

51信用卡
51 CREDIT CARD

2019年度報告

2019 ANNUAL REPORT

股份代號 : 2051
Stock Code : 2051



51 信用卡有限公司
51 CREDIT CARD INC.
(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)



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Corporate Information

公司資料

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Sun Haitao (*Chairman and Chief Executive Officer*)

Mr. Yang Yuzhi (*Vice-president*)

Mr. Zhao Ke (*Chief Financial Officer*)

NON-EXECUTIVE DIRECTOR

Ms. Zou Yunli

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Ti

Mr. Ye Xiang

Mr. Xu Xuchu (appointed on 9 April 2020)

Mr. Yang Dong (appointed on 20 June 2019
and resigned on 9 April 2020)

Mr. Wang Zhaocheng (resigned on 20 June 2019)

COMPANY SECRETARY

Ms. Li Hiu Ling

AUTHORISED REPRESENTATIVES

Mr. Zhao Ke

Ms. Li Hiu Ling

AUDIT COMMITTEE

Mr. Wong Ti (*Chairman*)

Ms. Zou Yunli

Mr. Ye Xiang (appointed on 20 June 2019)

Mr. Wang Zhaocheng (resigned on 20 June 2019)

REMUNERATION COMMITTEE

Mr. Ye Xiang (*Chairman*) (appointed as chairman on 20 June 2019)

Mr. Sun Haitao

Mr. Xu Xuchu (appointed on 9 April 2020)

Mr. Yang Dong (appointed on 20 June 2019
and resigned on 9 April 2020)

Mr. Wang Zhaocheng (resigned on 20 June 2019)

董事會

執行董事

孫海濤先生 (*主席兼行政總裁*)

楊宇智先生 (*副總裁*)

趙軻先生 (*首席財務官*)

非執行董事

鄒雲麗女士

獨立非執行董事

汪棣先生

葉翔先生

徐旭初先生 (於2020年4月9日獲委任)

楊東先生 (於2019年6月20日獲委任及
於2020年4月9日辭任)

王朝成先生 (於2019年6月20日辭任)

公司秘書

李曉玲女士

授權代表

趙軻先生

李曉玲女士

審核委員會

汪棣先生 (*主席*)

鄒雲麗女士

葉翔先生 (於2019年6月20日獲委任)

王朝成先生 (於2019年6月20日辭任)

薪酬委員會

葉翔先生 (*主席*) (於2019年6月20日獲委任為主席)

孫海濤先生

徐旭初先生 (於2020年4月9日獲委任)

楊東先生 (於2019年6月20日獲委任及
於2020年4月9日辭任)

王朝成先生 (於2019年6月20日辭任)

NOMINATION COMMITTEE

Mr. Sun Haitao (*Chairman*)
Mr. Ye Xiang
Mr. Xu Xuchu (appointed on 9 April 2020)
Mr. Yang Dong (appointed on 20 June 2019
and resigned on 9 April 2020)
Mr. Wang Zhaocheng (resigned on 20 June 2019)

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

COMPLIANCE ADVISOR

Guotai Junan Capital Limited

PRINCIPAL BANK

Bank of China Limited
Hangzhou Wenyi Sub-branch
No. 310, Wenyi Road, Xihu District
Hangzhou, Zhejiang, PRC

REGISTERED OFFICE

Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

15th Floor, Tower G
Xixigu International Business Center
No. 80 Zixia Road, Xihu District
Hangzhou, Zhejiang
PRC

提名委員會

孫海濤先生 (主席)
葉翔先生
徐旭初先生 (於2020年4月9日獲委任)
楊東先生 (於2019年6月20日獲委任及
於2020年4月9日辭任)
王朝成先生 (於2019年6月20日辭任)

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師

合規顧問

國泰君安融資有限公司

主要往來銀行

中國銀行股份有限公司杭州文一支行
中國浙江省杭州市
西湖區文一路310號

註冊辦事處

Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

總部及中國主要營業地點

中國
浙江省杭州市
西湖區紫霞街80號
西溪谷國際商務中心
G座15樓



Corporate Information

公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1006, 10th Floor
Tower One, Lippo Centre
89 Queensway
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

2051

WEBSITE

www.u51.com

香港主要營業地點

香港
金鐘道89號
力寶中心一座
10樓1006室

主要股份過戶登記處

Tricor Services (Cayman Islands) Limited
Second Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

香港證券登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

股份代號

2051

網址

www.u51.com

Chairman's Statement

主席報告

Dear Shareholders,

2019 marked the second year since our listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). At all times, we are in awe of financial technology. We have been continuously satisfying users' needs, carrying out technology innovation, and actively cooperating with the supervision of the government of the People's Republic of China (the “**PRC**”) to uphold our leading position in the industry. 2019 was a year with opportunities and challenges, and also a year not easy for us. However, thanks to the support from numerous of users, the efficient implementation of the employees and management of 51 Credit Card Inc. (the “**Company**”), we have demonstrated our strength to the world.

During the year, we further increased the investment in technology innovation and maintained competitiveness in the ever-changing financial technology sector. Going forward, we will continue to reach tens of millions of the PRC users with high quality services.

SERVING USERS

With our credit card management platform serving as the entry point, we develop and operate a dynamic and self-reinforcing ecosystem addressing a spectrum of the users' financial needs. On this basis, each of our businesses gradually established a coherent and dynamic financial services ecosystem in a synergistic manner in order to better serve users.

Within the said ecosystem, each of our business segments enhanced user stickiness with diversified and one-stop services. Our unique model has also gained high praise from the market and demonstrated the relatively strong risk resistance ability during the year.

致各位股東：

2019年是我們於香港聯合交易所有限公司（「**聯交所**」）主板上市的第二年。一直以來，我們對金融科技都懷著敬畏之心。我們不斷迎合用戶需求、進行科技創新、以及積極配合中華人民共和國（「**中國**」）政府監管，以保持我們在行業內的領先地位。2019年是機遇與挑戰並存的一年，這一年對於我們來說並不容易。但在廣大用戶的支持、51信用卡有限公司（「**本公司**」）的員工以及管理層的高效執行下，我們向外界展示了我們的實力。

年內，我們進一步加強了科技創新上的投入，並在瞬息萬變的金融科技領域保持競爭力。未來，我們也會繼續以優質的服務觸達中國千千萬萬的用戶。

服務用戶

我們以信用卡管理平台為切入點，開發並運營一個動態且自我強化的生態系統，滿足用戶一系列的金融需求。在此基礎下，我們的各項業務以協同效應的方式逐步建立連貫動態的金融服務生態系統，以更好地服務用戶。

在該生態系統內，我們各業務板塊透過多元化及一站式的服務提升了用戶黏性。我們這種獨有的模式同時也獲得市場的高度評價，並在本年內展現了較強的抗風險能力。



Chairman's Statement

主席報告

COEXISTENCE OF OPPORTUNITIES AND CHALLENGES

In 2019, our business gained various positive progress: our user base continued to grow steadily, as evidenced by the increase of the number of registered users of 51 Credit Card Manager App (the "51 Credit Card Manager App") of approximately 12.8% as compared with the end of the previous year. In addition, the number of credit cards we had managed cumulatively also grew by approximately 16.8% as compared with the end of the previous year.

2019 was a year full of challenges for the financial technology industry. The PRC government has been continuously guiding and regulating the industry through successively issuing a series of regulatory documents. We also took the initiatives to adopt more prudent strategies, including implementing more stringent and cautious risk control and proactively reducing P2P credit facilitation business scale. In addition, the PRC government's remediation and regulation on debt collection industry have caused a large temporary impact on the collection of the outstanding loans facilitated by us. As a result of the above factors, our operating results declined as compared with the corresponding period in 2018.

2019 was also a year full of opportunities for the financial technology industry. During the year, we further expanded our cooperation with financial institutions, and these initiatives helped significantly increase the proportion of funding sources from institutions in our credit facilitation business. All of our new credit facilitation business was funded by financial institutions since November 2019.

Further, we have also been enriching our ecosystem with an aim to provide users with better product experience. With the 51 Credit Card Manager App serving as the entrance, our users enjoy the convenience to purchase wealth management products issued by our partner banks.

機遇與挑戰並存

2019年，我們的業務取得了眾多積極進展：我們的用戶基礎繼續保持穩定的增長，51信用卡管家應用（「51信用卡管家應用」）的註冊用戶數較上年末約增加12.8%；另外，我們累計管理的信用卡數量亦有增長，較上年末約增加16.8%。

2019年是金融科技行業充滿挑戰的一年。中國政府對行業進行了持續引導與規範，陸續出台了一系列監管文件。我們也主動採取了更為審慎的策略，包括實施更為嚴格和謹慎的風險控制及主動降低P2P信貸撮合業務規模。另外，中國政府對催收行業的整治和規範工作，對由我們撮合之借款餘額的回收產生了較大的暫時性影響。因此，受上述事件的影響，我們的經營業績較2018年同期有所下降。

2019年也是金融科技行業充滿機遇的一年。年內，我們進一步加大與金融機構的合作，這些舉措使得機構資金在信貸撮合業務的資金來源佔比中顯著提高。自2019年11月起，我們所有的新增信貸撮合業務的資金均由金融機構提供。

我們也在進一步豐富我們的生態系統以向用戶提供更好的產品體驗。通過51信用卡管家應用的入口，我們的用戶可以很方便的購買我們合作銀行的理財產品。

Chairman's Statement

主席報告

RECOGNITION AND REPUTATION

Up to 2019, we have been listed on the *Hurun New Finance 50* for three consecutive years and granted the *2019 Financial Consumers Protection and Compliance Development Awards*, etc. We are also an executive council member of the National Internet Finance Association of China, the executive president of Hangzhou Internet Finance Association and the vice president of Zhejiang Association of Internet Finance. All these reflected the market recognition we received for our strength.

Benefited from our quality credit card customer base accumulated over the years and our comprehensive ecological services system covering personal credit management services, credit card technology services and online credit facilitation and investment services based on credit card management tools, we have established deep and solid cooperations with various financial institution partners. This will provide adequate support to the long-term and sustainable development of our business.

FUTURE IS PROMISING

Driven by the rapid development of mobile internet, the importance of fintech has been increasing and the PRC financial market still has enormous potential. Therefore, we expect that the credit card industry in the PRC will grow faster and our user base will also continue to expand in 2020. At the same time, directly benefited from the recovery of the personal consumer finance market, our credit facilitation business will also embrace good opportunities for development.

Looking forward to 2020, with our highly compliant operation principles, unique business model, leading technologies and large user base, we will continue to strengthen our competitive advantages in the fintech market in the PRC. Meanwhile, we will also continue to deepen our cooperation with the financial institutions and make full use of our technology capabilities to maintain the continuous and promising development of our business. Last but not least, on behalf of the board (the "Board") of directors (the "Directors") of the Company, I would like to thank all the shareholders (the "Shareholders") of the Company for their support and express my sincere gratitude to all our staff for their dedication and contribution to the Group.

Chairman, Chief Executive Officer and Executive Director

Sun Haitao

30 March 2020

認可與美譽

直至2019年，我們連續三年入選胡潤新金融50強，獲2019年度金融消費者保護與合規發展獎等獎項，並獲授予中國互聯網金融協會常務理事單位、杭州市互聯網金融協會執行會長單位和浙江互聯網金融聯盟副會長單位。這些都是市場對我們實力的認可。

受益於我們多年積累的優質信用卡客群，以及以信用卡管理工具為基礎建立的包含個人信用管理服務、信用卡科技服務、線上信貸撮合及投資服務的全面生態服務體系，我們已與各類金融機構合作夥伴建立了深度紮實的合作基礎，這將為我們業務的長期持續發展提供充分支撐。

未來可期

在移動互聯網高速發展的當下，金融科技的重要性已日益突顯，中國金融市場的潛力仍十分巨大。因此，我們預期2020年中國信用卡行業的增速將進一步提升，我們的用戶基礎也將持續擴大。同時，我們的信貸撮合業務也將直接受益於個人消費金融市場的回暖而迎來發展良機。

展望2020年，我們將憑借高度合規的經營理念、獨特的業務模式、領先的技術水平、龐大的用戶基礎等，持續鞏固在中國金融科技市場的競爭優勢。同時，我們也將繼續深耕與金融機構的合作，加強科技能力輸出，令本公司業務持續向上發展。最後，我謹代表本公司董事（「董事」）會（「董事會」），感謝本公司的全體股東（「股東」）的鼎力支持，亦謹此向全體員工為本集團付出的熱忱投入及貢獻致以誠摯謝意！

主席、行政總裁兼執行董事

孫海濤

2020年3月30日

Management Discussion And Analysis

管理層討論及分析

BUSINESS REVIEW

The Company together with its subsidiaries (collectively, the “Group” or “we”) have created a comprehensive ecosystem built upon a widely-used credit card management platform, 51 Credit Card Manager App. In 2019, we continued to maintain steady growth in user base. The number of registered users of 51 Credit Card Manager App grew 12.8% to approximately 85.6 million as of 31 December 2019 from approximately 75.9 million as of 31 December 2018, and the number of credit cards we had managed cumulatively also grew 16.8% to approximately 143.7 million as of 31 December 2019 from approximately 123.0 million as of 31 December 2018.

業務回顧

本公司及其附屬公司（統稱「本集團」或「我們」）基於廣泛使用的信用卡管理平台51信用卡管家應用建立起全面的生態系統。在2019年，我們的用戶基礎繼續保持穩定的增長。於2019年12月31日，51信用卡管家應用的註冊用戶數由於2018年12月31日的約75.9百萬名增長12.8%達到約85.6百萬名，而我們累計管理的信用卡數量亦由於2018年12月31日止的約123.0百萬張增長16.8%達到於2019年12月31日止約143.7百萬張。

		As of 31 December 2019 於2019年 12月31日 (million) (百萬)	As of 31 December 2018 於2018年 12月31日 (million) (百萬)	Increase % 增加 %
Number of registered users of 51 Credit Card Manager App	51信用卡管家應用 註冊用戶數目	85.6	75.9	12.8%
Number of credit cards we have managed cumulatively	我們累計管理的 信用卡數目	143.7	123.0	16.8%

We have also been enriching our ecosystem to provide the users with better product experience. We have established cooperation with six banks since the trial operation of the bank wealth management product referral business at the end of 2018. Our users can purchase the wealth management products issued by cooperating banks through the entrance on 51 Credit Card Manager App conveniently. As of 31 December 2019, the accumulated transaction amount of the bank wealth management product referral business had reached approximately RMB27.79 billion.

我們也在進一步豐富我們的生態系統以向用戶提供更好的產品體驗。自2018年底銀行理財產品導流業務試運行上線以來，我們已與六家銀行達成合作。通過51信用卡管家應用的入口，我們的用戶可以很方便的購買合作銀行的理財產品。截至2019年12月31日止，銀行理財導流業務的累計交易金額已達約人民幣27.79億元。

Management Discussion And Analysis

管理層討論及分析

2019 was a challenging year for the fintech industry. Regulatory authorities of the PRC have issued a series of documents and guidances, specifying that healthy exiting and transformational development would be the general principle for the P2P industry. More efforts were put on P2P transformation and exiting by regulatory authorities across the PRC, and especially after October 2019, a number of provinces announced to start ceasing all P2P platforms in areas under their administration. Meanwhile, the further development of the special crackdown against organized crimes had an extensive effect on the post-loan debt collection industry. Risks in the personal consumption credit market have risen in a short time as a result of many of the above factors.

To ensure the risks relating to the debt collection business is controllable, we have stopped engaging independent third parties to collect loans which are overdue by thirty days or more since July 2019, and all relevant collection is managed by our professional debt collection teams directly instead. However, on 21 October 2019, our office located in Hangzhou was under the on-site investigation carried out by the relevant PRC government authorities due to the suspected violation of laws and regulations by a debt collection agency we once cooperated with (the "1021 Event", please refer to the announcements of the Company dated 21 and 22 October 2019 respectively, for details). After the occurrence of the 1021 Event, we fully cooperated with the investigation and supervision of the relevant authorities and further improved our compliance awareness. Meanwhile, we made efforts to maintain positive communication and cooperation with our business partners and resumed our daily operations soon thereafter.

The factors above have exposed our business to relatively significant short-term risks. In particular, the default risk of the outstanding loans facilitated by us rose significantly in the fourth quarter of 2019. To cope with these risks, we have proactively adopted more prudent strategies as compared to 2018, including implementing stricter and more cautious risk control, reducing the scale of the credit facilitation business proactively and stopping new facilitations of P2P funds. The balance of our P2P online lending business decreased from approximately RMB13.24 billion as of 31 December 2018 to approximately RMB5.63 billion as of 31 December 2019 and further decreased to approximately RMB3.5 billion as of 29 February 2020.

2019年是金融科技行業充滿挑戰的一年。中國的監管機構陸續出台了一系列文件及指導意見，明確P2P行業以良性清退和轉型發展為主基調。中國各地方的監管部門加速P2P轉型清退力度，特別是2019年10月後，陸續有數個省份發佈公告宣佈開始取締轄區內所有P2P平台。同時，伴隨掃黑除惡運動的深入開展，貸後催收行業受到廣泛影響。上述多種因素導致個人消費信貸市場在短期內風險上升。

為確保與催收業務相關的風險可控，我們從2019年7月開始不再將針對逾期三十天以上借款的貸後催收交由獨立第三方進行，而全部相關催收均由我們的專業催收團隊直接進行。然而於2019年10月21日，本公司位於杭州之辦事處因曾經合作過的一家催收機構涉嫌違法違規行為而接受了中國政府有關部門的上門調查（「1021事件」，詳情請參閱本公司日期分別為2019年10月21日及22日之公告）。1021事件發生後，我們全面配合了有關部門的調查與督導工作，進一步提高了合規意識；同時，我們努力與各業務夥伴保持積極的溝通與協作。我們的日常業務很快恢復了正常運營。

上述一系列因素給我們的業務帶來了較為明顯的短期風險，尤其是2019年第四季度，由我們撮合的借款餘額的違約風險明顯上升。為了應對該等風險，我們主動採取了相較於2018年更為審慎的策略，包括實施更為嚴格和謹慎的風險控制，主動降低信貸撮合業務規模，以及停止了P2P資金的新增撮合。於2019年12月31日，我們的P2P網貸業務餘額已由2018年12月31日的約人民幣132.4億元下降至約人民幣56.3億元，並於2020年2月29日進一步下降至約人民幣35.0億元。

Management Discussion And Analysis

管理層討論及分析

		For the year ended 31 December 截至12月31日止年度				Year-on- year change 同比變動
		2019		2018		
		<i>RMB'000</i>	<i>Percentage of revenue</i>	<i>RMB'000</i>	<i>Percentage of revenue</i>	
		人民幣千元	百分比	人民幣千元	百分比	%
Revenue	收益	2,045,393	100.0%	2,811,994	100.0%	-27.3%
Credit facilitation and service fee	信貸撮合及服務費	1,173,082	57.4%	2,055,531	73.1%	-42.9%
Referral service fee	介紹服務費	289,146	14.1%	203,061	7.2%	42.4%
Credit card technology service fee	信用卡科技服務費	152,261	7.4%	255,676	9.1%	-40.4%
Other revenue	其他收益	430,904	21.1%	297,726	10.6%	44.7%
(Loss)/profit for the year	年度(虧損)/溢利	(1,111,043)		2,168,767		N/A 不適用
Adjusted net (loss)/profit for the year	年度經調整淨(虧損)/溢利	(847,100)		374,204		N/A 不適用

Affected by the risks and strategies above, our total revenue in 2019 decreased from approximately RMB2,812.0 million in 2018 to approximately RMB2,045.4 million, and an adjusted net loss for the year of RMB847.1 million was recorded, mainly due to the decrease in credit facilitation volumes and the increase in expected credit loss ("ECL") under International Financial Report Standard 9 ("IFRS 9") as a result of the rising default risk of outstanding loans facilitated by us.

I. Credit Facilitation Service

In terms of credit facilitation business, affected by the abovementioned regulatory documents, the 1021 Event and other factors, we have adopted a series of measures in 2019, such as reducing business scale, focusing the business on credit card holders with low risks and stopping new facilitations of P2P funds, so as to cope with rising risks relating to personal credit business. In 2019, the overall credit facilitation business scale amounted to approximately RMB23.22 billion, representing a decline compared to 2018. Particularly, the credit facilitation scale attributable to credit card holders amounted to approximately RMB20.09 billion, reaching 86.5% of the overall credit facilitation business scale, and representing an increase as compared to 81.8% in 2018.

受上述風險和策略的影響，我們於2019年度的收益總額由2018年的約人民幣2,812.0百萬元下降至約人民幣2,045.4百萬元，並錄得了年度經調整淨虧損約人民幣847.1百萬元，主要原因是信貸撮合規模的減少及由我們撮合的借款餘額的違約風險上升導致國際財務報告準則第9號（「國際財務報告準則第9號」）下預期信用損失（「預期信用損失」）的增加。

I. 信貸撮合服務

在信貸撮合業務方面，受上述監管文件、1021事件等因素的影響，我們於2019年度採取了降低業務規模、將業務聚焦於風險更低的信用卡持卡人羣以及停止了來源於P2P資金的新增撮合等一系列措施，以應對不斷上升的個人信貸業務的風險。於2019年，我們的信貸撮合業務的總規模為約人民幣232.2億元，相較2018年有一定的下降，其中信用卡持卡人羣的信貸撮合規模為約人民幣200.9億元，佔信貸撮合業務總體規模的比例達86.5%，較2018年的81.8%有所提升。

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Meanwhile, facing increasing risks during the transformation period of the P2P industry, we have also reduced the average loan size and average loan term of our main credit products. These two indicators of the loan products targeting credit card holders have decreased from approximately RMB14,900 and approximately 13.6 months in 2018 to approximately RMB10,600 and approximately 10.5 months in 2019, respectively. Such strategy may reduce our revenue from each loan we facilitated in the short term, but we believe that it can diversify the potential risks more effectively and help us to better achieve sustainable development in the long run.

To adapt to the tightening regulations in the industry and achieve our strategic goal of long-term sustainable development, we have continued to strengthen our cooperation with various financial institutions since 2019. After the 1021 Event and starting from November 2019, all of the new credit facilitation business was funded by financial institutions. Currently, the credit line of the credit facilitation business we secured from financial institution partners is sufficient to support the long-term and healthy development.

- (i) The following table shows the volume, number, average amount and average tenure of loans facilitated targeting credit card holders and non-credit card holders, respectively:

同時，面對P2P行業轉型時期風險加大的現狀，我們還適當縮短了主要信貸產品的平均借款規模和平均借款期限。針對信用卡持有人的貸款產品的此兩個指標分別由2018年的約人民幣14,900元與約13.6個月降低至2019年的約人民幣10,600元與約10.5個月。通過此種策略，雖然短期內會降低我們來自於每筆撮合貸款的收益，但我們相信這樣可以更有效的分散潛在風險，更好地實現公司可持續發展之長遠目標。

為適應行業不斷趨嚴的監管趨勢並實現長期持續發展的戰略目標，2019年以來，我們繼續加大與各類金融機構的合作。1021事件後及自2019年11月起，我們所有的新增信貸撮合業務的資金均由金融機構提供。目前，我們從金融機構合作夥伴獲取的信貸撮合業務的授信額度可以充分支持我們的長期穩健發展。

- (i) 以下表格顯示我們針對信用卡持有人和非信用卡持有人分別的貸款撮合量、筆數、平均借款規模和貸款平均期限：

		Loan products targeting credit card holders 針對信用卡持有人的貸款產品		Loan products targeting non-credit card holders 針對非信用卡持有人的貸款產品	
		For the year ended 31 December 截至12月31日止年度			
		2019 (approximate) (約)	2018 (approximate) (約)	2019 (approximate) (約)	2018 (approximate) (約)
Volume of loan facilitated	貸款撮合量	RMB20,090.7 million 人民幣20,090.7百萬元	RMB20,457.4 million 人民幣20,457.4百萬元	RMB3,126.7 million 人民幣3,126.7百萬元	RMB4,556.7 million 人民幣4,556.7百萬元
Number of loans facilitated	信貸撮合筆數	1.9 million 1.9百萬	1.4 million 1.4百萬	0.5 million 0.5百萬	0.9 million 0.9百萬
Average amount of loans	筆均借款規模	RMB10,600 人民幣10,600元	RMB14,900 人民幣14,900元	RMB6,500 人民幣6,500元	RMB5,000 人民幣5,000元
Average tenure of loans	筆均借款期限	10.5 months 10.5個月	13.6 months 13.6個月	10.1 months 10.1個月	10.2 months 10.2個月

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(ii) The following table shows the proportion of funding sources of the credit facilitation business:

(ii) 以下表格為信貸撮合業務的資金來源佔比情況：

		For the year ended 31 December 截至12月31日止年度	
		2019	2018
Individual investors from 51 Renpin ⁽¹⁾	51人品個人投資者 ⁽¹⁾	60.8%	86.4%
Institutions ⁽²⁾	機構 ⁽²⁾	39.2%	13.6%

Notes:

附註：

(1) 51 Renpin refers to our online investment products.

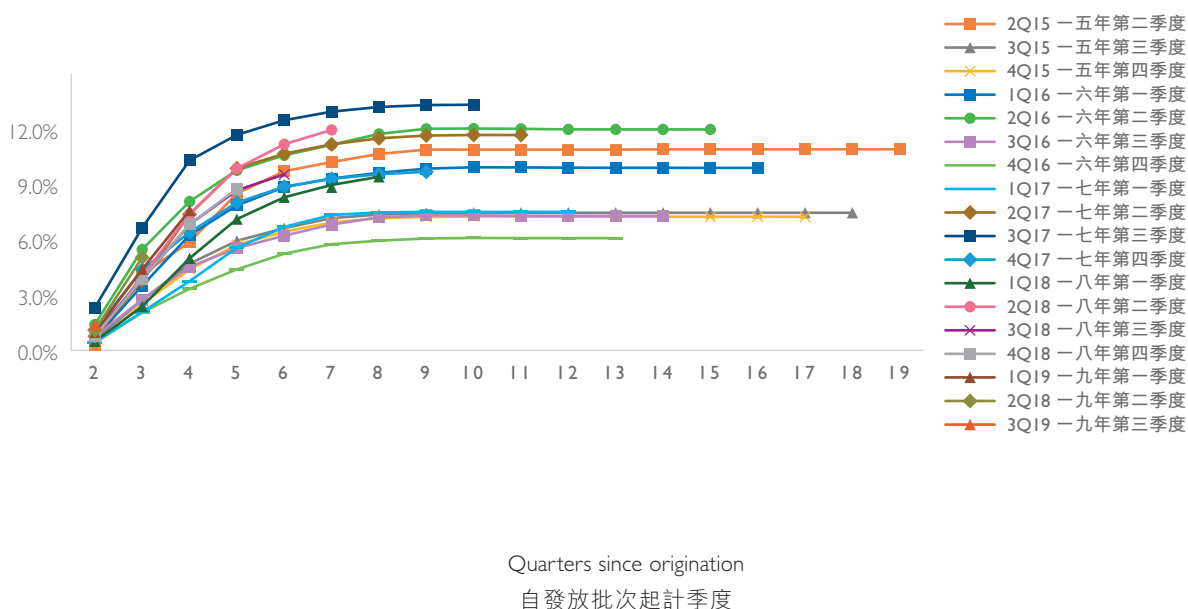
(1) 51人品指我們的線上投資產品。

(2) Institutions include a wholly owned micro loan subsidiary of the Company.

(2) 機構包含一間本公司之網絡小貸全資附屬公司。

(iii) The following chart shows the historical cumulative 90-day plus past due delinquency rates by vintage for loan products targeting credit card holders up to 31 December 2019:

(iii) 以下圖表顯示按批次劃分為針對信用卡持有人的貸款產品截至2019年12月31日的歷史累計逾期九十天以上的違約率：

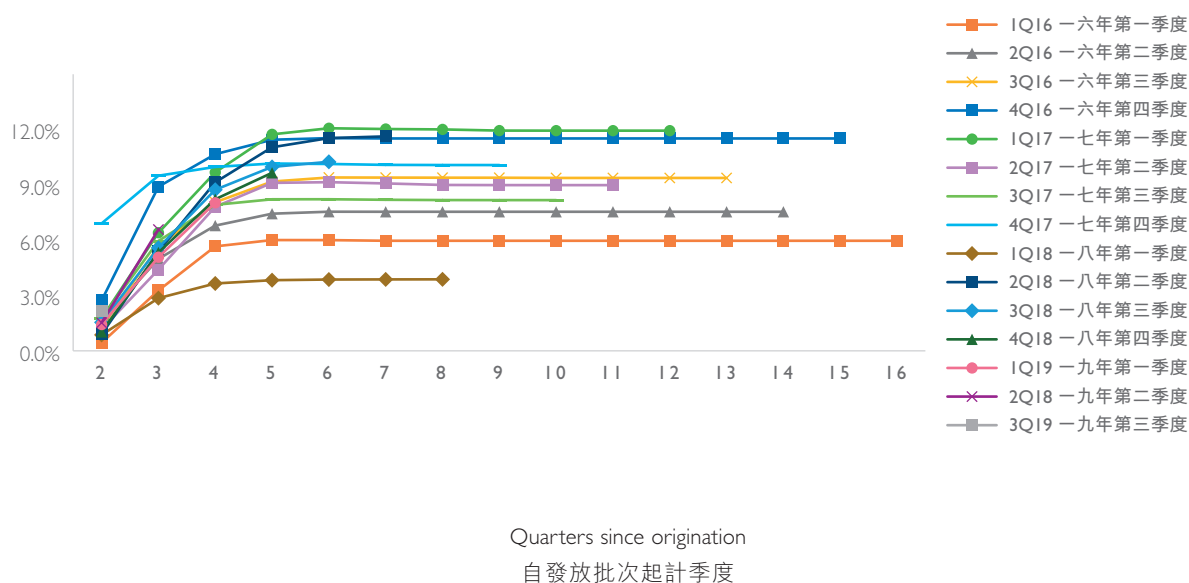


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The following chart shows the historical cumulative 90-day plus past due delinquency rates by vintage for loan products targeting non-credit card holders up to 31 December 2019:

以下圖表顯示按批次劃分為針對非信用卡持有人的貸款產品截至2019年12月31日的歷史累計逾期九十天以上的違約率：



2. Referral Service

Benefiting from the continuous user growth, the improvement in efficiency enabled by the application of technology and the cross-selling opportunities brought by our ecosystem, the referral service fee increased by 42.3% from approximately RMB203.1 million in 2018 to approximately RMB289.1 million in 2019.

3. Credit Card Technology Service

Affected by the macro environment in 2019, our partner banks tightened their risk strategies for the credit card market. Although we have introduced a number of new partner banks, our revenue from credit card technology service decreased from approximately RMB255.7 million in 2018 to approximately RMB152.3 million in 2019.

2. 介紹服務

受益於用戶的持續增長，科技應用所帶來的效率提升以及我們的生態系統所產生的交叉銷售機會，於2019年我們的介紹服務費由2018年的約人民幣203.1百萬元增長了42.3%至約人民幣289.1百萬元。

3. 信用卡科技服務

2019年受宏觀環境影響，我們的合作銀行收緊了信用卡市場的風險策略，雖然我們引入了多家新的合作銀行，但於2019年我們的信用卡科技服務收益由2018年的約人民幣255.7百萬元下降至2019年的約人民幣152.3百萬元。



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FINANCIAL REVIEW

Revenue

Our total revenue decreased by 27.3% from approximately RMB2,812.0 million for the year ended 31 December 2018 to approximately RMB2,045.4 million for the year ended 31 December 2019.

