損益之財務資產、貸款及應收款項。上述分類取決於財務資產之性質及用途，乃於初次確認時確定。

債務工具之收入按實際利息基準確認，惟分類為按公允價值計入損益之財務資產除外。

- (i) 按公允價值計入損益之財務資產
- 當財務資產確認為持作買賣或被指定為按公允價值計入損益時，其被分類作按公允價值計入損益之財務資產。

倘符合下列任何一種情況，則財務資產分類為持作買賣：

- 收購財務資產之目的主要為於近期內出售；或
- 於初步確認時該財務資產為由本集團共同管理之已識別金融工具投資組合之一部分，且近期有可短期獲利之實際趨勢；或
- 該財務資產為衍生工具，但並無指定為有效對沖工具。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

(Continued)

(i) Financial assets at FVTPL (Continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "net realised loss on disposal of financial assets designated as held for trading". Fair value is determined in the manner described in Note 7.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

財務資產之分類及後續計量 (於二零一八年一月一日應用香港財務報告準則第9號前) (續)

(i) 按公允價值計入損益之財務資產 (續)

倘符合下列任何一種情況，則財務資產 (持作買賣之財務資產除外) 可於初步確認時被指定為按公允價值計入損益之財務資產：

- 有關指定消除或大幅減低可能出現之計量或確認不一致之情況；或
- 該財務資產構成一組財務資產或財務負債或兩者之一部分，並根據本集團既定風險管理或投資策略按公允價值基準管理及評估其表現，而該組別之資料乃按該基準由內部提供；或
- 該財務資產構成包含一種或以上內含衍生工具之合約之一部分，而香港會計準則第39號允許整份合併合約 (資產或負債) 指定為按公允價值計入損益。

按公允價值計入損益之財務資產按公允價值列賬，而由重新計量產生之任何收益或虧損於損益確認。於損益確認之淨虧損不包括財務資產賺取之任何股息或利息，並計入「出售指定為持作買賣之財務資產之已變現虧損淨額」內。公允價值乃按附註7中所述方式釐定。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

(Continued)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including other receivables, deposits, and cash and bank balances) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Credit losses from financial instruments

A. Policy application from 1 January 2018

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including other receivables and deposits). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

財務資產之分類及後續計量 (於二零一八年一月一日應用香港財務報告準則第9號前) (續)

(ii) 貸款及應收款項

貸款及應收款項為款項固定或可釐定且並無在活躍市場上報價之非衍生財務資產。於初次確認後，貸款及應收款項 (包括其他應收款、按金及現金及銀行結餘) 採用實際利息法按攤銷成本減任何減值計量 (見下文會計政策之財務資產減值虧損)。

利息收入乃應用實際利率確認，惟所確認之利息並不重大之短期應收款項除外。

金融工具信貸虧損

A. 自二零一八年一月一日起之政策應用

按預期信貸虧損模式下的減值

本集團就根據香港財務報告準則第9號面臨減值的財務資產 (包括其他應收款及按金) 的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初始確認以來的信貸風險變動。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Credit losses from financial instruments (Continued)

A. Policy application from 1 January 2018 (Continued)

Impairment under ECL model (Continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“**12m ECL**”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated 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, discounted at the effective interest rate determined at initial recognition.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

金融工具信貸虧損 (續)

A. 自二零一八年一月一日起之政策應用 (續)

按預期信貸虧損模式下的減值 (續)

全期預期信貸虧損指於相關工具預期年內發生所有可能違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損（「**12個月預期信貸虧損**」）則指預期於報告日期後12個月內可能發生的違約事件而導致的部分全期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估，並根據債務人的特定因素、整體經濟狀況及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團計量與12個月預期信貸虧損等額的虧損撥備，除非信貸風險自初始確認以來已大幅增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損，乃基於自初始確認起出現違約的可能性或風險是否大幅增加。

預期信貸虧損的計量及確認

預期信貸虧損的計量乃違約概率、違約損失率程度（即倘發生違約的損失程度）及違約風險的函數。違約概率及違約損失率程度的評估根據經前瞻性資料調整的歷史數據作出。

一般而言，預期信貸虧損估計為根據合約應付本集團的所有合約現金流量與本集團預期將收取的所有現金流量之差額，並按初始確認時釐定的實際利率貼現。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Credit losses from financial instruments (Continued)

A. Policy application from 1 January 2018 (Continued)

Measurement and recognition of ECL (Continued)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of other receivables and deposits where the corresponding adjustment is recognised through a loss allowance account.

As at 1 January 2018, the directors of the Company reviewed and assessed the Company's existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. The results of the assessment and the impact thereof are detailed in below.

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

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

金融工具信貸虧損 (續)

A. 自二零一八年一月一日起之政策應用 (續)

預期信貸虧損的計量及確認 (續)
利息收入基於財務資產的賬面總值計算，惟出現信貸減值的財務資產除外，在此情況下利息收入乃基於財務資產的攤銷成本計算。

本集團透過調整所有金融工具的賬面值於損益確認其減值收益或虧損，惟其它應收款及按金除外，當中相應調整透過虧損撥備賬確認。

於二零一八年一月一日，本公司董事根據香港財務報告準則第9號的規定使用毋須花費不必要成本或勞力即可獲得的合理且具理據資料審閱及評估本公司現有財務資產的減值。評估結果及其影響詳述如下。

預期信貸虧損於各報告日期重新計量，以反映金融工具信貸風險自初步確認以來的變動。預期信貸虧損金額的任何變動均於損益確認為減值盈虧。本集團確認所有金融工具的減值盈虧，並透過虧損撥備賬相應調整其賬面值。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Credit losses from financial instruments (Continued)

A. Policy application from 1 January 2018 (Continued)

Write-off policy

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

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

B. Policy application prior to 1 January 2018

Prior to 1 January 2018, an “incurred loss” model was used to measure impairment losses on financial assets not classified as at FVTPL (e.g. other receivables). Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

金融工具信貸虧損 (續)

A. 自二零一八年一月一日起之政策應用 (續)

撤銷政策

若無實際機會收回，財務資產的賬面總額可（部分或全部）註銷，一般是當集團確定債務人沒有資產或收益來源可產生足夠現金流清償需撤銷的金額時發生。

倘其後收回先前被撤銷的資產，則於收回期間於損益確認為減值撥回。

B. 二零一八年一月一日前之政策應用

於二零一八年一月一日前，「已產生虧損」模式已用作計量並非分類為按公允價值計入損益的財務資產的減值虧損（如其他應收款項）。根據「已產生虧損」模式，減值虧損僅於出現減值客觀證據時確認。

財務資產之減值

本集團於各報告期末評估財務資產（按公允價值計入損益之財務資產除外）有否出現減值跡象。倘有客觀證據顯示，財務資產初步確認後發生之一項或多項事件導致投資之估計未來現金流量受到影響，則財務資產被視為出現減值。

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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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Credit losses from financial instruments (Continued)

B. Policy application prior to 1 January 2018

(Continued)

Impairment of financial assets (Continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as accounts receivable, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

金融工具信貸虧損 (續)

B. 二零一八年一月一日前之政策應 (續)

財務資產之減值 (續)

就所有其他財務資產而言，減值之客觀證據可包括：

- 發行人或交易對手存在嚴重財政困難；或
- 違反合約，例如拖欠或欠付利息或本金付款；或
- 借款人有可能破產或進行財務重組；或
- 由於財政困難令該財務資產之活躍市場消失。

就若干財務資產類別（如應收賬款）而言，資產即使經評估為並無個別減值，亦須按整體基準進行減值評估。應收款項組合之客觀減值證據可包括本集團之過往收款經驗，以及與拖欠應收款項有關之全國或地方經濟狀況之可觀察變動。

就以攤銷成本列值之財務資產而言，減值虧損確認之金額乃按資產賬面值與按財務資產之原實際利率貼現之估計日後現金流量現值之差額計量。

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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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Credit losses from financial instruments (Continued)

B. Policy application prior to 1 January 2018

(Continued)

Impairment of financial assets (Continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount 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 will not be reversed in subsequent periods (see the accounting policy below).

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. When an accounts receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

金融工具信貸虧損 (續)

B. 二零一八年一月一日前之政策應用 (續)

財務資產之減值 (續)

就以成本列值之財務資產而言，減值虧損數額以資產賬面值與按同類財務資產現行市場回報率貼現之估計日後現金流量現值之差額計算。該等減值虧損不會於其後期間撥回（見下文會計政策）。

所有財務資產（應收賬款除外）賬面值按減值虧損直接調減，賬面值調減乃透過使用撥備賬進行。倘應收賬款被認為不可收回，則於撥備賬撇銷。其後收回之先前已撇銷數額乃計入撥備賬。撥備賬賬面值之變動於損益確認。

就以攤銷成本計量之財務資產而言，倘減值虧損數額於其後期間減少，而該減少乃客觀地與減值虧損確認後發生之事件有關，則先前確認之減值虧損會透過損益撥回，惟撥回減值當日投資之賬面值不得超過並無確認減值原有之攤銷成本。

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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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

A. Policy application from 1 January 2018

Classification and measurement of financial liabilities

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

B. Policy application prior to 1 January 2018

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in according with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

4. 主要會計政策 (續)

金融工具 (續)

財務負債及股本工具

A. 自二零一八年一月一日起之政策應用

財務負債之分類及計量

對於未導致終止確認的財務負債的非實質性修改，相關財務負債的賬面值將根據修改後的合同現金流量按財務負債的原實際利率折現的現值計量。修改或重新議定合同所產生的所有成本或費用，計入修改後的財務負債的賬面值，並在修改後財務負債的剩餘期限內進行攤銷。所有關於財務負債賬面值的調整均於修改日確認損益。

B. 二零一八年一月一日前之政策應用

由集團實體發行之債務及股本工具乃根據合約安排之內容以及財務負債及股本工具之定義而分類為財務負債或股本。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

B. Policy application prior to 1 January 2018
(Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale or cancellation of the Company's own equity instruments.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

4. 主要會計政策 (續)

金融工具 (續)

財務負債及股本工具 (續)

B. 二零一八年一月一日前之政策應用 (續)

股本工具

股本工具為證明於實體資產(扣除其所有負債)剩餘權益之任何合約。本集團發行之股本工具乃按已收取所得款項扣除直接發行成本確認。

本公司購回本身之股本工具直接於權益確認及扣除。概無就購買、出售或註銷本公司本身股本工具於損益確認任何收益或虧損。

按公允價值計入損益之財務負債

財務負債如屬持作買賣或指定為按公允價值計入損益，則分類為按公允價值計入損益。

倘若符合下列任何一種情況，財務負債分類為持作買賣：

- 產生財務負債之目的主要為於近期內回購；或
- 於初步確認時，該財務負債為由本集團共同管理之已識別金融工具組合一部分，並且近期有可於短期獲利之實際趨勢；或
- 該財務負債為衍生工具，但並無指定為有效對沖工具。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

B. Policy application prior to 1 January 2018
(Continued)

Financial liabilities at FVTPL (Continued)

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Other financial liabilities

Other financial liabilities (including creditors, unsecured borrowings and corporate bonds) are subsequently measured at amortised cost using the effective interest method.

4. 主要會計政策 (續)

金融工具 (續)

財務負債及股本工具 (續)

B. 二零一八年一月一日前之政策應用 (續)

按公允價值計入損益之財務負債 (續)

倘若符合下列任何一種情況，財務負債（持作買賣之財務負債除外）可於初步確認時指定為按公允價值計入損益之財務負債：

- 有關指定消除或大幅減低可能出現之計量或確認不一致之情況；或
- 該財務負債構成一組財務資產或財務負債或兩者之一部分，並根據本集團既定風險管理或投資策略按公允價值基準管理及評估其表現，而該組別之資料乃按該基準由內部提供；或
- 該財務負債構成包含一種或以上內含衍生工具之合約之一部分，而香港會計準則第39號金融工具：確認及計量允許整份合併合約（資產或負債）指定為按公允價值計入損益。

其他財務負債

其他財務負債（包括應付款項，無抵押借款和公司債券）其後使用實際利息法按攤銷成本計量。

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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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

- B. Policy application prior to 1 January 2018
(Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at FVTPL, of which the interest expense is included in net gains or losses.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. 主要會計政策 (續)

金融工具 (續)

財務負債及股本工具 (續)

- B. 二零一八年一月一日前之政策應用 (續)

實際利息法

實際利息法乃計算財務負債之攤銷成本及按有關期間攤分利息支出之方法。實際利率乃按財務負債之預計年期或(如適用)較短期間內準確折現估計未來現金付款(包括構成實際利率部分之已付或已收取之全部費用及利率點、交易成本及其他溢價或折讓)至於初步確認時之賬面淨值之利率。

利息支出按實際利息基準確認，惟分類為按公允價值計入損益之財務負債除外，其利息支出包含在損益淨值中。

終止確認

當自資產收取現金流之合約權利屆滿時，或當本集團轉讓財務資產及與資產所有權有關之絕大部分風險及回報實質上已轉移至另一實體時，本集團方會終止確認財務資產。倘本集團並無轉移亦無保留所有權之絕大部分風險及回報，並繼續控制已轉移之資產，則本集團繼續確認該資產，惟以其持續參與為限，並確認相關負債。倘本集團保留已轉移財務資產所有權之絕大部分風險及回報，則本集團繼續確認該財務資產，同時就已收取之所得款項確認抵押借款。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset in its entirety, 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 in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief reporting decision-maker is the person or group that responsible for allocating resources and accessing performance of the operating segments and geographical location. The Group has determined the Company's board of directors (the "Board") as its chief operating decision maker.

4. 主要會計政策 (續)

金融工具 (續)

終止確認 (續)

於終止確認整項財務資產時，資產賬面值與已收及應收代價及已於其他全面收入內確認並於權益累計之累計收益或虧損之總和之差額於損益確認。

於並非全部終止確認一項財務資產時，本集團將財務資產之過往賬面值在其仍確認之部分及不再確認之部分之間，按照該兩者於轉讓日期之相關公允價值作出分配。不再確認部分獲分配之賬面值與該部分已收代價及其已於其他全面收益確認獲分配之任何累計收益或虧損之總和間之差額，乃於損益內確認。已於其他全面收益確認之累計收益或虧損乃按繼續確認部分及不再確認部分之相關公允價值在該兩者間作出分配。

當及僅當本集團之責任獲解除、取消或到期時，本集團終止確認財務負債。終止確認財務負債之賬面值與已付及應付之代價之差額於損益確認。

分類呈報

經營分類之呈報方式與向主要經營決策者提供內部報告方式一致。主要經營決策者負責分配資源及評估經營分類及地區位置之表現。本集團以本公司董事會（「董事會」）決定按主要經營決策者分類。

Notes to the Consolidated Financial Statements

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Segment reporting (Continued)

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type of class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand and demand deposits with any bank or other financial institution. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturing at acquisition.

Related parties

A related party is a person or entity that is related to the Group that is preparing its financial statement.