Credit facilitation and service fee decreased by 42.9% from approximately RMB2,055.5 million for the year ended 31 December 2018 to approximately RMB1,173.1 million for the year ended 31 December 2019. We generally collect credit facilitation and service fee from borrowers according to the pre-confirmed fee schedules, recognize in our consolidated financial statements the upfront credit facilitation service fee at the inception of the loan and the post credit facilitation service fee over the loan during the year. Compared with 2018, regulatory authorities applied more stringent management on P2P and debt-collection industries in 2019. Personal consumption credit market had experienced substantial fluctuations. Particularly, the default risk of the outstanding loans facilitated by us increased in the fourth quarter of 2019. To cope with the fluctuations, we proactively reduced the scale of credit facilitation business and shortened the average loan term of major credit products, leading to a decrease in credit facilitation and service fee.

Our referral service fee increased by 42.3% from approximately RMB203.1 million for the year ended 31 December 2018 to approximately RMB289.1 million for the year ended 31 December 2019, primarily driven by the increase in business volume as a result of enhanced efficiency and increased users' demand.

Credit card technology service fee decreased by 40.4% from approximately RMB255.7 million for the year ended 31 December 2018 to approximately RMB152.3 million for the year ended 31 December 2019, mainly because the partner banks in general had adopted rigorous measures with credit card issuance in 2019 as affected by the fluctuations in macro economy, which resulted in a decrease in both the number of credit cards issued to our users through us and the business volume of technology services rendered through our co-branding credit cards as compared to that in the corresponding period in 2018.

財務回顧

收益

我們的收益總額由截至2018年12月31日止年度的約人民幣2,812.0百萬元減少27.3%至截至2019年12月31日止年度的約人民幣2,045.4百萬元。

信貸撮合及服務費由截至2018年12月31日止年度的約人民幣2,055.5百萬元減少42.9%至截至2019年12月31日止年度的約人民幣1,173.1百萬元。我們一般根據預先確認的收費表向借款人收取信貸撮合服務費，在貸款辦理時在合併財務報表中確認前期信貸撮合服務費，並於貸款年內確認後期信貸撮合服務費。於2019年，監管機構對P2P行業和貸後催收行業進行了較2018年度更為嚴格的管理，個人消費信貸市場出現了較明顯的波動，尤其是2019年第四季度的由我們撮合的信貸餘額的違約風險有所上升。為應對波動，我們主動降低了信貸撮合規模並縮短了主要信貸產品的平均借款期限，因而導致了信貸撮合及服務費的下降。

我們的介紹服務費由截至2018年12月31日止年度的約人民幣203.1百萬元增加42.3%至截至2019年12月31日止年度的約人民幣289.1百萬元，主要由效率提升和用戶需求增長帶來的業務量增加所致。

信用卡科技服務費由截至2018年12月31日止年度的約人民幣255.7百萬元減少40.4%至截至2019年12月31日止年度的約人民幣152.3百萬元，主要由於受宏觀經濟波動的影響，2019年合作銀行整體對信用卡發卡業務採取收緊措施，使得通過我們向用戶發行的信用卡數量以及通過我們的聯名信用卡提供科技服務的業務量較2018年同期均有所下降。

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Other revenue increased by 44.7% from approximately RMB297.7 million for the year ended 31 December 2018 to approximately RMB430.9 million for the year ended 31 December 2019, among which (i) the payment service fee increased by 254.5% from approximately RMB75.4 million for the year ended 31 December 2018 to approximately RMB267.3 million for the year ended 31 December 2019, due to the increase in business volume of payment channel service; (ii) the interest income of loans to customers decreased by 69.8% from approximately RMB91.1 million for the year ended 31 December 2018 to approximately RMB27.5 million for the year ended 31 December 2019 primarily due to the lower balance of loans funded by trusts; and (iii) the overdue charges decreased by 65.6% from approximately RMB45.1 million for the year ended 31 December 2018 to approximately RMB15.5 million for the year ended 31 December 2019 primarily due to a decline in the credit facilitation scale in 2019, and the reduction in the percentage of overdue charges for certain products to increase the repayment willingness of the defaulting users.

Operating expenses

Our operating expenses increased by 22.7% from approximately RMB2,746.4 million for the year ended 31 December 2018 to approximately RMB3,370.7 million for the year ended 31 December 2019.

Origination and servicing expenses increased by 14.8% from approximately RMB758.3 million for the year ended 31 December 2018 to approximately RMB870.5 million for the year ended 31 December 2019, including (i) an increase by 68.7% to approximately RMB327.2 million in fund transfer charges for the year ended 31 December 2019 from approximately RMB194.0 million for the corresponding period in 2018 due to the increased payment service business volume; (ii) an increase by 5.4% to approximately RMB235.4 million in external technical service fee for the year ended 31 December 2019 from approximately RMB223.3 million for the corresponding period in 2018 due to the increased demand for third-party technical services such as loan collection services and credit assessment data usage; (iii) a decrease by 16.3% to approximately RMB153.9 million in employee benefit expenses for the year ended 31 December 2019 from approximately RMB183.8 million for the corresponding period in 2018 due to the decrease in headcount as a result of downsizing of the business, despite an increase of approximately RMB0.2 million of share-based compensation expenses; and (iv) an increase by 71.2% to approximately RMB45.7 million in depreciation and amortization for the year ended 31 December 2019 from approximately RMB26.7 million for the corresponding period in 2018, mainly due to the implementation of IFRS 16 Leases during the year.

其他收益由截至2018年12月31日止年度的約人民幣297.7百萬元增加44.7%至截至2019年12月31日止年度的約人民幣430.9百萬元，其中(i)支付服務費由截至2018年12月31日止年度的約人民幣75.4百萬元增加254.5%至截至2019年12月31日止年度的約人民幣267.3百萬元，主要由於支付渠道業務量的增加；(ii)客戶貸款的利息收入由截至2018年12月31日止年度的約人民幣91.1百萬元下降69.8%至截至2019年12月31日止年度的約人民幣27.5百萬元，主要由於通過信託計劃辦理的貸款餘額下降所致；及(iii)逾期費用由截至2018年12月31日止年度的約人民幣45.1百萬元下降65.6%至截至2019年12月31日止年度的約人民幣15.5百萬元，主要由於2019年度信貸撮合規模的下降，以及我們下調了部份產品的逾期費用比例以提升違約用戶的還款意願。

經營開支

我們的經營開支由截至2018年12月31日止年度的約人民幣2,746.4百萬元增加22.7%至截至2019年12月31日止年度的約人民幣3,370.7百萬元。

辦理及服務開支由截至2018年12月31日止年度的約人民幣758.3百萬元增加14.8%至截至2019年12月31日止年度的約人民幣870.5百萬元，其中(i)支付服務業務量的增加，令截至2019年12月31日止年度的資金轉賬費用由2018年同期的約人民幣194.0百萬元增加68.7%至約人民幣327.2百萬元；(ii)貸款回收服務、信用審核數據使用等第三方技術服務需求的增加，令截至2019年12月31日止年度的外部技術服務費由2018年同期的約人民幣223.3百萬元增加5.4%至約人民幣235.4百萬元；(iii)業務縮減帶來的人員減少使得截至2019年12月31日止年度的僱員福利開支由2018年同期的約人民幣183.8百萬元減少16.3%至約人民幣153.9百萬元，儘管以股份為基礎的薪酬開支增加了約人民幣0.2百萬元；及(iv)國際財務報告準則第16號租賃準則在本年的應用導致截至2019年12月31日止年度的折舊及攤銷由2018年同期的約人民幣26.7百萬元增加71.2%至約人民幣45.7百萬元。



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Sales and marketing expenses decreased by 26.5% from approximately RMB618.2 million for the year ended 31 December 2018 to approximately RMB454.2 million for the year ended 31 December 2019, as we reduced sales and marketing spending in 2019 along with the enhanced operating efficiency and the downsizing of the business.

General and administrative expenses decreased by 29.1% from approximately RMB411.3 million for the year ended 31 December 2018 to approximately RMB291.7 million for the year ended 31 December 2019, which mainly represents (i) the decrease of listing expenses from approximately RMB37.3 million for the year ended 31 December 2018 to nil for the year ended 31 December 2019, as the initial listing of the shares of the (the “Shares”) Company on the Stock Exchange was completed in 2018; and (ii) a decrease by 33.3% to approximately RMB189.4 million in employee benefit expenses for the year ended 31 December 2019 from approximately RMB284.0 million for the corresponding period in 2018 primarily due to the decrease in headcount of administrative staff as a result of the downsizing of the business, including a decrease of approximately RMB77.6 million of share-based compensation expenses.

Research and development expenses decreased by 40.7% from approximately RMB328.6 million for the year ended 31 December 2018 to approximately RMB194.8 million for the year ended 31 December 2019. The demand in research and development personnel decreased in 2019 because of the downsizing of the business and the enhanced efficiency brought by technology application, which caused a decrease of 43.7% in research and development employee benefit expenses to approximately RMB156.0 million for the year ended 31 December 2019 from approximately RMB277.2 million for the corresponding period in 2018, despite an increase in share-based compensation expenses of approximately RMB3.1 million.

銷售及營銷開支由截至2018年12月31日止年度的約人民幣618.2百萬元減少26.5%至截至2019年12月31日止年度的約人民幣454.2百萬元，乃因隨運營效率上升和業務規模縮減，2019年度我們相應縮減了營銷開支所致。

一般及行政開支由截至2018年12月31日止年度的約人民幣411.3百萬元減少29.1%至截至2019年12月31日止年度的約人民幣291.7百萬元，主要指(i)由於本公司股份(「股份」)的首次於聯交所上市已於2018年完成，上市開支由截至2018年12月31日止年度的約人民幣37.3百萬元減少至截至2019年12月31日止年度的無；及(ii)業務規模縮減帶來的行政人員減少，令截至2019年12月31日止年度的僱員福利開支由2018年同期的約人民幣284.0百萬元減少33.3%至約人民幣189.4百萬元，包括以股份為基礎的薪酬開支減少約人民幣77.6百萬元。

研發開支由截至2018年12月31日止年度的約人民幣328.6百萬元減少40.7%至截至2019年12月31日止年度的約人民幣194.8百萬元。由於業務縮減及科技應用帶來的效率提升，2019年對研發人員的需求下降，導致研發僱員福利開支由2018年同期的約人民幣277.2百萬元減少43.7%至截至2019年12月31日止年度的約人民幣156.0百萬元，儘管以股份為基礎的薪酬開支增加了約人民幣3.1百萬元。

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Other losses, net increased by 147.6% from approximately RMB629.9 million for the year ended 31 December 2018 to approximately RMB1,559.5 million for the year ended 31 December 2019, which mainly represents (i) the fair value loss on financial assets at fair value through profit or loss (“FVPL”) amounted to approximately RMB137.3 million for the year ended 31 December 2019, mainly as we disposed of a number of financial assets at FVPL in 2019. Affected by macroeconomic environment, the disposal prices (being the fair values upon the disposals) of certain financial assets at FVPL were higher than their investment cost but lower than their fair value assessed at the end of 2018, leading to the recognition of the fair value loss on financial assets at FVPL in 2019. No financial assets at FVPL was disposed of in the corresponding period in 2018, therefore no loss on the disposal of financial assets at FVPL was recorded; (ii) the quality assurance fund loss increased by 148.2% to a loss of approximately RMB858.5 million for the year ended 31 December 2019 from a loss of approximately RMB345.9 million for the year ended 31 December 2018, as a result of the fluctuating personal credit market in 2019. The delinquency performance of the credit business in 2019 was worse than the corresponding period in 2018. Meanwhile, the downsizing of the new credit facilitation business scale in 2019 also resulted in higher proportion of the defaulting users in the balance of the loan products than the corresponding period in 2018; (iii) the ECL for financial assets other than quality assurance fund receivable/payable increased by 57.5% to approximately RMB407.0 million for the year ended 31 December 2019 from approximately RMB258.4 million for the year ended 31 December 2018, mainly due to increasing difficulties in the collection of contract assets as a result of the fluctuations in the industry; (iv) the impairment loss for the year ended 31 December 2019 amounted to approximately RMB184.7 million, mainly consisting of approximately RMB145.8 million of impairment loss of goodwill. We will adopt a more conservative strategy for our business in response to increasing risks of the personal credit market. For instance, we will have the scale of credit facilitation maintained at a relatively low level over a period of time, and such strategy is expected to contribute to less future cash inflow of the Group, which would result in impairment of goodwill. There is no impairment of goodwill in the corresponding period in 2018 as the implemented strategy was less conservative than that of 2019; and (v) the interest expenses to trust senior tranche holders decreased by 80.0% to approximately RMB8.9 million for the year ended 31 December 2019 from approximately RMB44.6 million for the year ended 31 December 2018, as a result of a lower balance of loans funded by trusts.

其他虧損淨額由截至2018年12月31日止年度的約人民幣629.9百萬元增加147.6%至截至2019年12月31日止年度的約人民幣1,559.5百萬元，主要指(i)截至2019年12月31日止年度按公允價值計入損益(「按公允價值計入損益」)的金融資產的公允價值虧損為約人民幣137.3百萬元，主要由於我們於2019年度處置了數支按公允價值計入損益的金融資產，受宏觀環境影響，部份按公允價值計入損益的金融資產的處置價格(以處置時公允價值為準)高於投資成本但低於2018年末評估的公允價值，導致2019年度確認了按公允價值計入損益的金融資產的公允價值虧損。而2018年同期未出售過任何按公允價值計入損益的金融資產，因此無出售按公允價值計入損益的金融資產虧損；(ii)質保基金虧損由截至2018年12月31日止年度的虧損約人民幣345.9百萬元增加148.2%至截至2019年12月31日止年度的虧損約人民幣858.5百萬元，由於受到2019年度個人信貸市場波動的影響，2019年度的信貸業務的違約表現不及2018年同期，同時2019年度新增信貸撮合規模的下降導致貸款產品餘額中已違約用戶的佔比也高於2018年同期；(iii)除應收／應付質量保證金以外的金融資產的預期信用損失由截至2018年12月31日止年度的約人民幣258.4百萬元增加57.5%至截至2019年12月31日止年度的約人民幣407.0百萬元，主要由於受行業波動的影響，合約資產的回收難度增加；(iv)截至2019年12月31日止年度的資產減值損失約為184.7百萬元，主要為商譽減值損失約人民幣145.8百萬元。為進一步應對個人信貸市場上升的風險，我們對業務將採取更加審慎的策略，如一段時間內將撮合信貸之規模維持在較低水平，預計該等策略將導致本集團未來現金流入的減少，因而導致了商譽的減值，而2018年同期我們採取的策略不及2019年保守，因此商譽未發生減值；及(v)信託優先級持有人的利息開支由截至2018年12月31日止年度的約人民幣44.6百萬元減少80.0%至截至2019年12月31日止年度的約人民幣8.9百萬元，主要為通過信託計劃辦理的貸款餘額下降所致。



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Share of net loss of associates accounted for using equity method

Share of net loss of associates accounted for using equity method increased by 153.8% from a loss of approximately RMB1.3 million for the year ended 31 December 2018 to a loss of approximately RMB3.3 million for the year ended 31 December 2019, mainly because of a greater amount of loss of several associates in 2019 than that in the corresponding period in 2018.

Fair value gain of preferred shares

The fair value gain of preferred shares was nil for the year ended 31 December 2019, while the fair value gain of preferred shares amounted to approximately RMB1,942.2 million for the year ended 31 December 2018, as all preferred shares had been converted to ordinary shares in 2018 with the initial listing of the Shares on the Main Board of the Stock Exchange.

Fair value gain of financial liability at FVPL

Fair value gain of financial liability at FVPL decreased by 53.0% from approximately RMB98.4 million for the year ended 31 December 2018 to approximately RMB46.2 million for the year ended 31 December 2019, mainly because the decrease in the amount in the market value of the financial liability in 2019 was less than that in the corresponding period in 2018.

Finance expenses, net

Finance expenses, net decreased by 79.5% from approximately RMB24.4 million for the year ended 31 December 2018 to approximately RMB5.0 million for the year ended 31 December 2019. The decrease was mainly attributable to the decrease in interest expenses due to the reduction in amount of indebtedness.

Income tax credit

Income tax credit increased by 100.2% from an income tax credit of approximately RMB88.1 million for the year ended 31 December 2018 to an income tax credit of approximately RMB176.4 million for the year ended 31 December 2019, mainly because the quality assurance fund loss, the ECL for financial assets other than quality assurance fund receivable/payable and impairment loss that had been provided but not yet incurred as at 31 December 2019 were higher than that in the corresponding period in 2018, and such items were deductible when incurred, which resulted in higher corresponding income tax credit.

分佔使用權益法入賬的聯營公司虧損淨額

分佔使用權益法入賬的聯營公司虧損淨額由截至2018年12月31日止年度的虧損約人民幣1.3百萬元增加153.8%至截至2019年12月31日止年度的虧損約人民幣3.3百萬元，由於數家聯營公司於2019年年度虧損金額高於2018年同期所致。

優先股公允價值收益

截至2019年12月31日止年度無優先股公允價值收益，而截至2018年12月31日止年度的優先股公允價值收益為約人民幣1,942.2百萬元，乃由於全部優先股已於2018年股份首次於聯交所主板上市時轉換為普通股。

按公允價值計入損益的金融負債的公允價值收益

按公允價值計入損益的金融負債的公允價值收益由截至2018年12月31日止年度的約人民幣98.4百萬元減少53.0%至截至2019年12月31日止年度約人民幣46.2百萬元，主要由於2019年度該金融負債市場價值的下降金額低於2018年同期。

財務開支淨額

財務開支淨額由截至2018年12月31日止年度的約人民幣24.4百萬元減少79.5%至截至2019年12月31日止年度的約人民幣5.0百萬元。該項減少主要反映債務金額減少導致的利息開支減少。

所得稅抵免

所得稅抵免由截至2018年12月31日止年度的所得稅抵免約人民幣88.1百萬元增加100.2%至截至2019年12月31日止年度的所得稅抵免約人民幣176.4萬元，主要是於2019年12月31日已計提但未實際發生的質保基金虧損、除應收／應付質量保證金以外的金融資產的預期信用損失和資產減值損失高於2018年同期，而此等項目在實際發生時可以進行納稅抵扣，導致相應的所得稅抵免亦較高。

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(Loss)/profit for the year

Our (loss)/profit for the year decreased from a net profit of approximately RMB2,168.8 million for the year ended 31 December 2018 to a net loss of approximately RMB1,111.0 million for the year ended 31 December 2019, primarily because (i) all preferred shares had been converted to ordinary shares in 2018 with the initial listing of the Shares on the Main Board of the Stock Exchange and the fair value gain of preferred shares decreased to nil for the year ended 31 December 2019 from approximately RMB1,942.2 million for the year ended 31 December 2018; (ii) credit facilitation and service fee decreased from approximately RMB2,055.5 million for the year ended 31 December 2018 to approximately RMB1,173.1 million for the year ended 31 December 2019 due to the smaller scale of credit product facilitation and shorter average tenure in 2019 than that in the corresponding period in 2018; and (iii) the quality assurance fund loss increased to a loss of approximately RMB858.5 million for the year ended 31 December 2019 from a loss of approximately RMB345.9 million for the year ended 31 December 2018, as a result of the fluctuations in the industry in 2019.

Non-IFRS measures

We compensate for the limitations of the non-IFRS measures by reconciling the non-IFRS financial measures to the nearest IFRS performance measure, all of which should be considered when evaluating our performance.

The adjusted net loss for the year ended 31 December 2019 was approximately RMB847.1 million, compared with the adjusted net profit of approximately RMB374.2 million for the year ended 31 December 2018.

年度(虧損)/溢利

我們的年度(虧損)/溢利由截至2018年12月31日止年度的溢利淨額約人民幣2,168.8百萬元減少至截至2019年12月31日止年度的虧損淨額約人民幣1,111.0百萬元，主要由於(i)全部優先股已於2018年本公司股份首次於聯交所主板上市時轉換為普通股，使優先股公允價值收益由截至2018年12月31日止年度的約人民幣1,942.2百萬元下降至截至2019年12月31日止年度的零；(ii)受2019年度信貸產品撮合規模以及平均期限低於2018年同期的影響，信貸撮合及服務費由截至2018年12月31日止年度的約人民幣2,055.5百萬元降低至截至2019年12月31日止年度的約人民幣1,173.1百萬元；及(iii)受2019年度行業波動的影響，質保基金虧損由截至2018年12月31日止年度的虧損約人民幣345.9百萬元增加至截至2019年12月31日止年度的虧損約人民幣858.5百萬元。

非國際財務報告準則計量

我們透過非國際財務報告準則財務計量與最近期的國際財務報告準則表現計量之間的對賬消除非國際財務報告準則計量的該等限制，所有計量均應於評估我們的表現時予以考慮。

截至2019年12月31日止年度的經調整淨虧損為約人民幣847.1百萬元，而截至2018年12月31日止年度經調整溢利為約人民幣374.2百萬元。

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The following table reconciles our adjusted net (loss)/profit in the years presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is (loss)/profit for the year:

下表載列所呈列經調整淨(虧損)/溢利與根據國際財務報告準則計算及呈列的最直接可資比較財務計量(即年度(虧損)/溢利)的對賬:

		For the year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Adjusted net (loss)/profit	經調整淨(虧損)/溢利		
Net (loss)/profit	淨(虧損)/溢利淨額	(1,111,043)	2,168,767
Adjusted for:	就以下各項做出調整:		
Share-based compensation expenses	以股份為基礎的薪酬開支	130,553	204,920
Fair value gain of preferred shares	優先股的公允價值收益	–	(1,942,221)
Fair value gain of financial liability at FVPL	按公允價值計入損益的 金融負債公允價值收益	(46,160)	(98,448)
Fair value loss of financial assets at FVPL	按公允價值計入損益的 金融資產公允價值虧損	33,762	3,911
Impairment loss of goodwill	商譽減值損失	145,788	–
Listing expenses	上市相關開支	–	37,275
Adjusted net (loss)/profit	經調整淨(虧損)/溢利	(847,100)	374,204

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Liquidity, Financial Resources and Gearing

The Group maintained a net cash position throughout the year under review. Our net cash positions as at 31 December 2019 and 31 December 2018 are as follows:

		As at 31 December 2019 於2019年 12月31日 RMB' million 人民幣百萬元	As at 31 December 2018 於2018年 12月31日 RMB' million 人民幣百萬元
Cash and cash equivalents	現金及現金等價物	1,283	1,206
Liquid investments	短期投資	–	569
Borrowings	借款	(169)	(603)
Net cash	淨現金	1,114	1,172

Cash and cash equivalents include cash at banks and other short-term deposits with original maturities of three months or less. Liquid investments are primarily wealth management products issued by banks and held with the primary objective of generating income at a yield higher than current deposit bank interest rates. All liquid investments were expired in 2019. Our cash and cash equivalents and liquid investments are denominated in the United States dollars (the "US dollars"), Renminbi ("RMB") and Hong Kong dollars.

For the year ended 31 December 2019, the Group recorded net cash inflow of approximately RMB77.0 million, primarily as a result of net cash flow generated from operating activities of approximately RMB200.5 million and net cash flow generated from investing activities of approximately RMB577.9 million, offset by net cash used in financing activities of approximately RMB705.4 million.

The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The gearing ratio, calculated as total borrowings divided by total assets, was 2.9% as at 31 December 2019 (31 December 2018: 8.0%).

流動資金及財務資源及資本負債比率

本集團於整個回顧年度保持淨現金狀況。我們截至2019年12月31日及2018年12月31日的淨現金狀況如下：

現金及現金等價物包括銀行現金及原屆滿期限為三個月或以下的其他短期存款。短期投資主要是銀行發行的理財產品，持有其目的主要是以高於現行銀行存款利率的收益率產生收入。於2019年，所有短期投資均已到期。我們的現金及現金等價物和短期投資以美元（「美元」）、人民幣（「人民幣」）及港元計值。

截至2019年12月31日止年度，本集團錄得淨現金流入約人民幣77.0百萬元，主要是由於經營活動產生的淨現金流量約人民幣200.5百萬元以及投資活動產生的淨現金流量約人民幣577.9百萬元，被融資活動所用現金淨額約人民幣705.4百萬元抵銷。

本集團通過維持足夠現金儲備、銀行融資及儲備借款融資，持續監察預測及實際現金流量及匹配金融資產及負債的屆滿期限管理流動資金風險。

於2019年12月31日，資產負債比率（按借款總額除以總資產計算）為2.9%（2018年12月31日：8.0%）。

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The following table sets forth the maturity profile of our borrowings within the years indicated:

下表載列於所示年度內我們的借款的到期狀況：

		As at 31 December 2019 於2019年 12月31日 RMB' million 人民幣百萬元	As at 31 December 2018 於2018年 12月31日 RMB' million 人民幣百萬元
Within 1 year	一年內	19,821	189,900
1 year to 2 years	一至兩年	121,563	34,056
2 years to 5 years	二至五年	22,056	365,850
Over 5 years	五年以上	5,427	13,196
Total borrowings	借款總額	168,867	603,002

The bank and other borrowings as at 31 December 2019 were denominated in RMB (31 December 2018: RMB).

於2019年12月31日，銀行及其他借款以人民幣計值（2018年12月31日：人民幣）。

Exposure to Fluctuations in Exchange Rates

The Group's subsidiaries primarily operate in the PRC and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollars and Hong Kong dollars.

For the Group's PRC subsidiaries whose functional currency is RMB, if US dollars had strengthened/weakened by 5% against RMB with all other variables held constant, the loss before income tax for the year ended 31 December 2019 would have been approximately RMB2,068,000 higher/lower as a result of net foreign exchange gains/(losses) on translation of net monetary liabilities denominated in US dollars, and the profit before income tax for the year ended 31 December 2018 would have been approximately RMB584,000 higher/lower as a result of net foreign exchange gains/(losses) on translation of net monetary assets denominated in US dollars.

匯率波動風險

本集團的附屬公司主要在中國經營，須承受持有各類貨幣帶來的外匯風險，主要與美元及港元有關。

就本集團旗下功能貨幣為人民幣的中國附屬公司而言，如美元兌人民幣升值／貶值5%，而所有其他變量維持不變，由於換算以美元計值的貨幣負債淨值產生的外匯收益／（虧損）淨額，截至2019年12月31日止年度的除所得稅前虧損將增加／減少約人民幣2,068,000元，由於換算以美元計值的貨幣資產淨值產生的外匯收益／（虧損）淨額，截至2018年12月31日止年度的除所得稅前溢利則增加／減少約人民幣584,000元。

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For the Group's PRC subsidiaries whose functional currency is RMB, if Hong Kong dollars had strengthened/weakened by 5% against RMB with all other variables held constant, the loss before income tax for the year ended 31 December 2019 would have been approximately RMB17,000 lower/higher, and the profit before income tax for the year ended 31 December 2018 would have been approximately RMB5,708,000 higher/lower, as a result of net foreign exchange gains/(losses) on translation of net monetary assets denominated in Hong Kong dollars.

The Group would enter into foreign exchange forward contracts depending on specific circumstance to cover specific foreign currency payments and receipts within the exposure generated from time to time.

Charge on Assets

During the year ended 31 December 2019, the Group had charged its properties located in Building B3, Wenyi West Road, No. 588 Hangzhou, PRC in favour of Wenchuang Branch of Hangzhou Bank for obtaining a mortgage loan of a total sum of RMB53 million.

Significant Investments

For the year ended 31 December 2019, the Group did not have any significant investments.

Material Acquisition and Disposal

For the year ended 31 December 2019, the Group did not have any material acquisition or disposal.

Contingent Liabilities

Save as disclosed in Note 39 to the consolidated financial information as set out in this report, the Group did not have any other material contingent liabilities as at 31 December 2019 (31 December 2018: Nil).

就本集團旗下功能貨幣為人民幣的中國附屬公司而言，如港元兌人民幣升值／貶值5%，而所有其他變量維持不變，由於換算以港元計值的貨幣資產淨值產生的外匯收益／（虧損）淨額，截至2019年12月31日止年度的除所得稅前虧損將減少／增加約人民幣17,000元，截至2018年12月31日止年度的除所得稅前溢利則增加／減少約人民幣5,708,000元。

本集團將視乎情況訂立外匯遠期合約，以涵蓋不時涉及的特定外匯收支。

資產抵押

截至2019年12月31日止年度，本集團已將其坐落於中國杭州文一西路588號首座B3號樓的房產抵押給杭州銀行文創支行，用於獲取抵押貸款人民幣53百萬元。

重大投資

截至2019年12月31日止年度，本集團並無任何重大投資。

重大收購及出售

截至2019年12月31日止年度，本集團並無任何重大收購或出售。

或然負債

除本報告綜合財務報表附註39所披露者外，於2019年12月31日，本集團並無其他重大或然負債（2018年12月31日：無）。



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OUTLOOK

The pneumonia caused by the novel coronavirus was firstly discovered in Hubei Province and then spread throughout the PRC rapidly since January 2020. To prevent further spread of the disease, all local governments in the PRC have put in place rigorous prevention measures, including extension of the Chinese New Year holiday, restriction on public transport, requesting enterprises to delay the resumption of work, etc. The abovementioned measures will have adverse effect on personal consumption financial market in the short term. However, we expect that the demand of personal consumption will rebound after the end of epidemic, leading to further growth in the consumption financial market. We also expect that the PRC government will implement looser monetary policies with the aim to stimulate the economic growth, including increasing the investment in personal consumption lending, reducing the funding cost, etc. Therefore, we foresee that our credit facilitation business and credit card technology service business will make improvements as directly benefiting from the gradual recovery of the personal consumption financial market after the end of epidemic. Meanwhile, we will keep paying attention to the trend of risk changes in the personal consumption financial market and adjust our business strategy in a timely manner to seize the favorable opportunity of development arising from the recovering financial market.

In 2020, we will also prepare for the overall exiting and transforming of the P2P business. Benefiting from our quality customer base of credit card business that we have accumulated over the years, together with our comprehensive ecological service system built on the credit card management tools, which consist of management and repayment of credit cards, personal wealth management, consumer credit and other services, we have established solid cooperation with various financial institutions. Our rich experiences in working with various financial institutions will provide our business with sufficient support for the long-term and sustainable development. We will continuously strengthen the cooperation with financial institutions and enhance the output of our technological capability. In addition, we are now proactively seeking measures to apply for the license for the Internet micro credit business mentioned in the Guidance on the Transformation of Online Lending Information Intermediary Institutions into Pilot Micro Credit Companies in order to fully transform and exit the P2P business. We expect that by seizing the new opportunities arising after the transformation from the license for the Internet micro credit business and based on the cooperation with other financial institutions, our long-term and sustainable development of the credit facilitation business will be supported.

展望

自2020年1月，新型冠狀病毒引發的肺炎在中國湖北省被發現後迅速蔓延全國。為避免疫情進一步惡化，中國各地政府均實施了嚴格的防控措施，例如延長春節假期，限制公共交通，要求企業延後復工時間等。上述措施將在短期內對個人消費金融市場產生不利影響。但我們預計疫情結束後個人消費需求將迎來反彈，帶來消費金融市場的進一步發展。同時我們預期中國政府將出台更為寬鬆的貨幣政策以刺激經濟發展，包括加大個人消費信貸領域的資金投放力度，降低資金成本等。因此，我們預期疫情結束後我們的信貸撮合業務和信用卡科技服務業務均將直接受益於個人消費金融市場的回暖而有所改善。同時，我們將繼續關注個人消費金融市場的風險變化趨勢，適時調整我們的業務策略，抓住金融市場回暖而帶來的發展良機。

2020年我們也將準備P2P業務的全面轉型清退。受益於我們多年積累的優質信用卡客群，以及以信用卡管理工具為基礎而建立的包含信用卡管理、信用卡還款、個人理財及消費信貸等服務的全面生態服務體系，我們已與各類金融機構合作夥伴建立了紮實的合作基礎。我們與金融機構的豐富的合作經驗將為我們業務的長期持續發展提供充分的支撐。我們將繼續深耕與金融機構的合作，加強科技能力輸出。此外，我們正積極探究方法爭取申請《關於網絡借貸信息中介機構轉型為小額貸款公司試點的指導意見》所述之互聯網小貸牌照，以全面完成P2P業務的轉型及清退工作。我們期望轉型後透過互聯網小貸牌照帶來的新機遇以及與其他金融機構的合作為基礎，為信貸撮合業務的長期持續發展提供支撐。

Management Discussion And Analysis

管理層討論及分析

Since the fourth quarter of 2019, pursuant to the promotion made by regulatory authorities of the PRC, P2P operators have begun to connect to the Credit Reference Center of the People's Bank of China (the "Reference Center") successively. Currently, we are in progress of connecting to the Reference Center. With the gradual optimization of the individual credit reference system in the PRC, we believe that the risk performance of individual consumption credit aspect is becoming more stable. We expect to see a favorable movement in the collection of the bad debts arising from previous credit facilitation business.