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

4. 主要會計政策 (續)

分類呈報 (續)

單獨重大營運分類是不會合計於財務報告之用除非分類以經濟特徵相似及關於產品及服務性質、生產過程的性質、顧客級別的類型、分銷產品所用或提供服務之方法、及監管環境性質相似。倘彼等共用大部分條件，營運分類沒有單獨重大的可以合計。

現金及現金等價物

現金及現金等價物包括手頭現金及存於任何銀行或其他金融機構之活期存款。現金等價物為於由收購時起計三個月內到期，可隨時兌換為已知現金金額，且所承擔之價值變動風險輕微之短期高流通性投資。

關連人士

關連人士為與本集團有關連之個人或實體以其編制財務報表。

- (i) 倘屬以下人士，則該人士或其近親與本集團有關連：
 - (1) 控制或共同控制本集團；
 - (2) 對本集團有重大影響力；或
 - (3) 為本公司或其母公司之主要管理層成員。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

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

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

4. 主要會計政策 (續)

關連人士 (續)

(ii) 倘符合下列任何條件，則實體與本集團有關連：

- (1) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- (2) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
- (3) 兩間實體均為同一第三方之合營企業。
- (4) 一間實體為第三方之合營企業，而另一實體為該第三方實體之聯營公司。
- (5) 實體為本集團或與其有關連之實體就僱員利益設立之離職福利計劃。倘本集團本身即為該計劃，則提供資助之僱主亦與本集團有關連。
- (6) 實體受第(i)項所識別人士控制或受共同控制。
- (7) 第(i)(1)項所識別人士對實體有重大影響力或屬該實體（或其母公司）之主要管理層成員。
- (8) 實體或其組成部分的任何成員為本集團或本集團的母公司提供主要管理人員服務。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company 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 may differ from these estimates.

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

4. 主要會計政策 (續)

關連人士 (續)

關連方交易是報告實體與關連方之間轉讓資源、服務或責任，不論是否價格被收取。

一名人士之近親指在該人士與實體進行交易時預期可對其造成影響或受其影響之家族成員，及包括：

- (a) 此人的孩子及配偶或同居伴侶；
- (b) 此人配偶或同居伴侶的孩子；及
- (c) 此人或此人配偶或同居伴侶家屬。

5. 重大會計判斷及估計不明朗因素之主要來源

於應用附註4所述之本集團會計政策時，本公司董事須對未能從其他資料來源即時得知之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及被視為相關之其他因素為依據。實際結果可能有別於該等估計。

估計及相關假設會持續予以檢討。倘若須對會計估計作出修訂，而有關修訂僅影響修訂估計之期間，則於作出修訂之期間確認修訂；或倘若修訂影響當期及未來期間，則於修訂期間及未來期間確認有關修訂。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation

The Group depreciates the furniture, fixtures and equipment over their estimated useful life and after taking into account of their estimated residual values, using the straight line method. The estimated useful life reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's furniture, fixtures and equipment. The residual values reflect the directors' estimated amount that the Group would currently obtain from the disposal of the assets, after deducting the estimated costs of disposal, if the assets were already of the age and in the condition expected at the end of their useful lives.

Fair value measurement and valuation processes

The listed and unlisted equity and other related financial assets investments are measured at fair value for financial reporting purposes. The Board has set up Investment Committee, which the executive director is appointed as the Chairman, and Fortune Legendary Asset Management Limited (“**Fortune Legendary**”) is appointed as investment manager to review and monitor the fair value changes of the investments. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available.

5. 重大會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源

以下為有關未來之主要假設，以及於報告期末其他估計不明朗因素之主要來源，其可能具有導致下一財政年度須對資產及負債賬面值作重大調整之重大風險。

折舊

本集團於傢俬、裝置及設備之估計使用年期內，使用直線法對傢俬、裝置及設備計提折舊，當中已計及其估計剩餘價值。估計使用年期反映董事對本集團計劃使用其傢俬、裝置及設備產生未來經濟利益之估計期間。剩餘價值反映當資產已成殘舊及預期處於使用年期終結之狀況時，董事就本集團於當前出售資產可得之估計金額（經扣除估計出售成本）。

公允價值計量及估值流程

上市及非上市股本及其他相關財務資產投資按公允價值計量作為財務報告之用。董事會成立投資委員會，其執行董事獲委任為主席，及委任財富榮耀資產管理有限公司（「**財富榮耀**」）為投資經理，檢討及監察投資的公允價值變動。於估計資產或負債之公允價值時，本集團使用可供使用的可觀察市場的數據。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Fair value measurement and valuation processes (Continued)

Where Level 1 inputs are not available, the Group engaged an independent professional valuer to perform the valuation. The Investment Committee and the investment manager work closely with the valuer to establish the appropriate valuation techniques and inputs to the model. The Investment Committee and the investment manager report the valuation finding to the Board to explain the cause of fluctuations in the fair value of the assets and liabilities.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 7 provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of financial instruments, as well as the detailed sensitivity analysis for these assumptions.

The directors of the Company believe that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of financial instruments.

5. 重大會計判斷及估計不明朗因 素之主要來源 (續)

估計不明朗因素之主要來源 (續)

公允價值計量及估值過程 (續)

當第一級的數據沒有可供使用，本集團委任一名獨立專業估值師進行估值。投資委員會及投資經理與估值師緊密地工作建立合適的估值方法及數據輸入模型。投資委員會及投資經理就資產及負債的公允價值匯報估值結論予董事會解釋差異的成因。

本集團使用之估值方法包括並非基於可觀察市場數據之輸入數據，以估計若干種類之金融工具之公允價值。附註7提供於釐定金融工具之公允價值所使用之估值技術、輸入數據及主要假設之詳細資料，以及該等假設之詳細敏感度分析。

本公司董事相信，所選用之估值技術及所使用之假設適合釐定金融工具之公允價值。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment assessment of other receivables

Prior to the adoption of HKFRS 9 on 1 January 2018, when there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. In determining the impairment loss, the directors of the Company consider the credit history including default or delay in payments, settlement records, subsequent settlements and aging analysis of other receivables. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise.

Upon application of HKFRS 9 on 1 January 2018, the Group calculates ECL for the other receivables. The provision of ECL is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's other receivables is disclosed in note 20.

5. 重大會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

其他應收款項之減值評估

於二零一八年一月一日採納香港財務報告準則第9號前，倘出現減值虧損之客觀證據，則本集團會考慮對未來現金流量之估計。於釐定減值虧損時，本公司董事考慮信貸歷史，包括違約或延遲付款、結付記錄、後續結付及其他應收款項之賬齡分析。減值虧損數額乃按資產賬面值與估計未來現金流量（不包括尚未產生之未來信貸虧損）按財務資產之原實際利率（即初步確認時用於計算之實際利率）貼現之現值間之差額計算。倘實際未來現金流量少於預期，則可能產生重大減值虧損。

於二零一八年一月一日應用香港財務報告準則第9號後，本集團計算其他應收款項之預期信貸虧損。預期信貸虧損撥備根據本集團的過往違約率，並考慮無需付出過多成本或工作下獲得的合理及可支持的前瞻性資料。於每個報告日期，過往觀察的違約率會重新評估，並會考慮前瞻性資料的變動。

預期信貸虧損撥備對估算變動敏感。有關預期信貸虧損及本集團其他應收款項的資料披露於附註20。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Income tax

As at 31 December 2018, the Group had estimated unused tax losses of approximately HK\$216,302,000 (2017: approximately HK\$212,638,000) available for offset against future profits. No deferred tax assets have been recognised on such tax losses due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future taxable profits or taxable temporary differences will be available in the future. In cases where the actual future taxable profits generated are more than expected, recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such recognition takes place.

Going concern consideration

The directors of the Company have prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the foreseeable future, which is a critical judgement that has the most significant effect on the amounts recognised in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the directors, about the future outcome of events or conditions which are inherently uncertain. The directors consider that, after taking into account of all major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption as set out in note 2 to the consolidated financial statements, the Group has the capability to continue as a going concern.

5. 重大會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

所得稅

於二零一八年十二月三十一日，本集團預計有未動用的稅項虧損約216,302,000港元（二零一七年：約212,638,000港元）可供於抵銷未來利潤。由於未來利潤的不可預測性，稅項虧損的遞延稅項資產並沒有確認。遞延稅項資產的變現主要取決於是否有足夠的未來應課稅利潤或應納稅暫時性差異。當實際未來產生的應稅利潤超過預期，遞延稅項資產有可能出現，如此發生時會被確認為收支。

持續經營的考慮

本公司董事編製綜合財務報表時已假設本集團在可見將來將能持續經營，其為一項關鍵判斷，對綜合財務報表內確認的款項影響最大。持續經營假設之評估涉及董事對本身具不確定性的未來事件結果或狀況作出判斷。經考慮可能產生業務風險而個別或共同對綜合財務報表附註2所載持續經營假設造成重大質疑之所有主要事項或狀況後，董事認為本集團有能力持續經營。

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6. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through optimisation of the debt and equity balance. The Group's overall strategy remained unchanged from prior year.

The directors of the Company review the capital structure periodically. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt. No changes were made in the objectives, policies or processes as compared to those in 2017.

The directors of the Company monitor the capital on the basis of gearing ratio. This ratio is calculated as total borrowings divided by total assets.

The management considers the gearing ratio at the year ended was as follows:

6. 資本風險管理

本集團管理其資本，以確保本集團旗下實體將有能力持續經營，並同時通過優化債務及股本平衡，盡量增大股東之回報。本集團整體策略自以往年度比較維持不變。

本公司董事定期檢討資本架構。作為有關檢討之一部分，本公司董事考慮資本成本及各類資本之相關風險。根據董事之建議，本集團將通過派付股息、發行新股、購回股份及發行新債或贖回現債，平衡其整體資本架構。與二零一七年比較，目標、政策或程式均無變動。

本公司董事依據資產負債比率監察資本。此比率乃按總借貸除以總資產計算。

管理層於年結時考慮之資產負債比率如下：

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Total borrowings:	總借貸：		
Corporate bonds	公司債券	57,975,737	31,447,683
Unsecured borrowings	無抵押借貸	25,991,247	27,760,301
		83,966,984	59,207,984
Total assets	總資產	34,243,078	61,317,384
Gearing ratio	資產負債比率	245.21%	96.56%

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7. FINANCIAL RISK MANAGEMENT

Categories of financial instruments

The table below provided a reconciliation of the line items in the consolidated statement of financial position to the categories of financial instruments.

7. 財務風險管理

金融工具之類別

下表提供綜合財務狀況表項目與金融工具類別之對賬。

		2018	2017
		二零一八年	二零一七年
		HK\$	HK\$
		港元	港元
Financial assets	財務資產		
Financial assets at FVTPL	按公允價值計入損益之財務資產	16,540,214	23,696,002
Financial assets at amortised cost	按攤銷成本列賬之財務資產	17,070,585	-
Loans and receivables (including cash and cash equivalents)	借款及應收款 (包括現金及現金等價物)	-	36,037,139
		33,610,799	59,733,141
Financial liabilities	財務負債		
Amortised cost:	攤銷成本:		
Other payables	其他應付款項	726,000	100,000
Loans from a director	董事之貸款	10,996,041	11,873,360
Loan from a licensed money lending company	持牌放債公司貸款	9,985,535	9,985,680
Loans from third parties	第三方貸款	5,009,671	5,901,261
Corporate bonds	公司債券	57,975,737	31,447,683
		84,692,984	59,307,984

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7. FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, deposits, cash and bank balances, other payables, corporate bonds and unsecured borrowings. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (foreign currency risk, interest rate risk and other price risk), credit risk, liquidity risk and operational risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(1) Risk management

(a) Market risk

(i) Foreign currency risk

The Group has foreign currency investment in financial assets, which expose the Group to foreign currency risk. Approximately 49% (2017: approximately 31%) of the Group's financial assets denominated in currencies other than the functional currency of the Company. The management monitors foreign exchange exposure by closely monitoring the movement of foreign currency rate.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

7. 財務風險管理 (續)

財務風險管理目的及政策

本集團之主要金融工具包括按公允價值計入損益之財務資產、按金、現金及銀行結餘、其他應付款項、公司債券及無抵押借貸。該等金融工具之詳情於各個附註內披露。與該等金融工具有關之風險包括市場風險(外幣風險、利率風險及其他價格風險)、信貸風險、流動資金風險及營運風險。有關如何減低此等風險之政策載於下文。管理層管理及監察此等風險，以確保適時有效採取適當措施。

(1) 風險管理

(a) 市場風險

(i) 外幣風險

本集團擁有財務資產外幣投資，令本集團承受外幣風險。本集團約49% (二零一七年：約31%) 之財務資產以本公司功能貨幣以外之貨幣計值。管理層密切地留意外幣兌率變動監測外幣兌換風險。

本集團近期沒有外幣對沖政策。但是，管理層監測外幣兌換風險及認為對沖重要外幣兌換風險應需要產生。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(a) Market risk (Continued)

(i) Foreign currency risk (continued)

The significant carrying amounts of the Group's foreign currencies denominated monetary assets at the end of reporting period are as follows:

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Singapore dollars ("S\$")	新加坡元 ([「新加坡元」])	16,540,214	18,424,082

Sensitivity analysis

The Group is mainly exposed to the effects of fluctuation of the S\$.

If the exchange rate of HK\$ against S\$ has been weakened or strengthened by 5% (2017: 5%), the Group's loss for the year would have been higher or lower by HK\$827,011 (2017: HK\$921,204).

敏感度分析

本集團主要受新加坡元之波動影響。

倘港元兌新加坡元之匯率弱/強5% (二零一七年: 5%)，則本集團之本年度虧損將高於/低於827,011港元 (二零一七年: 921,204港元)。

7. 財務風險管理 (續)

(1) 風險管理 (續)

(a) 市場風險 (續)

(i) 外幣風險 (續)

於報告期末，本集團以外幣計值之貨幣資產之重大賬面值如下：

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

7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(a) Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed coupon rate corporate bonds and fixed rate loans from a director, a licensed money lending company and independent third parties. The Group is also exposed to cash flow interest rate risk relating to the Group's variable-rate bank balances.

The Group's interest rate risk related primarily to the variable interest bearing deposits and debts.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider the necessary actions when significant interest rate exposure is anticipated.

Sensitivity analysis

The Group's sensitivity to interest rate risk has been determined based on the exposure to interest rates for bank balances at the end of the reporting period, which is not significant influence to the Group's loss before tax. A 100 basis point change is used which represents management's assessment of the possible change in interest rates.

If interest rates have been 100 (2017: 100) basis points higher/lower and all other variables were held constant, the Group's loss before tax for the year ended 31 December 2018 would be increased/decreased by HK\$694,924 (2017: increased/decreased by HK\$282,718).

7. 財務風險管理 (續)

(1) 風險管理 (續)

(a) 市場風險 (續)

(ii) 利率風險

本集團受關於固定利率的公司債券及固定利率的董事、持牌放債公司及獨立第三方之貸款的公允價值利率風險波動影響。關於本集團銀行結餘浮動率，本集團承受現金流利率風險。

本集團之利率風險主要涉及浮息存款及債務。

本集團近期沒有利率對沖政策。但是，管理層監測利率風險及當重要利率風險被預測時，會考慮必要的措施。

敏感度分析

本集團的敏感度分析被定立的利率風險基於報告期末承受浮息銀行存款之利率風險，其對本集團的除稅前虧損沒有重大影響。分析中採用100個基點之變動，此乃管理層評估之可能利率變動。

倘利率高於／低於100 (二零一七年：100) 個基點，而所有其他變數維持不變，則本集團於截至二零一八年十二月三十一日止年度之除稅前虧損將增加／減少694,924港元 (二零一七年：增加／減少282,718港元)。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(a) Market risk (Continued)

(iii) Other price risk

The Group's strategy for the management of market risk is driven by the Group's investment objective. The listed and unlisted equity and other related financial assets investments in Hong Kong and overseas are measured at fair value at the end of each reporting period. Therefore, the Group's equity investments are exposed to other price risk. The Group's market risk is managed on a regular basis by the investment manager in accordance with policies and procedures in place and are monitored on a regular basis by the Board. Decisions to buy or sell trading securities are based on regular monitoring of the performance of securities compared to that of the relevant stock market index and other industry indicators, as well as the Group's liquidity needs. To manage its price risk arising from the equity investments, the Group maintains a portfolio of diversified investments in terms of industry distribution such as education and minerals industry sectors. Temporarily, the Group's management has monitored price risk and will consider hedging of the risk if necessary.

The management manages the exposure of financial assets designated as at FVTPL by maintaining a portfolio of investments with different risk and return profiles. The Group's equity price risk is mainly concentrated on equity instruments operating in securities and brokerage industry sectors quoted in the Stock Exchange.

7. 財務風險管理 (續)

(1) 風險管理 (續)

(a) 市場風險 (續)

(iii) 其他價格風險

本集團管理市場風險之策略取決於本集團之投資目標。就香港及海外之上市及非上市股本及其他相關財務資產投資於各報告期末按公允價值計量。因此，本集團的股本投資承受其他價格風險。投資經理定期按既定政策及程序管理及董事會定期監察本集團之市場風險。決定買賣交易證券與否，視乎定期所監察證券對比相關股票市場指數及其他行業指標之表現，以及本集團之流動資金需要而定。為管理股本證券所產生之價格風險，本集團投資組合在行業分佈方面十分多元化，所涉及之行業包括教育及礦物產業等。目前本集團之管理層會臨時監察價格風險，並將於有需要時考慮對沖有關風險。

管理層以維持不同風險和收益的投資組合管理指定為按公允價值計入損益之財務資產的風險。本集團的股本價值風險主要乃集中於證券及經紀行業操作的股本證券於聯交所之報價。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(a) Market risk (Continued)

(iii) Other price risk (Continued)

The Group has not hedged its price risk arising from investments in equity securities. The Group's securities investments are listed on the Stock Exchange are valued at the quoted market prices at the reporting date.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of reporting period. For sensitivity analysis purpose, the sensitivity rate remains at 15% in the current year.

If listed equity prices had been 15% higher/lower for financial assets designated as held for trading (2017: 15% higher/lower), loss for the year ended 31 December 2018 would be decreased/increased by HK\$nil (2017: decreased/increased by HK\$69,888). If the unlisted equity prices had been higher/lower by 15% for financial assets designated as at FVTPL (2017: 15% higher/lower) and all other variables were held constant, loss for the year ended 31 December 2018 would be decreased/increased by HK\$nil (2017: decreased/increased by HK\$2,763,612).

(b) Credit risk

Credit risk is the risk that a counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group. Financial assets which potentially subject the Group to concentrations of credit risk consist principally of financial assets at FVTPL, bank balances and deposits.

7. 財務風險管理 (續)

(1) 風險管理 (續)

(a) 市場風險 (續)

(iii) 其他價格風險 (續)

本集團沒有對沖由投資於股本證券所引起之價格風險。本集團的證券投資於聯交所上市按市場買入報價於報告日被估值。

敏感度分析

以下敏感度分析基於報告期末承受股本價格風險釐定。就敏感度分析而言，於本年度敏感率保持在15%。

倘指定為持作買賣之財務資產之上市股本價格上升/下跌15% (二零一七年：上升/下跌15%)，則截至二零一八年十二月三十一日止年度之虧損將減少/增加零港元 (二零一七年：減少/增加69,888港元)。倘指定為按公允價值計入損益之財務資產之非上市股本價格上升/下跌15% (二零一七年：上升/下跌15%)，而所有其他變數維持不變，則截至二零一八年十二月三十一日止年度之虧損將減少/增加零港元 (二零一七年：減少/增加2,763,612港元)。

(b) 信貸風險

信貸風險乃指交易對方將未能或不願意遵守與本集團訂下承諾之風險。本集團可能須承擔集中信貸風險之財務資產主要包括按公允價值計入損益之財務資產、銀行結餘及按金。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(b) Credit risk (Continued)

The Group limits its exposure to credit risk by transacting the majority of its financial assets and contractual commitment activities with brokers, banks and regulated exchanges with high credit ratings and that the Group considers to be well established. All transactions in listed financial assets are settled/paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal, as delivery of securities sold is only made when the broker has received payment. Payment is made on a purchase only when the securities have been received by broker. The Group reviews and monitors the credit concentration of investments on a regular basis.

The credit risk on liquid funds is limited because the counterparties are banks or financial institutions. Other than concentration of credit risk on liquid funds which are deposited with several banks and financial institutions, the Group does not have any other significant concentration of credit risk.

(c) Liquidity risk

The Group invests in both listed and unlisted equity securities and corporate bond which are classified as financial assets at FVTPL. The listed equity investment is considered readily realisable as it is listed in the Stock Exchange. The unlisted equity securities and corporate bond may not be traded in an organised public market and may be illiquid. As a result, the Group may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents in order to fulfil the Group's financial liabilities.

7. 財務風險管理 (續)

(1) 風險管理 (續)

(b) 信貸風險 (續)

本集團與經紀、銀行及本集團認為具聲譽之高信貸評級受規管交易所買賣其大部分財務資產及進行合約承擔活動，以限制其所承擔之信貸風險。所有上市財務資產交易均採用認可及知名經紀於交付時結算／付款。由於僅於經紀收取付款時交付已售證券，違約風險被視為較低。僅於經紀收取證券時支付購買款項。本集團定期檢討及監控集中投資信貸。

由於交易對手為銀行或金融機構，流動資金信貸風險有限。除存入若干銀行及金融機構的流動資金集中信貸風險外，本集團並無任何其他重大集中信貸風險。

(c) 流動資金風險

本集團投資於上市及非上市股本證券及公司債券兩者都被分類為按公允價值計入損益之財務資產。上市股本投資被認為是隨時可在聯交所變現。非上市股本證券及公司債券不能於公開市場買賣及非流通的。因此，本集團可能無法快速地變現這些工具的投資金額至接近其公允價值以滿足其流動性需求或回應特定事件（如任何特定發行人的信用惡化）。穩健的流動性風險管理意味著保持足夠的現金和現金等價物以滿足集團的財務責任。

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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

7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(c) Liquidity risk (Continued)

The following tables detail the Group's remaining contractual maturity for its financial liabilities which are included in the maturity analysis provided internally to the key management personnel for the purpose of managing liquidity risk. For non-derivative financial liabilities, the table reflects the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flow.

7. 財務風險管理 (續)

(1) 風險管理 (續)

(c) 流動資金風險 (續)

以下表詳述了本集團財務負債的剩餘合同的到期日，當中提供給內部主要管理層的到期日分析以作為管理流動性風險。於非衍生財務負債，此表已反映了未貼現現金流量的財務負債是基於本集團被要求最早的還款日期劃分。此表包括利息和本金現金流。

		2018 二零一八年					Total	Total
		Weighted average interest rate 加權 平均利率	On demand 應要求	Within 1 year 一年內	2-5 years 二至五年	Over 5 years 超過五年	undiscounted cash flows 未貼現現金 流量總額	carrying amounts 賬面總值
		%	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		%	港元	港元	港元	港元	港元	港元
Creditors	應付款項	-	726,000	-	-	-	726,000	726,000
Loans from a director	董事之貸款	6	-	10,334,861	-	-	10,334,861	10,996,041
Loan from a licensed money lending company	持牌放債公司貸款	10	-	10,000,000	-	-	10,000,000	9,985,535
Loans from third parties	第三方貸款	7	-	1,000,000	5,766,400	-	6,766,400	5,009,671
Corporate bonds	公司債券	6	-	-	41,524,383	42,600,000	84,124,383	57,975,737
			726,000	21,334,861	47,290,783	42,600,000	111,951,644	84,692,984

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

7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(c) Liquidity risk (Continued)

7. 財務風險管理 (續)

(1) 風險管理 (續)

(c) 流動資金風險 (續)

		2017 二零一七年					Total	Total
		Weighted average interest rate 加權 平均利率	On demand 應要求	Within 1 year 一年內	2-5 years 二至五年	Over 5 years 超過五年	undiscounted cash flows 未貼現現金 流量總額	carrying amounts 賬面總值
		%	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		%	港元	港元	港元	港元	港元	港元
Creditors	應付款項	-	100,000	-	-	-	100,000	100,000
Loans from a director	董事之貸款	6	-	11,873,360	-	-	11,873,360	11,873,360
Loan from a licensed money lending company	持牌放債公司貸款	10	-	10,000,000	-	-	10,000,000	9,985,680
Loans from third parties	第三方貸款	7	-	1,040,000	6,119,600	-	7,159,600	5,901,261
Corporate bonds	公司債券	6	-	-	28,874,383	14,200,000	43,074,383	31,447,683
			100,000	22,913,360	34,993,983	14,200,000	72,207,343	59,307,984

Taking into account the Group's financial position, the directors consider that the probability of exercise the redemption right of the corporate bonds is remote. The directors believe that such corporate bonds will be repaid on the maturity date.

考慮到本集團的財務狀況，董事認為贖回權的行使的可能性極微。董事相信此公司債券將到期日被償還。

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

7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(d) Operational risk

Operational risk is the risk of direct or indirect (loss) profit arising from a wide variety of causes associated with the processes and technology supporting the Group's operations either internally within the Group or externally at the Group's service provider, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Group's activities.

The Group's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns to investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board. This responsibility is supported by the development of overall standards for the management of operational risk, which encompasses the controls and processes at the service providers and the establishment of service levels with the service providers, in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;

7. 財務風險管理 (續)

(1) 風險管理 (續)

(d) 營運風險

營運風險乃源自多種不同原因所產生之直接或間接(虧損)溢利之風險,該等原因可涉及支持本集團營運之程序及技術(不論屬於本集團內部或本集團外部服務供應商)以及並非信貸、市場及流動資金風險之外在因素,例如法律及監管規定以及投資管理行為之公認準則所產生之風險。營運風險源自本集團所有業務活動。

本集團之目標為管理營運風險,從而在降低財務虧損及聲譽受損程度,與實踐為投資者賺取回報之投資目標之間取得平衡。

董事會承擔發展及推行營運風險控制之重責。此責任由開發管理營運風險整體標準支持,其涉及服務供應商之監控及程式,以及為服務供應商於以下範疇制定服務水準:

- 規定適當地劃分各職能、角色及責任之職責;

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

7. FINANCIAL RISK MANAGEMENT (Continued)

(1) Risk management (Continued)

(d) Operational risk (Continued)

- requirements for the reconciliation and monitoring of the transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- contingency plans;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

The directors' assessment over the adequacy of the controls and processes in place at the service providers with respect to operational risks is carried out via regular discussions with the service providers and a review of the service providers' reports on internal controls, where available and practicable.

7. 財務風險管理 (續)

(1) 風險管理 (續)

(d) 營運風險 (續)

- 規定進行交易對賬及監察；
- 遵守監管及其他法律規定；
- 以檔記錄監控及程式；
- 規定定期評估所面對營運風險，以及處理所識別風險之監控及程式是否足夠；
- 應變計劃；
- 道德及商業標準；及
- 減低風險，包括保險（如有效）。

董事透過定期與服務供應商進行討論，以及審閱服務供應商之內部監控報告（如有及可行），評估服務供應商現時有關營運風險之監控及程式是否足夠。

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

7. FINANCIAL RISK MANAGEMENT (Continued)

(2) Fair value measurement of financial instruments

(a) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used).

Financial assets	Fair value as at 31 December	Fair value hierarchy	Valuation technique(s) and key input	Significant unobservable input(s)	Relationship of the significant input for fair value	
財務資產	於十二月三十一日的公允價值	公允價值等級	估值技術及關鍵輸入數據	重大不可觀察輸入數據	公允價值重要輸入數據的關係	
	2018 二零一八年	2017 二零一七年				
Financial assets at FVTPL	Listed equity investments in Hong Kong	Listed equity investments in Hong Kong				
	— Tech Pro Technology Development Limited (stock code: 3823) HK\$nil	— Tech Pro Technology Development Limited (stock code: 3823) HK\$nil	Level 1	Quoted market bid price in an active market	N/A	N/A
	— State Energy Group International Assets Holdings Limited (stock code: 918) HK\$nil	— State Energy Group International Assets Holdings Limited (stock code: 918) HK\$465,920	Level 1	Quoted market bid price in an active market	N/A	N/A
按公允價值計入損益之財務資產	於香港的上市股本投資	於香港的上市股本投資				
	— 德普科技發展有限公司 (股份代號: 3823) 零港元	— 德普科技發展有限公司 (股份代號: 3823) 零港元	第一級	活躍市場上之市場買入報價	不適用	不適用
	— 國能集團國際資產控股有限公司 (股份代號: 918) 零港元	— 國能集團國際資產控股有限公司 (股份代號: 918) 465,920港元	第一級	活躍市場上之市場買入報價	不適用	不適用

7. 財務風險管理 (續)

(2) 金融工具之公允價值計量

(a) 按經常性基準以公允價值計量之本集團財務資產及財務負債公允價值

於各報告期末，本集團若干財務資產及財務負債按公允價值計量。下表提供有關如何釐定該等財務資產及財務負債公允價值之資料（尤其是所用估值技術及輸入數據）。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(2) Fair value measurement of financial instruments (Continued)

(a) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets	Fair value as at 31 December	Fair value hierarchy	Valuation technique(s) and key input	Significant unobservable input(s)	Relationship of the significant input for fair value
財務資產	於十二月三十一日的公允價值 2018 二零一八年	公允價值 等級	估值技術及關鍵輸入數據	重大不可觀察 輸入數據	公允價值重要輸入數據的關係
Financial assets at FVTPL	Unlisted corporate bond in Hong Kong	Unlisted corporate bond in Hong Kong			
	— China Partners Consultancy Limited HK\$nil	— China Partners Consultancy Limited HK\$4,806,000	Level 3	Discounted cash flow method combined with interest rate model	2017: Risk free rate 1.04% 2017: 10% increase (decrease) in risk free rate would result in (decrease) increase in fair value by (HK\$3,000) and HK\$2,000 respectively. 10% increase (decrease) in discount rate would result in (decrease) increase in fair value by (HK\$1,518,884) and HK\$1,898,956 respectively (2017: decrease (HK\$1,706,155) and increase HK\$2,145,539 respectively).
	Unlisted equity investment in overseas	Unlisted equity investment in overseas	Level 3	Income approach — in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of investee.	Discount rate 18.42% (2017: 17.42%) 10% increase (decrease) in DLOM would result in (decrease) increase in fair value by (HK\$307,859) and HK\$306,507 respectively (2017: decrease (HK\$260,557) and increase HK\$260,579 respectively).
	— E-Com Holdings Pte. Ltd. HK\$16,540,214	— E-Com Holdings Pte. Ltd. HK\$18,424,082			Discount for lack of marketability (“DLOM”) 14.37% (2017: 11.48%)
按公允價值計入損益之財務資產	於香港的非上市公司債券	於香港的非上市公司債券	第三級	貼現現金流量法結合利率模型	二零一七年：無風險利率1.04%
	— 中國合夥人諮詢有限公司 零港元	— 中國合夥人諮詢有限公司 4,806,000港元			二零一七年：無風險利率增加(減少)10%致使公允價值分別(減少)增加(3,000港元)及2,000港元
	於海外非上市股本投資	於海外非上市股本投資	第三級	收入法 — 在此方法中，利用貼現現金流量法取得接受投資公司擁有權將產生之預期未來經濟利益之現值。	貼現率18.42% (二零一七年：17.42%) 貼現率增加(減少)10%致使公允價值分別(減少)增加(1,518,884港元)及1,898,956港元(二零一七年：分別減少(1,706,155港元)及增加2,145,539港元)
	— E-Com Holdings Pte. Ltd. 16,540,214港元	— E-Com Holdings Pte. Ltd. 18,424,082港元			缺乏市場性流動貼現率(「缺乏市場性流動貼現率」)14.37% (二零一七年：11.48%) 缺乏市場性流動貼現率增加(減少)10%致使公允價值分別(減少)增加(307,859港元)及306,507港元(二零一七年：分別減少(260,557港元)及增加260,579港元)

7. 財務風險管理 (續)

(2) 金融工具之公允價值計量 (續)

(a) 按經常性基準以公允價值計量之本集團財務資產及財務負債公允價值 (續)

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7. FINANCIAL RISK MANAGEMENT (Continued)

(2) Fair value measurement of financial instruments (Continued)

(a) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

(Continued)

Valuation processes of the Group

The management of the Group reviews the estimation of fair value of the investments in unlisted equity and corporate bond which are categorised into Level 3 of the fair value hierarchy. Fair values of these unlisted investments are determined by the management with reference to the valuation reports prepared by an independent professional valuer. Discussion of the valuation process and results with the management is held twice a year, for the Group's interim and annual reporting.