In conclusion, in the promising and challenging year of 2020, we, by leveraging on our highly compliant business philosophy, unique business model, advanced technology and large user base, with strategic objective of long-term and sustainable development, will continue to maintain our competitive advantages in the financial technology market in the PRC.

自2019年第四季度開始，在中國監管部門之推動下，P2P運營機構開始陸續接入中國人民銀行徵信中心（「徵信中心」）。目前，我們與徵信中心系統的對接正在進行中。我們相信，隨著中國個人信用體系建設的逐步完善，個人消費信貸領域的風險表現也將更加穩定。我們歷史信貸撮合業務所形成的壞賬的回收將迎來利好。

綜上所述，在機遇與挑戰並存的2020年，我們將憑借高度合規的經營理念、獨特的業務模式、領先的技術水平、龐大的用戶基礎等，以長期可持續發展為戰略目標，持續鞏固在中國金融科技市場的競爭優勢。



Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

EXECUTIVE DIRECTORS

Mr. Sun Haitao (孫海濤), aged 39, was appointed as the chairman and an executive Director of the Company in September 2017. Currently, Mr. Sun serves as the chairman of the board of directors, chief executive officer and general manager of Hangzhou Enniu Network Technology Co., Ltd. (杭州恩牛網絡技術有限公司) (“**Hangzhou Enniu**”), and also serves as a director of various subsidiaries of the Company including, among others, Beijing Dingli Chuangshi Technology Co., Ltd. (北京鼎力創世科技有限公司), Hangzhou Yiniu Network Technology Co., Ltd. (杭州義牛網絡技術有限公司), Hangzhou Yeniu Information Technology Co., Ltd. (杭州也牛信息技術有限公司) and Fuzhou Enniu Network Micro Credit Co., Ltd. (撫州市恩牛網絡小額貸款有限公司). Mr. Sun also serves as the chairman and an executive director of China Netcom Technology Holdings Limited (“**China Netcom**”) (listed on GEM of the Stock Exchange, stock code: 8071), a subsidiary of the Company.

Mr. Sun is an entrepreneur. He obtained a bachelor's degree in business administration from Hangzhou Institute of Electronic Industry (now known as the Hangzhou Dianzi University) in the PRC in June 2002. He has been engaging in Internet businesses since 2004, and founded several Internet companies before founding Hangzhou Enniu in 2012. From May 2004 to August 2007, Mr. Sun served as the founder of Hangzhou Aladdin Information & Technology Co., Ltd. (杭州阿拉丁信息科技有限公司) and E City (E都市), a 3D mapping website in the PRC; and from August 2007 to February 2012, Mr. Sun served as the general manager and founder of Hangzhou Fangtoo Information & Technology Co., Ltd. (杭州房途信息科技有限公司), a large online second-hand property platform.

In May 2012, Mr. Sun led the team to create the credit card management mobile application named “51 Credit Card Manager” and the Group has grown to be one of the leading financial technology companies in China during the past few years. Mr. Sun personally has been honored the *Entrepreneur of 2016* by Dark Horse, *2017 Chinese Economic Figures* by SINA and *New Business 100 Annual Actors* by 36Kr, etc.

執行董事

孫海濤先生，39歲，自2017年9月起獲委任為本公司主席兼執行董事。孫先生現為杭州恩牛網絡技術有限公司（「杭州恩牛」）之董事長、行政總裁兼總經理，亦擔任本公司多間附屬公司之董事，其中包括北京鼎力創世科技有限公司、杭州義牛網絡技術有限公司、杭州也牛信息技術有限公司及撫州市恩牛網絡小額貸款有限公司。孫先生亦擔任本公司之附屬公司中彩網通控股有限公司（「中彩網通」）（聯交所GEM上市，股份代號：8071）的主席兼執行董事。

孫先生為一名企業家，於2002年6月獲得中國杭州電子工業學院（現稱杭州電子科技大學）工商管理學士學位。彼自2004年起從事互聯網業務，於2012年成立杭州恩牛前曾創立多間互聯網公司。孫先生於2004年5月至2007年8月為杭州阿拉丁信息科技有限公司及中國三維地圖網站E都市的創辦人，由2007年8月至2012年2月於大型網絡二手房平台杭州房途信息科技有限公司擔任總經理兼創辦人。

於2012年5月，孫先生帶領團隊創辦信用卡管理手機應用程式「51信用卡管家」。本集團在過去數年中成長為中國金融科技領先企業之一。孫先生個人是創業黑馬2016年度創業家稱號獲得者，也是新浪評選出的2017年中國經濟潮流人物，36氪新商業100年度行動者等。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Mr. Yang Yuzhi (楊宇智), aged 32, was appointed as an executive Director in November 2017. Currently, Mr. Yang serves as the vice-president of the Company and director of Hangzhou Enniu, and a director of various subsidiaries of the Company. From June 2010 to October 2012, he served as the regional manager to Beijing LaShou Technology Co., Ltd. (北京拉手科技有限公司); and from February 2014 to February 2016, he served as a director and the chief executive officer of Beijing Dingli Chuangshi Technology Co., Ltd. (北京鼎力創世科技有限公司), a subsidiary of the Company.

Mr. Yang graduated from the Northeast Petroleum University School of Economics and Management in the PRC in July 2013 with a bachelor's degree in engineering management. Mr. Yang was honored the "30 under 30" by Forbes China in 2017.

Mr. Zhao Ke (趙軻), aged 36, was appointed as an executive Director in November 2017. He is also the chief financial officer of the Company. Currently, Mr. Zhao also serves as an executive director of China Netcom and a director of various subsidiaries of the Company including, among others, Hangzhou Enniu. From July 2006 to October 2015, Mr. Zhao served in a number of positions, including as a senior manager of the capital markets services group at the Hong Kong Firm of PricewaterhouseCoopers.

Mr. Zhao graduated from the Xi'an Jiaotong University in the PRC in July 2005 with a bachelor's degree in finance and obtained a master's degree in economics from the University of Ottawa in Canada in October 2006. He was accredited as a certified public accountant by The Chinese Institute of Certified Public Accountants in May 2011 and by the Hong Kong Institute of Certified Public Accountants in May 2015.

楊宇智先生，32歲，自2017年11月起獲委任為執行董事。楊先生現為本公司副總裁及杭州恩牛的董事，及本公司多間附屬公司的董事。彼於2010年6月至2012年10月擔任北京拉手科技有限公司的區域經理及於2014年2月至2016年2月擔任本公司附屬公司北京鼎力創世科技有限公司的董事兼行政總裁。

楊先生於2013年7月畢業於中國東北石油大學經濟管理學院，並獲得工程管理學士學位。楊先生是2017福布斯中國「30位30歲以下精英」稱號獲得者。

趙軻先生，36歲，自2017年11月起獲委任為執行董事。彼亦為本公司之首席財務官。趙先生現時亦擔任中彩網通的執行董事及本公司多間附屬公司的董事，其中包括杭州恩牛之董事。於2006年7月至2015年10月期間，趙先生在羅兵咸永道會計師事務所香港分所歷任多個職務，包括資本市場服務部高級經理。

趙先生於2005年7月畢業於中國西安交通大學，獲得金融學士學位，並於2006年10月獲得加拿大渥太華大學 (the University of Ottawa) 經濟學碩士學位。彼於2011年5月獲中國註冊會計師協會認可為註冊會計師，並於2015年5月獲香港會計師公會認可為註冊會計師。



Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

NON-EXECUTIVE DIRECTOR

Ms. Zou Yunli (鄒雲麗), aged 47, was appointed as a non-executive Director in November 2017. Currently, Ms. Zou also serves as a director of Hangzhou Enniu, a subsidiary of the Company. From October 1994 to June 2010, Ms. Zou served in a number of companies, including Shenzhen Tianjian Xinde Accounting Firm (深圳天健信德會計師事務所有限責任公司), Shenzhen Jingjia Group Co., Ltd. (深圳勁嘉集團股份有限公司) (listed on the Shenzhen Stock Exchange, stock code: 002191) and Shenzhen Tiantu Venture Capital Co., Ltd. (深圳市天圖創業投資有限公司). Ms. Zou joined Tian Tu Capital Co., Ltd. (深圳市天圖投資管理股份有限公司) (National Equities Exchange and Quotations System stock code: 833979) in June 2010 and has held various positions including as a director, the chief financial officer and the chief operational officer.

Ms. Zou obtained a bachelor's degree in auditing from the Zhongnan University of Finance and Economics in the PRC (now known as the Zhongnan University of Economics and Law) in July 1994, a master's degree in professional accountancy from The Chinese University of Hong Kong in December 2004 and an executive master's degree in business administration from The Hong Kong University of Science and Technology in June 2017.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Ti (汪棟), aged 61, was appointed as an independent non-executive Director in February 2018. Mr. Wong joined PricewaterhouseCoopers Zhong Tian (普華永道中天會計師事務所) in December 1990 and has held various positions successively. Mr. Wong served as senior auditor, senior manager and partner in the PricewaterhouseCoopers Zhong Tian before retiring in June 2015. He has nearly 25 years of experience in serving financial service industry clients. Mr. Wong has also served as an independent non-executive director of China Merchants Securities Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600999 and on the Stock Exchange, stock code: 6099) since January 2018.

Mr. Wong obtained a master's degree in business administration from the University of California, Los Angeles in the United States of America (the "United States") in March 1986. He was accredited as a certified public accountant by The Chinese Institute of Certified Public Accountants in October 2002 and a certified public accountant in the United States in May 1993.

非執行董事

鄒雲麗女士，47歲，於2017年11月起獲委任為非執行董事。鄒女士現時亦擔任於本公司附屬公司杭州恩牛的董事。於1994年10月至2010年6月期間，鄒女士先後任職於多間公司，包括深圳天健信德會計師事務所有限責任公司、深圳勁嘉集團股份有限公司（深圳證券交易所上市，股份代號：002191）及深圳市天圖創業投資有限公司。鄒女士於2010年6月加盟深圳市天圖投資管理股份有限公司（全國中小企業股份轉讓系統股份代號：833979）並任職多個職務，包括董事、財務總監及首席運營官。

鄒女士於1994年7月獲得中國中南財經大學（現稱為中南財經政法大學）審計學士學位，於2004年12月獲得香港中文大學專業會計學碩士學位，並於2017年6月獲得香港科技大學高級管理人員工商管理碩士學位。

獨立非執行董事

汪棟先生，61歲，於2018年2月起獲委任為獨立非執行董事。汪先生於1990年12月加盟普華永道中天會計師事務所，並歷任多個職務。於2015年6月退休前，汪先生曾擔任普華永道中天會計師事務所之高級審計師、高級經理及合夥人。彼在服務金融服務行業客戶方面擁有近25年經驗。汪先生亦自2018年1月起擔任招商證券股份有限公司（上海證券交易所上市，股份代號：600999及聯交所上市，股份代號6099）的獨立非執行董事。

汪先生於1986年3月獲得美利堅合眾國（「美國」）加利福尼亞大學洛杉磯分校（the University of California, Los Angeles）工商管理碩士學位。彼於2002年10月取得中國註冊會計師認證的註冊會計師資格，並於1993年5月在美國獲授予註冊會計師資格。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Mr. Ye Xiang (葉翔), aged 56, was appointed as an independent non-executive Director in February 2018. From August 2001 to November 2007, Mr. Ye served in a number of positions, including as a director of China affairs of the Securities and Futures Commission of Hong Kong. Mr. Ye has served as the managing director of Vision Gain Capital Limited (匯信資本有限公司) since November 2007.

Mr. Ye has also served as an independent non-executive director of each of Jinshang Bank Co., Ltd (listed on the Stock Exchange, stock code: 2558) since December 2018, Datang Environment Industry Group Co., Ltd. (listed on the Stock Exchange, stock code: 1272) since June 2015 and Wuling Motors Holdings Limited (listed on the Stock Exchange, stock code: 305) since October 2008.

Mr. Ye obtained a bachelor's degree in engineering from the Zhejiang University in the PRC in July 1983 and obtained a master's degree in economics from the Zhejiang University in the PRC in January 1991. Mr. Ye obtained his doctoral degree in Economics at the Financial Research Institute of the People's Bank of China (中國人民銀行總行金融研究所) in January 1995. He was accredited as a chartered financial analyst by the CFA Institute in September 2004.

Mr. Xu Xuchu (徐旭初), aged 58, was appointed as an independent non-executive Director in April 2020. Mr. Xu joined the Hangzhou Dianzi University in the PRC in June 1989 and is currently a professor at the law school of the said university. Currently, Mr. Xu is also an adjunct professor of the China Academy for Rural Development of the Zhejiang University of the PRC. He has thirty years of experience in economics, management, and sociology.

Mr. Xu obtained a doctorate degree in management from the Zhejiang University of the PRC in June 2005.

Mr. Yang Dong (楊東), aged 44, was appointed as an independent non-executive Director in June 2019. Currently Mr. Yang serves as a director of FinTech and Internet Security Research Center (金融科技與互聯網安全研究中心) and a deputy president of China Securities Law Association (中國法學會證券法學研究會). Mr. Yang served as a director of Chengdu Santai Holding Group Co., Ltd. (成都三泰控股集團股份有限公司) (listed on the Shenzhen Stock Exchange, stock code: 002312) from July 2018 to September 2019, and the vice head of department of the Law School of the Renmin University of China from July 2013 to September 2019. Mr. Yang has resigned as an independent non-executive Director on 9 April 2020.

Mr. Yang obtained a master's degree of law of public relations and a doctoral degree of business law from the Hitotsubashi University of Japan in March 2002 and March 2005, respectively.

葉翔先生，56歲，於2018年2月起獲委任為獨立非執行董事。於2001年8月至2007年11月期間，葉先生歷任多個職務，包括香港證券及期貨事務監察委員會中國事務總監。葉先生自2007年11月起擔任匯信資本有限公司的董事總經理。

葉先生亦分別自2018年12月起擔任晉商銀行股份有限公司（聯交所上市，股份代號：2558），自2015年6月起擔任大唐環境產業集團股份有限公司（聯交所上市，股份代號：1272）及自2008年10月起擔任五菱汽車集團控股有限公司（聯交所上市，股份代號：305）的獨立非執行董事。

葉先生於1983年7月獲得中國浙江大學工程學士學位，並於1991年1月獲得中國浙江大學經濟學碩士學位。葉先生於1995年1月獲得中國人民銀行總行金融研究所經濟學博士學位。彼於2004年9月獲特許金融分析師學會授予特許金融分析師資格。

徐旭初先生，58歲，於2020年4月起獲委任為獨立非執行董事。徐先生於1989年6月加盟中國杭州電子科技大學，現為該校法學院教授。目前，徐先生亦兼任中國浙江大學中國農村發展研究院教授。彼在經濟學、管理學及社會學方面擁有三十年經驗。

徐先生於2005年6月獲得中國浙江大學管理學博士學位。

楊東先生，44歲，自2019年6月起獲委任為獨立非執行董事。楊先生現任金融科技與互聯網安全研究中心主任及中國法學會證券法學研究會副會長。楊先生自2018年7月至2019年9月期間擔任成都三泰控股集團股份有限公司（深圳證券交易所上市，股份代號：002312）的董事，及自2013年7月至2019年9月期間擔任中國人民大學法學院副院長。楊先生於2020年4月9日辭任獨立非執行董事。

楊先生分別於2002年3月及2005年3月於日本國立一橋大學獲得公共關係法碩士學位及商業法博士學位。



Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

SENIOR MANAGEMENT

Mr. Yang Jun (楊軍), aged 46, was appointed as the chief risk officer of the Company in June 2019. From March 2004 to June 2016, Mr. Yang served as directors of several divisions at Discover Financial Services Inc. (a Fortune 500 company). From June 2016 to May 2017, Mr. Yang served as the chief credit officer of Mybank of Ant Financial Services Group, responsible for building an intelligent risk management system. From August 2017 to June 2019, Mr. Yang served as vice president of credit strategy and analytics of SLM Corporation (listed on NASDAQ, NASDAQ: SLM), and successfully launched the company's personal loan and credit card programs. Mr. Yang was resigned as the chief risk officer of the Company on 31 March 2020 and was appointed as the Company's consultant of risk management on 1 April 2020.

Mr. Yang obtained a bachelor's degree in mechanical engineering from the Tianjin University in the PRC in 1996, obtained a master of science degree in management science from the Tianjin University in the PRC in 2000 and obtained a master of art degree in applied economics from the University of Cincinnati in the United States in 2004.

Mr. Zhu Jianfei (朱劍飛), aged 37, was appointed as the vice-president of the Company in May 2015, being in charge of general management affairs such as human resources and administration, etc. From July 2006 to June 2010, Mr. Zhu served in a number of positions at Shanghai Pudong Human Resources Center (浦東新區人才市場). From June 2010 to April 2013, Mr. Zhu served in a number of positions at Cloudary Corporation (盛靈信息技術(上海)有限公司, also known as 盛大文學); and from April 2013 to April 2015, Mr. Zhu served as managing director of DataYes Inc. (通聯數據股份公司).

Mr. Zhu obtained a bachelor's degree in human resources management from the Peking University in the PRC in July 2006 and obtained a master's degree in accounting from the Shanghai University of Finance and Economics in the PRC in June 2012.

Mr. Zhang Xi (章曦), aged 46, was appointed as the vice-president of the Company in June 2016, being in charge of government relations affairs. Currently, Mr. Zhang serves as the general manager of Fuzhou Enniu Network Micro Credit Co., Ltd. (撫州市恩牛網絡小額貸款有限公司), a subsidiary of the Company. He has served as the person in charge of the finance department of the Group since July 2015. From October 2015 to April 2017, he served as a director of Hangzhou Enniu, a subsidiary of the Company. From August 1992 to July 2015, he served in a number of positions including as a supervisor in the personal finance loans department of the Bank of China.

高級管理層

楊軍先生，46歲，自2019年6月起獲委任為本公司首席風控官。楊先生於2004年3月至2016年6月在Discover Financial Services Inc. (財富500強企業)歷任多個事業部總監，於2016年6月至2017年5月在螞蟻金服集團網商銀行擔任首席風控官，負責搭建智能風險管理體系，於2017年8月至2019年6月在SLM Corporation (納斯達克交易所上市，納斯達克：SLM)擔任信貸策略與分析副總裁，成功啟動了該公司的個人貸款和信用卡項目。楊先生於2020年3月31日辭任本公司首席風控官及於2020年4月1日獲委任為本公司風險管理專家顧問。

楊先生於1996年獲得中國天津大學機械工程學院學士學位，於2000年獲得中國天津大學管理科學理學碩士學位，於2004年獲得美國辛辛那提大學 (the University of Cincinnati) 應用經濟學文學碩士學位。

朱劍飛先生，37歲，自2015年5月起獲委任為本公司副總裁，負責人力資源、行政等一般性管理事務。朱先生於2006年7月至2010年6月在浦東新區人才市場擔任多個職務，於2010年6月至2013年4月擔任盛靈信息技術(上海)有限公司(亦名盛大文學)的多個職務及於2013年4月至2015年4月擔任通聯數據股份公司的董事總經理。

朱先生於2006年7月獲得中國北京大學的人力資源管理學學士學位，並於2012年6月獲得中國上海財經大學的會計學碩士學位。

章曦先生，46歲，自2016年6月起獲委任為本公司副總裁，負責政府關係事務。章先生現為本公司附屬公司撫州市恩牛網絡小額貸款有限公司的總經理。彼自2015年7月擔任本集團的金融部門負責人，於2015年10月至2017年4月擔任本公司附屬公司杭州恩牛的董事。彼於1992年8月至2015年7月於中國銀行個人貸款部擔任主管等多個職務。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Mr. Zhang obtained a bachelor's degree in finance from the Zhejiang University in the PRC in June 2004 and obtained a master's degree in global economics from the Jilin University in the PRC in June 2013. He was accredited as an accountant by the Ministry of Finance of the PRC in May 1998, a senior certified credit analyst by the China Center for Financial Training (中國金融培訓中心) in April 2014 and a member of the national committee of experts on the internet financial security technology (國家線上金融風險技術委員會) since August 2016.

Mr. Guo Wei (郭威), aged 38, was appointed as the chief technology officer of the Company in July 2016. From July 2006 to April 2008, Mr. Guo served as a start-up member of the NetEase Inc. Hangzhou Research Institute (網易杭州研究院). From April 2008 to April 2010, Mr. Guo served as a research and development manager at Vobile (Hangzhou) Network Technologies Co., Limited (阜博通(杭州)網絡科技有限公司). From April 2010 to July 2016, Mr. Guo served as a senior technical expert to Zhejiang Tmall Technology Co., Ltd. (浙江天貓技術有限公司), a subsidiary of Alibaba Group Holding Limited (listed on the New York Stock Exchange, ticker: BABA and on the Stock Exchange, stock code: 9988) and served as the head of technical team in charge of the 2015 Tmall Double 11 Shopping Festival. Mr. Guo has resigned as the chief technology officer of the Company on 5 August 2019.

Mr. Guo obtained a bachelor's degree in software engineering from the Zhejiang University in the PRC in June 2004 and obtained a master's degree in computer science and technology from the Zhejiang University in June 2006.

Mr. Zhu Yangzhi (朱揚志), aged 33, was appointed as the vice-president of the Company in March 2017, being in charge of product development and operations. From July 2010 to July 2015, Mr. Zhu served as product planning team leader in Tencent Group; and from July 2015 to March 2017, Mr. Zhu served as vice-president and general manager of the commercial products and business department of Shenzhen Xunlei Networking Culture Co., Ltd. (深圳市迅雷網文化有限公司). Mr. Zhu has resigned as the vice-president of the Company on 3 June 2019.

Mr. Zhu obtained a bachelor's degree in computer science and engineering from the South China University of Technology in the PRC in July 2010.

章先生於2004年6月獲得中國浙江大學金融專業學士學位，並於2013年6月獲得中國吉林大學的世界經濟學碩士學位。彼於1998年5月被中國財政部評為會計師，於2014年4月被中國金融培訓中心評為高級註冊信貨分析師，自2016年8月起擔任國家線上金融風險技術委員會委員。

郭威先生，38歲，自2016年7月起獲委任為本公司首席技術官。郭先生於2006年7月至2008年4月擔任網易杭州研究院的初創成員，於2008年4月至2010年4月擔任阜博通(杭州)網絡科技有限公司的研發經理及於2010年4月至2016年7月擔任阿里巴巴集團控股有限公司(紐約證券交易所上市，股票代號：BABA及聯交所上市，股份代號：9988)的附屬公司浙江天貓技術有限公司的資深技術專家及2015年天貓雙十一購物節的技術負責人。郭先生於2019年8月5日辭任本公司首席技術官。

郭先生於2004年6月獲得中國浙江大學軟件工程專業學士學位，並於2006年6月獲得計算機科學與技術碩士學位。

朱揚志先生，33歲，自2017年3月起獲委任為本公司副總裁，主管產品開發及運營。朱先生於2010年7月至2015年7月在騰訊集團擔任產品規劃團隊主管及於2015年7月至2017年3月擔任深圳市迅雷網文化有限公司的副總裁兼商業產品及業務部總經理。朱先生於2019年6月3日辭任本公司副總裁。

朱先生於2010年7月獲得中國華南理工大學的計算機科學與工程學士學位。



Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Mr. Wei Jianpeng (魏建鵬), aged 39, was appointed as the vice-president of the Company in June 2017, being in charge of the office of the Board and capital markets affairs. From August 2003 to July 2015, Mr. Wei served in a number of positions including as a senior manager in the audit department at PricewaterhouseCoopers Zhong Tian LLP (普華永道中天會計師事務所(特殊普通合夥)). From July 2015 to July 2016, Mr. Wei served as the chief financial officer and executive general manager in China Innovative Capital Management Limited; and from July 2016 to June 2017, Mr. Wei served as secretary to the board of directors of Zhejiang Orient Holdings Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600120). Mr. Wei has resigned as the vice-president of the Company on 27 December 2019.

Mr. Wei obtained a bachelor's degree in English (global business) from the Beijing Foreign Studies University in the PRC in July 2003. He has been accredited as a certified public accountant by The Chinese Institute of Certified Public Accountants.

Mr. Zhang Chuanbo (張傳波), aged 36, was appointed as the vice-president of the Company in August 2017, being in charge of marketing affairs. From July 2010 to April 2013, Mr. Zhang served as marketing director in Beijing LaShou Technology Co., Ltd. (北京拉手科技有限公司). From January 2014 to July 2017, Mr. Zhang served in a number of positions including as regional vice-president in Tuniu International Travel Service Co., Ltd. (listed on NASDAQ, NASDAQ:TOUR). Mr. Zhang has resigned as the vice-president of the Company on 16 July 2019.

Mr. Zhang obtained a bachelor's degree in computer science and technology from the Peking University in the PRC in January 2009.

COMPANY SECRETARY

Ms. Li Hiu Ling (李曉玲) was appointed as the company secretary of the Company (the "Company Secretary") in March 2018. Ms. Li has over ten years' experience in corporate secretarial compliance, holding a Master of Science in Professional Accounting and Corporate Governance, and a Bachelor of Social Sciences degree from two universities in Hong Kong. Ms. Li is a Chartered Secretary, a Chartered Governance Professional as well as an associate of the Hong Kong Institute of Chartered Secretaries ("HKICS") and the Institute of Chartered Secretaries and Administrators in the United Kingdom. Ms. Li is also a holder of the Practitioner's Endorsement of HKICS. Currently, Ms. Li is also the company secretary of China Netcom.

魏建鵬先生，39歲，自2017年6月起獲委任為本公司副總裁，負責董事會辦公室及資本市場事務。魏先生於2003年8月至2015年7月於普華永道中天會計師事務所(特殊普通合夥)審計部擔任高級經理等多個職務，於2015年7月至2016年7月擔任中新融創資本管理有限公司的首席財務官兼執行總經理及於2016年7月至2017年6月擔任浙江東方集團股份有限公司(上海證券交易所上市，股份代號：600120)的董事會秘書。魏先生於2019年12月27日辭任本公司副總裁。

魏先生於2003年7月獲得中國北京外國語大學的英語(國商)學士學位，為中國註冊會計師協會認可為註冊會計師。

張傳波先生，36歲，自2017年8月起獲委任為本公司副總裁，負責營銷事務。張先生於2010年7月至2013年4月擔任北京拉手科技有限公司的營銷總監，於2014年1月至2017年7月於途牛國際旅行社有限公司(美國納斯達克上市，納斯達克：TOUR)擔任多個職務，包括區域副總裁。張先生於2019年7月16日辭任本公司副總裁。

張先生於2009年1月獲得中國北京大學計算機科學與技術學士學位。

公司秘書

李曉玲女士，自2018年3月起獲委任為本公司之公司秘書(「公司秘書」)。李女士在公司秘書合規領域擁有逾十年經驗，並獲香港兩間大學頒發專業會計與企業管治理學碩士學位及社會科學學士學位。李女士為特許公司秘書及特許管治專員，亦為香港特許秘書公會(「香港特許秘書公會」)會員及英國特許秘書及行政人員公會會員。李女士亦持有香港特許秘書公會之執業者認可證明。李女士現時亦擔任中彩網通之公司秘書。

Report of the Directors

董事會報告

The Directors hereby present the report of the Directors and the audited consolidated financial statements of the Group for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding whilst its major operating subsidiaries operate the online credit card management platform. Details of the principal activities of its principal subsidiaries are set out in Note 2.3 to the consolidated financial statements. An analysis of the Group's performance for the year ended 31 December 2019 by business segments is set out in Note 2.5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The Group's loss for the year ended 31 December 2019 and the state of affairs of the Group and of the Company as at that date are set out in the consolidated financial statements on pages 146 to 149.

In order to ensure the Board maintains an appropriate procedure on declaring and recommending the dividend payment of the Company, a dividend policy (the "Dividend Policy") is adopted by the Board which aims to allow the Shareholders to participate in the Company's profits whilst preserving the Company's liquidity to capture future growth opportunities.

The declaration of dividends is subject to the Company's ability to pay dividends, which will depend upon, including but not limited to, the financial performance and position of the Company, Shareholders' interests, business conditions and strategies, and any other factors that the Board may deem relevant. The Board may consider declaring special dividends from time to time, in addition to the interim and/or annual dividends. The Board reviews the Dividend Policy and its effectiveness on a regular basis or as required to ensure the benefit of the Shareholders as a whole is taken into consideration from time to time during recommendation and declaration of dividends.

The Board does not recommend the payment of any dividend for the year ended 31 December 2019 (2018: Nil).

董事謹此提呈截至2019年12月31日止年度之董事會報告及本集團經審核綜合財務報表。

主要業務

本公司主要業務為投資控股，而其主要營運附屬公司則運營著線上信用卡管理平台。其主要附屬公司主要業務詳情載於綜合財務報表附註2.3。本集團截至2019年12月31日止年度之業績按業務分類所作之分析載於綜合財務報表附註2.5。

業績及分配

本集團截至2019年12月31日止年度之虧損連同本集團及本公司於該日之財務狀況載於綜合財務報表第146至149頁。

為確保董事會在宣佈和建議分派本公司股息時保持適當的程序，董事會採納了一項股息政策（「股息政策」），其目的旨在既讓股東享有本公司的利潤，同時保持本公司的資金流動性以捕捉未來的增長機會。

股息的宣佈取決於本公司支付股息的能力而決定，並取決於（包括但不限於）本公司的財務表現及狀況、股東利益、業務狀況及策略、及董事會認為相關的任何其他因素。除中期及／或年度股息外，董事會亦可不時宣派特別股息。董事會定期或按要求時檢討股息政策及其有效性以確保股東整體利益於建議及宣派股息時不時予以考慮。

董事會不建議就截至2019年12月31日止年度派發任何股息（2018年：無）。



Report of the Directors

董事會報告

BUSINESS REVIEW

A fair review of the Group's business, a description of the principal risks and uncertainties facing by the Group, and an indication of likely future development in the Group's business, are set out in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Environmental, Social and Governance Report" of this report. These discussions form part of this "Report of the Directors".

ENVIRONMENTAL POLICY

The Group's commitment to protecting the environment is well reflected by the continuous efforts in promoting green measures and awareness in its daily business operations. The Group encourages environmental protection and promotes awareness towards environmental protection to the employees. The Group also implements green office practices such as promoting the use of recycled papers and reducing energy consumption by switching off idle lighting and electrical appliances.

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

COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

During the year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that had a significant impact on the businesses and operations of the Group.