During the year ended 31 December 2018 and 2017, there were no transfers between financial instruments in Level 1, 2 and 3.

7. 財務風險管理 (續)

(2) 金融工具之公允價值計量 (續)

(a) 按經常性基準以公允價值計量之本集團財務資產及財務負債公允價值 (續)

本集團的估值流程

本集團管理層審核投資於非上市股本及公司債券的公允價值之估計分類為公允價值等級的第三級。該等非上市投資的公允價值均由管理層經參考獨立合資格專業估值進行之估值釐定。管理層每年舉行兩次估值流程的討論及結論為本集團的中期及年度報告之用。

截至二零一八年及二零一七年十二月三十一日止年度內，金融工具在第一級、第二級與第三級之間概無轉移。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(2) Fair value measurement of financial instruments (Continued)

(a) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

		2018 二零一八年			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Financial assets	財務資產				
Financial assets at FVTPL:	按公允價值計入損益之 財務資產：				
Unlisted equity investment	非上市股本投資	-	-	16,540,214	16,540,214

		2017 二零一七年			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Financial assets	財務資產				
Financial assets at FVTPL:	按公允價值計入損益之 財務資產：				
Listed equity investments	上市股本投資	465,920	-	-	465,920
Unlisted equity investment	非上市股本投資	-	-	18,424,082	18,424,082
Unlisted corporate bond	非上市公司債券	-	-	4,806,000	4,806,000
		465,920	-	23,230,082	23,696,002

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

7. FINANCIAL RISK MANAGEMENT (Continued)

(2) Fair value measurement of financial instruments (Continued)

(b) Reconciliation of Level 3 fair value measurements

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
At 1 January	於一月一日	23,230,082	24,399,064
Disposal of unlisted equity investment	出售非上市股本投資	-	(5,869,751)
Acquisition of unlisted corporate bond	購買非上市公司債券	-	2,200,000
Redemption of unlisted corporate bond	購回非上市公司債券	(4,806,000)	(2,200,000)
Unrealised (loss) gain recognised in profit or loss	於損益確認之未變現 (虧損) 收益	(1,585,152)	3,332,230
Exchange (loss) gain, net	匯兌 (虧損) 收益淨額	(298,716)	1,368,539
At 31 December	於十二月三十一日	16,540,214	23,230,082

(c) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosure are required)

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

7. 財務風險管理 (續)

(2) 金融工具之公允價值計量 (續)

(b) 第三級公允價值計量對賬

(c) 未按經常性基準以公允價值計量 (惟須作出公允價值披露) 之本集團財務資產及財務負債公允價值

本公司董事認為於綜合財務報表內確認之財務資產及財務負債之賬面值與其公允價值相若。

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8. REVENUE AND NET OTHER INCOME, GAINS AND LOSSES

An analysis of revenue and net other income, gains and losses is as follows:

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Revenue:	收益:		
Bond interest income	債券利息收入	660,685	718,333
Net other income, gains and losses:	其他收入、收益及虧損淨值:		
Income from office sharing	來自共用辦公室之收入	760,000	453,864
Exchange (loss) gain, net	匯兌(虧損)收益淨額	(305,908)	1,405,523
Loss on write-off of furniture, fixture and equipment	撇銷傢俬、裝置及設備之虧損	(55,794)	–
Impairment loss on other receivable	其他應收款項之減值虧損	(2,317,127)	–
Interest income	利息收入	398,794	81
Sundry income	其它收入	79,089	100
		(1,440,946)	1,859,568

9. SEGMENT INFORMATION

Business segments

During the years ended 31 December 2018 and 2017, the Group's revenue and net loss were mainly derived from interest income, net loss on financial assets at FVTPL and loss on disposal of a subsidiary. The directors of the Company consider that these activities constitute one business segment since these transactions are subject to common risks and returns. Given that the nature of the Group's operation is investment holdings only, it is not considered meaningful to provide a business segment analysis of operating loss.

8. 收益及其他收入、收益及虧損淨值

收益及其他收入、收益及虧損淨值分析如下：

9. 分類資料

業務分類

於截至二零一八年及二零一七年十二月三十一日止年度內，本集團之收益及虧損淨額主要來自利息收入、按公允價值計入損益之財務資產虧損淨額及出售附屬公司之虧損。本公司董事認為，由於該等交易面對相同風險及享有共同回報，因此，該等業務構成一項業務分類。鑑於本集團之唯一經營性質為投資控股，提供經營虧損之業務分類分析意義不大。

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

9. SEGMENT INFORMATION (Continued)

Geographical segments

The Group's segment assets and liabilities, which represent furniture, fixtures and equipment, financial assets at FVTPL, unsecured borrowings and corporate bonds for the year, analysed by geographical markets, are as follows:

9. 分類資料 (續)

地區分類

本集團年內之分類資產及負債(包括傢俬、裝置及設備、按公允價值計入損益之財務資產、無抵押借貸及公司債券)按地區市場分析如下:

		2018 二零一八年		
		Singapore 新加坡 HK\$ 港元	Hong Kong 香港 HK\$ 港元	Total 總計 HK\$ 港元
Segment assets	分類資產	16,540,214	1,513	16,541,727
Unallocated assets	未分配資產			17,701,351
Total assets	資產總值			34,243,078
Segment liabilities	分類負債	-	83,966,984	83,966,984
Unallocated liabilities	未分配負債			2,969,696
Total liabilities	負債總值			86,936,680
		2017 二零一七年		
		Singapore 新加坡 HK\$ 港元	Hong Kong 香港 HK\$ 港元	Total 總計 HK\$ 港元
Segment assets	分類資產	18,424,082	6,456,839	24,880,921
Unallocated assets	未分配資產			36,436,463
Total assets	資產總值			61,317,384
Segment liabilities	分類負債	-	59,207,984	59,207,984
Unallocated liabilities	未分配負債			1,535,312
Total liabilities	負債總值			60,743,296

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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

10. NET LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

10. 按公允價值計入損益之財務資產虧損淨額

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Realised gain on disposal of unlisted corporate bond	出售非上市公司債券之變現收益	194,000	-
Unrealised loss arising on fair value changes of listed equity investments	上市股本投資公允價值變動產生之未變現虧損	(465,920)	(3,486,576)
Net unrealised (loss) gain arising on fair value changes of unlisted equity investment and corporate bond	非上市股本投資及公司債券公允價值變動產生之未變現(虧損)收益淨額	(1,585,152)	3,332,230
		(1,857,072)	(154,346)

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

11. LOSS FROM OPERATIONS

11. 經營虧損

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Loss from operations has been arrived at after charging (crediting):	本公司擁有人應佔年內虧損乃經扣除(計入)下列各項後得出:		
Auditor's remuneration	核數師酬金	360,000	360,000
Investment management fee	投資管理費	2,220,000	1,279,580
Depreciation of furniture, fixtures and equipment	傢俬、裝置及設備之折舊	1,127,612	1,308,517
Exchange loss (gain), net	匯兌虧損(收益)淨額	305,908	(1,405,523)
Loss on write-off of furniture, fixture and equipment	撇銷傢俬、裝置及設備之虧損	55,794	-
Net loss on financial assets at FVTPL	按公允價值計入損益之財務資產虧損淨額	1,857,072	154,346
Operating lease rentals in respect of:	下列項目之經營租約租金:		
— premises	— 物業	8,281,665	8,965,314
— office equipment	— 辦公室設備	44,389	44,100
Directors' remuneration and staff costs:	董事酬金及員工成本:		
— salaries, allowance and other benefits in kind	— 薪金、津貼及其他實物福利	12,803,743	11,692,467
— contributions to MPF Scheme	— 強積金計劃供款	184,167	179,048

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

12. FINANCE COSTS

12. 財務費用

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Interests on:	利息：		
— Loans from a director	董事之貸款	622,681	635,443
— Loan from a licensed money lending company	持牌放債公司貸款	999,855	1,013,111
— Loans from third parties	第三方貸款	1,301,610	3,129,533
— Corporate bonds	公司債券	3,228,054	3,016,629
		6,152,200	7,794,716

13. INCOME TAX EXPENSE

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Thus, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made for both years as the Group did not have any assessable profits.

13. 所得稅開支

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務（修訂）（第7號）條例草案》（「**條例草案**」），引入利得稅兩級制。該條例草案於二零一八年三月二十八日經簽署成為法律，並於翌日刊憲。根據利得稅兩級制，合資格集團實體首2百萬港元溢利的稅率為8.25%，而超過2百萬港元的溢利稅率為16.5%。不符合利得稅兩級制資格的集團實體的溢利將繼續按16.5%之劃一稅率徵收稅項。董事認為，實施利得稅兩級制所涉及之金額與綜合財務報表並無重大關係。因此，兩個年度的香港利得稅均按估計應課稅溢利之16.5%計算。

由於本集團於該兩個年度並無任何應課稅溢利，故並無於該兩個年度就香港利得稅作出撥備。

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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

13. INCOME TAX EXPENSE (Continued)

The income tax expense for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Loss before tax	除稅前虧損	(53,267,690)	(45,248,621)
Hong Kong Profits Tax calculated at the rate of 16.5% (2017: 16.5%)	按香港利得稅稅率16.5% (二零一七年: 16.5%) 計算 之稅項	(8,789,167)	(7,466,022)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	3,747,709	1,746,780
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(32,010)	(776,111)
Tax effect on temporary differences not recognised	未確認暫時差異之稅務影響	(457,623)	176,089
Tax effect on tax losses not recognised	未確認稅項虧損之稅務影響	5,531,091	6,319,264
Income tax expense for the year	年內所得稅開支	-	-

At the end of the reporting period, the Group has estimated unrecognised tax losses of approximately HK\$216,302,000 (2017: approximately HK\$212,638,000) to set off against future taxable income. No deferred tax asset is recognised in respect of such tax losses carried forward as the realisation of the related tax benefit through future taxable profits could not be reasonably assessed. The tax losses do not have expiry date under the current tax legislation.

The Group had no material unprovided deferred tax liabilities at the end of the reporting period (2017: HK\$nil).

13. 所得稅開支 (續)

年內所得稅開支與綜合損益及其他全面收益表之除稅前虧損對賬如下：

於報告期末，本集團之估計未確認稅項虧損約為216,302,000港元（二零一七年：約212,638,000港元），可用以抵銷未來應課稅收入。由於未能合理評估以未來應課稅溢利變現相關稅務利益，故並無就該等結轉稅項虧損確認遞延稅項資產。根據現行稅法，稅項虧損並無屆滿日期。

於報告期末，本集團並無任何重大未撥備遞延稅項負債（二零一七年：零港元）。

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14. DIRECTORS' EMOLUMENTS

Disclosed pursuant to the Listing Rules, section 383 of the Hong Kong Companies Ordinance, Cap. 622 and Part 2 of the Companies (Disclosure of information about Benefits of Directors) Regulation, are as follows:

(a) Directors' emoluments and other benefits

For the year ended 31 December 2018

		Salaries, allowance and other benefits		Employer's contributions	Discretionary bonuses	Total emoluments
		Fee	in kind	to MPF Scheme		
		袍金	薪金、津貼及其他實物福利	強積金計劃之僱主供款	酌情花紅	酬金總額
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
Executive director	執行董事					
Chan Yiu Pun, Clement	陳耀彬	-	1,056,000	18,000	88,000	1,162,000
Non-executive directors	非執行董事					
Hu Haisong	胡海松	2,400,000	-	-	200,000	2,600,000
Tung Shu Sun (Chairman)	董樹新 (主席)	960,000	-	-	80,000	1,040,000
Dang Yin Liang (Note 1)	黨銀良 (附註1)	255,000	-	-	-	255,000
Xu Zheng (Note 2)	徐崢 (附註2)	160,000	-	-	-	160,000
Ding Shiguo (Note 3)	丁世國 (附註3)	75,484	-	-	-	75,484
Independent non-executive directors	獨立非執行董事					
Gui Shengyue	桂生悅	360,000	-	-	30,000	390,000
Wang Xianzhang	王憲章	360,000	-	-	30,000	390,000
Vichai Phaisalakani	熊敬柳	300,000	-	-	25,000	325,000
Total emoluments	酬金總額	4,870,484	1,056,000	18,000	453,000	6,397,484

14. 董事酬金

根據上市規則，香港公司條例第622章383條及公司（披露董事利益資料）規例第2部披露如下：

(a) 董事酬金及其他福利

截至二零一八年十二月三十一日止年度

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綜合財務報表附註

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14. DIRECTORS' EMOLUMENTS (Continued)

(a) Directors' emoluments and other benefits

(Continued)

For the year ended 31 December 2017

	Fee	Salaries, allowance and other benefits in kind 薪金、津貼及其他實物福利	Employer's contributions to MPF Scheme 強積金計劃之僱主供款	Discretionary bonuses 酌情花紅	Total emoluments
	袍金	袍金	袍金	袍金	酬金總額
	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元
Executive director					
Chan Yiu Pun, Clement	-	1,056,000	18,000	88,000	1,162,000
Non-executive directors					
Hu Haisong	2,400,000	-	-	200,000	2,600,000
Tung Shu Sun (Chairman)	960,000	-	-	80,000	1,040,000
Independent non-executive directors					
Gui Shengyue	360,000	-	-	30,000	390,000
Wang Xianzhang	360,000	-	-	30,000	390,000
Vichai Phaisalakani	300,000	-	-	25,000	325,000
Total emoluments					
	4,380,000	1,056,000	18,000	453,000	5,907,000

Notes:

1. Appointed on 16 April 2018.
2. Appointed on 19 April 2018 and resigned on 28 September 2018.
3. Appointed on 16 October 2018.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2017: HK\$nil).