業務回顧

公平審閱本集團業務、闡述本集團面臨之主要風險及不確定性及本集團業務之可能未來發展跡象，載於本報告「主席報告」、「管理層討論及分析」及「環境、社會及管治報告」各節。此等討論構成本「董事會報告」之一部份。

環境政策

本集團在日常業務營運中不斷推廣綠色措施和意識，以達到其保護環境的承諾。本集團鼓勵環保並推動僱員提升環保意識。本集團亦實施各項綠色辦公措施，例如提倡使用環保紙並透過關閉閒置的電燈及電器以減少能源消耗。

本集團不時審視其環保工作，並將考慮於本集團業務之營運中實施更多環保措施及慣例，加強環境可持續性。

遵守適用法律及法規

年內，就本公司所知，本集團並無重大違反或不遵守適用法律及法規而對本集團之業務及營運造成重大影響。

RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that employees are its valuable assets. Thus the Group provides competitive remuneration package to attract and motivate its employees. The Group regularly reviews the remuneration package of its employees and makes necessary adjustments to conform to the market standard.

The Group also understands that it is important to maintain good relationship with its business partners to achieve its long-term goals. Accordingly, the Directors or senior management have kept good communication, promptly exchanged ideas and shared business updates with them when appropriate. During the year, there was no material and significant dispute between the Group and its business partners.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year are set out in Note 29 to the consolidated financial statements.

SHARES ISSUED IN THE YEAR

Details of the Shares issued in the year ended 31 December 2019 are set out in Note 29 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Company and the Group during the year are set out in Note 30 to the consolidated financial statements and the consolidated statement of changes in equity, respectively.

與持份者之關係

本公司認同，僱員乃其寶貴資產。因此，本集團提供具競爭力之薪酬待遇以吸引並激勵其僱員。本集團定期檢討其僱員之薪酬待遇，並會因應市場標準而作出必要調整。

本集團亦明白，與其商業夥伴保持良好商業關係對達成其長遠目標而言屬至關重要。因此，董事或高級管理層會在適當情況下與彼等進行良好溝通、適時交流想法及共享最新業務信息。年內，本集團與其商業夥伴並無重大而明顯之糾紛。

股本

年內，本公司股本之變動詳情載於綜合財務報表附註29。

本年度所發行股份

截至2019年12月31日止年度所發行股份詳情載於綜合財務報表附註29。

儲備

年內，本公司及本集團儲備變動詳情分別載於綜合財務報表附註30及綜合權益變動表。



Report of the Directors

董事會報告

DISTRIBUTABLE RESERVES

In accordance with the laws of the Cayman Islands, the share premium account is distributable to the Shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be able to pay its debts as they fall due in the ordinary course of business. As at 31 December 2019, the Company had reserves available for distribution of approximately RMB6,051,938,000 (2018: approximately RMB5,985,853,000).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in Note 16 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

Under the Company's articles of association (the "Articles") or the laws of the Cayman Islands, there is no provision for pre-emptive rights which would oblige the Company to offer new Shares to its existing Shareholders first on a pro-rata basis.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and the assets and liabilities of the Group for the last five financial years as extracted from the audited consolidated financial statements of the Group is set out on page 316 of this report.

可供分派儲備

根據開曼群島法例，如緊隨派息建議當日後本公司將有能力償還其日常業務過程中之到期債務，股份溢價賬便可分派予股東。於2019年12月31日，本公司可供分派儲備為約人民幣6,051,938,000元（2018年：約人民幣5,985,853,000元）。

物業、廠房及設備

年內，本集團物業、廠房及設備變動詳情載於綜合財務報表附註16。

優先認購權

根據本公司章程細則（「細則」）或開曼群島法律並無有關優先購股權的條款，規定本公司必須首先按比例向其現有股東發行新股份。

五年財務資料概要

本集團過往五個財政年度已公佈之業績以及資產及負債概要（摘錄自本集團之經審核綜合財務報表）載於本報告第316頁。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the year ended 31 December 2019, the Company repurchased a total of 2,772,000 Shares on the Stock Exchange, with the aggregate consideration paid (before expenses) amounting to HK\$8,799,405. All Shares repurchased were subsequently cancelled. The Directors believed that the repurchase of Shares would enhance the net assets of the Company and/or earnings per Share and benefit the Company and the Shareholders as a whole. As at 31 December 2019, the total number of issued Shares was 1,191,653,522.

Particulars of the repurchase of Shares were as follows:

Month of repurchase 購回月份	Total number of Shares repurchased 已購回股份總數	Highest price paid per Share 每股股份 已付最高價格 HK\$ 港元	Lowest price paid per Share 每股股份 已付最低價格 HK\$ 港元	Total purchase price paid 已付總代價 HK\$ 港元
September 2019 2019年9月	890,000	3.59	3.05	2,982,985
October 2019 2019年10月	1,882,000	3.23	2.92	5,816,420
Total 合計	2,772,000	–	–	8,799,405

Save as disclosed above, for the year ended 31 December 2019, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

購買、出售或贖回上市證券

截至2019年12月31日止年度，本公司於聯交所購回合共2,772,000股股份，已支付之總代價（扣除開支前）為8,799,405港元。所有已購回之股份其後已被註銷。董事相信，股份購回可提高本公司之資產淨值及／或每股股份盈利，並有利於本公司及股東。於2019年12月31日，本公司已發行股份總數為1,191,653,522股。

股份購回之詳情如下：

除上文所披露者外，截至2019年12月31日止年度，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。



Report of the Directors

董事會報告

CHARITABLE DONATIONS

During the year, the Group made charitable contributions of approximately RMB1,158,000 (2018: approximately RMB1,332,000).

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or legal liabilities incurred or sustained by him/her as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour, or in which he/she is acquitted. During the year, there was appropriate directors' and senior officers' liability insurance coverage for the Directors and senior officers of the Group.

RETIREMENT SCHEMES

The Group's employees in the PRC participate in defined contribution schemes provided by the relevant provincial and municipal governments under which the Group (as the employer) and the employees in the PRC are required to make monthly contributions to these schemes in accordance with the relevant requirements. The Group's subsidiaries in the PRC contribute funds to the pension in accordance with the requirements of the relevant provincial and municipal governments.

The Group has also arranged its Hong Kong employees to join the Mandatory Provident Fund Scheme, a defined contribution scheme managed by an independent trustee whereby each of the Group (as the employer) and the Hong Kong employees make monthly contributions to the scheme in accordance with the relevant legislation.

Details of the Group's contributions to the retirement schemes are shown in Note 9 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Save as otherwise disclosed in this report, no equity-linked agreements were entered into by the Group, or subsisted during the year.

慈善捐款

年內，本集團作出之慈善捐款總額約為人民幣1,158,000元（2018年：約人民幣1,332,000元）。

獲准許之彌償條文

根據細則，各董事有權從本公司的資產中獲得彌償，以彌償其作為董事在勝訴或無罪的任何民事或刑事法律訴訟中進行抗辯而招致或蒙受的一切損失或法律責任。年內，董事及本集團高級職員已獲適當之董事及高級職員責任保險保障。

退休金計劃

本集團的中國僱員均參與根據有關省、市政府規定之定額供款計劃，本集團（作為僱主）及其中國僱員均須按相關規定每月就該等計劃作出供款。本集團於中國的附屬公司按照有關省、市政府規定繳納養老保險。

本集團亦已安排其香港僱員參與強制性公積金計劃，即由一獨立信託人管理之定額供款計劃。本集團（作為僱主）及其香港僱員均須根據相關法例每月向該計劃作出供款。

本集團就退休金計劃的供款詳情載於綜合財務報表附註9。

股票掛鈎協議

除本報告所披露外，本集團於年內概無訂立或存在股票掛鈎協議。

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING (THE "IPO")

The Shares were listed and commenced trading on the Main Board of the Stock Exchange on 13 July 2018. The gross proceeds and net proceeds raised by the Company from the IPO amounted to approximately HK\$1,009.0 million and approximately HK\$988.3 million, respectively, and an additional gross proceeds and net proceeds of approximately HK\$62.9 million and approximately HK\$61.3 million, respectively, were raised from the allotment and issue of the Shares as a result of the partial exercise of the over-allotment option.

As at 31 December 2019, the proceeds were utilized in consistent with the usage as disclosed in the prospectus of the Company dated 29 June 2018 (the "Prospectus") in the manner set out below:

首次公開發售（「首次公開發售」）所得款項用途

股份於2018年7月13日在聯交所主板上市及開始交易。本公司自首次公開發售籌集所得款項總額及淨額分別為約1,009.0百萬港元及約988.3百萬港元，並自因部份行使超額配股權而配發及發行超額配發股份收取額外所得款項總額及淨額分別為約62.9百萬港元及約61.3百萬港元。

於2019年12月31日，上述所得款項已按照本公司日期為2018年6月29日的招股章程（「招股章程」）所列的用途，作如下使用：

	Proportion 佔比	Net proceeds from the IPO		Amount utilized as at 31 December 2019 於2019年12月31日 之已動用款項		Amount not yet utilized as at 31 December 2019 於2019年12月31日 之未動用金額	
		HK\$ million	RMB' million	HK\$ million	RMB' million	HK\$ million	RMB' million
		百萬港元	人民幣百萬元	百萬港元	人民幣百萬元	百萬港元	人民幣百萬元
User acquisition 獲取用戶	40%	419.8	359.7	282.6	236.8	137.2	122.9
Enhancement of technology and risk management capabilities 技術及風險管理能力提升	30%	314.9	269.8	164.0	134.6	150.9	135.2
Investment 投資	20%	209.9	179.8	40.5	28.1	169.4	151.7
Working capital and other general corporate purposes 營運資金及其他一般企業用途	10%	105.0	89.9	105.0	89.9	–	–
Total 合計	100%	1,049.6	899.2	592.1	489.4	457.5	409.8

There was no change in the intended use of proceeds as previously disclosed in the Prospectus.

所得款項的擬定用途與先前招股章程所披露的一致。



Report of the Directors

董事會報告

MANAGEMENT CONTRACTS

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the percentages of sales and purchases from the major customers and suppliers of the Group, respectively, are set out below:

管理合約

年內並無訂立或存在與本集團整體或任何重要部份業務有關之管理及行政合約。

主要客戶及供應商

年內，本集團主要客戶及供應商分別佔銷售額及採購額之百分比如下：

	Approximate percentage of total sales 佔銷售總額之概約百分比
(1) Sales 銷售	
– the largest customer – 最大客戶	3.3%
– the five largest customers (combined) – 五大客戶 (合併)	6.4%
	Approximate percentage of total purchases 佔採購總額之概約百分比
(2) Purchases 採購	
– the largest supplier – 最大供應商	3.8%
– the five largest suppliers (combined) – 五大供應商 (合併)	15.1%

As far as the Directors are aware, none of the Directors or any of their close associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")), or any Shareholders (that, to the knowledge of the Directors, owns more than 5% of the Company's issued Shares) had any beneficial interest in the Group's five largest customers and suppliers during the year.

據董事所知，董事或彼等之任何緊密聯繫人士（定義見聯交所證券上市規則（「上市規則」））或就董事所知擁有本公司已發行股份5%以上權益之任何股東，年內概無於本集團五大客戶及供應商擁有任何實益權益。

Report of the Directors

董事會報告

DIRECTORS

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

EXECUTIVE DIRECTORS

Mr. Sun Haitao (*Chairman and Chief Executive Officer*)

Mr. Yang Yuzhi (*Vice-president*)

Mr. Zhao Ke (*Chief Financial Officer*)

NON-EXECUTIVE DIRECTOR

Ms. Zou Yunli

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Ti

Mr. Ye Xiang

Mr. Xu Xuchu (appointed on 9 April 2020)

Mr. Yang Dong (appointed on 20 June 2019 and resigned on 9 April 2020)

Mr. Wang Zhaocheng (resigned on 20 June 2019)

In accordance with article 16.18 of the Articles, Mr. Sun Haitao, Mr. Wong Ti and Mr. Ye Xiang will retire and, being eligible, offer themselves for re-election as Directors at the forthcoming annual general meeting (the "AGM") of the Company.

In accordance with article 16.3 of the Articles, Mr. Xu Xuchu, who has been appointed on 9 April 2020, shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election. Therefore, Mr. Xu Xuchu will, being eligible, offer himself for re-election as Director at the forthcoming AGM.

董事

年內及直至本報告日期在任之董事如下：

執行董事

孫海濤先生 (主席兼行政總裁)

楊宇智先生 (副總裁)

趙軻先生 (首席財務官)

非執行董事

鄒雲麗女士

獨立非執行董事

汪棣先生

葉翔先生

徐旭初先生 (於2020年4月9日獲委任)

楊東先生 (於2019年6月20日獲委任及於2020年4月9日辭任)

王朝成先生 (於2019年6月20日辭任)

根據細則第16.18條，孫海濤先生、汪棣先生及葉翔先生將於本公司應屆股東週年大會（「股東週年大會」）上退任，惟合資格膺選連任董事職務。

根據細則第16.3條，徐旭初先生（於2020年4月9日獲委任）的任期僅直至本公司下次股東大會召開之時，但合資格膺選連任。因此，徐旭初先生將於應屆股東週年大會上合資格膺選連任董事職務。



Report of the Directors

董事會報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 26 to 32 of this report.

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

The remuneration committee considers and recommends to the Board the remuneration and other benefits paid by the Company to the Directors. The remuneration of all Directors is subject to regular monitoring by the remuneration committee to ensure that the levels of their remuneration and compensation are appropriate. References to the remuneration standards of the industry as well as the business development of the Company are made to ensure the level of remuneration should be sufficient to attract and retain the Directors, and the Company should avoid paying more than necessary for this purpose.

Details of the Directors' and senior management's remuneration of the Group are set out in Note 10 to the consolidated financial statements.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this report, no transactions, arrangements or contracts of significance in relation to the Group's businesses to which any of the Company's subsidiaries and fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at any time during the year.

董事及高級管理層履歷

董事及本集團高級管理層之履歷詳情載於本報告第26至32頁。

董事之服務合約

擬於股東週年大會上重選連任之董事概無與本公司訂立本公司不可於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

董事及高級管理人員酬金

薪酬委員會考慮並向董事會建議本公司支付予董事的薪酬及其他福利。所有董事的薪酬須經薪酬委員會定期監察，確保其薪金及補償水平恰當。本公司會參考行業的薪酬標準並配合本公司的業務發展，確保薪酬的水平足以吸引及保留董事，且本公司應避免為此目的支付過多酬金。

董事及本集團高級管理人員酬金的詳情載於綜合財務報表附註10。

董事於交易、安排或合約之權益

除本報告所披露者外，年內任何時間不存在本公司任何附屬公司及同系附屬公司為訂約一方及董事或董事之關聯實體直接或間接於其中擁有重大權益並對本集團業務而言屬重要之交易、安排或合約。

Report of the Directors

董事會報告

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2019, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (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 Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

Long Position in the Shares

董事及本公司最高行政人員於本公司或任何相聯法團的股份、相關股份及債券中擁有的權益及淡倉

於2019年12月31日，董事及本公司最高行政人員於本公司或任何相聯法團（定義見證券及期貨條例（香港法例第571章（「證券及期貨條例」））第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第352條須登記入所存置之登記冊之權益及淡倉，或根據上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

於股份之好倉

Name of Director(s)	Capacity and nature of interest	Number of Shares	Approximate percentage of issued Shares
董事姓名	身份及權益性質	股份數目	佔已發行股份之概約百分比
Mr. Sun Haitao ("Mr. Sun") 孫海濤先生（「孫先生」）	Founder of a discretionary trust, who can affect the trustee how to exercise discretionary trust 可影響受託人如何行使其酌情權的酌情信託成立人	120,076,000 ⁽¹⁾	10.08%
	Others 其他	50,355,000 ⁽²⁾	4.23%
	Others 其他	245,140,736 ⁽³⁾	20.57%
		415,571,736	34.87%
Mr. Yang Yuzhi 楊宇智先生	Beneficial owner 實益擁有人	7,000,000	0.59%
Ms. Zou Yunli 鄒雲麗女士	Interest of spouse 配偶權益	200,000 ⁽⁴⁾	0.02%



Report of the Directors

董事會報告

Notes:

- (1) Rising Sun Limited, which is the beneficial owner of the 120,076,000 Shares, is wholly owned by Wukong Ltd. Wukong Ltd. is beneficially wholly owned by Wukong Trust, which was established by Mr. Sun as the settlor. TMF (Cayman) Ltd. is the trustee of Wukong Trust. Mr. Sun, as the beneficiary of Wukong Trust, is taken to be interested in those Shares.
- (2) Rising Sun Limited entered into a limited partnership agreement with Tai Yong Holdings Ltd on 13 October 2017, as amended and restated on 17 November 2017 (the "Limited Partnership Agreement"), for the purpose of establishing 51 Xinhua L.P., a Cayman Islands exempted limited partnership and regulating the activities and operation of the partnership. Pursuant to the Limited Partnership Agreement, Rising Sun Limited serves as the general partner and Tai Yong Holdings Ltd serves as the limited partner. In addition, Rising Sun Limited has the power to exercise all voting rights on behalf of 51 Xinhua L.P. As 51 Xinhua L.P. is the beneficial owner of the 50,355,000 Shares, and by virtue of the SFO, Mr. Sun is deemed to be interested in the 50,355,000 Shares and the share capital of its associated corporation in which Rising Sun Limited is or is deemed to be interested.
- (3) The Company entered into a voting proxy agreement (the "Voting Proxy Agreement") with Rising Sun Limited, 51 Stock Limited, 51 Award Limited, Tiantu Investments Limited, MSK XF Holding Ltd, LF Alpha Ltd and Achieve Success Technology Development Limited (other than the Company, each, a "Party to the Voting Proxy Agreement", collectively, the "Parties to the Voting Proxy Agreement"). Pursuant to the Voting Proxy Agreement, Rising Sun Limited is entitled to exercise, in its sole discretion, all the voting powers associated with the 245,140,736 Shares on behalf of the Parties to the Voting Proxy Agreement on all matters submitted to a vote of Shareholders at any meeting of Shareholders. By virtue of the SFO, Mr. Sun is deemed to be interested in the 245,140,736 Shares and the share capital of its associated corporation in which Rising Sun Limited is or is deemed to be interested.
- (4) Mr. Li Anxin, the spouse of Ms. Zou Yunli, is the beneficial owner of the 200,000 Shares. By virtue of the SFO, Ms. Zou Yunli is deemed to be interested in the Shares held by her spouse.

Save as disclosed above, as at 31 December 2019, none of the Directors and the chief executive of the Company had or deemed to have any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporation (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.

附註:

- (1) 持有120,076,000股股份之實益擁有人Rising Sun Limited由Wukong Ltd.全資擁有。Wukong Ltd.由Wukong Trust (由孫先生作為財產授予人設立)實益全資擁有。TMF (Cayman) Ltd.為Wukong Trust的受託人。孫先生作為Wukong Trust的受益人被視為擁有該等股份權益。
- (2) Rising Sun Limited與Tai Yong Holdings Ltd於2017年10月13日訂立有限合夥協議(於2017年11月17日修訂及重列)(「有限合夥協議」)以成立一家於開曼群島的獲豁免有限合夥企業51 Xinhua L.P.及規管該合夥企業的活動及營運。根據有限合夥協議, Rising Sun Limited為普通合夥人,而Tai Yong Holdings Ltd為有限合夥人;此外, Rising Sun Limited有權代表51 Xinhua L.P.行使所有投票權。由於51 Xinhua L.P.為50,355,000股股份的實益擁有人,及根據證券及期貨條例的規定,孫先生因Rising Sun Limited持有或被視為擁有的權益中被視為於50,355,000股股份及其相聯法團股本權益中擁有權益。
- (3) 本公司與Rising Sun Limited、51 Stock Limited、51 Award Limited、天圖投資有限公司、MSK XF Holding Ltd、LF Alpha Ltd及Achieve Success Technology Development Limited (除本公司外,各為「投票委託協議訂約方」),及統稱「投票委託協議各訂約方」)訂立投票委託協議(「投票委託協議」)。根據投票委託協議, Rising Sun Limited將有權代表投票委託協議各訂約方就於任何股東大會上提呈予股東投票的所有事宜全權酌情行使與245,140,736股股份相關的所有投票權。根據證券及期貨條例的規定,孫先生因Rising Sun Limited持有或被視為擁有的權益中被視為於245,140,736股股份及其相聯法團股本權益中擁有權益。
- (4) 李安新先生為鄒雲麗女士的配偶,其為200,000股股份的實益擁有人。根據證券及期貨條例規定,鄒雲麗女士被視為於其配偶持有的股份中擁有權益。

除上文所披露者外,於2019年12月31日,概無董事及本公司最高行政人員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,擁有或被視為擁有根據證券及期貨條例第352條須登記入所存置之登記冊之任何權益或淡倉,或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

Report of the Directors

董事會報告

Long Position in Shares of Associated Corporation

於相聯法團股份之好倉

Name of Director	Name of associated corporation	Capacity and nature of interest	Number of shares	Approximate percentage of issued shares 估已發行股份之概約百分比
董事姓名	相聯法團名稱	身份及權益性質	股份數目	
Mr. Sun 孫先生	China Netcom ⁽¹⁾ 中彩網通 ⁽¹⁾	Interest in controlled corporation 於受控制法團之權益	1,834,963,213 ⁽²⁾	39.28%

Notes:

附註:

(1) The shares of China Netcom are listed on GEM of the Stock Exchange (stock code: 8071).

(1) 中彩網通的股份於聯交所GEM上市(股份代號: 8071)。

(2) These shares are directly held by 5IRENPIN.COM INC. 5IRENPIN.COM INC. is wholly owned by 上海悟牛網絡科技有限公司 (transliterated as Shanghai Wuniu Network Technology Company Limited), which is in turn wholly owned by Hangzhou Enniu. Mr. Sun is indirectly interested in approximately 26.94% of the equity interest in Hangzhou Enniu. Further, contractual arrangements (as defined below) are entered into between 杭州振牛信息科技有限公司 (transliterated as Hangzhou Zhenniu Information Technology Co., Ltd.) ("Hangzhou Zhenniu") (a company wholly owned by 5I Credit Card (China) Limited, which is in turn wholly owned by the Company and ultimately controlled by Mr. Sun) and Hangzhou Enniu so that Hangzhou Zhenniu can control Hangzhou Enniu. By virtue of the SFO, Mr. Sun is deemed to be interested in those shares held by 5IRENPIN.COM INC.

(2) 該等股份由5IRENPIN.COM INC.直接持有。5IRENPIN.COM INC.由上海悟牛網絡科技有限公司(「上海悟牛」)全資擁有,上海悟牛則由杭州恩牛全資擁有。孫先生於杭州恩牛約26.94%股權中擁有間接權益。此外,杭州振牛信息科技有限公司(「杭州振牛」)(由5I信用卡(中國)有限公司全資擁有,而該公司由本公司全資擁有及由孫先生最終控制)與杭州恩牛已訂立合約安排(定義見下文),故杭州振牛能控制杭州恩牛。根據證券及期貨條例,孫先生被視為擁有5IRENPIN.COM INC.所持有該等股份權益。

Report of the Directors

董事會報告

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2019, so far as was known to the Directors, the persons or entities, other than a Director or chief executive of the Company, who had or deemed to have an interest or a short position in the shares, underlying shares and debentures of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO, or which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

主要股東於本公司的股份、相關股份及債券中擁有的權益及淡倉

於2019年12月31日，就董事所知，以下人士或實體（董事或本公司最高行政人員除外）於本公司股份、相關股份及債券中擁有或被視為擁有根據證券及期貨條例第336條規定須登記入本公司須存置之登記冊之權益或淡倉，或根據證券及期貨條例第XV部第2及第3分部之規定須向本公司披露之權益或淡倉：

Name(s)	Capacity and nature of interests	Number of Shares directly or indirectly held and category ⁽⁷⁾	Approximate percentage of issued Shares
名稱	身份及權益性質	直接或間接持有的股份數目及類別 ⁽⁷⁾	佔已發行股份之概約百分比
Mr. Huang Wei ⁽¹⁾ 黃偉先生 ⁽¹⁾	Interest in controlled corporation 於受控制法團之權益	260,686,000 (L)	21.88%
Ms. Li Ping ⁽²⁾ 李萍女士 ⁽²⁾	Interest of spouse 配偶權益	260,686,000 (L)	21.88%
Zhejiang Xihu Group Co., Ltd.* ⁽³⁾ 浙江新湖集團股份有限公司 ⁽³⁾	Interest in controlled corporation 於受控制法團之權益	260,686,000 (L)	21.88%
Xihu Zhongbao Co., Ltd.* ⁽³⁾ 新湖中寶股份有限公司 ⁽³⁾	Interest in controlled corporation 於受控制法團之權益	260,686,000 (L)	21.88%
Hong Kong Xihu Investment Co., Limited ⁽³⁾ 香港新湖投資有限公司 ⁽³⁾	Interest in controlled corporation 於受控制法團之權益	260,686,000 (L)	21.88%
Taichang Investment Limited ⁽³⁾	Beneficial owner 實益擁有人	109,217,000 (L)	9.17%
Tai Shun Holdings Ltd. ⁽³⁾	Beneficial owner 實益擁有人	101,114,000 (L)	8.49%
EasternGate SPC ⁽³⁾	Security interest 保證權益	210,331,000 (L)	17.65%
TMF (Cayman) Ltd. ⁽⁴⁾	Trustee 受託人	415,571,736 (L)	34.87%

Report of the Directors

董事會報告

Name(s)	Capacity and nature of interests	Number of Shares directly or indirectly held and category ⁽⁷⁾ 直接或間接持有的股份數目及類別 ⁽⁷⁾	Approximate percentage of issued Shares 佔已發行股份之概約百分比
名稱	身份及權益性質		
Wukong Ltd. ⁽⁴⁾	Interest in controlled corporation 於受控制法團之權益	120,076,000 (L)	10.08%
	Other 其他	50,355,000 (L)	4.23%
	Other 其他	245,140,736 (L)	20.57%
		415,571,736 (L)	34.87%
Rising Sun Limited ⁽⁴⁾	Beneficial owner 實益擁有人	120,076,000 (L)	10.08%
	Other 其他	50,355,000 (L)	4.23%
	Other 其他	245,140,736 (L)	20.57%
		415,571,736 (L)	34.87%
Mr. Wang Yonghua ⁽⁵⁾ 王永華先生 ⁽⁵⁾	Interest in controlled corporation 於受控制法團之權益	95,328,000 (L)	8.00%
	Interest in controlled corporation 於受控制法團之權益	55,213,000 (L)	4.63%
	Interest in controlled corporation 於受控制法團之權益	3,195,000 (L)	0.27%
		153,736,000 (L)	12.90%
Tian Tu Capital Co., Ltd.* ⁽⁵⁾ 深圳市天圖投資管理股份有限公司 ⁽⁵⁾	Interest in controlled corporation 於受控制法團之權益	150,541,000 (L)	12.63%
Tiantu Advisory Company Limited ⁽⁵⁾ 天圖諮詢有限公司 ⁽⁵⁾	Interest in controlled corporation 於受控制法團之權益	95,328,000 (L)	8.00%

Report of the Directors

董事會報告

Name(s)	Capacity and nature of interests	Number of Shares directly or indirectly held and category ⁽⁷⁾ 直接或間接持有的股份數目及類別 ⁽⁷⁾	Approximate percentage of issued Shares 佔已發行股份之概約百分比
名稱	身份及權益性質		
Tiantu Investments Limited ⁽⁵⁾ 天圖投資有限公司 ⁽⁵⁾	Beneficial owner 實益擁有人	95,328,000 (L)	8.00%
The Core Trust Company Limited ⁽⁶⁾ 匯聚信託有限公司 ⁽⁶⁾	Trustee 受託人	186,398,642 (L)	15.64%
TCT (BVI) Limited ⁽⁶⁾	Other 其他	186,398,642 (L)	15.64%
51 Stock Limited ⁽⁶⁾	Beneficial owner 實益擁有人	87,330,881 (L)	7.33%
51 Award Limited ⁽⁶⁾	Beneficial owner 實益擁有人	99,067,761 (L)	8.31%

* The English name(s) has/have been transliterated from its/their respective Chinese name(s) and is/are for identification only.

Notes:

- (1) Zhejiang Xihu Group Co., Ltd. ("Zhejiang Xihu") is held as to 67.22% by Mr. Huang Wei. By virtue of the SFO, Mr. Huang Wei is deemed to be interested in the Shares in which Zhejiang Xihu is deemed to be interested. For details of Zhejiang Xihu's deemed interests, please refer to Note (3) below.
- (2) Ms. Li Ping is the spouse of Mr. Huang Wei, and thus is deemed to be interested in the Shares in which Mr. Huang Wei is deemed to be interested under the SFO.