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

No other significant transactions, arrangement and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2017: HK\$nil).

14. 董事酬金 (續)

(a) 董事酬金及其他福利 (續)

截至二零一七年十二月三十一日止年度

	袍金	薪金、津貼及其他實物福利	強積金計劃之僱主供款	酌情花紅	酬金總額
	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元

Executive director					
Chan Yiu Pun, Clement	-	1,056,000	18,000	88,000	1,162,000
Non-executive directors					
Hu Haisong	2,400,000	-	-	200,000	2,600,000
Tung Shu Sun (Chairman)	960,000	-	-	80,000	1,040,000
Independent non-executive directors					
Gui Shengyue	360,000	-	-	30,000	390,000
Wang Xianzhang	360,000	-	-	30,000	390,000
Vichai Phaisalakani	300,000	-	-	25,000	325,000
Total emoluments					
	4,380,000	1,056,000	18,000	453,000	5,907,000

附註:

1. 於二零一八年四月十六日獲委任。
2. 於二零一八年四月十九日獲委任及於二零一八年九月二十八日辭任。
3. 於二零一八年十月十六日獲委任。

就董事年內放棄或同意免除任何報酬，概無訂立任何安排 (二零一七年：零港元)。

年內，本集團概無向董事支付任何酬金作為吸引加入或加入本集團時之獎金或離職補償。

本公司概無訂立其他任何本公司董事直接或間接於其中擁有重大權益而於本年度末或本年度內任何時間仍然生效之與本公司業務有關之重大合約 (二零一七年：零港元)。

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

15. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included three directors (2017: three directors), details of whose emoluments are set out in Note 14 above. The emoluments of the remaining two (2017: two) highest paid employees who are not a director of the Company are as follows:

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Basic salaries and other benefits	基本薪金及其他福利	2,266,638	2,160,000
Discretionary bonuses	酌情花紅	180,000	160,000
Contributions to MPF schemes	強積金計劃供款	34,500	36,000
Total emoluments	酬金總額	2,481,138	2,356,000

Emoluments bands	酬金幅度	2018 二零一八年 No. of employees 僱員數目	2017 二零一七年 No. of employees 僱員數目
HK\$nil to HK\$1,000,000	零港元至1,000,000港元	-	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	1
		2	2

During the year, no remuneration (2017: HK\$nil) was paid by the Group to any of the highest paid individuals as an inducement to join the Group or as compensation for loss of office.

15. 五名最高酬金僱員

本集團五名最高酬金僱員包括三名董事(二零一七年:三名董事),彼等酬金詳述載於上文附註14。其餘兩名(二零一七年:兩名)最高酬金僱員的酬金(非本公司董事)如下:

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Basic salaries and other benefits	基本薪金及其他福利	2,266,638	2,160,000
Discretionary bonuses	酌情花紅	180,000	160,000
Contributions to MPF schemes	強積金計劃供款	34,500	36,000
Total emoluments	酬金總額	2,481,138	2,356,000

Emoluments bands	酬金幅度	2018 二零一八年 No. of employees 僱員數目	2017 二零一七年 No. of employees 僱員數目
HK\$nil to HK\$1,000,000	零港元至1,000,000港元	-	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	1
		2	2

年內,本集團概無向任何最高薪人士支付任何酬金(二零一七年:零港元)作為吸引加入本集團之獎金或離職補償。

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

15. FIVE HIGHEST PAID EMPLOYEES (Continued)

During the year, no share options to subscribe for ordinary shares of the Company were granted to employees under the Company's share option scheme (2017: nil).

16. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year, nor has any dividend been proposed since the end of the year (2017: HK\$nil).

17. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

15. 五名最高酬金僱員 (續)

年內，根據本公司的購股權計劃，本公司概無授予僱員認購本公司的普通股股份（二零一七年：無）。

16. 股息

年內及自年末概無派付或建議宣派任何股息予本公司普通股股東（二零一七年：零港元）。

17. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算得出：

	2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Loss for the purpose of basic loss per share 就計算每股基本虧損之虧損		
Loss for the year attributable to owners of the Company 本公司擁有人應佔年內虧損	53,267,690	45,248,621
Number of shares 股份數目		
Number of ordinary shares (2017: Weighted average number of ordinary shares) for the purpose of basic loss per share 用作計算每股基本虧損之普通股數目（二零一七年：普通股加權平均數）	1,803,558,784	1,694,799,880

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

17. LOSS PER SHARE (Continued)

The amounts of diluted loss per share are the same as basic loss per share as there were no potential dilutive ordinary shares outstanding as at 31 December 2018 and 2017.

17. 每股虧損 (續)

於二零一八年及二零一七年十二月三十一日並無尚未行使之潛在攤薄普通股，故每股攤薄虧損金額與每股基本虧損相同。

18. FURNITURE, FIXTURES AND EQUIPMENT

18. 傢俬、裝置及設備

		Leasehold improvements 租賃物業裝修	Furniture and fixtures 傢俬及裝置	Office equipment 辦公室設備	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
COST	成本				
At 1 January 2017, 31 December 2017, and 1 January 2018	於二零一七年一月一日、 二零一七年十二月三十一日及 二零一八年一月一日	4,860,954	826,148	1,040,636	6,727,738
Write-off	撇銷	(4,860,954)	-	(512,051)	(5,373,005)
At 31 December 2018	於二零一八年十二月三十一日	-	826,148	528,585	1,354,733
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值				
At 1 January 2017	於二零一七年一月一日	3,005,044	522,627	706,631	4,234,302
Charge for the year	本年度扣除	972,190	165,229	171,098	1,308,517
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	3,977,234	687,856	877,729	5,542,819
Charge for the year	本年度扣除	837,301	138,292	152,019	1,127,612
Write-off	撇銷	(4,814,535)	-	(502,676)	(5,317,211)
At 31 December 2018	於二零一八年十二月三十一日	-	826,148	527,072	1,353,220
CARRYING AMOUNTS	賬面值				
At 31 December 2018	於二零一八年十二月三十一日	-	-	1,513	1,513
At 31 December 2017	於二零一七年十二月三十一日	883,720	138,292	162,907	1,184,919

During the year, the directors of the Company considered that no impairment loss is required for the furniture, fixtures and equipment (2017: HK\$nil).

年內，本公司董事認為沒有就傢俬、裝置及設備減值的需要（二零一七年：零港元）。

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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

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

19. 按公允價值計入損益之財務資產

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Non-current asset:	非流動資產：		
Unlisted equity investment in overseas	於外地非上市股本資產	16,540,214	18,424,082
Current assets:	流動資產：		
Equity investments listed in Hong Kong	於香港上市之股本資產	-	465,920
Unlisted corporate bond in Hong Kong	於香港非上市公司債券	-	4,806,000
		-	5,271,920

No financial assets at FVTPL are pledged to the securities brokers (2017: HK\$nil).

概無按公允價值計入損益之財務資產抵押予證券經紀(二零一七年：零港元)。

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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

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The Group had the following investments:

At 31 December 2018

Notes	Name of investee company	Place of registration/ incorporation	Number of shares held	Effective shareholding interest	Carrying amount	Unrealised gain (loss) arising on revaluation	Exchange loss	Fair value/ market value	Net assets attributable to the investments	Dividend received/ receivable during the year
附註	接受投資公司名稱	登記/註冊成立地點	所持股份 數目	有效的 股權權益	賬面值	重估所產生 之未變現 收益(虧損)	匯兌 虧損	公允價值/ 市場價值	投資應佔 資產淨值	年內已收/ 應收股息
					HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Unlisted equity investment										
非上市股本投資										
(a)	E-Com Holdings Pte. Ltd.	Singapore	1,259,607	23.70%	18,424,082	(1,585,152)	(298,716)	16,540,214	4,106,219	-
	E-Com Holdings Pte. Ltd.	新加坡								
Unlisted corporate bond										
非上市公司債券										
(b)	China Partners Consultancy Limited	Hong Kong	N/A	N/A	-	-	-	-	N/A	N/A
	中國合伙人諮詢有限公司	香港	不適用	不適用					不適用	不適用
Listed equity investments										
上市股本投資										
(c)	Tech Pro Technology Development Limited	Cayman Islands	17,634,000	0.22%	-	-	-	-*	2,088,589	-
	德普科技發展有限公司	開曼群島								
(d)	State Energy Group International Assets Holdings Limited	Bermuda	896,000	0.12%	465,920	(465,920)	-	-#	34,549	-
	國能集團國際資產控股有限公司	百慕達								
					465,920	(465,920)	-	-		

19. 按公允價值計入損益之財務資產 (續)

本集團擁有下列之投資：

於二零一八年十二月三十一日

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

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

At 31 December 2017

19. 按公允價值計入損益之財務資產 (續)

於二零一七年十二月三十一日

Notes	Name of investee company	Place of registration/ incorporation	Number of shares held	Effective shareholding interest	Carrying amount	Unrealised gain (loss) arising on revaluation 重估所產生 之未變現 收益 (虧損)	Exchange loss	Fair value/ market value	Net assets attributable to the investments	Dividend received/ receivable during the year
附註	接受投資公司名稱	登記/註冊成立地點	所持股份 數目	有效的 股權權益	賬面值 HK\$ 港元	重估所產生 之未變現 收益 (虧損) HK\$ 港元	匯兌 虧損 HK\$ 港元	公允價值/ 市場價值 HK\$ 港元	投資應佔 資產淨值 HK\$ 港元	年內已收/ 應收股息 HK\$ 港元
Unlisted equity investment										
非上市股本投資										
(a)	E-Com Holdings Pte. Ltd. E-Com Holdings Pte. Ltd.	Singapore 新加坡	1,259,607	23.70%	14,028,043	3,027,500	1,368,539	18,424,082	3,395,000	-
Unlisted corporate bond										
非上市公司債券										
(b)	China Partners Consultancy Limited 中國合伙人諮詢有限公司	Hong Kong 香港	N/A 不適用	N/A 不適用	4,501,270	304,730	-	4,806,000	N/A 不適用	N/A 不適用
Listed equity investments										
上市股本投資										
(c)	Tech Pro Technology Development Limited 德普科技發展有限公司	Cayman Islands 開曼群島	17,634,000	0.22%	3,244,656	(3,244,656)	-	* -	2,202,695	-
(d)	State Energy Group International Assets Holdings Limited 國能集團國際資產控股有限公司	Bermuda 百慕達	896,000	0.12%	707,840	(241,920)	-	465,920	77,612	-
					3,952,496	(3,486,576)	-	465,920		

* The Stock Exchange has suspended the trading of Tech Pro's shares since 9 November 2017 and it is still under the status of suspended trading based on the announcement of Tech Pro issued on 17 December 2018, therefore it is considered that the market value is HK\$nil as at 31 December 2017 and 2018.

* 根據於二零一八年十二月十七日刊發的公佈，聯交所已自二零一七年十一月九日起暫停買賣德普的股份，且其仍處於停牌狀態，因此，於二零一七年及二零一八年十二月三十一日，市場價值被認為為零港元。

Reference is made to the announcements of State En Assets dated (i) 11 and 15 June 2018 and 18 and 19 September 2018 in relation to the decision of the Listing Committee of HKEX to place State En Assets in the first delisting stage; (ii) 2 and 11 October 2018 and 3 and 13 December 2018 in relation to the Second Review by the Listing (Review) Committee; and (iii) 1 February 2019 in relation to the decision of the Second Review by the Listing (Review) Committee to uphold the decision to suspend trading in State En Assets's shares, therefore the market value of State En Assets is considered as HK\$nil as at 31 December 2018.

茲提述國能國際資產日期為(i)二零一八年六月十一日及十五日以及二零一八年九月十八日及十九日有關香港聯交所上市委員會決定在首次退市階段安排國能國際資產的公告；(ii)二零一八年十月二日、十月十一日及二零一八年十二月三日及十三日有關上市(覆核)委員會第二次審閱；及(iii)二零一九年二月一日有關上市(覆核)委員會作出第二次審閱以支持決定暫停買賣國能國際資產的股份，因此，於二零一八年十二月三十一日，國能國際資產的市值被視為零港元。

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

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes:

- (a) E-Com Holdings Pte. Ltd. (“**E-Com**”) is a private company incorporated in Singapore, which is principally engaged in the provision of Chinese e-learning platforms for primary school students in Singapore and other Asian regions. No dividend was declared or received during the year (2017: HK\$nil).

For the year ended 31 December 2018, the unaudited consolidated net profit was approximately S\$502,000 (equivalent to approximately HK\$2,920,000) (2017: audited consolidated net profit approximately S\$581,000, equivalent to approximately HK\$3,297,000). As at 31 December 2018, its unaudited consolidated net assets were approximately S\$3,014,000 (equivalent to approximately HK\$17,326,000) (2017: audited consolidated net assets approximately S\$2,450,000, equivalent to approximately HK\$14,326,000).

At the end of the reporting period, the Group held more than 20% of the effective shareholding interest in E-Com. The investment in E-Com was not accounted for as associate as the Group does not have any significant influence over the financial and operating policies in E-Com or participate in the policy-making processes. Accordingly, investment in E-Com has been designated upon initial recognition as a financial asset at FVTPL.

As at 31 December 2018 and 2017, the carrying amount of the Group’s interest in the shares of E-Com exceeded 10% of the total assets of the Group.

- (b) China Partners Consultancy Limited (“**CPC**”) is a private company incorporated in Hong Kong, which is principally engaged in the provision of consultancy services. The Group has redeemed the CPC’s corporate bond during the year ended 31 December 2018.
- (c) Tech Pro Technology Development Limited (“**Tech Pro**”) (Stock code: 3823) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Stock Exchange. It is principally engaged in the manufacturing and sale of LED lighting products and accessories, provision of energy efficiency projects, promotion and development of a professional football club, and provision of property leasing and sub-leasing services.

Reference is made to the announcement of Tech Pro dated 29 March 2018, the publication of the annual results of Tech Pro from the year ended 31 December 2017 onwards would be delayed as more time is required for the auditor of Tech Pro to perform and complete its audit procedures in respect of the annual results (including but not limited to the review of the results of the investigation by the Special Investigation Committee which is ongoing).

19. 按公允價值計入損益之財務資產 (續)

附註：

- (a) E-Com Holdings Pte. Ltd. (“**E-Com**”) 於新加坡註冊成立之私人公司，主要從事為新加坡和其他亞洲地區之小學生提供中文網絡平台教育。年內概無宣派或收取股息 (二零一七年：零港元)。

截至二零一八年十二月三十一日止年度，未經審核綜合利潤淨額約502,000新加坡元 (相等於約2,920,000港元) (二零一七年：經審核綜合利潤淨額約581,000新加坡元，相等於約3,297,000港元)。於二零一八年十二月三十一日，該等未經審核綜合資產淨額約3,014,000新加坡元 (相等於約17,326,000港元) (二零一七年：經審核綜合資產淨額約2,450,000新加坡元，相等於約14,326,000港元)。

於報告期末，本集團持有E-Com有效的股權權益超過20%。於E-Com的投資不會入賬為關聯公司因為本集團於E-Com的財務及經營政策沒有任何重大影響或參與其決策過程。據此，於E-Com的投資初次確認時指定為按公允價值計入損益之財務資產。

於二零一八年及二零一七年十二月三十一日，本集團於E-Com股權權益之賬面值超過本集團的總資產10%。

- (b) 中國合伙人諮詢有限公司 (“**中國合伙人諮詢**”) 為一間於香港註冊成立之私人公司，其主要從事諮詢服務。截至二零一八年十二月三十一日止年度，本集團已贖回中國合伙人諮詢的公司債券。
- (c) 德普科技發展有限公司 (“**德普**”)，股份代號：3823) 於開曼群島註冊成立為獲豁免有限責任公司，其股份於聯交所上市。其主要從事製造及銷售LED照明產品及配件、提供節能項目、推廣及發展職業足球俱樂部以及提供物業租賃及分租服務。

茲提述德普日期為二零一八年三月二十九日的公告，德普由截至二零一七年十二月三十一日止年度起的年度業績公告將會延遲刊發，原因是德普的核數師需更多時間執行及完成與年度業績有關的審計程序 (包括但不限於由特別調查委員會正在進行的業績審核調查)。

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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

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

For the six months ended 30 June 2017, the unaudited consolidated net loss attributable to owners of Tech Pro was approximately RMB59,636,000 (equivalent to approximately HK\$68,963,000) and the basic loss per share was RMB0.81cent (equivalent to HK0.92cent). As at 30 June 2017, the unaudited consolidated net asset value was approximately RMB832,322,000 (equivalent to approximately HK\$999,294,000).

As at 31 December 2018 and 2017, the carrying amount of the Group's interest in the shares of Tech Pro is less than 10% of the total assets of the Group:

- (d) State Energy Group International Assets Holdings Limited ("State En Assets") (Stock code: 918) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange. It is principally engaged in the sourcing, marketing and selling of garments, and property investments.

For the six months ended 30 September 2018, the unaudited consolidated net loss attributable to owners of State En Assets was approximately HK\$22,413,000 (31 March 2018: audited consolidated net gain approximately HK\$10,916,000) and the basic loss per share was HK2.74 cents (31 March 2018: basic earnings per share was HK1.72 cents). At 30 September 2018, the unaudited consolidated net asset value was approximately HK\$29,899,000 (31 March 2018: audited consolidation net assets approximately HK\$54,003,000).

As at 31 December 2018 and 2017, the carrying amount of the Group's interest in the shares of State En Assets is less than 10% of the total assets of the Group.

The investments in unlisted equity investment and unlisted corporate bond at 31 December 2018 and 2017 were, upon initial recognition, recognised by the Group as financial assets at FVTPL. The financial assets at FVTPL which are managed and their performances evaluated on a fair value basis, in accordance with the Group's investment strategy. Their performances are regularly reviewed by the key management personnel of the Group.

19. 按公允價值計入損益之財務資產 (續)

附註：(續)

截至二零一七年六月三十日止六個月，德普擁有人應佔未經審核綜合虧損淨額約59,636,000人民幣(相等於約68,963,000港元)及每股基本虧損為0.81分人民幣(相等於0.92仙港幣)。於二零一七年六月三十日，未經審核綜合資產淨值約832,322,000人民幣(相等於約999,294,000港元)。

於二零一八年及二零一七年十二月三十一日，本集團於德普股權權益之賬面值低過本集團的總資產10%。

- (d) 國能集團國際資產控股有限公司(「國能國際資產」，股份代號：918)於百慕達註冊成立為獲豁免有限責任公司，其股份於聯交所上市。其主要從事服裝之採購、市場推廣及銷售以及物業投資。

截至二零一八年九月三十日止六個月，國能國際資產擁有人應佔未經審核綜合虧損淨額約22,413,000港元(二零一八年三月三十一日：經審核綜合收益淨額約10,916,000港元)及每股基本虧損為2.74港仙(二零一八年三月三十一日：每股基本盈利1.72港仙)。於二零一八年九月三十日，未經審核綜合資產淨值約29,899,000港元(二零一八年三月三十一日：經審核綜合資產淨值：約54,003,000港元)。

於二零一八年及二零一七年十二月三十一日，本集團於國能國際資產股權權益之賬面值低過本集團的總資產10%。

於二零一八年及二零一七年十二月三十一日之投資於非上市股本投資及非上市公司債券於初步確認時由本集團確認為按公允價值計入損益之財務資產。按公允價值計入損益之財務資產，根據本集團之投資策略按公允價值基準管理及評估其表現。該等資產之表現會由本集團之主要管理人員定期檢討。

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

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The fair values of unlisted equity investment and corporate bond were assessed by the directors of the Company with reference to the professional valuation carried out by Peak Vision Appraisals Limited, an independent qualified professional valuer.

The market value of listed equity investments were determined based on the quoted market bid prices available on the Stock Exchange at 31 December 2018 and 2017.

Details of the fair value measurement are set out in note 7 of the consolidated financial statements.

20. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		Notes 附註	2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Non-current asset	非流動資產			
Rental deposit	租賃按金		2,372,498	2,372,498
Current assets	流動資產			
Other receivables	其它應收賬	(a)	2,417,346	2,628,552
Less: Allowance for credit loss	減：信用損失準備	(b)	(2,317,127)	—
Rental and utility deposits	租金及水電按金	(b)	100,219	2,638,552
Prepaid services fee	預付服務費		151,350	128,970
			630,766	399,324
			882,335	3,156,846

Notes:

- (a) Includes in the brokers' accounts of HK\$60,219 (2017: HK\$60,219) which is held by collateralised securitization vehicles in segregated deposit fund.
- (b) Other receivable due from Huge Profit of approximately HK\$2,317,000 has been recognised as impairment loss during the year ended 31 December 2018 (2017: HK\$nil).

19. 按公允價值計入損益之財務資產 (續)

非上市股本投資及公司債券之公允價值均由本公司董事經參考獨立合資格專業估值師滙鋒評估有限公司進行之專業估值釐定。

上市股本投資之市場價值乃根據於二零一八年及二零一七年十二月三十一日於聯交所之市場買入報價釐定。

公允價值計量的詳述載於綜合財務報表附註7。

20. 其他應收款、按金及預付款項

附註：

- (a) 經紀賬目包括為數60,219港元(二零一七年：60,219港元)之款項，該等款項於獨立存款基金內由已抵押證券化工具持有。
- (b) 其他應收鴻利款項約2,317,000港元已確認為截至二零一八年十二月三十一日止年度減值虧損(二零一七年：零港元)。

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

21. CASH AND BANK BALANCES

21. 現金及銀行結餘

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Deposits with banks	銀行存款	14,414,460	30,876,053
Cash in hand	庫存現金	32,058	31,066
		14,446,518	30,907,119

Included in cash and cash equivalents in the consolidated statement of financial position are the following amounts denominated in a currency other than the functional currency of the group entity to which they related:

綜合財務狀況表內之現金及現金等價物包括下列以集團實體相關功能貨幣以外貨幣計值之金額：

		2018 二零一八年	2017 二零一七年
RMB	人民幣	-	684

22. CREDITORS AND ACCRUED EXPENSES

22. 應付款項及預提費用

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Accrued expenses	預提費用	2,243,696	1,435,312
Other payables	其他應付款項	726,000	100,000
		2,969,696	1,535,312

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23. UNSECURED BORROWINGS

23. 無抵押借貸

			2018	2017
			二零一八年	二零一七年
		Notes	HK\$	HK\$
		附註	港元	港元
Current liabilities	流動負債			
— Loans from a director	— 董事之貸款	a	10,996,041	11,873,360
— Loan from a licensed money lending company	— 持牌放債公司貸款	b	9,985,535	9,985,680
— Loans from third parties	— 第三方貸款	c	996,282	1,007,113
			21,977,858	22,866,153
Non-current liability	非流動負債			
— Loans from third parties	— 第三方貸款	c	4,013,389	4,894,148
			25,991,247	27,760,301

Notes:

(a) Loans from a director

The loans included loans advanced of approximately HK\$10,377,000 (2017: approximately HK\$10,591,000) and loan interest payable of approximately HK\$619,000 (2017: approximately HK\$1,282,000). The loans were obtained from a director, The Ultimate Controlling Party, on an unsecured basis, bearing fixed interest at 6% per annum and repayable within one year. The Ultimate Controlling Party will not demand repayment of the loans until the Group is financially viable to make the repayment.

(b) Loan from a licensed money lending company

The loan is due to an independent licensed money lending company, bearing fixed interest rate at 10% per annum for a term of one year. The effective interest rate is 10.58% (2017: 10.47%) per annum.

(c) Loans from third parties

The loans are due to independent third parties, bearing fixed interest rate at 6% to 8% (2017: 6% to 8%) per annum for terms of one to five years. The effective interest rate is in the range of 8.78% to 12.16% (2017: 8.78% to 19.03%) per annum.

附註：

(a) 董事之貸款

貸款包括已提貸款約10,377,000港元（二零一七年：約10,591,000港元）及未付之貸款利息約619,000港元（二零一七年：約1,282,000港元）。來自董事（最終控制方）的貸款按無擔保基準，按固定年利率6%計息及須於一年內償還。於本集團在財務上有能力償還款項前最終控制方確認並不會要求本集團還款。

(b) 持牌放債公司貸款

貸款來自獨立持牌放債公司，按固定年利率10%計息及為期一年。實際年利率為10.58%（二零一七年：10.47%）。

(c) 第三方貸款

貸款來自獨立第三方，按固定年利率6%至8%（二零一七年：6%至8%）計息及為期一至五年。實際年利率為8.78%至12.16%（二零一七年：8.78%至19.03%）。

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

23. UNSECURED BORROWINGS (Continued)

Notes: (Continued)

An analysis of unsecured borrowings presented based on the repayment terms is as follows:

23. 無抵押借貸 (續)

附註：(續)

根據還款條款，無抵押之借貸分析呈列如下：

		At 31 December 2018 於二零一八年 十二月三十一日 HK\$ 港元	At 31 December 2017 於二零一七年 十二月三十一日 HK\$ 港元
The carrying amounts of the above borrowings were repayable:	以上未還借貸之賬面值：		
Within one year	一年內	21,977,858	22,866,153
Within a period of more than one year but not exceeding two years	超過一年內但不多過兩年內	1,005,428	983,610
Within a period of more than two years but not exceeding five years	超過兩年內但不多過五年內	3,007,961	3,910,538
		25,991,247	27,760,301

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24. CORPORATE BONDS

The corporate bonds (“**Bond(s)**”) recognised in the consolidated statement of financial position were calculated as follows:

24. 公司債券

載於綜合財務狀況表之公司債券（「債券」）計算如下：

		Unlisted bond ("Bond I") 非上市債券 (「債券I」) HK\$ 港元 note (a) 附註(a)	Unlisted bond ("Bond II") 非上市債券 (「債券II」) HK\$ 港元 note (b) 附註(b)	Unlisted bond ("Bond III") 非上市債券 (「債券III」) HK\$ 港元 note (c) 附註(c)	Unlisted bond ("Bond IV") 非上市債券 (「債券IV」) HK\$ 港元 note (d) 附註(d)	Unlisted bond ("Bond V") 非上市債券 (「債券V」) HK\$ 港元 note (e) 附註(e)	Unlisted bond ("Bond VI") 非上市債券 (「債券VI」) HK\$ 港元 note (f) 附註(f)	Unlisted bond ("Bond VII") 非上市債券 (「債券VII」) HK\$ 港元 note (g) 附註(g)	Total 總計 HK\$ 港元
At 1 January 2017	於二零一七年 一月一日	9,899,234	2,349,911	8,705,950	9,525,959	-	-	-	30,481,054
Effective interest expenses	實際利息開支	1,014,435	254,995	926,078	821,121	-	-	-	3,016,629
Interest paid	利息支付	(500,000)	(150,000)	(700,000)	(700,000)	-	-	-	(2,050,000)
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	10,413,669	2,454,906	8,932,028	9,647,080	-	-	-	31,447,683
Principal value of the Bonds on initial recognition	債券初次確認之 本金值	-	-	-	-	10,000,000	10,000,000	10,000,000	30,000,000
Direct transaction costs	直接交易成本	(500,000)	-	-	-	(1,150,000)	(1,350,000)	(1,650,000)	(4,650,000)
		9,913,669	2,454,906	8,932,028	9,647,080	8,850,000	8,650,000	8,350,000	56,797,683
Effective interest expenses	實際利息開支	765,317	266,787	951,029	832,134	184,773	176,686	51,328	3,228,054
Interest paid	利息支付	(500,000)	(150,000)	(700,000)	(700,000)	-	-	-	(2,050,000)
At 31 December 2018	於二零一八年 十二月三十一日	10,178,986	2,571,693	9,183,057	9,779,214	9,034,773	8,826,686	8,401,328	57,975,737

The effective interest rate of the Bond I, II, III, IV, V, VI and VII are 10.43%, 21.58%, 10.73%, 8.75%, 6.99%, 7.38% and 11.22% per annum respectively.

債券I、II、III、IV、V、VI及VII之實際年利率分別為10.43%、21.58%、10.73%、8.75%、6.99%、7.38%及11.22%。

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24. CORPORATE BONDS (Continued)

Notes:

- (a) From previous year, the Company issued an unsecured corporate bond to an independent private investor through the placing agent at a principal amount of HK\$10,000,000 with effective date from 29 January 2015 which is repayable on the date falling 3 years from the date of issue of the corporate bond, which is 29 January 2018. During the year, the Company has entered into an extension corporate bond agreement to extend the maturity date of Bond I from 29 January 2018 to 29 January 2020 (the “**Maturity Date I**”) with interest rate changed from 5% to 6% per annum starting from 30 January 2018.

Bond I carries a fixed interest rate at 6% per annum for the period from 30 January 2018 to 29 January 2020 and 5% per annum before 30 January 2018 payable annually in arrears on 29 January in each year (“**Interest Payment Date I**”), provided that the first Interest Payment Date I shall fall on 29 January 2016 and the final repayment of the interest shall be on the Maturity Date I.

- (b) From previous year, the Company issued an unsecured corporate bond to an independent private investor through the placing agent at a principal amount of HK\$3,000,000 with effective date from 17 March 2015 which is repayable on the date falling 7 years from the date of issue of the corporate bond, which is 17 March 2022 (the “**Maturity Date II**”).

Bond II carries a fixed interest rate at 5% per annum payable semi-annually in arrears on 17 March and 17 September in each year (“**Interest Payment Date II**”), provided that the first Interest Payment Date II shall fall on 17 September 2015 and the final repayment of the interest shall be on the Maturity Date II.

- (c) From previous year, the Company issued an unsecured corporate bond to an independent private investor through the placing agent at a principal amount of HK\$10,000,000 with effective date from 15 July 2015 which is repayable on the date falling 7 years from the date of issue of the corporate bond, which is 15 July 2022 (the “**Maturity Date III**”).