附註:

- (1) 黃偉先生持有浙江新湖集團股份有限公司(「浙江新湖」) 67.22%權益。根據證券及期貨條例，黃偉先生因浙江新湖被視為擁有的權益中被視為於股份中擁有權益。有關浙江新湖被視為擁有權益的詳情，請參閱下文附註(3)。
- (2) 李萍女士為黃偉先生的配偶，故根據證券及期貨條例被視為擁有黃偉先生被視為擁有權益的股份權益。

- (3) 109,217,000 Shares and 101,114,000 Shares are directly held by Taichang Investment Limited and Tai Shun Holdings Ltd, respectively, and have been pledged in favour of EasternGate SPC. Taichang Investment Limited and Tai Shun Holdings Ltd both are wholly owned by Hong Kong Xinqu Investment Co., Limited, which is in turn wholly owned by Xinqu Zhongbao Co., Ltd. ("Xinqu Zhongbao"). Xinqu Zhongbao is deemed to be controlled by Zhejiang Xinqu under the SFO. Therefore, under the SFO, each of Hong Kong Xinqu Investment Co., Limited, Xinqu Zhongbao and Zhejiang Xinqu is deemed to be interested in the Shares in which each of Taichang Investment Limited and Tai Shun Holdings Ltd. is deemed to be interested. 50,355,000 Shares are directly held by 51 Xinqu LP, which is wholly owned by Tai Yong Holdings Ltd. Tai Yong Holdings Ltd is wholly owned by Hong Kong Xinqu Investment Co., Limited, which is in turn wholly owned by Xinqu Zhongbao. Xinqu Zhongbao is deemed to be controlled by Zhejiang Xinqu under the SFO. Therefore, under the SFO, each of Tai Yong Holdings Ltd, Hong Kong Xinqu Investment Co., Limited, Xinqu Zhongbao and Zhejiang Xinqu is deemed to be interested in the Shares held by 51 Xinqu L.P.
- (4) Same for the interests as disclosed in Notes (1) to (3) in the section headed "INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION" of this report.
- (5) 95,328,000 Shares are directly held by Tiantu Investments Limited. Tiantu Investments Limited is wholly owned by Tiantu Advisory Company Limited, which is in turn wholly owned by 深圳市天圖投資管理股份有限公司 (transliterated as Tian Tu Capital Co., Ltd.) ("Tian Tu Capital"). 55,213,000 Shares are directly held by Tiantu Xingbei Investments Limited Company ("Tiantu Xingbei"), which is indirectly-owned by Tian Tu Capital. Mr. Wang Yonghua holds 59.80% shareholding interest in Tian Tu Capital. Therefore, under the SFO, Tiantu Advisory Company Limited is deemed to be interested in the Shares held by Tiantu Investments Limited, and each of Tian Tu Capital and Mr. Wang Yonghua is deemed to be interested in the Shares held by Tiantu Investments Limited and Tiantu Xingbei. 3,195,000 Shares are directly held by Tiantu China Consumer Fund I, LP, which is in turn indirectly-owned by Mr. Wang Yonghua. Therefore, under the SFO, Mr. Wang Yonghua is deemed to be interested in the Shares held by Tiantu China Consumer Fund I, LP.
- (6) Both 51 Stock Limited and 51 Award Limited are wholly owned by TCT (BVI) Limited, which is in turn wholly owned by The Core Trust Company Limited. The Core Trust Company Limited is the trustee and each of 51 Stock Limited and 51 Award Limited is the nominee to administer the RSU Schemes (as defined below). Each of 51 Stock Limited and 51 Award Limited holds the Shares underlying the RSUs granted by the Company for the benefit of eligible participants pursuant to the RSU Schemes.
- (7) (L) – Long position, (S) – Short position
- (3) 109,217,000股及101,114,000股分別由Taichang Investment Limited及Tai Shun Holdings Ltd直接持有，並已質押給EasternGate SPC。Taichang Investment Limited及Tai Shun Holdings Ltd均由香港新湖投資有限公司全資擁有，而香港新湖投資有限公司由新湖中寶股份有限公司（「新湖中寶」）全資擁有。根據證券及期貨條例，新湖中寶被視為受浙江新湖控制。因此，根據證券及期貨條例，香港新湖投資有限公司、新湖中寶及浙江新湖各自被視為於Taichang Investment Limited及Tai Shun Holdings Ltd分別持有的股份中擁有權益。50,355,000股由51 Xinqu L.P.直接持有，而51 Xinqu L.P.由Tai Yong Holdings Ltd全資擁有。Tai Yong Holdings Ltd由香港新湖投資有限公司全資擁有，而香港新湖投資有限公司由新湖中寶全資擁有。根據證券及期貨條例，新湖中寶被視為受浙江新湖控制。因此，根據證券及期貨條例，Tai Yong Holdings Ltd、香港新湖投資有限公司、新湖中寶及浙江新湖均被視為於51 Xinqu LP持有的股份中擁有權益。
- (4) 與本報告中「董事及本公司最高行政人員於本公司或任何相聯法團的股份、相關股份及債券中擁有的權益及淡倉」一節內的附註(1)至(3)所披露之權益相同。
- (5) 95,328,000股由天圖投資有限公司直接持有。天圖投資有限公司由天圖諮詢有限公司全資擁有，而天圖諮詢有限公司則由深圳市天圖投資管理股份有限公司（「深圳天圖」）全資擁有。55,213,000股由Tiantu Xingbei Investments Limited Company（「Tiantu Xingbei」）直接持有，而Tiantu Xingbei則由深圳天圖間接持有。王永華先生持有深圳天圖59.80%股權。因此，根據證券及期貨條例，天圖諮詢有限公司被視為於天圖投資有限公司持有的股份中擁有權益，及深圳天圖及王永華先生各自被視為於天圖投資有限公司及Tiantu Xingbei持有的股份中擁有權益。3,195,000股由Tiantu China Consumer Fund I, LP直接持有，而Tiantu China Consumer Fund I, LP則由王永華先生間接持有。因此，根據證券及期貨條例，王永華先生被視為於Tiantu China Consumer Fund I, LP持有的股份中擁有權益。
- (6) 51 Stock Limited及51 Award Limited均由TCT (BVI) Limited全資擁有，而TCT (BVI) Limited則由匯聚信託有限公司全資擁有。匯聚信託有限公司為受託人，而51 Stock Limited及51 Award Limited則各自為管理受限制股份單位計劃（定義見下文）的代名人。51 Stock Limited及51 Award Limited各自為合資格參與者的利益持有由本公司根據受限制股份單位計劃授出的受限制股份單位涉及的相關股份。
- (7) (L) – 好倉，(S) – 淡倉



Report of the Directors

董事會報告

Save as disclosed above, to the best knowledge of the Directors, as at 31 December 2019, no person (other than the Directors or chief executive of the Company) had or was deemed to have interests or short positions in the Shares which were required to be recorded in the register of interests required to be kept by the Company under section 336 of the SFO, or were required to be disclosed to the Company under the provisions of Divisions 2 and 3 and Part XV of the SFO.

RESTRICTED SHARE UNIT (“RSU”) SCHEMES

Summary

The Company has adopted the 51 Stock Scheme and the 51 Award Scheme (collectively, the “Schemes”) by a resolution of the Board on 20 November 2017. The Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as the RSU Schemes do not involve the grant of options by the Company to subscribe for new Shares.

Purpose

The purpose of the Schemes is to recognize and reward the participants (as detailed in the paragraph headed “Participants” below) of each of the Schemes for their contribution to the Group, to attract suitable personnel, and to provide incentives to them to remain with and further contribute to the Group.

除上文所披露者外，就董事所知，於2019年12月31日，概無人士（董事或本公司最高行政人員除外）於股份中擁有或被視為擁有根據證券及期貨條例第336條規定須登記入本公司須存置之登記冊之權益或淡倉，或根據證券及期貨條例第XV部第2及第3分部之規定須向本公司披露之權益或淡倉。

受限制股份單位計劃

概要

本公司已根據董事會於2017年11月20日的決議案採納51股份計劃及51獎勵計劃（統稱「該等計劃」）。該等計劃並不受限於上市規則第十七章的條文，因為受限制股份單位計劃並不涉及由本公司授出可認購新股份的購股權。

目的

該等計劃的目的為確認及獎勵該等計劃各自的參與者（詳情見下段「參與者」部份）對本集團所作出的貢獻、吸引合適人才以及提供鼓勵讓他們對本集團保持及作出更多貢獻。

Awards

Each of the awards of RSUs under the 51 Stock Scheme (together with the awards of RSUs under the 51 Award Scheme, referred to as the "Award(s)") gives a participant an option, and an Award of RSUs under the 51 Award Scheme gives a participant an entitlement, upon vesting of the Award(s) to obtain either Shares (in case of the 51 Stock Scheme only) or an equivalent value in cash with reference to the market value of the Shares less any tax, fees, levies, stamp duty and other applicable charges. An Award may include, if so specified by the 51 Stock RSU Administration Committee and the 51 Award RSU Administration Committee (each as the "RSU Committee") in their entire discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares from the date that the Award is granted to the date that it vests.

Limit

Unless otherwise duly approved by the Shareholders, the total number of Shares underlying the 51 Stock Scheme shall not exceed 112,341,261 Shares and the total number of Shares underlying the 51 Award Scheme shall not exceed 102,060,261 Shares (excluding the Shares underlying RSUs that have lapsed or been cancelled in accordance with the Schemes).

Grants

As at 31 December 2019, 99,444,270 and 59,942,960 Shares underlying RSUs were granted to participants under the 51 Stock Scheme and the 51 Award Scheme, representing approximately 8.35% and 5.03% of the issued Shares, respectively. As at 31 December 2019, 12,896,991 and 42,117,301 Shares underlying RSUs remained outstanding under the 51 Stock Scheme and the 51 Award Scheme, respectively.

獎勵

51股份計劃下各受限制股份單位的獎勵（與51獎勵計劃下受限制股份單位的獎勵，統稱「獎勵」）賦予參與者一項選擇權，而51獎勵計劃下受限制股份單位的獎勵則賦予參與者一項權益，令其在歸屬獎勵時可獲取股份（只適用於51股份計劃）或參考股份的市場價值的等值現金，扣除任何稅項、費用、徵費、印花稅及其他適用收費。倘51 Stock RSU管理委員會及51 Award RSU管理委員會（各自為「RSU委員會」）全權酌情指明，則獎勵可包括自獎勵授出日期起至其歸屬日期就該等股份的現金及非現金收入、股息或分派及／或非現金及非實物分派的銷售所得款項。

限制

除非股東另行妥為批准，51股份計劃項下股份總數不得超過112,341,261股，而51獎勵計劃項下股份總數不得超過102,060,261股（上述股數不包括根據該等計劃已告失效或已被註銷的受限制股份單位相關股份）。

授出情況

於2019年12月31日，99,444,270股及59,942,960股受限制股份單位相關股份根據51股份計劃及51獎勵計劃授出予各自的參與者，分別各佔已發行股份約8.35%及5.03%。於2019年12月31日，51股份計劃及51獎勵計劃項下分別12,896,991股及42,117,301股受限制股份單位相關股份尚未授出。



Report of the Directors

董事會報告

Participants

Participants of the 51 Stock Scheme include:

- (i) any member of senior management of the Group; or
- (ii) any person who, in the sole opinion of the RSU Committee, has contributed or will contribute to any member of the Group (including business partners of any member of the Group, such as suppliers, customers or any persons who provide technical support, consultancy, advisory or other services to any member of the Group), as may be specifically identified by the RSU Committee.

Participants of the 51 Award Scheme include:

- (i) any employee of the Group; or
- (ii) any person who, in the sole opinion of the RSU Committee, has contributed or will contribute to any member of the Group (including business partners of any member of the Group, such as suppliers, customers or any persons who provide technical support, consultancy, advisory or other services to any member of the Group), as may be specifically identified by the RSU Committee.

Transferability

According to the terms of the Schemes (as amended from time to time), the participant may transfer the granted Award(s) upon the approval of the Board or an authorized body or person appointed by the Board in accordance with the terms of the Schemes. The transferee should be bound by the terms of the Schemes, notices of grant and other relevant applicable documents and agreements.

Term

Subject to any early termination as may be determined by the Board pursuant to the termination clauses of the Schemes, the Schemes are valid and effective for a period of ten years commencing on the date of adoption (i.e., 20 November 2017), after which no Awards will be granted, but the provisions of the Schemes shall in all other respects remain in full force and effect and the Awards granted during the terms of the Schemes may continue to be valid and exercisable in accordance with their terms of grant.

參與者

51 股份計劃的參與者包括：

- (i) 本集團的任何高級管理層成員；或
- (ii) 由RSU委員會全權酌情認為曾為或將為本集團任何成員公司作出貢獻的任何人士（包括本集團任何成員公司的業務夥伴，例如供應商、客戶或向本集團任何成員公司提供技術支援、諮詢、建議或其他服務的任何人士）（如RSU委員會得以特定識別）。

51 獎勵計劃的參與者包括：

- (i) 本集團的任何僱員；或
- (ii) 由RSU委員會全權酌情認為曾為或將為本集團任何成員公司作出貢獻的任何人士（包括本集團任何成員公司的業務夥伴，例如供應商、客戶或向本集團任何成員公司提供技術支援、諮詢、建議或其他服務的任何人士）（如RSU委員會得以特定識別）。

可轉讓性

根據該等計劃條款（經不時修改），經董事會或董事會根據該等計劃條款之規定委託的有權機構或人士的批准，參與者可轉讓其被授予的獎勵，受讓方應受到該等計劃條款、授予通知及其他相關的適用文件及協議之約束。

期限

受限於董事會根據該等計劃的終止條款可能決定提早終止，該等計劃自採納日期（即2017年11月20日）起生效，為期十年，而於期滿後將不會授出獎勵，但該等計劃的條文在所有其他方面仍具有完整效力及作用，而於該等的期限內授出的獎勵可根據其授出條款持續有效及可行使。

RSU Trustee

The Company has appointed The Core Trust Company Limited, a trustee service provider and an independent third party, to administer the granting and vesting of RSUs granted to the grantees pursuant to the Schemes.

Rights attached to Awards

The RSUs under the 51 Stock Scheme do not carry any right to vote at general meetings of the Company. No grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award pursuant to the 51 Stock Scheme, unless and until such Shares underlying the Award are actually transferred to the grantee upon the vesting of the RSUs provided that the grantee, his/her wholly owned entity or any such trust arrangement as directed by him/her shall enter into an agreement in writing with Mr. Sun delegating the voting rights attached to such Shares by proxy to Mr. Sun or his delegated entity(ies). Unless otherwise specified by the RSUs Committee in its entire discretion in the notice of grant, the grantees do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying an Award.

Similarly, the RSUs under the 51 Award Scheme do not carry any right to vote at general meetings of the Company. No grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award pursuant to the 51 Award Scheme. Unless otherwise specified by the RSU Committee in its entire discretion in the notice of grant, the grantees do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying an Award.

Rights attached to Shares (in case of the 51 Stock Scheme only)

Any Shares to be transferred to a grantee or his/her wholly owned entity upon the vesting of RSUs granted pursuant to the 51 Stock Scheme shall be subject to all the provisions of the Articles and shall rank pari passu in all respects with the existing fully paid Shares in issue on the date of transfer; or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, and accordingly shall entitle the holder of such Shares to participate in all dividends or other distributions paid or made on or after the date of transfer.

受限制股份單位受託人

本公司已委任The Core Trust Company Limited (一間信託服務供應商及獨立第三方)以管理根據該等計劃授出及歸屬向承授人授出的受限制股份單位。

獎勵所附帶的權利

51股份計劃下受限制股份單位並無附帶任何可於本公司股東大會上投票的權利。倘承授人、其全資擁有的實體或其指示的任何該等信託安排須與孫先生訂立協議，將透過委任代表於相關股份附帶的投票權授權予孫先生或其獲授權實體，除非及直至該等與獎勵相關的股份於受限制股份單位歸屬時實際轉讓予承授人，否則並無承授人因根據51股份計劃授出獎勵而享有股東的任何權利。另外，除非RSU委員會於授出通知中全權酌情決定指明，否則承授人並無任何權利享有來自與獎勵相關的任何股份的任何現金或非現金收入、股息或分派及／或非現金及非實物分派的出售所得款項。

51獎勵計劃下受限制股份單位同樣並無附帶任何可於本公司股東大會上投票的權利。並無承授人因根據51獎勵計劃授出獎勵而享有股東的任何權利。另外，除非RSU委員會於授出通知中全權酌情決定指明，否則承授人並無任何權利享有來自與獎勵相關的任何股份的任何現金或非現金收入、股息或分派及／或非現金及非實物分派的出售所得款項。

股份所附帶的權利 (只適用於51股份計劃)

於根據51股份計劃授出的受限制股份單位獲歸屬後，轉讓予承授人或其全資擁有實體的任何股份須受細則的所有條文所規限，及在所有方面與於轉讓日期(或倘本公司於該日暫停辦理股份過戶登記手續，則為再開始辦理股份過戶登記手續的首日)的現有繳足已發行股份享有同等地位，且有關股份的持有人就此應有權參與於轉讓日期或該日之後派付或作出的所有股息或其他分派。



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ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Save as disclosed under the section headed "CONNECTED AND RELATED PARTY TRANSACTIONS" of this report, at no time during the year and at the end of the year was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other subsidiaries.

CONTRACT OF SIGNIFICANCE

None of the Company or any of its subsidiaries had entered into any contract of significance or contract of significance for provision of services with the controlling Shareholders or its subsidiaries during the year.

FUTURE PLAN FOR MATERIAL INVESTMENTS

The Group currently has no plan to make any material investment but will continue to seek potential investment opportunities according to the Group's development needs.

購買股份或債券的安排

除本報告「關連及關聯方交易」一節所披露者外，於年內任何時間內及年底，本公司或其任何控股公司、附屬公司或同系附屬公司概無參與訂立任何安排，以使董事可藉購入本公司或任何其他附屬公司的股份或債權證而取得利益。

重大合約

年內，本公司或其任何附屬公司並無與控股股東或其附屬公司訂立任何重大合約或提供服務的重大合約。

未來重大投資計劃

本集團目前並無計劃進行任何重大投資，惟會根據本集團的發展需要繼續尋求潛在投資機會。

CONNECTED AND RELATED PARTY TRANSACTIONS

In order to maintain and exercise control over the PRC Operating Entities (as defined below), the Company has entered into the contractual arrangements. The contractual arrangements allow the Company to obtain substantially all of the economic benefits of the PRC Operating Entities and consolidate their results of operations into the Group's. For the purposes of Chapter 14A of the Listing Rules, and in particular the definition of "connected person", the PRC Operating Entities I will be treated as the Company's wholly owned subsidiaries, and their directors, chief executives or substantial shareholders (as defined in the Listing Rules) and their respective associates will be treated as the Company's "connected persons". The related party transactions that did not constitute connected transactions under the Listing Rules were disclosed in Note 35 to the consolidated financial statements.

Hence, the transactions carried out under the Contractual Arrangements I (as defined below) during the year constituted continuing connected transactions of the Company. As the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Contractual Arrangements I pursuant to Rule 14A.105 of the Listing Rules, the transactions are only subject to the reporting and annual review under Chapter 14A of the Listing Rules. Further details of the waiver are set out in the sections headed "Waivers from Strict Compliance with the Listing Rules" and "Connected Transactions – B. Non-exempt Continuing Connected Transactions" of the Prospectus.

Further details of the contractual arrangements are set out in the section headed "CONTRACTUAL ARRANGEMENTS" of this report.

關連及關聯方交易

為維持及行使對中國營運實體（定義見下文）的控制權，本公司已訂立合約安排。合約安排讓本公司可取得中國營運實體的絕大部份經濟利益及將其經營業績合併入本集團。就上市規則第十四A章而言，及尤其是「關連人士」的定義，中國營運實體I將被視為本公司的全資附屬公司，而彼等的董事、主要行政人員或主要股東（定義見上市規則）及彼等各自的聯繫人將被視為本公司的「關連人士」。關聯方交易（載於綜合財務報表附註35）並無構成上市規則所定義之關連交易。

因此，年內之合約安排I（定義見下文）項下進行的交易構成本公司的持續關連交易。由於本公司已向聯交所申請且聯交所已批准本公司根據上市規則第14A.105條規定就合約安排I的相關交易豁免嚴格遵守上市規則第十四A章的公告、通函及獨立股東批准規定，該等交易只須遵守上市規則第十四A章下的申報及年度審核規定。更多豁免詳情請參閱招股章程「豁免嚴格遵守上市規則」及「關連交易—B. 不獲豁免的持續關連交易」一節。

合約安排進一步詳情請參閱本報告「合約安排」一節。



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CONTRACTUAL ARRANGEMENTS

The Board had reviewed the major issues arising from the implementation and performance of the contractual arrangements of the year of 2019, and had discussed the matters relating to compliance and regulatory enquiries from governmental authorities.

Overview

The PRC Operating Entities (defined as below) of the Group are required to hold the Value-added Telecommunication Service Operating Permit (the "ICP License") to operate the mobile applications and the provision of online information services.

On 11 December 2001, the State Council of the PRC promulgated the Provisions on the Administration of Foreign-funded Telecommunications Enterprises (《外商投資電信企業管理規定》) (the "FITE Regulations"), which were amended on 10 September 2008 and 6 February 2016, respectively. According to the FITE Regulations, foreign investors are not allowed to hold more than 50% of the equity interests in a company providing value-added telecom services ("VATS"), including ICP services. In addition, a foreign investor who invests in a VATS business in the PRC must possess the qualification requirements. The Ministry of Industry and Information Technology of the PRC issued the guidance memorandum (the "Guidance Memorandum") on the application requirement for establishing foreign-invested VATS enterprises in the PRC on 1 March 2017, and updated the same on 6 March 2019 which took effect on the same day. According to the Guidance Memorandum, the foreign investor's proven track record of good performance of VATS business and satisfactory proof of prior experience in such business are required to be provided. For the year ended 31 December 2019, no applicable PRC laws, regulations or rules have provided any guidance or interpretation on the proof of the qualification requirement.

合約安排

董事會已審閱2019年度合約安排的實施及執行而產生的重大事宜，及已討論與合規及政府機關監管問詢有關的事項。

總覽

本集團中國營運實體（定義見下文）須持有增值電信業務經營許可證（「ICP許可證」）以運營手機應用及提供網絡信息服務。

於2001年12月11日，中國國務院頒佈《外商投資電信企業管理規定》（「外資電信企業規定」），該規定分別於2008年9月10日及2016年2月6日經修訂。根據外資電信企業規定，外國投資者不得於提供增值電信服務（「增值電信服務」）（包括ICP服務）的公司持有超過50%的股權。此外，在中國投資增值電信服務業務的外國投資者必須具備資質要求。中國工業和信息化部於2017年3月1日就在中國成立外商投資增值電信服務企業的申請規定公佈辦事指南（「該指南」），並於2019年3月6日就該指南進行更新（於同日實施）。根據該指南，需要提供外商投資者具有經營增值電信服務業務的良好業績和運營經驗的資質要求證明資料。截至2019年12月31日止年度，概無適用的中國法律、法規或規則就資質要求提供明確的指引或詮釋。

Structured Contract I

Hangzhou Zhenniu is an indirect wholly owned PRC subsidiary of the Company.

Hangzhou Enniu was jointly held by domestic enterprises such as Pingxiang Jiniu Assets Management Partnership (Limited Partnership) (萍鄉紀牛資產管理合夥企業(有限合夥)), Xihu Zhongbao and Shenzhen Tiantu Xingbang Investment Enterprise (Limited Partnership) (深圳天圖興邦投資企業(有限合夥)). Hangzhou Enniu has obtained the ICP License.

Hangzhou Zhenniu entered into: (1) the Exclusive Business Cooperation Agreement I with Hangzhou Enniu in November 2017, then amended and renewed the same in December 2017; and further entered into: (2) the Exclusive Option Agreement I; (3) the Equity Pledge Agreement I; and (4) the Powers of Attorney I and supporting documents (collectively referred to as the "Structured Contract I") with Hangzhou Enniu and domestic enterprises such as Pingxiang Jiniu Assets Management Partnership (Limited Partnership) (萍鄉紀牛資產管理合夥企業(有限合夥)), Xihu Zhongbao and Shenzhen Tiantu Xingbang Investment Enterprise (Limited Partnership) (深圳天圖興邦投資企業(有限合夥)) (the "Nominee Shareholders I") to enable the Group to obtain the power and ability to control the business of Hangzhou Enniu and acquire economic benefits (the "Contractual Arrangements I").

結構性合約I

杭州振牛為本公司的間接全資中國附屬公司。

杭州恩牛由萍鄉紀牛資產管理合夥企業(有限合夥)、新湖中寶、深圳天圖興邦投資企業(有限合夥)等境內主體共同持有。杭州恩牛已取得ICP許可證。

杭州振牛於2017年11月與杭州恩牛訂立並於2017年12月修訂並重簽：(1)獨家業務合作協議I；及與杭州恩牛及萍鄉紀牛資產管理合夥企業(有限合夥)、新湖中寶、深圳天圖興邦投資企業(有限合夥)等境內主體(「代理人股東I」)進一步訂立：(2)獨家購買權協議I；(3)股權質押協議I；及(4)股東表決權委託協議I及配套文件(統稱「結構性合約I」)以讓本集團獲得控制杭州恩牛業務的權力及能力及取得經濟利益(「合約安排I」)。



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(I) Exclusive Option Agreement I

Hangzhou Enniu and the Nominee Shareholders I, entered into the exclusive option agreement I (the “**Exclusive Option Agreement I**”) with Hangzhou Zhenniu in December 2017, pursuant to which the Nominee Shareholders I agreed to grant to Hangzhou Zhenniu (or the Company or any subsidiary of the Company (the “**Designee**”), an irrevocable and exclusive option to acquire or purchase from the Nominee Shareholders I and/or Hangzhou Enniu all or any part of their equity interests in and/or assets of Hangzhou Enniu at a nominal price, unless the relevant government authorities or the PRC laws request that another amount be used as the purchase price, in which case the purchase price shall be the lowest amount under such request. In compliance with the current regulations and requirements of the PRC laws, the Nominee Shareholders I and/or Hangzhou Enniu shall return any amount of purchase price they have received to Hangzhou Zhenniu. At Hangzhou Zhenniu’s request, the Nominee Shareholders I and/or Hangzhou Enniu will promptly and unconditionally transfer their respective equity interests in and/or assets of Hangzhou Enniu to Hangzhou Zhenniu (or the Designee) after Hangzhou Zhenniu exercises its purchase right.

In order to prevent the flow of the assets and value of Hangzhou Enniu and its subsidiaries (the “**PRC Operating Entities I**”, together with the PRC Operating Entities 2 (defined as below), collectively, the “**PRC Operating Entities**”) to the Nominee Shareholders I, during the term of the Exclusive Option Agreement I, Hangzhou Enniu shall not, and shall procure its subsidiaries not to, sell, transfer, mortgage or otherwise dispose of any of its assets without the prior written consent of Hangzhou Zhenniu. In addition, Hangzhou Enniu shall not, and shall procure its subsidiaries not to, make any distributions to its shareholder(s) without the prior written consent of Hangzhou Zhenniu. In the event that the Nominee Shareholders I receive any distribution from Hangzhou Enniu and/or its subsidiaries and subject to the PRC laws, the Nominee Shareholders I must immediately pay or transfer such distribution to Hangzhou Zhenniu (or the Designee). If Hangzhou Zhenniu exercises its purchase right, all or any part of the equity interests in and/or assets of Hangzhou Enniu acquired would be transferred to Hangzhou Zhenniu and the benefits of equity ownership and/or assets, as applicable, would flow to the Company and the Shareholders.

The Exclusive Option Agreement I is for an initial term of ten years and is automatically renewable upon expiry unless Hangzhou Zhenniu confirms a new renewal term in writing.

(I) 獨家購買權協議I

杭州恩牛、代理人股東I與杭州振牛於2017年12月訂立獨家購買權協議I（「**獨家購買權協議I**」），據此，代理人股東I同意向杭州振牛（或本公司或本公司任何附屬公司（「**指定人士**」））授出不可撤回及獨家選擇權，可按名義價從代理人股東I及／或杭州恩牛收購或購買其於杭州恩牛的全部或任何部份股權及／或資產，除非有關政府機關或中國法律要求使用另一金額作為購買價，則採用該要求下的最低金額作為購買價。在符合當時中國法律的規定和要求的前提下，代理人股東I及／或杭州恩牛須將彼等已收取的任何購買價款項退還予杭州振牛。應杭州振牛的要求，於杭州振牛行使其購買權後，代理人股東I及／或杭州恩牛將立即且無條件轉讓彼等各自於杭州恩牛的股權及／或資產予杭州振牛（或指定人士）。

為防止杭州恩牛及其附屬公司（「**中國營運實體I**」，連同與中國營運實體2（定義見下文），統稱「**中國營運實體**」）的資產及價值流向代理人股東I，在獨家購買權協議I的期限內，倘未經杭州振牛事先書面同意，杭州恩牛不得並須促使其附屬公司不得出售、轉讓、抵押或以其他方式處置其任何資產。此外，倘未經杭州振牛事先書面同意，杭州恩牛不得並須促使其附屬公司不得向其股東作出任何分派。倘代理人股東I接獲杭州恩牛及／或其附屬公司的任何分派，在中國法律規限的情況下，代理人股東I則必須立即支付或轉讓有關分派予杭州振牛（或指定人士）。倘杭州振牛行使其購買權，所收購的杭州恩牛全部或任何部份股權及／或資產將轉讓予杭州振牛，且股本所有權及／或資產（視乎情況而定）的利益應歸屬本公司及股東所有。

獨家購買權協議I的初始期限為十年，並於到期時自動續期，除非杭州振牛以書面方式確認新的續約期限。

(2) Exclusive Business Cooperation Agreement I

Hangzhou Enniu and its subsidiaries entered into the exclusive business cooperation agreement I (the "**Exclusive Business Cooperation Agreement I**") with Hangzhou Zhenniu in December 2017, pursuant to which Hangzhou Enniu agreed to engage Hangzhou Zhenniu and its designated persons as the exclusive provider to the PRC Operating Entities I of business support, technical and consulting services, including technical services, network support, business consultation, intellectual property licensing, equipment, leasing, marketing consultancy, system integration, product research and development and system maintenance, in exchange for service fees. Under these arrangements, the service fees, subject to Hangzhou Zhenniu's adjustment, are equal to all of the net profit of the PRC Operating Entities I. Hangzhou Zhenniu may adjust the service fees at its sole discretion, after consideration of certain factors, including but not limited to the deduction of necessary costs, expenses, taxes and other statutory contribution in relation to the respective fiscal year, and may also include accumulated losses of the PRC Operating Entities I from previous financial periods, which will be wired to the designated account of Hangzhou Zhenniu upon issuance of payment notification by Hangzhou Zhenniu. Hangzhou Zhenniu enjoys all the economic benefits derived from every business of the PRC Operating Entities I and bears Hangzhou Enniu's business risks. If Hangzhou Enniu runs into financial deficit or suffers severe operation difficulties, Hangzhou Zhenniu will provide financial support to Hangzhou Enniu.

The Exclusive Business Cooperation Agreement I is for an initial term of ten years and is automatically renewable upon expiry unless Hangzhou Zhenniu confirms a new renewal term in writing.

(2) 獨家業務合作協議I

杭州恩牛及其附屬公司與杭州振牛於2017年12月訂立獨家業務合作協議I（「**獨家業務合作協議I**」），據此，杭州恩牛同意聘請杭州振牛及其指定人士為中國營運實體I的業務支援、技術及諮詢服務（包括技術服務、網絡支援、業務諮詢、知識產權許可、設備、租賃、營銷顧問、系統整合、產品研發及系統維護）的獨家供應商，並支付服務費以換取服務。根據該等安排，服務費（可由杭州振牛調整）相等於中國營運實體I的全部淨利潤。杭州振牛在考慮若干因素後可全權調整服務費，包括但不限於經扣除與各財政年度有關的所需成本、開支、稅項及其他法定供款，亦可包括中國營運實體I於過往財政期間的累計虧損，該等服務費將於杭州振牛發出付款通知後電匯至杭州振牛的指定賬戶。杭州振牛享有中國營運實體I各項業務所產生的全部經濟利益，並承擔杭州恩牛的業務風險。倘杭州恩牛出現財政赤字，或遭受嚴重的營運困難，杭州振牛將向杭州恩牛提供財政支援。

獨家業務合作協議I初步為期十年，並於到期時自動續期，除非杭州振牛以書面方式確認新的續約期限。



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(3) Share Pledge Agreement I

Hangzhou Enniu and the Nominee Shareholders I and Hangzhou Zhenniu entered into the share pledge agreement I (the “**Share Pledge Agreement I**”) in December 2017. Under the Share Pledge Agreement I, the Nominee Shareholders I pledged all of their respective equity interests in Hangzhou Enniu to Hangzhou Zhenniu as collateral security for any or all of their payments due to Hangzhou Zhenniu and to secure performance of their obligations under the Exclusive Business Cooperation Agreement I, the Exclusive Option Agreement I and the Powers of Attorney I (as defined below). The Share Pledge Agreement I will not terminate until (i) all obligations of Hangzhou Enniu and the Nominee Shareholders are satisfied in full; (ii) Hangzhou Zhenniu exercises its exclusive option to purchase the entire equity interests of the Nominee Shareholders I in Hangzhou Enniu and/or the entire assets of Hangzhou Enniu pursuant to the terms of the Exclusive Option Agreement I when it is permitted to do so under the applicable PRC laws and regulations; (iii) Hangzhou Zhenniu exercises its unilateral and unconditional right of termination; or (iv) the agreement is required to be terminated in accordance with applicable PRC laws and regulations. In addition, under the Exclusive Option Agreement I, none of the Nominee Shareholders I may transfer or permit the encumbrance of any of their equity interests in and assets of Hangzhou Enniu (including any equity interests in and assets of the subsidiaries of Hangzhou Enniu) without Hangzhou Zhenniu's prior written consent. The Share Pledge Agreement I will be terminated when all the said obligations of the Nominee Shareholders I contemplated under the Contractual Arrangements I are fulfilled or terminated in accordance with the requirement of the relevant applicable laws and regulations of the PRC.

(4) Powers of Attorney I

An irrevocable power of attorney I (the “**Powers of Attorney I**”) was entered into between the Nominee Shareholders I, Hangzhou Zhenniu and Hangzhou Enniu in December 2017, whereby the Nominee Shareholders I appointed Hangzhou Zhenniu or, according to the instruction of Hangzhou Zhenniu, a director of its offshore holding company or a liquidator or a successor who are acting the function of those directors as their exclusive agent and attorney to act on their behalf on all matters concerning Hangzhou Enniu and to exercise all of its rights as a Nominee Shareholders I of Hangzhou Enniu.