Bond III carries a fixed interest rate at 7% per annum payable annually in arrears on 15 July in each year (“**Interest Payment Date III**”), provided that the first Interest Payment Date III shall fall on 15 July 2016 and the final repayment of the interest shall be on the Maturity Date III.

24. 公司債券 (續)

附註:

- (a) 自前年，本公司透過配售代理向一名獨立私人投資者發行了本金額10,000,000港元無抵押之公司債券，於二零一五年一月二十九日生效，自發行日期起計為期三年，到期日為二零一八年一月二十九日。於年內，本公司已訂立公司債券延期償付協議，將債券I之到期日自二零一八年一月二十九日延長至二零二零年一月二十九日（「**到期日I**」），自二零一八年一月三十日起，年利率由5%變為6%。

債券I於二零一八年一月三十日至二零二零年一月二十九日止期間按固定年利率6%計息及於二零一八年一月三十日前按固定年利率5%計息，利息於每年一月二十九日（「**利息付款日I**」）到期支付，首個利息付款日I為二零一六年一月二十九日及最後償付利息日為到期日I。

- (b) 自前年，本公司透過配售代理向一名獨立私人投資者發行了本金額3,000,000港元無抵押之公司債券，於二零一五年三月十七日生效，須自發行日期起計滿七年當日（即二零二零年三月十七日（「**到期日II**」））償還。

債券II按固定年利率5%計息，利息於每年三月十七日及九月十七日半年支付（「**利息付款日II**」），首個利息付款日II為二零一五年九月十七日及最後償付利息日為到期日II。

- (c) 自前年，本公司透過配售代理向一名獨立私人投資者發行了本金額10,000,000港元無抵押之公司債券，於二零一五年七月十五日生效，須自發行日期起計滿七年當日（即二零二零年七月十五日（「**到期日III**」））償還。

債券III按固定年利率7%計息，利息於每年七月十五日（「**利息付款日III**」）到期支付，首個利息付款日III為二零一六年七月十五日及最後償付利息日為到期日III。

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24. CORPORATE BONDS (Continued)

Notes: (Continued)

- (d) From previous year, the Company issued an unsecured corporate bond to an independent private investor through the placing agent at a principal amount of HK\$10,000,000 with effective date from 13 April 2016 which is repayable on the date falling 7 years from the date of issue of the corporate bond, which is 13 April 2023 (the “**Maturity Date IV**”).

Bond IV carries a fixed interest rate at 7% per annum payable annually in arrears on 13 April in each year (“**Interest Payment Date IV**”), provided that the first Interest Payment Date IV shall fall on 13 April 2017 and the final repayment of the interest shall be on the Maturity Date IV.

- (e) During the year, the Company issued an unsecured corporate bond to an independent private investor through the placing agent at a principal amount of HK\$10,000,000 with effective date from 13 September 2018 which is repayable on the date falling 7 years from the date of issue of the corporate bond, which is 13 September 2025 (the “**Maturity Date V**”).

Bond V carries a fixed interest rate at 5% per annum payable annually in arrears on 13 September in each year (“**Interest Payment Date V**”), provided that the first Interest Payment Date V shall fall on 13 September 2019 and the final repayment of the interest shall be on the Maturity Date V.

- (f) During the year, the Company issued an unsecured corporate bond to an independent private investor through the placing agent at a principal amount of HK\$10,000,000 with effective date from 21 September 2018 which is repayable on the date falling 7 years from the date of issue of the corporate bond, which is 21 September 2025 (the “**Maturity Date VI**”).

Bond VI carries a fixed interest rate at 5% per annum payable annually in arrears on 21 September in each year (“**Interest Payment Date VI**”), provided that the first Interest Payment Date VI shall fall on 21 September 2019 and the final repayment of the interest shall be on the Maturity Date VI.

- (g) During the year, the Company issued an unsecured corporate bond to an independent private investor through the placing agent at a principal amount of HK\$10,000,000 with effective date from 11 December 2018 which is repayable on the date falling 7 years from the date of issue of the corporate bond, which is 11 December 2025 (the “**Maturity Date VII**”).

Bond VII carries a fixed interest rate at 5% per annum payable annually in arrears on 11 December in each year (“**Interest Payment Date VII**”), provided that the first Interest Payment Date VII shall fall on 11 December 2019 and the final repayment of the interest shall be on the Maturity Date VII.

24. 公司債券 (續)

附註：(續)

- (d) 自前年，本公司透過配售代理向一名獨立私人投資者發行了本金額10,000,000港元無抵押之公司債券，於二零一六年四月十三日生效，須自發行日期起計滿七年當日（即二零二三年四月十三日（「**到期日 IV**」））償還。

債券IV按固定年利率7%計息，利息於每年四月十三日（「**利息付款日 IV**」）到期支付，首個利息付款日IV為二零一七年四月十三日及最後還付利息日為到期日IV。

- (e) 於年內，本公司透過配售代理向一名獨立私人投資者發行了本金額10,000,000港元無抵押之公司債券，於二零一八年九月十三日生效，須自發行日期起計滿七年當日（即二零二五年九月十三日（「**到期日 V**」））償還。

債券V按固定年利率5%計息，利息於每年九月十三日（「**利息付款日 V**」）到期支付，首個利息付款日V為二零一九年九月十三日及最後還付利息日為到期日V支付。

- (f) 於年內，本公司透過配售代理向一名獨立私人投資者發行了本金額10,000,000港元無抵押之公司債券，於二零一八年九月二十一日生效，須自發行日期起計滿七年當日（即二零二五年九月二十一日（「**到期日 VI**」））償還。

債券VI按固定年利率5%計息，利息於每年九月二十一日（「**利息付款日 VI**」）到期支付，首個利息付款日VI為二零一九年九月二十一日及最後還付利息日為到期日VI。

- (g) 於年內，本公司透過配售代理向一名獨立私人投資者發行了本金額10,000,000港元無抵押之公司債券，於二零一八年十二月十一日生效，須自發行日期起計滿七年當日（即二零二五年十二月十一日（「**到期日 VII**」））償還。

債券VII按固定年利率5%計息，利息於每年十二月十一日（「**利息付款日 VII**」）到期支付，首個利息付款日VII為二零一九年十二月十一日及最後還付利息日為到期日VII。

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24. CORPORATE BONDS (Continued)

On initial recognition and subsequent measurements, the directors of the Company consider that the principal amount of Bonds approximate to their fair values.

The Company has the right to redeem the outstanding principal amount, in whole or in part, of Bond II, III and IV at any time before the Maturity Date II, III and IV (the “**Redemption Rights**”) with at least 5 clear business days written notice, but the bondholders have no right to require the Company to redeem Bond II, III and IV before the Maturity Date II, III, and IV. The Redemption Rights are regarded as embedded derivatives in the host contract. The Redemption Rights are not recognised in the consolidated financial statements since the directors of the Company consider that the probability of exercise of the Redemption Rights are remote. The directors of the Company have assessed the fair values of the Redemption Rights at initial recognition with reference to the professional valuation carried out by Peak Vision Appraisals Limited, an independent qualified professional valuer, and consider that the fair values were insignificant. Accordingly, the fair values were not accounted for in the consolidated financial statements as at 31 December 2018 and 2017.

By mutual consent, the bondholders have the right to redeem the outstanding principal amount of Bond V, VI and VII at any time two years after the issue date.

24. 公司債券 (續)

於初次確認及期後計量時，本公司董事認為債券的本金額與其公允價值相若。

本公司有權利可於到期日II、III及IV前任何時間發出至少五個營業日的事先書面通知贖回債券II、III及IV之尚未到期本金之全部或部分(「贖回權」)，但債券持有人並沒有權利要求本公司在到期日II、III及IV前贖回債券II、III及IV。贖回權被認為是主合同的內含衍生工具。由於本公司董事認為行使贖回權之可能性甚微，故該贖回權並未於綜合財務報表內確認。於初次確認時，本公司董事經參考獨立合資格專業估值師滙鋒評估有限公司進行之專業估值認為評估贖回權之公允價值並不重要。因此，於二零一八年及二零一七年十二月三十一日兩者之公允價值並未載於綜合財務報表內。

經雙方同意，債券持有人有權於發行日後兩年內任何時間贖回債券V、VI及VII之尚未到期本金額。

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25. SHARE CAPITAL

25. 股本

		Note	Number of ordinary shares of HK\$0.0125 each 每股面值 0.0125港元 之普通股數目	HK\$
		附註		港元
Authorised:	法定：			
At 1 January 2017, 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年一月一日、 二零一七年十二月三十一日、 二零一八年一月一日及 二零一八年十二月三十一日		80,000,000,000	1,000,000,000
Issued and fully paid:	已發行及繳足：			
At 1 January 2017	於二零一七年一月一日		1,618,058,784	20,225,735
Placing of shares	配售股份	a	185,500,000	2,318,750
At 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年十二月三十一日、 二零一八年一月一日 及二零一八年十二月三十一日		1,803,558,784	22,544,485

During last year, the movement in the Company's share capital is as follows:

去年，本公司股本之變動如下：

- (a) On 3 August 2017, 185,500,000 ordinary shares of HK\$0.25 placing price per share were issued under the general mandate. Net proceeds of approximately HK\$45,444,000 have been successfully raised through the placing.

- (a) 二零一七年八月三日，每股配售股份0.25港元之價格配售185,500,000股普通股份已按一般授權發行。通過配售成功籌集所得款項淨額約45,444,000港元。

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26. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

26. 融資活動產生負債的對賬

下表詳細列出本集團因融資活動而產生的負債變動，包括現金及非現金變動。融資活動產生的負債是指於本集團綜合現金流量表作為融資活動現金流量的現金流量或未來現金流量。

		Unsecured borrowings 無抵押借貸	Corporate bonds 公司債券	Share capital 股本	Share premium 股份溢價	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
		(Note 23) (附註23)	(Note 24) (附註24)	(Note 25) (附註25)	(Note 35) (附註35)	
At 1 January 2018	於二零一八年一月一日	27,760,301	31,447,683	22,544,485	672,651,012	754,403,481
Changes from financing cash flows:	融資現金流量變動：					
Corporate bonds interest paid	公司債券之利息支付	-	(2,050,000)	-	-	(2,050,000)
Loans interest paid	貸款利息支付	(3,479,321)	-	-	-	(3,479,321)
Net proceeds from issue of corporate bonds	發行公司債券之所得款項淨額	-	25,350,000	-	-	25,350,000
Repayment of unsecured loans	償還無抵押借貸	(1,213,879)	-	-	-	(1,213,879)
Total changes from financing cash flows	融資現金流量變動總額	(4,693,200)	23,300,000	-	-	18,606,800
Other change:	其他變動：					
Interest expenses (Note 12)	利息開支 (附註12)	2,924,146	3,228,054	-	-	6,152,200
At 31 December 2018	於二零一八年十二月三十一日	25,991,247	57,975,737	22,544,485	672,651,012	779,162,481

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27. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted by members of the Company on 22 May 2015. The purpose of the Scheme is to reward and provide incentives to eligible participants and encourage them to contribute to the Group. Under the Scheme, the Board may at their discretion, at any time following the date of the adoption of the Scheme but before the tenth anniversary of that date, grant share options to eligible participants, including directors of the Company and its subsidiaries and any other persons including consultants, advisors, agents, customers, suppliers, etc. to subscribe for shares in the Company.

The exercise price of share options is the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of offer of the grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of offer of the grant. An offer of an option shall be deemed to have been accepted within 30 days from the date of offer upon acceptance of the option duly signed by the grantee together with a remittance of HK\$1. The maximum number of securities available for issue under the Scheme shall not exceed 10% of the issued capital of the Company. The maximum entitlement of each grantee in any 12-month period is limited to 1% of the ordinary shares in issue of the Company. The option period will not be more than ten years from the date of grant of the option and the Board may at its discretion determine the minimum period for which the option has to be held or other restriction before the exercise of the subscription right attaching thereon.

During the year ended 31 December 2018 and 2017, no option was granted, exercised or cancelled.

27. 購股權計劃

本公司股東於二零一五年五月二十二日通過採納本公司購股權計劃（「此計劃」）。此計劃的目的是為了使本公司可向合資格參與者提供回報及獎勵，並鼓勵彼等為本集團作出貢獻。根據此計劃，本公司董事會可酌情於採納此計劃之日後但該日期之第十週年前之任何時間，向合資格參與者（包括本公司及其附屬公司之董事及任何其他人士，有關人士包括諮詢人、顧問、代理、客戶、供應商等）授出購股權以認購本公司股份。

購股權的行使價為股份的票面值、股份於購股權要約授予日期在聯交所錄得的收市價及股份於截至購股權要約授予日期前五個營業日在聯交所錄得的平均收市價三者中的最高數額。在授予購股權起計30日內，當附有1港元匯款的承受人正式簽署的購股權接納函件已收取，則視作購股權已被接納。根據此計劃可授出之購股權所涉及之股份總數，最多不得超過本公司已發行股本之10%。每名承受人的購股限制為在任何十二個月期間限於本公司已發行普通股的1%。購股權的有效年期由授出購股權當日起計不得超逾十年。本公司董事會可酌情決定參與者在行使購股權所附認購權前必須持有購股權的最短期限或其他限制。

於截至二零一八年及二零一七年十二月三十一日止年度內，概無購股權獲授出、行使或註銷。

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28. NET (LIABILITY) ASSET VALUE PER SHARE

As at 31 December 2018 and 2017, the net (liability) value and net asset value per share of the Company was (HK\$0.0292) and HK\$0.0003 respectively. The net (liability) asset value per share is calculated by dividing the net (liabilities) in the consolidated financial position of approximately (HK\$52,694,000) (2017: net assets of approximately HK\$574,000) by the number of 1,803,558,784 (2017: 1,803,558,784) ordinary shares as at 31 December 2018.

29. OPERATING LEASE COMMITMENTS The Group as lessee

Minimum lease payments paid under operating leases during the year:

年內就下列項目根據經營租約已付之最低租金：

— Premises — 物業

— Office equipment — 辦公室設備

28. 每股(負債)資產淨值

於二零一八年及二零一七年十二月三十一日，本公司之每股(負債)淨值及資產淨值分別為(0.0292港元)及0.0003港元。每股(負債)資產淨值乃按綜合財務狀況中的(負債)淨額約(52,694,000港元)(二零一七年：資產淨值約574,000港元)除以於二零一八年十二月三十一日的1,803,558,784股(二零一七年：1,803,558,784股)普通股計算。

29. 經營租約承擔 本集團作為承租人

	2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Minimum lease payments paid under operating leases during the year:		
— Premises — 物業	8,281,665	8,965,314
— Office equipment — 辦公室設備	44,389	44,100
	8,326,054	9,009,414

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29. OPERATING LEASE COMMITMENTS

(Continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises and office equipment which fall due as follows:

		Premises 物業		Office equipment 辦公室設備	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Within one year	一年內	1,596,185	8,875,913	41,400	44,453
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	4,629	3,468,129	158,255	–
		1,600,814	12,344,042	199,655	44,453

Operating lease payments represent rentals payable by the Group for its premises and office equipment. Operating leases are negotiated and payments are fixed for an average term of 2 years.