(3) 股份質押協議 I

杭州恩牛及代理人股東 I 與杭州振牛於 2017 年 12 月訂立股份質押協議 I (「**股份質押協議 I**」)。根據股份質押協議 I，代理人股東 I 已向杭州振牛質押彼等各自於杭州恩牛的全部股權，作為彼等支付結欠杭州振牛的任何或所有款項及確保彼等履行於獨家業務合作協議 I、獨家購買權協議 I 及股東表決權委託協議 I (定義見下文) 項下的責任。股份質押協議 I 將不會終止，直至 (i) 杭州恩牛及代理人股東 I 的所有責任均已全面履行；(ii) 杭州振牛在適用中國法律及法規允許的情況下根據獨家購買權協議 I 的條款行使其獨家購買權以購買代理人股東 I 於杭州恩牛的全部股權及／或杭州恩牛的全部資產；(iii) 杭州振牛行使單方面及無條件終止權；或 (iv) 該協議根據適用中國法律及法規須予以終止。此外，根據獨家購買權協議 I，未經杭州振牛事先書面同意，代理人股東 I 不得轉讓其於杭州恩牛的任何股權及資產 (包括於杭州恩牛附屬公司的任何股權及資產) 或准許就有關股權及資產設置產權負擔。股份質押協議 I 將於前述合約安排 I 項下代理人股東 I 所有責任達成後終止或依照有關適用的中國法律和法規的要求終止時終止。

(4) 股東表決權委託協議 I

代理人股東 I、杭州振牛及杭州恩牛於 2017 年 12 月訂立不可撤銷的股東表決權委託協議 I (「**股東表決權委託協議 I**」)，據此，代理人股東 I 委任杭州振牛或根據杭州振牛的指示委任其離岸控股公司的一名董事以及代行該等董事職責的清盤人或其他繼任人為彼等的獨家代理及授權代表，以代表彼等就與杭州恩牛相關的所有事項行事及行使其作為杭州恩牛代理人股東 I 的所有權利。

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Save as disclosed above, there were no other new contractual arrangement entered into, renewed and/or reproduced between the Group and the PRC Operating Entities I and/or the Nominee Shareholders I for the year ended 31 December 2019. There was no material change in the Contractual Arrangements I and/or the circumstances under which they were adopted for the year ended 31 December 2019.

Save for the Exclusive Business Cooperation Agreement I which involves the payment of a service fee by Hangzhou Enniu to Hangzhou Zhenniu, and the nominal purchase consideration to be paid by Hangzhou Zhenniu to the Nominee Shareholders I under the Exclusive Option Agreement I, the Contractual Arrangements I do not involve payment of any consideration.

The Structured Contract I, taken as a whole, permit the results and financial operations of Hangzhou Enniu to be consolidated into the Group, as if it were the Company's subsidiary resulting in all economic benefits of its business flowing to the Company. Through the appointment of senior management of Hangzhou Enniu, the Company believes that Hangzhou Zhenniu is able to effectively supervise, manage and operate the business operations, expansion plans, financial policies and assets of Hangzhou Enniu, and at the same time, ensure due implementation of the Structured Contract I.

除上文披露者外，本集團與中國營運實體I及／或代理人股東I截至2019年12月31日止年度並無訂立、重續及／或複製任何其他新合約安排。截至2019年12月31日止年度，合約安排I及／或據以採用合約安排的情況並無發生重大變動。

除獨家業務合作協議I涉及杭州恩牛向杭州振牛支付服務費，以及杭州振牛根據獨家購買權協議I需支付予代理人股東I的名義購買價外，合約安排I不涉及支付任何代價。

整體而言，結構性合約I讓杭州恩牛之業績及財務營運綜合計入本集團，猶如其為本公司之附屬公司，以致其業務所得所有經濟利益流入本公司。本公司認為，透過指派杭州恩牛之高級管理層，杭州振牛有能力有效監控、管理及經營杭州恩牛之業務營運、擴充計劃、財務政策及資產，此舉同時亦確保結構性合約I獲得妥善落實。



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The Structured Contract 1 enables the Company to exercise control over and receives economic benefits generated from the business operation of Hangzhou Enniu. The validity and legality of the Structured Contract 1 has been confirmed by the PRC legal advisor. The Company is of the view that it is fair and reasonable for Hangzhou Zhenniu to be entitled to all the economic benefits generated from Hangzhou Enniu. The Structured Contract 1 also permits Hangzhou Zhenniu to exclusively acquire all or part of the equity interest in Hangzhou Enniu, to the extent permitted by the PRC laws and regulations. Notwithstanding the Group's lack of equity ownership in Hangzhou Enniu, the Group is able to control the business and financial position of Hangzhou Enniu in substance through the Structured Contract 1. As a result of the Contractual Arrangements 1, Hangzhou Enniu is accounted for as the Company's subsidiary, and its financial position and operating results being consolidated into the Group's consolidated financial statements.

The revenue and net loss for the year ended 31 December 2019 and net deficit of Hangzhou Enniu as at 31 December 2019, pursuant to the Contractual Arrangements 1, amounted to approximately RMB661.5 million, approximately RMB215.6 million and approximately RMB1,681.4 million, respectively.

Structured Contract 2

Hangzhou Jiahao Technology Limited ("Hangzhou Jiahao") was jointly held by Mr. Zhu Jianfei and Mr. Guan Jun. Certain subsidiaries of Hangzhou Jiahao had obtained the ICP Licenses, and Hangzhou Jiahao is also applying for the ICP License.

Hangzhou Zhenniu entered into: (1) the Exclusive Business Cooperation Agreement 2 with Hangzhou Jiahao in August 2019, and further entered into: (2) the Exclusive Option Agreement 2; (3) the Equity Pledge Agreement 2; and (4) the Powers of Attorney 2 and supporting documents (collectively referred to as the "Structured Contract 2") with Hangzhou Jiahao, Mr. Zhu Jianfei and Mr. Guan Jun (the "Nominee Shareholders 2") to enable the Group to obtain the power and ability to control the business of Hangzhou Jiahao and acquire economic benefits (the "Contractual Arrangements 2").

結構性合約1讓本公司可對杭州恩牛行使控制權並取其業務營運所得經濟利益。結構性合約1已經中國法律顧問確認為有效及合法。本公司認為，讓杭州振牛享有杭州恩牛產生的所有經濟利益實屬公平合理。在中國法律及法規允許的情況下，結構性合約1亦讓杭州振牛可獨家收購杭州恩牛全部或部份股權。雖然本集團未持有杭州恩牛之股本權益，惟本集團可透過結構性合約1享有對杭州恩牛業務及財務狀況的實際控制權。由於合約安排1，杭州恩牛作為本公司附屬公司列賬，其財務狀況及經營業績綜合計入本集團綜合財務報表。

根據合約安排1，杭州恩牛截至2019年12月31日止年度的收入及虧損淨額及於2019年12月31日的虧絀淨值分別為約人民幣661.5百萬元、約人民幣215.6百萬元及約人民幣1,681.4百萬元。

結構性合約2

杭州嘉好科技有限公司（「杭州嘉好」）由朱劍飛先生及管軍先生共同持有。杭州嘉好的若干附屬公司已取得ICP許可證，及杭州嘉好亦正在申請ICP許可證。

杭州振牛於2019年8月與杭州嘉好訂立：(1)獨家業務合作協議2；及與杭州嘉好及朱劍飛先生及管軍先生（「代理人股東2」）進一步訂立：(2)獨家購買權協議2；(3)股權質押協議2；及(4)股東表決權委託協議2及配套文件（統稱「結構性合約2」）以讓本集團獲得控制杭州嘉好業務的權力及能力及取得經濟利益（「合約安排2」）。

(I) Exclusive Option Agreement 2

Hangzhou Jiahao and the Nominee Shareholders 2, entered into the exclusive option agreement 2 (the “**Exclusive Option Agreement 2**”) with Hangzhou Zhenniu in August 2019, pursuant to which the Nominee Shareholders 2 agreed to grant to Hangzhou Zhenniu (or the Designee), an irrevocable and exclusive option to acquire or purchase from the Nominee Shareholders 2 and/or Hangzhou Jiahao all or any part of their equity interests in and/or assets of Hangzhou Jiahao at a nominal price, unless the relevant government authorities or the PRC laws request that another amount be used as the purchase price, in which case the purchase price shall be the lowest amount under such request. In compliance with the current regulations and requirements of the PRC laws, the Nominee Shareholders 2 and/or Hangzhou Jiahao shall return any amount of purchase price they have received to Hangzhou Zhenniu. At Hangzhou Zhenniu’s request, the Nominee Shareholders 2 and/or Hangzhou Jiahao will promptly and unconditionally transfer their respective equity interests in and/or assets of Hangzhou Jiahao to Hangzhou Zhenniu (or the Designee) after Hangzhou Zhenniu exercises its purchase right.

In order to prevent the flow of the assets and value of Hangzhou Jiahao and its subsidiaries (the “**PRC Operating Entities 2**”) to the Nominee Shareholders 2, during the term of the Exclusive Option Agreement 2, Hangzhou Jiahao shall not, and shall procure its subsidiaries not to, sell, transfer, mortgage or otherwise dispose of any of its assets without the prior written consent of Hangzhou Zhenniu. In addition, Hangzhou Jiahao shall not, and shall procure its subsidiaries not to, make any distributions to its shareholder(s) without the prior written consent of Hangzhou Zhenniu. In the event that the Nominee Shareholders 2 receive any distribution from Hangzhou Jiahao and/or its subsidiaries and subject to the PRC laws, the Nominee Shareholders 2 must immediately pay or transfer such distribution to Hangzhou Zhenniu (or the Designee). If Hangzhou Zhenniu exercises its purchase right, all or any part of the equity interests in and/or assets of Hangzhou Jiahao acquired would be transferred to Hangzhou Zhenniu and the benefits of equity ownership and/or assets, as applicable, would flow to the Company and the Shareholders.

The Exclusive Option Agreement 2 is for an initial term of ten years and is automatically renewable upon expiry unless Hangzhou Zhenniu confirms a new renewal term in writing.

(I) 獨家購買權協議2

杭州嘉好、代理人股東2與杭州振牛於2019年8月訂立獨家購買權協議2(「**獨家購買權協議2**」)，據此，代理人股東2同意向杭州振牛(或指定人士)授出不可撤回及獨家選擇權，可按名義價從代理人股東2及／或杭州嘉好收購或購買其於杭州嘉好的全部或任何部份股權及／或資產，除非有關政府機關或中國法律要求使用另一金額作為購買價，則採用該要求下的最低金額作為購買價。在符合當時中國法律的規定和要求的前提下，代理人股東2及／或杭州嘉好須將彼等已收取的任何購買價款項退還予杭州振牛。應杭州振牛的要求，於杭州振牛行使其購買權後，代理人股東2及／或杭州嘉好將立即且無條件轉讓彼等各自於杭州嘉好的股權及／或資產予杭州振牛(或指定人士)。

為防止杭州嘉好及其附屬公司(「**中國營運實體2**」)的資產及價值流向代理人股東2，在獨家購買權協議2的期限內，倘未經杭州振牛事先書面同意，杭州嘉好不得並須促使其附屬公司不得出售、轉讓、抵押或以其他方式處置其任何資產。此外，倘未經杭州振牛事先書面同意，杭州嘉好不得並須促使其附屬公司不得向其股東作出任何分派。倘代理人股東2接獲杭州嘉好及／或其附屬公司的任何分派，在中國法律規限的情況下，代理人股東2則必須立即支付或轉讓有關分派予杭州振牛(或指定人士)。倘杭州振牛行使其購買權，所收購的杭州嘉好全部或任何部份股權及／或資產將轉讓予杭州振牛，且股本所有權及／或資產(視乎情況而定)的利益應歸屬本公司及股東所有。

獨家購買權協議2的初始期限為十年，並於到期時自動續期，除非杭州振牛以書面方式確認新的續約期限。



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(2) Exclusive Business Cooperation Agreement 2

Hangzhou Jiahao and its subsidiaries entered into the exclusive business cooperation agreement 2 (the "**Exclusive Business Cooperation Agreement 2**") with Hangzhou Zhenniu in August 2019, pursuant to which Hangzhou Jiahao agreed to engage Hangzhou Zhenniu and its designated persons as the exclusive provider to the PRC Operating Entities 2 of business support, technical and consulting services, including technical services, network support, business consultation, intellectual property licensing, equipment, leasing, marketing consultancy, system integration, product research and development and system maintenance, in exchange for service fees. Under these arrangements, the service fees, subject to Hangzhou Zhenniu's adjustment, are equal to all of the net profit of the PRC Operating Entities 2. Hangzhou Zhenniu may adjust the service fees at its sole discretion, after consideration of certain factors, including but not limited to the deduction of necessary costs, expenses, taxes and other statutory contribution in relation to the respective fiscal year, and may also include accumulated losses of the PRC Operating Entities 2 from previous financial periods, which will be wired to the designated account of Hangzhou Zhenniu upon issuance of payment notification by Hangzhou Zhenniu. Hangzhou Zhenniu enjoys all the economic benefits derived from every business of the PRC Operating Entities 2 and bears Hangzhou Jiahao's business risks. If Hangzhou Jiahao runs into financial deficit or suffers severe operation difficulties, Hangzhou Zhenniu will provide financial support to Hangzhou Jiahao.

The Exclusive Business Cooperation Agreement 2 is for an initial term of ten years and is automatically renewable upon expiry unless Hangzhou Zhenniu confirms a new renewal term in writing.

(2) 獨家業務合作協議2

杭州嘉好及其附屬公司與杭州振牛於2019年8月訂立獨家業務合作協議2（「**獨家業務合作協議2**」），據此，杭州嘉好同意聘請杭州振牛及其指定人士為中國營運實體2的業務支援、技術及諮詢服務（包括技術服務、網絡支援、業務諮詢、知識產權許可、設備、租賃、營銷顧問、系統整合、產品研發及系統維護）的獨家供應商，並支付服務費以換取服務。根據該等安排，服務費（可由杭州振牛調整）相等於中國營運實體2的全部淨利潤。杭州振牛在考慮若干因素後可全權調整服務費，包括但不限於經扣除與各財政年度有關的所需成本、開支、稅項及其他法定供款，亦可包括中國營運實體2於過往財政期間的累計虧損，該等服務費將於杭州振牛發出付款通知後電匯至杭州振牛的指定賬戶。杭州振牛享有中國營運實體2各項業務所產生的全部經濟利益，並承擔杭州嘉好的業務風險。倘杭州嘉好出現財政赤字，或遭受嚴重的營運困難，杭州振牛將向杭州嘉好提供財政支援。

獨家業務合作協議2初步為期十年，並於到期時自動續期，除非杭州振牛以書面方式確認新的續約期限。

(3) Share Pledge Agreement 2

Hangzhou Jiahao and the Nominee Shareholders 2 and Hangzhou Zhenniu entered into the share pledge agreement 2 (the "Share Pledge Agreement 2") in August 2019. Under the Share Pledge Agreement 2, the Nominee Shareholders 2 pledged all of their respective equity interests in Hangzhou Jiahao to Hangzhou Zhenniu as collateral security for any or all of their payments due to Hangzhou Zhenniu and to secure performance of their obligations under the Exclusive Business Cooperation Agreement 2, the Exclusive Option Agreement 2 and the Powers of Attorney 2 (as defined below). The Share Pledge Agreement 2 will not terminate until (i) all obligations of Hangzhou Jiahao and the Nominee Shareholders 2 are satisfied in full; (ii) Hangzhou Zhenniu exercises its exclusive option to purchase the entire equity interests of the Nominee Shareholders 2 in Hangzhou Jiahao and/or the entire assets of Hangzhou Jiahao pursuant to the terms of the Exclusive Option Agreement 2 when it is permitted to do so under the applicable PRC laws and regulations; (iii) Hangzhou Zhenniu exercises its unilateral and unconditional right of termination; or (iv) the agreement is required to be terminated in accordance with applicable PRC laws and regulations. In addition, under the Exclusive Option Agreement 2, none of the Nominee Shareholders 2 may transfer or permit the encumbrance of any of their equity interests in and assets of Hangzhou Jiahao (including any equity interests in and assets of the subsidiaries of Hangzhou Jiahao) without Hangzhou Zhenniu's prior written consent. The Share Pledge Agreement 2 will be terminated when all the said obligations of the Nominee Shareholders 2 contemplated under the Contractual Arrangements 2 are fulfilled or terminated in accordance with the requirement of the relevant applicable laws and regulations of the PRC.

(3) 股份質押協議2

杭州嘉好及代理人股東2與杭州振牛於2019年8月訂立股份質押協議2(「股份質押協議2」)。根據股份質押協議2，代理人股東2已向杭州振牛質押彼等各自於杭州嘉好的全部股權，作為彼等支付結欠杭州振牛的任何或所有款項及確保彼等履行於獨家業務合作協議2、獨家購買權協議2及股東表決權委託協議2(定義見下文)項下的責任。股份質押協議2將不會終止，直至(i)杭州嘉好及代理人股東2的所有責任均已全面履行；(ii)杭州振牛在適用中國法律及法規允許的情況下根據獨家購買權協議2的條款行使其獨家購買權以購買代理人股東2於杭州嘉好的全部股權及／或杭州嘉好的全部資產；(iii)杭州振牛行使單方面及無條件終止權；或(iv)該協議根據適用中國法律及法規須予以終止。此外，根據獨家購買權協議2，未經杭州振牛事先書面同意，代理人股東2不得轉讓其於杭州嘉好的任何股權及資產(包括於杭州嘉好附屬公司的任何股權及資產)或准許就有關股權及資產設置產權負擔。股份質押協議2將於前述合約安排2項下代理人股東2所有責任達成後終止或依照有關適用的中國法律和法規的要求終止時終止。



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(4) Powers of Attorney 2

An irrevocable power of attorney 2 (the “**Powers of Attorney 2**”) was entered into between the Nominee Shareholders 2, Hangzhou Zhenniu and Hangzhou Jiahao in August 2019, whereby the Nominee Shareholders 2 appointed Hangzhou Zhenniu or, according to the instruction of Hangzhou Zhenniu, a director of its offshore holding company or a liquidator or a successor who are acting the function of those directors as their exclusive agent and attorney to act on their behalf on all matters concerning Hangzhou Jiahao and to exercise all of its rights as a Nominee Shareholders 2 of Hangzhou Jiahao.

Save as disclosed above, there were no other new contractual arrangement entered into, renewed and/or reproduced between the Group and the PRC Operating Entities 2 and/or the Nominee Shareholders 2 for the year ended 31 December 2019. There was no material change in the Contractual Arrangements 2 and/or the circumstances under which they were adopted for the year ended 31 December 2019.

Save for the Exclusive Business Cooperation Agreement 2 which involves the payment of a service fee by Hangzhou Jiahao to Hangzhou Zhenniu, and the nominal purchase consideration to be paid by Hangzhou Zhenniu to the Nominee Shareholders 2 under the Exclusive Option Agreement 2, the Contractual Arrangements 2 do not involve payment of any consideration.

The Structured Contract 2, taken as a whole, permit the results and financial operations of Hangzhou Jiahao to be consolidated into the Group, as if it were the Company’s subsidiary resulting in all economic benefits of its business flowing to the Company. Through the appointment of senior management of Hangzhou Jiahao, the Company believes that Hangzhou Zhenniu is able to effectively supervise, manage and operate the business operations, expansion plans, financial policies and assets of Hangzhou Jiahao, and at the same time, ensure due implementation of the Structured Contract 2.

(4) 股東表決權委託協議2

代理人股東2、杭州振牛及杭州嘉好於2019年8月訂立不可撤銷的股東表決權委託協議2（「**股東表決權委託協議2**」），據此，代理人股東2委任杭州振牛或根據杭州振牛的指示委任其離岸控股公司的一名董事以及代行該等董事職責的清盤人或其他繼任人為彼等的獨家代理及授權代表，以代表彼等就與杭州嘉好相關的所有事項行事及行使其作為杭州嘉好代理人股東2的所有權利。

除上文披露者外，本集團與中國營運實體2及／或代理人股東2截至2019年12月31日止年度並無訂立、重續及／或複製任何其他新合約安排。截至2019年12月31日止年度，合約安排2及／或據以採用合約安排的情況並無發生重大變動。

除獨家業務合作協議2涉及杭州嘉好向杭州振牛支付服務費，以及杭州振牛根據獨家購買權協議2需支付予代理人股東2的名義購買價外，合約安排2不涉及支付任何代價。

整體而言，結構性合約2讓杭州嘉好之業績及財務營運綜合計入本集團，猶如其為本公司之附屬公司，以致其業務所得所有經濟利益流入本公司。本公司認為，透過指派杭州嘉好之高級管理層，杭州振牛有能力有效監控、管理及經營杭州嘉好之業務營運、擴充計劃、財務政策及資產，此舉同時亦確保結構性合約2獲得妥善落實。

The Structured Contract 2 enables the Company to exercise control over and receives economic benefits generated from the business operation of Hangzhou Jiahao. The validity and legality of the Structured Contract 2 has been confirmed by the PRC legal advisor. The Company is of the view that it is fair and reasonable for Hangzhou Zhenniu to be entitled to all the economic benefits generated from Hangzhou Jiahao. The Structured Contract 2 also permits Hangzhou Zhenniu to exclusively acquire all or part of the equity interest in Hangzhou Jiahao, to the extent permitted by the PRC laws and regulations. Notwithstanding the Group's lack of equity ownership in Hangzhou Jiahao, the Group is able to control the business and financial position of Hangzhou Jiahao in substance through the Structured Contract 2. As a result of the Contractual Arrangements 2, Hangzhou Jiahao is accounted for as the Company's subsidiary, and its financial position and operating results being consolidated into the Group's consolidated financial statements.

The revenue and net profit for the year ended 31 December 2019 and net equity of Hangzhou Jiahao as at 31 December 2019, pursuant to the Contractual Arrangements 2, amounted to RMB nil, approximately RMB193,000 and approximately RMB193,000.

Reasons for Adopting the Contractual Arrangements

As a company directly held by foreign shareholders is not allowed to engage in the Internet business in which Hangzhou Enniu, Hangzhou Jiahao and each of their subsidiaries, are engaged, the contractual arrangements are adopted by the Group. The 51 Credit Card Manager App which is developed and owned by Hangzhou Enniu acts as the major channel through which the Group approaches its users and conducts business. Hangzhou Enniu presents information to specific users by connecting the 51 Credit Card Manager App to its cooperating Internet platforms, thereby providing credit card management service and other related service to potential users. Hangzhou Jiahao, through its subsidiary, Hangzhou Lanye Internet Technology Limited, developed and operated a mobile application named "Little Blue Book", and provides business information searching services to users by the "Little Blue Book". Therefore, the Contractual Arrangements are crucial to the Group.

The Company will keep exploring various opportunities in building up its ICP services operations for the purposes of being qualified as early as possible, to acquire the entire equity interest of each of Hangzhou Enniu and Hangzhou Jiahao, respectively, if and when the foreign investment restrictions are lifted.

結構性合約2讓本公司可對杭州嘉好行使控制權並取其業務營運所得經濟利益。結構性合約2已經中國法律顧問確認為有效及合法。本公司認為，讓杭州振牛享有杭州嘉好產生的所有經濟利益實屬公平合理。在中國法律及法規允許的情況下，結構性合約2亦讓杭州振牛可獨家收購杭州嘉好全部或部份股權。雖然本集團未持有杭州嘉好之股本權益，惟本集團可透過結構性合約2享有對杭州嘉好業務及財務狀況的實際控制權。由於合約安排2，杭州嘉好作為本公司附屬公司列賬，其財務狀況及經營業績綜合計入本集團綜合財務報表。

根據合約安排2，杭州嘉好截至2019年12月31日止年度的收入及溢利淨額及於2019年12月31日的權益淨值分別為人民幣0元、約人民幣193,000元及約人民幣193,000元。

採用合約安排的理由

由於外資股東直接持股的公司未獲准從事杭州恩牛、杭州嘉好及彼等之附屬公司所從事的互聯網業務，所以本集團採用合約安排。杭州恩牛開發並擁有的51信用卡管家應用是本集團獲取用戶並開展業務的重要途徑。杭州恩牛通過將51信用卡管家應用接入合作的互聯網平台向特定互聯網用戶展示信息，為有需求的用戶提供信用卡管理服務並提供相關其他服務。杭州嘉好透過其附屬公司杭州藍頁網絡技術有限公司開發並運營一手機應用程式「小藍本」，及通過「小藍本」向用戶提供商業信息搜索服務。因此，合約安排對本集團尤其重要。

本公司將繼續探索不同機會拓展其ICP服務營運，力求盡快取得資格，倘於外資投資限制解除後分別收購杭州恩牛及杭州嘉好各自的全部股權。



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Risk Factors Related to Contractual Arrangements and Actions to be Taken

Certain risks related to Contractual Arrangements, including:

1. if the PRC government deems that the Contractual Arrangements in relation to the PRC Operating Entities (including the PRC Operating Entities 1 and the PRC Operating Entities 2) do not comply with PRC regulatory restrictions on foreign investment in the relevant industries, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations;
2. if the imposition of any of these penalties or requirement to restructure our corporate structure by the PRC government causes us to lose the rights to direct the activities of the PRC Operating Entities or our right to receive their economic benefits, we would no longer be able to consolidate the financial results of the PRC Operating Entities in our consolidated financial statements;
3. we could face material and adverse tax consequences if the PRC tax authorities determine that our Contractual Arrangements with the PRC Operating Entities were not made on an arm's length basis and adjust our income and expenses for PRC tax purposes by requiring a transfer pricing adjustment;
4. the nominee shareholders of the PRC Operating Entities may have potential conflicts of interest with us, which may materially and adversely affect our business and financial position; and
5. if any of the PRC Operating Entities become subject to winding up or liquidation proceedings, we may lose the ability to use and enjoy certain important assets held by the PRC Operating Entities.

Please refer to the section "Risk Factors – Risks Relating to Our Corporate Structure" on pages 85 to 93 of the Prospectus for further details regarding such risks.

與合約安排有關的風險及採取的行動

存在與合約安排有關的若干風險，包括：

1. 倘中國政府認為有關中國營運實體（包括中國營運實體1及中國營運實體2）的合約安排不符合中國有關外商投資相關行業的監管限制，或倘該等法規或現有法規的解釋日後發生變動，則我們可能面臨嚴重處罰或被迫撤出於該等業務的權益；
2. 倘中國政府施加處罰或要求重組公司架構使得我們失去主導中國營運實體活動的權利或收取其經濟利益的權利，則我們將不再能夠將中國營運實體的財務業績在我們的綜合財務報表中綜合入賬；
3. 倘中國稅務機關確定我們與中國營運實體之間的合約安排並非按公平基準訂立，並通過要求轉讓定價調整而就中國稅項目的調整我們的收入及開支，則我們可能面臨重大不利的稅務結果；
4. 中國營運實體的代理人股東可能與我們存在潛在利益衝突，這可能會對我們的業務及財務狀況產生重大不利影響；及
5. 倘任何中國營運實體須進行清盤或清算程序，我們可能無法使用及享有由我們的中國營運實體持有的若干重要資產。

有關該等風險的進一步詳情載於招股章程第85至93頁「風險因素-與我們公司架構有關的風險」一節。

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The Group has adopted the following measures to ensure the effective operation of the Group with the implementation of the Contractual Arrangements and our compliance with the contractual arrangements, including:

1. major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
2. the Board will review the overall performance of and compliance with the contractual arrangements at least once a year; and
3. the Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the contractual arrangements, review the legal compliance of Hangzhou Enniu, Hangzhou Jiahao and the PRC Operating Entities to deal with specific issues or matters arising from the contractual arrangements.

Listing Rules Implications and Waivers from the Stock Exchange

The transactions contemplated under the Contractual Arrangements I constitute continuing connected transactions of the Company under the Listing Rules as some of the Nominee Shareholders I of Hangzhou Enniu are connected persons of the Company. The highest applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the transactions contemplated under the Contractual Arrangements I are expected to be more than 5%. As such, the transactions will be subject to the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) are of the view that the Contractual Arrangements I and the transactions contemplated thereunder are fundamental to the legal structure and business operations of the Group, that such transactions have been and will be entered into in ordinary and usual course of business, are on normal commercial terms or better and the terms are fair and reasonable and in the interests of the Group and Shareholders as a whole.

本集團已採取以下措施，確保本集團於合約安排實施後能有效運行及遵守合約安排，包括：

1. 實施及遵守合約安排過程中出現的重大問題或政府機關的任何監管查詢將於發生時提交董事會審視及討論（倘必要）；
2. 董事會將至少每年審閱一次合約安排的整體履行及合規情況；及
3. 本公司將聘請外部法律顧問或其他專業顧問（倘必要），協助董事會審視合約安排的實施、審視杭州恩牛、杭州嘉好及中國營運實體處理合約安排產生的特別問題或事宜的法律合規情況。

上市規則涵義及聯交所豁免

杭州恩牛之部份代理人股東I為本公司關連人士，根據上市規則，合約安排I項下擬進行的交易構成本公司的持續關連交易。與合約安排I有關的交易根據上市規則的最高適用百分比率（利潤率除外）預計超過5%，因此，該等交易須遵守上市規則第十四A章下的申報、年度審核、公告及獨立股東批准規定。

董事（包括獨立非執行董事）認為合約安排I及其相關交易對本集團法律結構與業務的至關重要，該等交易過去一直而今後也將繼續在本集團日常及一般業務過程中按照正常或更好的商業條款訂立，屬公平合理，且符合本集團及股東的整體利益。



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The Directors also believe that our structure, whereby the financial results of Hangzhou Enniu are consolidated into our financial statements as if they were the Company's wholly owned subsidiaries, and all the economic benefits of their business flows to the Group, places the Group in a special position in relation to the connected transactions rules. Accordingly, notwithstanding that the transactions contemplated under the Contractual Arrangements I technically constitute continuing connected transactions under Chapter 14A of the Listing Rules, the Directors consider that it would be unduly burdensome and impracticable, and would add unnecessary administrative costs to the Company, for all the transactions contemplated under the Contractual Arrangements to be subject to strict compliance with the requirements set out under Chapter 14A of the Listing Rules, including, among other things, the announcement and approval of independent Shareholders.

In addition, given the Contractual Arrangements I were entered into prior to the listing and are disclosed in the Prospectus, and potential investors of the Company has participated in the IPO on the basis of such disclosure, the Directors consider that compliance with the announcement and the independent Shareholders' approval requirements in respect thereof immediately after listing would add unnecessary administrative costs to the Company.

In view of the abovementioned reasons, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with (i) the announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Contractual Arrangements I pursuant to Rule 14A.105 of the Listing Rules, (ii) the requirement of setting an annual cap for the transactions under the Contractual Arrangements I under Rule 14A.53 of the Listing Rules, and (iii) the requirement of limiting the term of the Contractual Arrangements I to three years or less under Rule 14A.52 of the Listing Rules, for so long as Shares are listed on the Stock Exchange subject however to the following conditions:

- (a) no change to the Contractual Arrangements I without independent non-executive Directors' approval;
- (b) no change to the Structured Contract I without independent Shareholders' approval;

董事亦相信，我們的架構（其中杭州恩牛的財務業績合併計入我們的財務報表，猶如該等實體為本公司的全資附屬公司，且其業務的所有經濟利益均流向本集團）使本集團就關連交易規則而言處於一個特殊位置。因此，儘管合約安排I項下擬進行交易技術上而言構成上市規則第十四A章下的持續關連交易，但董事認為就合約安排項下所有擬進行交易嚴格遵守上市規則第十四A章所載（其中包括）公告及獨立股東批准等規定，將對本公司而言屬過度繁重及不切實際，並為本公司增加不必要的行政成本。

此外，鑒於合約安排I乃於上市前訂立並於招股章程內披露，且本公司的潛在投資者是在相關披露的基礎上參與首次公開發售，董事認為，緊隨上市後就該等合約安排遵守公告及獨立股東批准規定將為本公司增加不必要的行政成本。

基於上述原因，我們已向聯交所申請且聯交所已批准於股份在聯交所上市期間，(i)根據上市規則第14A.105條規定就合約安排I的相關交易豁免嚴格遵守上市規則第十四A章的公告、通函及獨立股東批准規定；(ii)豁免嚴格遵守上市規則第14A.53條就合約安排I的相關交易訂立年度上限的規定；及(iii)豁免嚴格遵守上市規則第14A.52條有關合約安排I有效期限定為三年或以內的規定，惟須受以下條件規限：

- (a) 未經獨立非執行董事批准不得變更合約安排I；
- (b) 未經獨立股東批准不得變更結構性合約I；

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- (c) the Contractual Arrangements I shall continue to enable the Group to receive the economic benefits derived by the PRC Operating Entities I;
 - (d) on the basis that the Contractual Arrangements I provide an acceptable framework for the relationship between the Company and its subsidiaries in which the Company has direct shareholding, on the one hand, and the PRC Operating Entities I, on the other hand, that framework may be renewed and/or reproduced upon the expiry of the existing arrangements or in relation to any existing or new wholly foreign-owned enterprise or operating company (including branch company) engaging in the same business as that of the Group which the Group might wish to establish when justified by business expediency, without obtaining the approval of the Shareholders, on substantially the same terms and conditions as the existing Contractual Arrangements I; and
 - (e) the Group will disclose details relating to the Contractual Arrangements I on an on-going basis.
- (c) 合約安排I將繼續讓本集團收取源於中國營運實體I的經濟利益；
 - (d) 在合約安排I就本公司及其直接控股附屬公司與中國營運實體I之間的關係提供可接受框架的前提下，可於現有安排到期後，或就本集團認為可提供業務便利時可能有意成立的從事與本集團相同業務的任何現有或新外商獨資企業或營運公司（包括分公司），按照與現有合約安排I大致相同的條款與條件，重續及／或複製該框架，而毋須取得股東批准；及
 - (e) 本集團將持續披露有關合約安排I的詳情。

Annual Review by the Independent Non-Executive Directors and the Auditor

The independent non-executive Directors have reviewed the Contractual Arrangements and confirmed that:

- (a) the transactions carried out for the year ended 31 December 2019 had been entered into in accordance with the relevant provisions of the Contractual Arrangements;
- (b) no dividends or other distributions had been made by the PRC Operating Entities to the holders of its equity interests which were not otherwise subsequently assigned or transferred to the Group;
- (c) no new contracts had been entered into, renewed and/or reproduced between the Group and the PRC Operating Entities for the year ended 31 December 2019; and
- (d) the Contractual Arrangements had been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are fair and reasonable and in the interest of the Group and the Shareholders as a whole.

獨立非執行董事及核數師作出的年度審閱

獨立非執行董事已審閱合約安排並確認：

- (a) 截至2019年12月31日止年度進行的交易乃遵照合約安排相關條文而訂立；
- (b) 中國營運實體並未向其股本權益持有人派發且其後亦未另行轉撥或轉讓給本集團的任何股息或其他分派；
- (c) 本集團與中國營運實體截至2019年12月31日止年度並無訂立、重續及／或複製任何新合約；及
- (d) 合約安排已於本集團的一般及日常業務過程中按正常商業條款訂立，屬公平合理，且符合本集團及股東的整體利益。



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The auditor of the Company has confirmed in a letter to the Board that the transactions carried out pursuant to the Contractual Arrangements for the year ended 31 December 2019 had received the approval of the Board, had been entered into in accordance with the relevant provisions of the Contractual Arrangements, and that no dividends or other distributions had been declared by the PRC Operating Entities to the holders of its equity interests which were not otherwise subsequently assigned or transferred to the Group.

COMPETITION AND CONFLICT OF INTERESTS

Save and except for the interests of controlling Shareholders in the Company, its subsidiaries and the PRC Operating Entities, the controlling Shareholders and Directors confirmed that during the year, they did not have any interest in a business, apart from the business of the Group, which competes or is likely to compete, directly or indirectly, with the business of the Group, that would require disclosure under Rule 8.10 of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the total issued Shares was at all times held by the public during the year and up to the date of this report. The Company has maintained a sufficient public float in compliance with Rule 8.08 of the Listing Rules.

TAX RELIEF AND EXEMPTION FOR HOLDERS OF LISTED SECURITIES

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holdings of the Company's securities.

CORPORATE GOVERNANCE

A detailed report on corporate governance is set out on pages 74 to 94 of this report.

本公司之核數師已於致董事會函件中確認，截至2019年12月31日止年度根據合約安排進行的交易已獲董事會批准，並已遵照合約安排相關條文而訂立，而中國營運實體並未向股本權益持有人派發且其後亦未另行轉撥或轉讓給本集團的任何股息或其他分派。

競爭及利益權益

除控股股東於本公司、其附屬公司及中國營運實體的權益外，控股股東及董事確認彼等於年內概無於與本集團的業務存在或可能存在競爭的業務（本集團的業務除外）中擁有任何可能須根據上市規則第8.10條予以披露的權益。

充足公眾持股量

根據本公司從公開途徑所得之資料及就董事所知，公眾人士年內及直至本報告日期一直持有已發行股份總額不少於25%。本公司一直維持充足公眾持股量以符合上市規則第8.08條之規定。

上市證券持有人的稅務寬減及減免

董事並不知悉任何因其持有本公司證券而使股東享有稅務寬減或減免。

企業管治

詳述企業管治之報告載於本報告第74至94頁。

EVENTS AFTER THE REPORTING PERIOD

On 4 April 2020, Shenzhen Tiantu Xingshen Tianshi Venture Investment Partnership (Limited Partnership)*, Hangzhou Yunzhuo Phase II Investment Partnership Enterprise (Limited Partnership)*, Ningbo Meishan Bonded Port Zone Ceran Investment Management Partnership Enterprise (Limited Partnership)* and Hangzhou Yiqilaidian Investment Partnership Enterprise (Limited Partnership)* (collectively, the “Subscribers”), Hangzhou Lanye Network Technology Co., Ltd.* (an indirect non-wholly owned subsidiary of the Company) (the “Target Company”), the then existing shareholders of the Target Company, Mr. Sun and Hangzhou Zhenniu entered into an investment agreement, pursuant to which the Subscribers have conditionally agreed to invest and the Target Company conditionally agreed to issue additional registered capital of RMB2,633,742 at a total consideration of RMB40,000,000 in cash, of which RMB2,633,742 as additional registered capital of the Target Company and RMB37,366,258 as additional capital reserve of the Target Company (the “Investments”). The equity interest of the Group in the Target Company will be diluted from approximately 94.30% to approximately 78.59% upon the completion, and therefore the Investments constitute a deemed disposal of the Group’s equity interest in the Target Company under Rule 14.29 of the Listing Rules. For further details of the Investments, please refer to the announcement of the Company dated 14 April 2020.

For details of other important events the Group which have occurred since the end of the year ended 31 December 2019, please refer to Note 40 to the consolidated financial information as set out in this report.

AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2019 have been audited by PricewaterhouseCoopers. A resolution for the re-appointment of PricewaterhouseCoopers as the auditor of the Company for the subsequent year is to be proposed at the AGM. Since the date of which the Shares were initially listed on the Stock Exchange, the Company has not changed its auditor.

By order of the Board

51 Credit Card Inc.

Sun Haitao

Chairman, Chief Executive Officer and Executive Director

30 March 2020

* For identification purposes only

報告期後事項

於2020年4月14日，深圳天圖與深天使創業投資合夥企業（有限合夥）、杭州雲卓二期投資合夥企業（有限合夥）、寧波梅山保稅港區策然投資管理合夥企業（有限合夥）及杭州一起來電投資合夥企業（有限合夥）（統稱「認購人」）、杭州藍頁網絡技術有限公司（本公司間接非全資附屬公司）（「目標公司」）、目標公司當時的現有股東、孫先生及杭州振牛訂立一份投資協議，據此，認購人已有條件地同意投資及目標公司有條件地同意以人民幣40,000,000元的現金代價總額發行額外註冊資本人民幣2,633,742元，其中，人民幣2,633,742元將作為目標公司的額外註冊資本，人民幣37,366,258元將作為目標公司的額外資本公積金（「投資」）。本集團於投資完成後於目標公司的股權將由約94.30%稀釋至約78.59%，因此根據上市規則第14.29條規定，投資構成視作出售本集團於目標公司的股權。有關投資的進一步詳情，請參閱本公司日期為2020年4月14日的公告。

有關本集團自截至2019年12月31日止年度未發生的其他重要事項的詳情，請參閱本報告的綜合財務報表附註40。

核數師

本集團截至2019年12月31日止年度之綜合財務報表由羅兵咸永道會計師事務所審核。一項續聘羅兵咸永道會計師事務所為本公司下屆核數師之決議案將於股東週年大會上提呈。自股份首次在聯交所上市之日起，本公司未有更換其核數師。

承董事會命

51信用卡有限公司

主席、行政總裁兼執行董事

孫海濤

2020年3月30日



Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board strives to attain and maintain high standards of corporate governance in order to safeguard the interests of the Shareholders and to enhance corporate value and accountability. In addition, the Group is also committed to continuously improving its corporate governance practices.

For the year ended 31 December 2019, the Company had applied and complied with all the code provisions in the Corporate Governance Code (the "CG Code") as contained in Appendix 14 to the Listing Rules, with exceptions set out as follows:

Code Provision A.1.1 (Four Regular Board Meetings)

For the year ended 31 December 2019, the Board held three regular meetings instead of four as required by code provision A.1.1 of the CG Code. The Board considers that the three meetings were sufficient to deal with the matters of the Company. Apart from the Board meetings, consent of Directors on certain issues was also sought through circulating resolutions in writing.

企業管治常規

董事會致力達到及維持高標準的企業管治，以保護股東的權益和提高企業價值和問責度。此外，本集團亦承諾不斷改善其企業管治常規。

截至2019年12月31日止年度，本公司已應用及遵守上市規則附錄十四所載的企業管治守則（「企業管治守則」）內所有守則條文，惟以下所述者除外：

守則條文A.1.1（四次常規會議）

截至2019年12月31日止年度，董事會舉行三次常規會議而非企業管治守則的守則條文A.1.1所規定的四次。董事會認為該三次會議足夠處理本公司事宜。除董事會會議外，本公司亦曾透過傳閱書面決議方式就部份事宜尋求董事批准。

Corporate Governance Report

企業管治報告

Code Provision A.2.1 (Separation of the Roles of Chairman and Chief Executive Officer)

Mr. Sun acts as the chairman, an executive Director and the chief executive officer of the Company. While this will constitute a deviation from code provision A.2.1 of the CG Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decision to be made by the Board requires approval by at least a majority of the Directors and that the Board comprises three independent non-executive Directors out of seven Directors, which is more than the Listing Rules requirement of one-third, and the Board believes there is sufficient check and balance in the Board; (ii) Mr. Sun and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he/she acts for the benefit and in the best interests of the Company and will make decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high calibre individuals who meet regularly to discuss issues relating to the operations of the Company. Moreover, the overall strategic and other key business, financial and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and chief executive officer of the Company is necessary.

Going forward, while Mr. Sun as the founder will continue to play a crucial role in steering the development and operations of the Group as a whole, the Company will present the key decisions for the approval by the Board in accordance with the requirements under the Listing Rules, the Articles and the laws of Hong Kong and the Cayman Islands.

Code Provision E.1.2 (Chairman's Attendance at Annual General Meeting)

Mr. Sun, the chairman of the Board, was unable to attend the AGM held in 2019 due to unexpected business engagements. Mr. Zhao Ke, an executive Director and the chief financial officer of the Company, took the chair of that AGM, and Mr. Yang Yuzhi, an executive Director and the vice-president of the Company, and Mr. Wong Ti, an independent non-executive Director and the chairman of the Audit Committee were also present to answer questions from the Shareholders.

守則條文A.2.1(區分主席及行政總裁的角色)

孫先生擔任本公司的主席、執行董事兼行政總裁。儘管這會偏離企業管治守則的守則條文A.2.1，但董事會認為此結構將不會損害董事會與本公司管理層之間的權力和職權的平衡，原因為：(i)董事會所作決定至少需要大多數董事批准，且董事會中的七名董事有三名獨立非執行董事，超過上市規則規定的三份之一，董事會認為董事會內部有足夠的制衡作用；(ii)孫先生及其他董事意識到並承諾履行董事的誠信責任，這要求(其中包括)其為本公司利益及以本公司最佳利益行事，並將相應為本集團作出決定；及(iii)權力和職權的平衡乃以董事會運作加以保障，而董事會由經驗豐富的優秀人員組成，該等成員定期開會討論與本公司經營有關的事宜。此外，本集團整體戰略及其他關鍵業務、財務及經營政策乃於董事會及高級管理層全面討論後共同作出。董事會將繼續審視本集團企業管治架構的有效性，以評估將本公司的主席及行政總裁職務分開是否屬必要。

日後，孫先生將作為創辦人繼續在引導本集團整體的發展及營運方面發揮關鍵作用，本公司將根據上市規則、細則及香港及開曼群島法律的規定提呈關鍵決策供董事會批准。

守則條文E.1.2(主席出席股東週年大會)

董事會主席孫先生因有未能預計之商業事務未能出席於2019年舉行之股東週年大會。執行董事兼本公司首席財務官趙軻先生擔任該股東週年大會主席，及執行董事兼本公司副總裁楊宇智先生及獨立非執行董事兼審核委員會主席汪棣先生亦已出席該大會以回應股東之提問。



Corporate Governance Report

企業管治報告

THE BOARD

Board Composition

As at 31 December 2019, the Board consisted of seven Directors, including three executive Directors, Mr. Sun Haitao (chairman and chief executive officer of the Company), Mr. Yang Yuzhi (vice-president of the Company) and Mr. Zhao Ke (chief financial officer of the Company); one non-executive Director, Ms. Zou Yunli; and three independent non-executive Directors, Mr. Wong Ti, Mr. Ye Xiang and Mr. Yang Dong (resigned on 9 April 2020). The biographical details of the Directors are set out under the section headed "Biographical Details of Directors and Senior Management" of this report.

For the year ended 31 December 2019, the Company has three independent non-executive Directors representing more than one-third of the Board with one independent non-executive Director possessing the appropriate professional accounting or relevant financial management expertise as required under Rule 3.10 of the Listing Rules.

As at the date of this report, to the best knowledge of the Board, save as disclosed in this report, there is no financial, business or family relationship among members of the Board or the chief executives of the Company.

The Company has received from each of the independent non-executive Director an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers that all of them are independent.

董事會

董事會組成

於2019年12月31日，董事會由七名董事組成，包括三名執行董事孫海濤先生（本公司主席兼行政總裁）、楊宇智先生（本公司副總裁）及趙軻先生（本公司首席財務官）；一名非執行董事鄒雲麗女士；以及三名獨立非執行董事汪棣先生、葉翔先生及楊東先生（於2020年4月9日辭任）。董事的履歷詳情載於本報告「董事及高級管理層履歷詳情」一節。

截至2019年12月31日止年度，本公司有三名獨立非執行董事，佔董事會成員人數多於三分之一，而其中一名獨立非執行董事具有適當的專業會計或相關財務管理專業知識，符合上市規則第3.10條規定。

於本報告日期，就董事會所知，除已於本報告披露外，董事會各成員間或本公司主要行政人員間並無財政、業務或家族關係。

本公司已收到各獨立非執行董事根據上市規則第3.13條出具的年度獨立性確認函，並認為該等董事均具獨立性。

Corporate Governance Report

企業管治報告

Directors' Training and Continuous Professional Development

Directors participate in appropriate continuous professional trainings to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company Secretary circulated timely updates and reading materials to all Directors relating to the Listing Rules, the SFO, and relevant statutory and regulatory guidelines on obligations and duties of a director of a listed company. During the year, the Company Secretary has also arranged an expert briefing to all Directors and an induction training package for the newly appointed Director. According to the records provided by the Directors and maintained by the Company, the training received by the Directors for the year ended 31 December 2019 is summarised as follows:

董事培訓及持續專業發展

董事參與適當的持續專業培訓，以拓展並更新彼等知識及技能，確保彼等在獲得全面資訊及切合所需的情況下對董事會作出貢獻。公司秘書會及時向所有董事發送最新資訊及閱讀資料，內容有關上市規則、證券及期貨條例以及涉及上市公司董事義務及責任之相關法定和監管準則。年內，公司秘書亦為所有董事安排了一次專家簡報會及為新委任之董事準備入職培訓材料。根據董事提供及本公司置存的記錄，董事截至2019年12月31日止年度所接受的培訓概述如下：

Name of Directors 董事名稱	Directors' duties 董事職責	Legal and regulatory updates 法律及監管更新	Business updates 業務更新	Corporate governance 企業管治
Executive Directors 執行董事				
Mr. Sun Haitao 孫海濤先生	Yes 有	Yes 有	Yes 有	Yes 有
Mr. Yang Yuzhi 楊宇智先生	Yes 有	Yes 有	Yes 有	Yes 有
Mr. Zhao Ke 趙軻先生	Yes 有	Yes 有	Yes 有	Yes 有
Non-executive Director 非執行董事				
Ms. Zou Yunli 鄒雲麗女士	Yes 有	Yes 有	Yes 有	Yes 有
Independent Non-executive Directors 獨立非執行董事				
Mr. Wong Ti 汪棣先生	Yes 有	Yes 有	Yes 有	Yes 有
Mr. Ye Xiang 葉翔先生	Yes 有	Yes 有	Yes 有	Yes 有
Mr. Xu Xuchu* 徐旭初先生*	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Yang Dong* 楊東先生*	Yes 有	Yes 有	Yes 有	Yes 有
Mr. Wang Zhaocheng# 王朝成先生#	Yes 有	Yes 有	Yes 有	Yes 有

* Appointed on 9 April 2020.

* Appointed on 20 June 2019 and resigned on 9 April 2020.

Resigned on 20 June 2019.

* 於2020年4月9日獲委任。

* 於2019年6月20日獲委任及於2020年4月9日辭任。

於2019年6月20日辭任。

Corporate Governance Report

企業管治報告

Board and Committees Meetings

For the year ended 31 December 2019, the Company held three Board meetings in total. At least fourteen days' advance notice is given for all regular Board meetings to give all Directors an opportunity to attend and to include matters for discussion in the agenda. All Directors are provided with meeting agenda and board papers at least three days before the meetings. The Directors have access to the management for enquiries and to obtain further information, and when required, seek independent professional advice at the Company's expense. Minutes of meetings are kept by the Company Secretary. For the year ended 31 December 2019, all Directors have been provided with monthly updates by the Company to ensure they are informed of the Group's performance, financial position and significant business developments and to facilitate them to discharge their duties as Directors.

For the year ended 31 December 2019, the attendance records of Directors at Board and committees meetings are set out as follows:

董事會及委員會會議

截至2019年12月31日止年度，本公司共舉行了三次董事會會議。董事會所有定期會議均提前最少十四天通知，讓所有董事皆有機會騰空出席，並提出將予商討的事項以供列入議程之內。所有董事於會議前至少三天會獲發會議議程及董事會文件。董事可向管理層查詢並獲取進一步資料，且可於有需要時諮詢獨立專業意見，有關費用由本公司支付。會議記錄由公司秘書備存。截至2019年12月31日止年度，本公司向所有董事每月發送更新資料，以確保彼等知悉本集團的表現、財務狀況及重大業務發展，並有助彼等履行董事的職務。

截至2019年12月31日止年度，董事出席董事會及委員會會議的記錄載列如下：

Name of Directors 董事名稱	Attendance/Number of meetings entitled to attend 出席次數／有權出席會議數目				
	Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	General Meeting 股東大會
Executive Directors 執行董事					
Mr. Sun Haitao 孫海濤先生	3/3	-	2/2	2/2	0/1 ⁽¹⁾
Mr. Yang Yuzhi 楊宇智先生	3/3	-	-	-	1/1
Mr. Zhao Ke 趙軻先生	3/3	-	-	-	1/1
Non-executive Director 非執行董事					
Ms. Zou Yunli 鄒雲麗女士	3/3	2/3	-	-	0/1

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Name of Directors 董事名稱	Attendance/Number of meetings entitled to attend 出席次數／有權出席會議數目				
	Board Meeting 董事會 會議	Audit Committee Meeting 審核委員會 會議	Nomination Committee Meeting 提名委員會 會議	Remuneration Committee Meeting 薪酬委員會 會議	General Meeting 股東大會
Independent Non-executive Directors 獨立非執行董事					
Mr. Wong Ti 汪棣先生	3/3	3/3	-	-	1/1
Mr. Ye Xiang ⁽²⁾ 葉翔先生 ⁽²⁾	3/3	2/2	2/2	2/2	0/1
Mr. Xu Xuchu ⁽³⁾ 徐旭初先生 ⁽³⁾	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Yang Dong ⁽⁴⁾ 楊東先生 ⁽⁴⁾	1/1	-	0/0	0/0	0/0
Mr. Wang Zhaocheng ⁽⁵⁾ 王朝成先生 ⁽⁵⁾	2/2	1/1	2/2	2/2	0/1

Notes:

附註:

- | | |
|---|--|
| <p>(1) Details of and reason for Mr. Sun's absence from the AGM are set out under the section headed "Code Provision E.1.2 (Chairman's Attendance at Annual General Meeting)" of this report.</p> <p>(2) Appointed as the chairman of the remuneration committee and a member of the audit committee on 20 June 2019.</p> <p>(3) Appointed as an independent non-executive Director, a member of each of the nomination and remuneration committees on 9 April 2020.</p> <p>(4) Resigned as an independent non-executive Director, a member of each of the nomination and remuneration committees on 9 April 2020.</p> <p>(5) Resigned on 20 June 2019.</p> | <p>(1) 孫先生缺席股東週年大會之詳情及原因載於本報告「守則條文E.1.2(主席出席股東週年大會)」一節。</p> <p>(2) 於2019年6月20日獲委任為薪酬委員會主席及審核委員會委員。</p> <p>(3) 於2020年4月9日獲委任為獨立非執行董事、提名及薪酬委員會委員。</p> <p>(4) 於2020年4月9日辭任獨立非執行董事、提名及薪酬委員會委員。</p> <p>(5) 於2019年6月20日辭任。</p> |
|---|--|

For the year ended 31 December 2019, the Board held three regular meetings, which fell short of four times as set out in code provision A.1.1 of the CG Code. For details, please refer to the section headed "Code Provision A.1.1 (Four Regular Board Meetings)" of this report.

截至2019年12月31日止年度，董事會舉行三次常規會議，少於企業管治守則守則條文A.1.1所規定的四次，詳情請見本報告「守則條文A.1.1(四次常規會議)」一節。



Corporate Governance Report

企業管治報告

Responsibility of the Board and Delegation of Management Function

The Board has the overall responsibility for the stewardship of the Group, including the responsibilities for the adoption of long-term strategies and appointment and supervision of senior management to ensure that the operation of the Group is conducted in accordance with the objectives of the Group. Execution of daily operational matters is delegated to the management.

Appointment and Election of Directors

All executive Directors and non-executive Director have entered into service contracts with the Company for a term of three years. In addition, all independent non-executive Directors have entered into letters of appointment with the Company for a term of one year. In accordance with the Articles, all Directors are subject to retirement by rotation at least once every three years at the annual general meeting. Any new Directors appointed by the Board either to fill a casual vacancy or as an addition to the Board are subject to re-election by the Shareholders at the next general meeting of the Company. At each annual general meeting, at least one-third of the Directors shall retire from office. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereafter. The retiring Directors, being eligible, offer themselves for re-election. There is no cumulative voting in the Director elections. The election of each candidate is done through a separate resolution. Details with respect to the candidates standing for election as the Directors are set out in the AGM circular to the Shareholders.

The Board, with support of the nomination committee, is responsible for developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment of Directors and assessing the independence of independent non-executive Directors.

董事會的責任及管理職能的授權

董事會負有管理本集團之整體責任，包括負責採納長期策略以及委任及監督高級管理層，以確保本集團之運作按本集團之目標而進行。日常營運事項之執行授權予管理層處理。

董事委任及選舉

所有執行董事及非執行董事已與本公司訂立服務合約，任期為三年。此外，所有獨立非執行董事均已與本公司訂立任命書，任期為一年。根據細則，所有董事須至少每三年於股東週年大會上輪值退任一次。任何由董事會委任以填補臨時空缺或新增為董事會成員的新董事，須於本公司下屆股東大會上經股東重選。於每屆股東週年大會上，至少三份之一董事須輪值退任。將退任的董事將任職至其退任的會議結束為止，並且有資格膺選連任。退任董事皆符合資格，並願意膺選連任。董事選舉概無累積投票。每名候選人的選舉均以一項獨立決議案進行。參選董事之候選人的詳情載於致股東之股東週年大會通函內。

在提名委員會的協助下，董事會負責訂立及制定提名及委任董事的相關程序、監察董事的委任及評估獨立非執行董事的獨立性。

Corporate Governance Report

企業管治報告

Directors' Securities Transactions

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. The Company has made specific enquiry with all Directors and all Directors confirmed that they had complied with the Model Code for the year ended 31 December 2019.

Directors' and Officers' Liabilities Insurance

The Company has arranged appropriate insurance coverage in respect of legal actions taken against its Directors and officers. The insurance coverage will be reviewed on an annual basis to ensure that the Directors and officers are adequately protected against potential legal liabilities.

BOARD COMMITTEES

Audit Committee

The main responsibilities of the audit committee include (but not limited to) supervising the annual auditing work, assessing the truthfulness, accuracy and completeness of the audited financial statements and submitting the assessment to the Board for consideration; proposing the engagement or change of external auditor and supervising their performance; reviewing and evaluating the financial supervising system and internal audit system of the Company; discussing the internal control system with management to ensure that management has performed its duty to have an effective internal control system; and reviewing the financial information of the Company and its disclosure. The audit committee consists of three members, of whom Mr. Wong Ti (independent non-executive Director) is the chairman, and other members are Ms. Zou Yunli (non-executive Director) and Mr. Ye Xiang (independent non-executive Director). Mr. Wong Ti (independent non-executive Director) has the professional qualification, and appropriate accounting or relevant financial management expertise.

董事證券交易

本公司已採納標準守則作為董事進行證券交易的行為守則。本公司已向全體董事作出特定查詢，全體董事確認彼等截至2019年12月31日止年度已遵守標準守則。

董事及高級人員的責任保險

本公司已投購適當保險，以保障針對董事及高級人員提出的法律行動。保障範圍每年會接受審閱，確保對董事及高級人員可能承擔的潛在法律責任提供足夠保障。

董事委員會

審核委員會

審核委員會的主要責任包括（但不限於）監督年度審核工作、評估經審核財務報表的真實性、準確性及完整性以及將評估提交予董事會作考慮；建議委聘或更換外部核數師以及監督彼等的表現；審閱及評估本公司的財務監督制度及內部審核制度；與管理層討論內部監控系統，以確保管理層履行其職務以達致一個有效的內部監控系統；以及審閱本公司的財務資料及其披露等。審核委員會由三名委員組成，其中汪棣先生（獨立非執行董事）為主席，其他委員為鄒雲麗女士（非執行董事）及葉翔先生（獨立非執行董事）。汪棣先生（獨立非執行董事）具備專業資格及適當的會計或相關的財務管理專長。

Corporate Governance Report

企業管治報告

For the year ended 31 December 2019, the audit committee held three meetings. Detailed attendance records by members of the audit committee are set out in pages 78 to 79 of this report. Summaries of works completed by the audit committee during 2019 are as follows:

- reviewed the consolidated financial statements, annual results announcement and the 2018 annual report for the year ended 31 December 2018;
- reviewed the consolidated unaudited financial statements, interim results announcement and the 2019 interim report for the six months ended 30 June 2019;
- reviewed the financial reporting system, the risk management and internal control systems, and internal audit function of the Group;
- made recommendation to the Board on the re-appointment of auditor of the Company; and
- discussed the audit plan of the year of 2019 with the auditor before the commencement of audit work.

Auditor's Remuneration

For the year ended 31 December 2019, the remuneration payable in respect of the audit and non-audit services rendered by the auditor of the Company are as follows:

Type of services 服務類型

Audit services
審計服務
Non-audit services
非審計服務

截至2019年12月31日止年度，審核委員會召開了三次會議。有關審核委員會委員的會議出席記錄詳列於本報告第78至79頁。審核委員會於2019年已完成的工作摘要如下：

- 審閱了截至2018年12月31日止年度綜合財務報表、年度業績公告及2018年報；
- 審閱了截至2019年6月30日止六個月綜合未經審核財務報表、中期業績公告及2019年中期報告；
- 檢討本集團的財務申報制度、風險管理及內部監控系統，及內部審核功能；
- 就重新委任本公司核數師向董事會提出建議；及
- 在審計工作開始前與核數師討論2019年度審計計劃。

核數師酬金

截至2019年12月31日止年度，就本公司核數師提供之審計及非審計服務應付之酬金如下：

Amount
(approximate)
金額
(約)
RMB'000
人民幣千元

4,150

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Accountability and Audit

All Directors acknowledged their responsibility for preparing the accounts for the year ended 31 December 2019 which give a true and fair view of the financial position of the Group. The Directors have reviewed the Group's cash flow projections together with the underlying basis and assumptions and are of the opinion that, taking into account the Group's available funds and forecast cash flow from on-going businesses, the Group will have sufficient working capital to finance its operations and to meet its financial obligations and commitments for the twelve months from the period end date of these consolidated financial statements. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis. The statement of the auditor of the Company about its reporting responsibilities on the consolidated financial statements for the year ended 31 December 2019 are set out under the section headed "Independent Auditor's Report" of this report.

Remuneration Committee

The main responsibilities of the remuneration committee include (but not limited to) reviewing and examining the remuneration policies and proposals of Directors and senior management; reviewing the performance of Directors and senior management in discharging their responsibilities and conducting annual performance evaluation; making recommendations to the Board on the remuneration packages of executive Directors, non-executive Director and senior management; and considering the remunerations paid by comparable companies, time commitment and responsibilities and employment conditions for other positions in the Group. The remuneration committee consists of three members, of whom Mr. Ye Xiang (independent non-executive Director) is the chairman, and other members are Mr. Sun Haitao (chairman, chief executive officer of the Company and executive Director) and Mr. Xu Xuchu (independent non-executive Director).

For the year ended 31 December 2019, the remuneration committee held two meetings. Detailed attendance records by members of the remuneration committee are set out in pages 78 to 79 of this report. Summaries of works completed by the remuneration committee during 2019 are as follows:

- reviewed the remuneration of Directors and senior management;
- reviewed and made recommendations to the Board on the remuneration policy and structure of all Directors and senior management;
- reviewed and made recommendations to the Board on the remuneration package adjustments of individual executive Directors, non-executive Director, and independent non-executive Directors; and
- considered and made recommendations to the Board on the remuneration package for Mr. Yang Dong upon his appointment as an independent non-executive Director.