30. PLEDGE OF ASSETS

At the end of the reporting period, no margin facility (2017: HK\$nil) from a regulated securities broker was granted to the Group under which financial assets at FVTPL of HK\$nil (2017: approximately HK\$466,000) were treated as collateral for the facilities granted.

29. 經營租約承擔 (續)

於報告期末，本集團根據不可撤銷經營租約就租賃物業及辦公室設備須承擔之未來最低租金按到期日劃分如下：

經營租約租金指本集團就其物業及辦公室設備應付之租金。經營租約由各方商訂，平均固定付款年期為兩年。

30. 資產抵押

於報告期末，本集團概無獲一間受規管證券經紀行授予孖展信貸（二零一七年：零港元），當中按公允價值計入損益之財務資產約零港元（二零一七年：約466,000港元）被視為所獲信貸之抵押品。

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31. RETIREMENT BENEFITS SCHEME

Defined benefit plan

The Group operates a Mandatory Provident Fund Scheme (the “MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000 (2017: HK\$30,000). Contributions to the plan vest immediately.

The total costs charged to the consolidated statement of profit or loss and other comprehensive income in the sum of approximately HK\$184,000 (2017: approximately HK\$179,000) represents contributions payable to the MPF scheme in Hong Kong.

32. RELATED PARTY DISCLOSURES

(a) Transactions

The Group had the following significant related party transactions during the year which were carried out in the normal course of the Group’s business:

Name of related party 關連方名稱	Nature of transaction 交易性質	2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Fortune Legendary 財富榮耀	Investment management fee (Note 1) 投資管理費 (附註1)	2,220,000	1,279,580
	Income from office sharing (Note 1) 來自共用辦公室之收入 (附註1)	(760,000)	(453,864)
The Ultimate Controlling Party 最終控制方	Loan interest expenses (Note 2) 貸款利息開支 (附註2)	622,681	635,443

31. 退休福利計劃

退休金計劃

本集團根據香港強制性公積金計劃條例按僱傭條例下聘用之僱員參加香港強制性公積金計劃(「強積金計劃」)。強積金計劃的指定供款退休計劃由獨立的受託人管理。根據強積金計劃，僱主及其僱員須各自供出僱員相關收入的5%於計劃內，上限為相關每月收入30,000港元(二零一七年：30,000港元)。該計劃供款即時授予。

於綜合損益及其他全面收益表扣除之成本總額約184,000港元(二零一七年：約179,000港元)，即須於香港向強積金計劃支付之供款。

32. 關連方披露

(a) 交易

本集團於年內在本集團日常業務過程中進行下列重大的關連方交易：

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

32. RELATED PARTY DISCLOSURES (Continued)

(a) Transactions (Continued)

Notes:

- (1) Pursuant to the investment management agreement dated 27 March 2014 made between Fortune Legendary and the Company, the Company pays Fortune Legendary an investment management fee for the period from 13 May 2014 to 4 July 2017 payable monthly in advance at 2% per annum of the net asset value of the Company on the basis of the actual number of days elapsed in the relevant month.

On 5 July 2017, the Company entered into the supplemental agreement with Fortune Legendary to revise the fee to a monthly fixed investment management fee of HK\$185,000 for the period from 5 July 2017 to 31 December 2019.

Fortune Legendary is deemed to be a connected party of the Group pursuant to Rule 14A.08 of the Listing Rules.

- (2) On 1 June 2016, the Company entered into a licence agreement with Fortune Legendary to charge a monthly office sharing fee of HK\$11,733 and a monthly fee capped at HK\$5,000 for office equipment for the period from 1 June 2016 to 31 May 2019.

On 1 September 2017, the Company entered into a supplemental licence agreement with Fortune Legendary to revised the monthly office sharing fee from HK\$11,733 to HK\$75,000.

On 1 November 2018, the Company entered into a supplemental licence agreement with Fortune Legendary to revised the monthly office sharing fee from HK\$75,000 to HK\$20,000.

- (3) The loans from a director were unsecured and repayable on or before the maturity date with fixed interest rate at 6% per annum. Details are set out in note 23(a) of the consolidated financial statements.

32. 關連方披露 (續)

(a) 交易 (續)

附註:

- (1) 根據財富榮耀與本公司所訂立日期為二零一四年三月二十七日之投資管理協議，本公司將向財富榮耀支付投資管理費，由二零一四年五月十三日至二零一七年七月四日期間按月提前支付，金額按於本公司資產淨值之年率2%，以及相關月份已度過之實際天數計算。

於二零一七年七月五日，本公司與財富榮耀訂立補充協議，由二零一七年七月五日至二零一九年十二月三十一日期間將投資管理費用修訂為固定每月185,000港元。

根據上市規則規則14A.08，財富榮耀被視為本集團之關連方。

- (2) 於二零一六年六月一日，本公司與財富榮耀訂立使用許可協議，由二零一六年六月一日至二零一九年五月三十一日期間收取共用辦公室費每月11,733港元及使用辦公室設備每月上限5,000港元。

於二零一七年九月一日，本公司與財富榮耀訂立使用許可的補充協議，將共用辦公室費每月由11,733港元修訂為75,000港元。

於二零一八年十一月一日，本公司與財富榮耀訂立使用許可的補充協議，將共用辦公室費每月由75,000港元修訂為20,000港元。

- (3) 董事之貸款為無抵押及需於到期日或之前償還，按固定年利率6%計息。詳述載於綜合財務報表附註23(a)。

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32. RELATED PARTY DISCLOSURES (Continued)

(b) Balances

At the end of the reporting period, the amounts due to related parties are as follows:

Name of related party 關連方名稱	Nature of balance 結餘性質	2018	2017
		二零一八年 HK\$ 港元	二零一七年 HK\$ 港元
Fortune Legendary 財富榮耀	Other receivables — Income from office sharing receivable 其他應收款項 — 來自共用辦公室 之收入	40,000	—
The Ultimate Controlling Party 最終控制方	Loans and interest incurred from a director 董事之貸款及利息	(10,996,041)	(11,873,360)

(c) Compensation of key management personnel

Remuneration for key management personnel, including amounts paid to the directors of the Company as disclosed in note 14 is as follows:

32. 關連方披露 (續)

(b) 結餘

於報告期末，應付關連方之款項如下：

(c) 主要管理人員補償

主要管理人員之酬金（包括支付予本公司董事（如附註14所披露）之數額）如下：

		2018	2017
		二零一八年 HK\$ 港元	二零一七年 HK\$ 港元
Directors' fee 董事袍金		4,870,484	4,380,000
Salaries, allowance and other benefits in kind 薪金、津貼及其他實物福利		1,056,000	1,056,000
Discretionary bonuses 酌情花紅		453,000	453,000
Contributions to MPF Scheme 強積金計劃供款		18,000	18,000
		6,397,484	5,907,000

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33. INTERESTS IN SUBSIDIARIES

Details of the subsidiaries are set out as follows:

33. 於附屬公司之權益

附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Paid up issued/ registered ordinary share capital 繳足已發行/ 註冊普通股股本	Proportion ownership interest and voting power held by the Company				Principal activities 主要業務
			Directly 直接 2018 二零一八年	Indirectly 間接 2018 二零一八年	Directly 直接 2017 二零一七年	Indirectly 間接 2017 二零一七年	
Gold Basin Invest Limited	Hong Kong 香港	HK\$1 1港元	100	-	100	-	Investment holdings 投資控股
King Phoenix Investments Limited 鳳皇投資有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	-	-	100	-	Investment holdings 投資控股
Eagle Ride Investment Holdings (Singapore) Pte. Ltd.	Singapore 新加坡	S\$1 1新加坡元	-	-	100	-	Investment holdings 投資控股
Energy Supreme Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100	-	100	-	Investment holdings 投資控股
Fortuneway Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100	-	100	-	Investment holdings 投資控股
Sunluck Investment Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100	-	100	-	Investment holdings 投資控股
Winning Point Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	-	100	Inactive 暫無活動

None of the subsidiaries had any debt securities outstanding during or at the end of reporting period.

The Company deregistered Eagle Ride Investment Holdings (Singapore) Pte. Ltd. on 18 February 2019.

於報告期內或於報告期末，概無附屬公司有任何尚未償還之債務證券。

於二零一九年二月十八日，本公司註銷 Eagle Ride Investment Holdings (Singapore) Pte. Ltd.。

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34. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 December 2018, the following significant subsequent events took place:

- (a) In February 2019, the Company signed an extension agreement with a Hong Kong licensed money lending company for an unsecured loan of HK\$8,000,000 to extend the repayment due date from January 2019 to January 2020, bearing interest at 10% per annum, subject to the condition that the Group will pay the entire amount of interest for the whole extension period in the sum of HK\$800,000 in advance on 1 February 2019, and the said HK\$800,000 has been paid on that date;
- (b) In February 2019, the Company has entered into a subscription agreement with an independent private investor to issue corporate bond through the placing agent with the principal amount of HK\$10,000,000, bearing interest at 5% per annum and for a period of 7 years effective from 1 February 2019;
- (c) In March 2019, the Company entered into a facility agreement with a company incorporated in Anguilla, an independent third party, which it agreed to provide an unsecured loan facility of HK\$50,000,000 with fixed interest rate of 16% per annum for a period of 18 months; and
- (d) In March 2019, the Company commenced a legal proceeding against Huge Profit and Mr. Shu Zhong Wen, the sole shareholder and director of Huge Profit, claiming for the settlement of the outstanding debt.

34. 於報告期後事項

於二零一八年十二月三十一日後發生以下重大期後事項：

- (a) 於二零一九年二月，本公司與香港持牌放債公司已就一筆8,000,000港元之無抵押貸款簽署延長協議，以將還款到期日由二零一九年一月延長至二零二零年一月，以年利率10%計息，並以本集團將於二零一九年二月一日預付總額800,000港元於整個延長期間所產生之利息全額為條件，及於該日已支付所述的800,000港元的利息；
- (b) 於二零一九年二月，本公司與一名獨立私人投資者訂立認購協議，以透過配售代理發行公司債券，本金額為10,000,000港元，年利率為5%，有效期從二零一九年二月一日起為7年；
- (c) 於二零一九年三月，本公司與一間在安圭拉註冊成立的公司（獨立第三方）訂立融資協議，該第三方同意提供50,000,000港元的無抵押貸款融資，固定年利率為16%，為期18個月；及
- (d) 於二零一九年三月，本公司向鴻利及鴻利的唯一股東及董事舒中文先生提起法律訴訟，以追討未償還債務。

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35. COMPANY INFORMATION OF FINANCIAL POSITION 35. 公司財務狀況報表

(a) Financial information of the financial position of the Company

(a) 本公司財務狀況表之財務資料

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Non-current assets	非流動資產		
Furniture, fixtures and equipment	傢俬、裝置及設備	1,513	1,184,919
Financial assets at fair value through profit or loss	按公允價值計入損益之財務資產	16,540,214	18,424,082
Rental deposit	租賃按金	2,372,498	2,372,498
		18,914,225	21,981,499
Current assets	流動資產		
Financial assets at fair value through profit and loss	按公允價值損益之財務資產	-	5,271,920
Other receivables, deposits and prepayments	其他應收款、按金及預付款項	827,173	3,114,658
Cash and bank balances	現金及銀行結餘	14,326,984	30,790,444
		15,154,157	39,177,022
Current liabilities	流動負債		
Creditors and accrued expenses	應付款項及預提費用	1,759,696	1,031,312
Unsecured borrowings	無抵押借款	21,977,858	22,866,153
		23,737,554	23,897,465
Net current (liabilities) assets	流動(負債)資產淨值	(8,583,397)	15,279,557

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35. COMPANY INFORMATION OF FINANCIAL POSITION (Continued)

(a) Financial information of the financial position of the Company (Continued)

35. 公司財務狀況報表 (續)

(a) 本公司財務狀況表之財務資料 (續)

		2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Total assets less current liabilities	資產總值減流動負債	10,330,828	37,261,056
Non-current liabilities	非流動負債		
Unsecured borrowings	無抵押借款	4,013,389	4,894,148
Corporate bonds	公司債券	57,975,737	31,447,683
		61,989,126	36,341,831
NET (LIABILITIES) ASSETS (負債) 資產淨值		(51,658,298)	919,225
Capital and reserves	資本及儲備		
Share capital (Note 25)	股本 (附註25)	22,544,485	22,544,485
Reserves (Note b)	儲備 (附註b)	(74,202,783)	(21,625,260)
(CAPITAL DEFICIENCY) 權益總額(資本不足)			
TOTAL EQUITY		(51,658,298)	919,225

The statement of financial position was approved and authorised for issue by the Board of Directors on 29 March 2019 and are signed on its behalf by:

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，並由以下董事代表簽署：

TUNG SHU SUN

董樹新

Director

董事

CHAN YIU PUN, CLEMENT

陳耀彬

Director

董事

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35. COMPANY INFORMATION OF FINANCIAL POSITION (Continued)

(b) Reserve movement of the Company

(b) 公司儲備變動

		Share premium 股份溢價 HK\$ 港元	Capital redemption reserves 資本贖回儲備 HK\$ 港元	Accumulated losses 累計虧損 HK\$ 港元	Total 總計 HK\$ 港元
At 1 January 2017	於二零一七年一月一日	629,525,998	168,800	(655,164,082)	(25,469,284)
Total comprehensive expenses	全面開支總額	-	-	(39,280,990)	(39,280,990)
Placing of shares	配售股份	43,125,014	-	-	43,125,014
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	672,651,012	168,800	(694,445,072)	(21,625,260)
Total comprehensive expenses	全面開支總額	-	-	(52,577,523)	(52,577,523)
At 31 December 2018	於二零一八年十二月三十一日	672,651,012	168,800	(747,022,595)	(74,202,783)

Capital redemption reserves was derived from the Company by repurchase its own shares pursuant to the approval and shall not exceed 10% of the aggregate nominal of the issued share capital of the Company within the relevant period.

資本贖回儲備來自由本公司按照批准後購回本身股份而得出，數額不得超過本公司於相關期間內已發行股本總面值之10%。

Five Year Financial Summary

五年財務概要

		Year ended 31 December 截至十二月三十一日止年度				
		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
Results	業績					
Revenue	收益	660,685	718,333	350,000	-	-
Loss before tax	除稅前虧損	(53,267,690)	(45,248,621)	(76,815,200)	(60,402,871)	(25,202,733)
Income tax expense	所得稅開支	-	-	-	-	-
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(53,267,690)	(45,248,621)	(76,815,200)	(60,402,871)	(25,202,733)
Assets and liabilities	資產及負債					
Total assets	總資產	34,243,078	61,317,384	61,491,807	94,947,366	116,430,467
Total liabilities	總負債	(86,936,680)	(60,743,296)	(61,112,862)	(46,787,739)	(7,867,969)
Net (liabilities) assets	(負債) 資產淨值	(52,693,602)	574,088	378,945	48,159,627	108,562,498
Share capital	股本	22,544,485	22,544,485	20,225,735	18,750,735	18,750,735
Reserves	儲備	(75,238,087)	(21,970,397)	(19,846,790)	29,408,892	89,811,763
(Capital deficiency) total equity	(資本虧絀) 權益總額	(52,693,602)	574,088	378,945	48,159,627	108,562,498



EAGLE RIDE INVESTMENT HOLDINGS LIMITED
鷹力投資控股有限公司