問責及核數

所有董事均確認彼等編製截至2019年12月31日止年度之賬目之責任，而該賬目真實及公平地反映本集團之財務狀況。董事已審閱了本集團的現金流量預測以及相關的基準和假設，並認為，考慮到本集團的可動用資金和基於持續經營業務的現金流量預測，本集團將有足夠的營運資金為其運營提供周轉，並在自本綜合財務報表期末之日起的十二個月內履行其財務義務和承諾事項。因此，董事信納按持續經營基準編製綜合財務報表是適當的。本公司核數師就其對截至2019年12月31日止年度之綜合財務報表之申報責任之聲明載於本報告「獨立核數師報告」一節。

薪酬委員會

薪酬委員會的主要責任包括（但不限於）審閱及審查董事及高級管理層的薪酬政策及建議；審閱董事及高級管理層就履行其責任的表現以及進行年度表現評估；向董事會提供有關執行董事、非執行董事及高級管理層的薪酬待遇的建議；以及考慮可資比較公司支付的薪酬、本集團其他職位的投入時間、責任及受僱情況等。薪酬委員會由三名委員組成，其中葉翔先生（獨立非執行董事）為主席，其他委員為孫海濤先生（本公司主席、行政總裁兼執行董事）及徐旭初先生（獨立非執行董事）。

截至2019年12月31日止年度，薪酬委員會召開了兩次會議。有關薪酬委員會委員的會議出席記錄詳列於本報告第78至79頁。薪酬委員會於2019年內已完成的工作摘要如下：

- 審閱董事及高級管理層的薪酬；
- 審閱並就全體董事及高級管理層的薪酬政策及架構向董事會提出建議；
- 審閱並就個別執行董事、非執行董事及獨立非執行董事的薪酬待遇調整向董事會提出建議；及
- 考慮楊東先生獲委任為獨立非執行董事後之薪酬待遇並就此向董事會提出建議。



Corporate Governance Report

企業管治報告

Nomination Committee

The main responsibilities of the nomination committee include (but not limited to) reviewing the structure, size and composition (including the skills, knowledge and experience of the members) of the Board at least once a year and making recommendations on proposed changes to the Board in accordance with the Company's corporate strategy; reviewing the requirements and procedures for the appointment of Directors and senior management and providing suggestions to the Board; identifying qualified candidates for Directors and senior management and reviewing and making suggestions on the qualification of the candidates for Directors and senior management; and evaluating the independence of independent non-executive Directors. The nomination committee consists of three members, of whom Mr. Sun Haitao (chairman, chief executive officer of the Company and executive Director) is the chairman, and other members are Mr. Ye Xiang (independent non-executive Director) and Mr. Xu Xuchu (independent non-executive Director).

For the year ended 31 December 2019, the nomination committee held two meetings. Detailed attendance records by members of the nomination committee are set out in pages 78 to 79 of this report. Summaries of works completed by the nomination committee during 2019 are as follows:

- reviewed the structure, size and composition and diversity of the Board, and the board diversity policy;
- reviewed the nomination policy and procedures for directorship during the year;
- assessed the independence of the independent non-executive Directors;
- made recommendations to the Board on relevant matters relating to the re-election of Directors; and
- considered and made recommendations to the Board on the appointment of Mr. Yang Dong as an independent non-executive Director.

提名委員會

提名委員會的主要責任包括（但不限於）每年至少一次審閱董事會的架構、規模及組成（包括成員的技能、知識及經驗），以及根據本公司的公司策略就董事會的建議變動作出建議；審閱有關委任董事及高級管理層的規定及程序以及向董事會提供建議；識別合資格的董事及高級管理層候選人，以及審閱董事及高級管理層候選人的資格並對此提供建議；以及評估獨立非執行董事的獨立性等。提名委員會由三名委員組成，其中孫海濤先生（本公司主席、行政總裁兼執行董事）為主席，其他委員為葉翔先生（獨立非執行董事）及徐旭初先生（獨立非執行董事）。

截至2019年12月31日止年度，提名委員會召開了兩次會議。有關提名委員會委員的會議出席記錄詳列於本報告第78至79頁。提名委員會於2019年內已完成的工作摘要如下：

- 檢討董事會之架構、人數及組成及董事會成員多元化，及董事會成員多元化政策；
- 檢討年內董事提名政策及程序；
- 評核獨立非執行董事之獨立性；
- 就重選董事之相關事宜向董事會提出建議；及
- 考慮提名委任楊東先生為獨立非執行董事並就此向董事會提出建議。

Corporate Governance Report

企業管治報告

Nomination Policy

The Group has adopted a nomination policy (the “**Nomination Policy**”).

Summary of the Nomination Policy

The Company embraced high transparency in the Board member selection process. The Nomination Policy aimed to ensure the Board maintains a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business. The nomination committee has been delegated to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. The Board is ultimately responsible for selection and appointment of new Directors.

Board Diversity Policy

The Board has adopted a board diversity policy (the “**Board Diversity Policy**”) to achieve diversity at Board level.

Summary of the Board Diversity Policy

Selection of candidates for members of the Board will be based on a number of measurable objectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and will take into full consideration of the Company’s business scale and specific requirements from time to time. Currently, members of the Board have different business and professional backgrounds, and among all seven members of the Board, one is female. The nomination committee is responsible for supervising the implementation of this policy and reviewing it, as appropriate, to ensure its effectiveness.

The nomination committee has reviewed the Board Diversity Policy this year and was satisfied that the diversity of the Board was optimal.

提名政策

本集團已採納提名政策（「**提名政策**」）。

提名政策概要

本公司重視董事會成員甄選過程具高透明度。提名政策旨在確保董事會在技能、經驗和觀點多樣性上保持平衡以適應本公司的業務需求。提名委員會已獲委派以識別具備合適資格成為董事會成員的人士，並就已被提名擔任董事職位的人士進行甄選或向董事會提出建議。董事會最終負責甄選和任命新董事。

董事會成員多元化政策

董事會已採納董事會成員多元化政策（「**董事會成員多元化政策**」），務求董事會層面實現多元化。

董事會成員多元化政策概要

甄選董事會成員之候選人會以多項可計量目標為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，並充分考慮本公司的業務規模及不時的具體需要。目前董事會成員來自不同業務及專業背景，在全體七位董事會成員中一位為女性董事。提名委員會負責監督該政策的執行情況，並在適當時候審查該政策，以確保該政策行之有效。

提名委員會已於本年內檢討董事會成員多元化政策，並對董事會成員的多元化已達致最佳狀態表示滿意。



Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

The Board recognises that the Directors are collectively responsible for the corporate governance duties. Such duties include but are not limited to:

- developing and reviewing the Company's policies and practices on corporate governance and making recommendations;
- reviewing and monitoring the training and continuous professional development of the Directors and senior management;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to the employees and the Directors; and
- reviewing the Company's compliance with the CG Code and the disclosure in the Corporate Governance Report.

During the year, the Board has reviewed and performed the abovementioned corporate governance functions.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the chairman of the Board and chief executive officer of the Company are not separated and exercised by different individuals but are both taken up by Mr. Sun, an executive Director. For further details, please refer to the section headed "Code Provision A.2.1 (Separation of the Roles of Chairman and Chief Executive Officer)" of this report.

企業管治職能

董事會確認董事集體負責企業管治職責，該等職責包括但不限於：

- 制定及檢討本公司的企業管治政策及常規，並提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊（如有）；及
- 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

年內，董事會已檢討及履行上述企業管治職能。

主席及行政總裁

董事會主席及本公司行政總裁之職責並無區分且約由執行董事孫先生擔任。更多詳情請見本報告「守則條文A.2.1（區分主席及行政總裁的角色）」一節。

COMPANY SECRETARY

Ms. Li Hiu Ling (“Ms. Li”) was appointed as the Company Secretary by the Company. Ms. Li is an employee of the Group and is familiar with the affairs of the Group. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures and all applicable law, rules and regulations, are followed. For the year ended 31 December 2019, Ms. Li took no less than 15 hours of relevant professional training as required by the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROL

Effective risk management and internal control systems are crucial for achieving the strategic goals of the Company. With the risk management and internal control systems, the Company can ensure its law-compliant operation, which keeps its operational risk within tolerable limits.

The Board is responsible for the comprehensive assessment of the key risks exposed to the Company, identifying the risk level that the Company expects and can absorb for achieving its strategic goals, determining risk strategies, ensuring the establishment of internal control system and its effective implementation, and monitoring the operational risk and performance indicators in a timely manner.

The senior management is responsible for the implementation of the risk management plans and risk strategies approved by the Board, organizing and coordinating the implementation and daily operation of internal control system. The senior management is also responsible for identifying and assessing the material business risk exposed to the Company and taking measures accordingly.

The audit committee is responsible for assisting the Board to check the overall risk profiles of the Company, conducting risk assessment and risk management, inspecting internal control, overseeing the effective implementation of internal control and the self-evaluation of internal control, and reviewing and monitoring the effectiveness of the Company’s internal audit.

公司秘書

本公司已委任李曉玲女士（「李女士」）為公司秘書。李女士為本集團僱員，熟悉本集團事務。全體董事均可尋求公司秘書的意見及服務，以確保董事會程序及所有適用法律、規則及法規均獲得遵守。截至2019年12月31日止年度，李女士已根據上市規則的規定參與不少於15小時的相關專業培訓。

風險管理及內部監控

有效的風險管理及內部監控系統對實現本公司的戰略目標至關重要。風險管理及內部監控系統可確保本公司依法合規，將經營風險控制在可容忍的範圍內。

董事會負責全面評估本公司所面臨的關鍵風險，釐定本公司為實現戰略目標所預期和能夠承擔的風險水平，確定風險策略，確保內部監控系統的建立和有效實施，並及時監控經營風險及績效指標。

高級管理層負責執行董事會批准的風險管理計劃和風險策略，組織協調內部監控系統的實施及日常運作。高級管理層亦負責識別及評估本公司面臨的重大業務風險，並採取應對措施。

審核委員會負責協助董事會檢查本公司整體的風險狀況，進行風險評估與風險管理事宜，審查內部監控，監督內部監控的有效實施和內部監控自我評價情況，並檢討及監察本公司內部審計之成效。



Corporate Governance Report

企業管治報告

The internal control department of the Company is responsible for monitoring the risk management and internal control systems, independently auditing the effectiveness and completeness of the risk management and internal control systems and ensuring the compliance of internal control. Also, the internal control department is responsible for assessing risks independently, identifying material risks and making suggestion for improvement, carrying out subsequent audit on issues identified, and regularly reporting the auditing results and follow-ups to the audit committee.

The Company has established a comprehensive risk management system to effectively identify, assess, mitigate and monitor various risks, which enables the Company to identify and manage its risks through continuous supervision and auditing in a proactive and structured way. The Company has adopted the following dynamic risk management procedures to cope with the ever-changing risk profiles:

- all business units and functions will, from the bottom up, analyze, confirm, manage and monitor the risks arising from the operation systematically;
- the senior management will be responsible for the overall organization, coordination and planning of the operational risk management of the Company, and conduct real-time monitoring on the risk management work and internal control of all business units and functional departments, for which the internal control department will collect and coordinate risks and confirm and audit risk control;
- the internal control department will conduct post-inspection, audit and monitoring on the risk management work, conduct inspection on the Company's internal control system for defects, audit the compliance, reasonableness and risk controllability of the principal business processes of the Company, audit the economic responsibility of the personnel in charge of operation, audit the effectiveness of enterprise information system, and report relevant results to the audit committee semi-annually; and
- the audit committee will, from the bottom up, promote the implementation of strategies for coping with material risks by the management.

本公司之內控部負責監控風險管理及內部監控系統，獨立審計風險管理及內部監控系統的有效性與完整性，確保內部監控合規。內控部亦負責進行獨立的風險評估，識別重大風險並提出改進建議，就發現的問題進行後續審計，定期向審核委員會匯報審計結果及跟進情況。

本公司已建立全面風險管理體系來有效識別、評估、減輕及監控各類風險，使本公司能夠以積極及結構化的方式，透過持續監督及審計以識別及管理本公司風險。本公司已採取以下動態風險管理程序以應對不斷變化的風險狀況：

- 各業務部門和職能部門由下而上，對經營過程中的風險事項進行系統化的分析、確認、管理和監控；
- 由高級管理層對本公司經營風險管理工作進行統籌、組織、協調與規劃，並對各業務部門與職能部門的風險管理工作及內部監控進行實時監控；內控部對此進行風險的收集及協調以及風險控制的確認與審核；
- 內控部對風險管理工作進行事後稽核、審查和監察等，對本公司內部監控制度進行查漏補缺、對本公司主要業務流程的合規性、合理性和風險可控性進行審核、對經營管理者進行經濟責任審查、對企業信息系統的有效性進行審核等，並會將相關結果每半年向審核委員會進行一次匯報；及
- 審核委員會由下而上地推動管理層落實重大風險的應對策略。

MAJOR RISKS AND UNCERTAINTIES

A summary of the major risks and uncertainties faced by the Company is set out below. With the changes of our business scale and external environment, the risk profile of the Company may subject to changes. The following risks and uncertainties are not exhaustive.

The major risks faced by the Company currently include:

I. Economic and market risks

Any significant or prolonged slowdown in the Chinese or global economy may have an adverse impact on our business, financial position and operation results. Facing an ever-changing market and due to the limited operating history, the Company is subject to fierce competition in the industry. If the Company does not compete effectively, its operation results could be harmed. If the services provided by the Company are insufficiently attractive to customers or fail to satisfy the demands of users, applicants or cooperative institutions, the Company's business, financial position and operation results will be affected.

In order to reduce these risks, the Company pays close attention to market and industry trends, actively promotes communication with industrial peers and regularly conducts analysis on competing products. At the same time, the Company places emphasis on the demands and experiences of users, constantly promotes the innovation and development of products and technologies, expands into new areas and makes the strategies of the Company more suitable for the market and environment. In addition, the Company will continue to strengthen the cooperation with excellent business partners to achieve mutual benefits and joint development.

主要風險及不確定因素

下文列示本公司面臨的主要風險及不確定因素概要。隨著業務規模及外部環境的不斷變化，本公司的風險狀況可能會發生改變，以下風險及不確定因素並非詳盡無遺。

本公司當前面臨的主要風險包括：

I. 經濟及市場風險

中國或全球經濟嚴重或持續低迷或會對本公司的業務、財務狀況及經營業績造成不利影響。面對不斷變化的市場及加上有限的經營史，本公司面臨行業中的激烈競爭。若本公司無法有效競爭，本公司的經營業績可能受損。若本公司所提供的服務對客戶吸引力不足，或不符合用戶、申請人或合作機構的需求，本公司的業務、財務狀況及經營業績將受到影響。

為減低這方面的風險，本公司時刻關注市場及行業動態，積極促進同行業交流，及定期進行競品分析。同時，本公司重視用戶需求及體驗，不斷推動產品與技術的創新發展，拓展新的領域，使本公司戰略更加符合市場及環境的需求。另外，本公司會不斷加強與優秀業務夥伴的合作，實現互利共贏，共同發展。



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2. Government policies and regulations risks

The PRC government has been improving laws and regulations on Internet finance industry and referral services. With the gradual implementation of regulatory policies and rules of self-regulation, if the Company is unable to ensure that its existing practices are in compliance with the laws, regulations and government policies relating to the industry, the Company's business will be adversely affected.

In order to reduce these risks, the Company has set up a professional and strong in-house team to ensure operation compliance in all aspects such as communication with regulatory authorities, law interpretation and internal system construction. The Company maintains close contact with regulators to update the regulatory trends in real time and pay close attention to the new laws and regulations in the industry, so as to conduct self-inspection immediately and comply with regulatory requirements comprehensively and actively responds to regulations, thus improving its compliance management.

3. Credit risk

The Company relies on the proprietary credit assessment model in assessing the creditworthiness of the borrowers and the risks associated with loans. If the proprietary credit assessment model of the Company is flawed, or if the Company otherwise fails or is perceived to fail to manage the default risks of loans facilitated through its platform, the reputation and market share of the Company would be adversely affected, which would impact the business and operation results of the Company. If the Company is unable to maintain relatively low delinquency rates for loans facilitated, or its ability to collect delinquent loans is impaired, the business, financial position and results of operation of the Company might be adversely affected.

2. 政府政策及法規風險

中國政府對互聯網金融行業及互聯網導流服務的法律法規仍在不斷完善。隨著監管政策和自律規則逐步落地，若本公司未能確保現行常規遵守有關行業的法律法規及政府政策，則會對本公司的業務產生不利影響。

為減低這方面的風險，本公司已設立專業、強大的內部團隊，從與監管部門對接、法律解讀、內部制度建設等各方面確保合規經營。本公司與監管機構緊密聯繫，實時了解監管動態，密切關注行業內新頒佈的法律法規，第一時間進行內部自查，全面遵守監管規定，積極配合監管，加強自身合規管理。

3. 信用風險

本公司依賴專有信用評估模式評估借款人的信用及與貸款有關的風險，若本公司的專有信用評估模式有缺陷，或若本公司未能或被認為未能管理透過其平台所撮合的貸款的違約風險，本公司的聲譽及市場份額將受到不利影響，這可能影響本公司的業務及經營業績。若本公司未能維持所撮合貸款較低的違約率或其收取逾期貸款的能力受損，本公司的業務、財務狀況及經營業績可能會受到不利影響。

To diminish the related risk, the Company has continued to improve its credit risk management system. Based on the strengths of the Company's mobile internet platform, the Company has continued to develop and focus on the quality credit customers; based on big data and artificial intelligence technology, the Company has continued to expand its risk management data and explore and improve its variables of risk management; through accumulated experiences and outstanding practices of its peers, the Company has kept optimizing its risk management model and risk management policy; through expanding and enhancing its own after-credit management team and applying artificial intelligence technology, the Company has continuously enhanced its asset recovery ability.

4. Information system and security risks

The business and internal systems of the Company rely on highly technical software and application. Undetected errors or significant disruption in the IT system of the Company could restrain us from offering our products and services, thereby reducing the attractiveness of our products and services and resulting in a loss of borrowers or individual investors. In addition, if the Company breached the requirements of national Internet security, or if our platform is subject to attacks that result in unauthorised intrusion into our users' personal information, our services may be perceived as insecure and unreliable, our users may curtail or stop using our services and our business and operating results may be harmed.

In order to reduce these risks, the Company has set up an independent and professional team dedicated to technology operation and maintenance and information security construction. The Company has well-established systems and control measures for technology development, online management and information security management and the above systems and measures have been implemented strictly. Effective emergence plans have been made and emergence drill and data backup are carried out regularly. In addition, the Company has established a user management system to strengthen the access authority management of important business systems, and conducts internal audit and training and education on staff awareness regularly.

為減低這方面的風險，本公司不斷完善信貸風險管理體系。依託本公司移動互聯網平台優勢，本公司持續開發和聚焦優質信貸客群；以大數據、人工智能技術為依託，本公司持續擴充風控數據、深度挖掘並完善風控變量；通過已積累經驗和借鑒同行優秀實踐，本公司持續優化風控模型和風險政策；通過擴大和加強自有貸後管理團隊，以及利用人工智能技術，本公司持續提高資產回收能力。

4. 資訊系統及安全風險

本公司的業務及內部系統倚賴高度技術性的軟件及程式。如本公司的信息技術系統中出現錯誤或嚴重中斷，將可能阻止本公司提供產品及服務，從而降低產品及服務的吸引力，並導致借款人或個人投資人流失。此外，若本公司違反了國家對網絡安全的相關規定，或若本公司的平台被攻擊而導致用戶的個人信息遭受未經授權入侵，本公司的服務可能被視為不安全及不可靠，用戶可能會減少或停止使用本公司服務及可能有損本公司的業務及經營業績。

為減低這方面的風險，本公司設立獨立的專業團隊，專門負責技術運維及信息安全建設。本公司已建立完善的技術研發、線上管理及信息安全管理等相關制度和控制措施，並嚴格遵照執行。本公司制訂了行之有效的應急預案，定期進行應急演練與數據備份。另外，本公司建立用戶管理制度，加強對重要業務系統的訪問權限管理，並定期進行內部審計與員工意識培訓和宣導。



Corporate Governance Report

企業管治報告

EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL

With the assistance of the audit committee, the Board continues to monitor the risk management and internal control systems of the Company. The relevant procedures involve reviewing the effectiveness of risk management and internal control and dealing with material internal control issues include (but not limited to) meeting and communication with the management team, internal control department, legal personnel and external auditor, and reviewing relevant work reports and key performance indicators.

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing the effectiveness of such systems. The risk management and internal control systems can provide reasonable but not absolute assurance against material misstatement or loss, and are designed to manage rather than eliminate the risk of failure in the process of attaining business objectives. For the year ended 31 December 2019, the internal audit team of the Group conducted internal audit on the principal businesses of the Group independently. The Board and audit committee reviewed and monitored the Group's internal audit function and considered it effective.

The Board has conducted annual review of the risk management and internal control systems for the year ended 31 December 2019 and was of the view that the financial reporting system and the risk management and internal control systems for the year ended 31 December 2019 were adequate and effective.

During the annual review for the year ended 31 December 2019, the Board also assessed the adequacy of the Group's resources, employee qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions, the result with which the Board is satisfied. The Board is not aware of any material internal control failings or weaknesses.

As for the procedure for handling and publication of inside information as well as its internal control, the Company was aware of its responsibility under the SFO and has adopted relevant internal policies covering the definition and scope of inside information, guidelines on all insiders including directors and accountability for breaches etc. to ensure that the handling and publication of inside information are in compliance with the SFO.

風險管理及內部控制有效性

董事會在審核委員會的協助下，持續監督本公司的風險管理及內部監控系統。相關程序涉及檢討風險管理及內部監控系統的有效性，及解決嚴重的內部監控問題，包括（但不限於）與管理團隊、內控部、法務人員以及外部核數師進行會議溝通，以及審閱相關工作報告和關鍵業績指標。

董事會確認，其對風險管理及內部監控系統負責，並有責任檢討該等制度的有效性。風險管理及內部監控系統可對重大錯誤陳述或損失提供合理但並非絕對的保證，而其旨在管理並非消除在實現業務目標過程中的風險。於截至2019年12月31日止年度，本集團之內部審計團隊為本集團的主要業務進行了獨立內部審計。董事會及審核委員會審閱及監察了本集團的內部審計職能並認為它有效。

董事會已對截至2019年12月31日止年度的風險管理及內部監控系統進行年度檢討，並認為截至2019年12月31日止年度的財務申報制度以及風險管理及內部監控系統充足及有效。

董事會於截至2019年12月31日止年度之年度檢討亦評估了本集團之資源、員工資格及經驗、培訓計劃及會計預算、內部審核及財務報告職能之充足性。就此，董事會對結果表示滿意。董事會並不知悉內部監控有任何重大缺陷或弱點。

在處理和發佈內幕信息的程序及內部監控方面，本公司知悉其根據證券及期貨條例所須履行的責任，並且已採納相關內部政策，內容包括內幕信息的定義和範圍、包含董事在內的全體內幕信息知情人的行為指引及違反制度時的責任追究等，以確保內幕信息的處理和發佈符合證券及期貨條例的要求。

PROCEDURES FOR THE SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

Pursuant to article 12.3 of the Articles, general meetings shall be convened on the written requisition of any two or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognized clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitioner, provided that such requisitioner held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within twenty one days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further twenty one days, the requisitioner(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

股東召開股東特別大會之程序

根據細則第12.3條，股東大會可應兩名或以上股東的書面要求而召開，有關要求須送達本公司位於香港的主要辦事處（或倘本公司不再設置上述主要辦事處，則為註冊辦事處），當中列明大會的主要商議事項並由請求人簽署，惟該等請求人於送達要求之日須持有不少於本公司十份之一的繳足股本，其中附帶可於本公司股東大會上投票的權利。股東大會亦可應本公司任何一名股東（為一間認可結算所（或其代名人））的書面要求而召開，有關要求須送達本公司位於香港的主要辦事處（或倘本公司不再設置上述主要辦事處，則為註冊辦事處），當中列明大會的主要商議事項並由請求人簽署，惟該請求人於送達要求之日須持有不少於本公司十份之一的繳足股本，其中附帶可於本公司股東大會上投票的權利。倘董事會於送達要求之日起計二十一日内並無按既定程序召開將予在其後二十一日內舉行的大會，則請求人自身或持有彼等所有投票權50%以上的任何請求人可按盡量接近董事會召開大會的相同方式召開股東大會，惟按上述方式召開的任何大會不得於送達有關要求之日起計三個月屆滿後召開，且本公司須向請求人償付因董事會未有召開大會而致使彼等須召開大會所合理產生的所有開支。



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PROCEDURES FOR THE SHAREHOLDERS TO PUT THEIR ENQUIRIES TO THE BOARD

The Company is committed to a policy of open and regular communication and reasonable disclosure of information to its Shareholders. The Company delivers interim and annual reports and publication of the interim and annual results announcements and other required disclosure of information on the websites of the Stock Exchange and the Company to all the Shareholders.

The Company endeavours to maintain two way communications with the Shareholders through various channels. The Shareholders are encouraged to put their enquiries about the Group through the Company's email at ir@u51.com or by mail to the address of the Company's principal place of business in Hong Kong at Unit 1006, 10th Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong. All enquiries will be dealt with in a timely manner.

The Company has in place the shareholders communication policy which sets out the policies in relation to communication with the Shareholders. Such policy which is published on the website of the Company shall be reviewed by the Board on a regular basis to ensure its effectiveness.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

Shareholders who wish to make proposals or move a resolution are encouraged to convene an extraordinary general meeting in accordance with the section headed "PROCEDURES FOR THE SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING" above.

CONSTITUTIONAL DOCUMENTS

There was no significant change in the Articles for the year ended 31 December 2019. The Articles are available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.u51.com).

股東向董事會提出查詢之程序

本公司致力實施與其股東公開及定期交流，並向彼等合理披露資料之政策。本公司向全體股東寄發中期及年度報告，並於聯交所及本公司網站刊登中期及年度業績公告及其他須予披露資料。

本公司致力透過多種渠道與股東維持雙向溝通。歡迎股東向本集團提出查詢，方法為向本公司發出電郵 (ir@u51.com) 或郵寄至本公司香港主要營業地點香港金鐘道89號力寶中心一座10樓1006室。所有查詢會得到及時處理。

本公司制訂股東通訊政策並登載於本公司網站，訂明有關與股東溝通的政策，並由董事會定期檢討，以確保其成效。

在股東大會提出建議的程序

本公司鼓勵有意提出建議或決議案的股東按照上文「股東召開股東特別大會之程序」一節召開股東特別大會。

憲章文件

截至2019年12月31日止年度，細則並無任何重大變動。細則可於聯交所網站(www.hkexnews.hk)及本公司網站(www.u51.com)上查閱。

Environmental, Social and Governance Report

環境、社會及管治報告

I. REPORTING STANDARD, PERIOD AND SCOPE

This environmental, social and governance report (the “ESG Report”) is prepared by the Company in compliance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix 27 to the Listing Rules, which describes the environmental, social and governance (the “ESG”) developments of the Company for the year ended 31 December 2019 (the “Reporting Period”).

In order to centralize resources to monitor the performance more effectively, our ESG work (i.e. this ESG report) only covers the two principal offices located at Hangzhou and Beijing and does not cover other offices of the Group (2018: six principal offices located at Hangzhou, Beijing, Daqing, Shanghai, Fuzhou and Shenzhen).

2. BACKGROUND OF THE COMPANY

We were established in 2012. Our business comprises of three major business segments including personal credit management services, credit card technology services, and online credit facilitation and investment services. It has various core Apps such as “51 Credit Card Manager”, “51 Renpin” and “51 Renpin Loan”.

In May 2012, we launched “51 Credit Card Manager”, an App that can smartly manage credit card bills at one touch, mainly offering personal credit management services to credit card holders and helping the users to manage their credit cards and household bills such as home mortgage, automobile loans, utilities bills, etc.

Leveraging the highly-valuable user base and the personal credit data accumulated from the credit card management platform, we have gradually developed into a dynamic and self-reinforcing ecosystem providing users with one-stop personal financial services covering personal credit management services, credit card technology services, and online credit facilitation and investment services.

一、報告標準、期限和範圍

本環境、社會及管治報告（「ESG報告」）是本公司根據上市規則附錄二十七所載之《環境、社會及管治報告指引》（「ESG報告指引」）編寫描述了本公司在截至2019年12月31日止年度（「報告期」）取得的環境、社會及管治（「ESG」）進展。

為了集中資源更有效監測績效，我們的ESG工作涵蓋範圍（即本ESG報告）只包括位於杭州及北京兩個主要辦公場所，未有包含本集團其他辦公場所（2018年：位於杭州、北京、大慶、上海、撫州及深圳之六個主要辦公場所）。

二、公司背景

我們成立於2012年，業務涵蓋個人信用管理服務、信用卡科技服務、線上借貸撮合及投資服務三大業務板塊，旗下有「51信用卡管家」、「51人品」、「51人品貸」等核心手機應用程式。

2012年5月，我們研發了一款可以一鍵智能管理信用卡賬單的手機應用程式「51信用卡管家」，主要向信用卡持有人提供個人信用管理服務，幫助用戶管理信用卡及家庭賬單，如房貸、車貸、水電賬單等。

通過信用卡管理平台所累積的高價值用戶基礎以及個人信用數據，我們逐步開發了一個動態及自我強化的生態系統，為用戶提供涵蓋個人信用管理服務、信用卡科技服務、線上借貸撮合及投資服務的一站式個人財務服務。

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We have won numerous awards such as the *Global Fintech Unicorn* by CB Insights, the *China Leading Fintech 50* by KPMG and the *China Internet Finance Top 50* by Forbes. We are also an executive council member of the National Internet Finance Association of China, the executive president of Hangzhou Internet Finance Association and the vice-president of Zhejiang Association of Internet Finance.

我們曾榮膺CB Insights全球金融科技獨角獸、畢馬威中國領先金融科技50強、福布斯中國互聯網金融50強等多項獎項，以及擔任中國互聯網金融協會常務理事單位、杭州市互聯網金融協會執行會長單位和浙江互聯網金融聯盟副會長單位。

Honors and recognition in 2019

2019年所獲的榮譽



- ★ Topping the list of “2018 Third Party Credit Card APP”
榮登「2018年度第三方信用卡APP」榜首
- ★ Being listed on the *Hurun New Finance 50* for three consecutive years up to 2019
至2019年連續三年入選胡潤新金融50強
- ★ Being granted the *2019 Financial Consumers Protection and Compliance Development Award*
獲2019年度金融消費者保護與合規發展獎

In the future, adhering to the vision of “Better Credit, Better Life”, the Company will stay true to its faith and stride ahead.

未來，本公司將始終秉承「讓有信用的人過得更好」這一願景，保持初心，砥礪前行。

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3. OUR ESG PHILOSOPHY AND FRAMEWORK

The Group acknowledges the significance of effective ESG initiatives at operational level. We endeavor to provide long-term benefits to all stakeholders by way of responsible operation, which take both the economic factors and the social and environmental factors into consideration during operation, so as to maintain a sustainable development of the Company.

The direction of our ESG practices is led by the Board, so as to assess and identify our ESG related risks and opportunities, formulate our ESG policies, strategies, priorities and targets, allocate resources and examine and approve ESG achievement from top to bottom, ensuring the proper and effective operation of relevant risk management and internal control systems, and reflecting the core value of the Company.

Our ESG management approach is designed with a focus on the key areas which are considered to be significant to the Group. Such key areas will be explained in the section below headed "STAKEHOLDERS AND MATERIALITY ASSESSMENT".

Externally, while striving to provide quality services to users, we also wish to make use of our operation model under our ESG framework to create a harmonious and cooperative atmosphere for our diverse users (including the borrowers and the lenders), thus effectively contributing to the stability and healthy development of the online lending business.

三、我們對ESG的理念及架構

本集團深知有效的ESG舉措在經營層面的重要性，我們竭力以負責任的運營方式來為所有持份者提供長遠利益，在經營業務時不僅要考慮經濟因素，還要考慮社會和環境因素，以保持本公司的可持續發展。

我們ESG工作之方向由董事會領導，自上而下的評估和識別與ESG事項有關的風險及機遇，制定ESG方針、戰略、優次及目標，調配資源及審批ESG工作成果以確保相關風險管理和內控制度得到適當和有效的運行，及反映本公司的核心價值。

我們ESG的管理方針圍繞一些被視為對本集團有重大影響的重點領域而設計。這些重點領域將在後面標題為「持份者與重要性評估」一節中作介紹。

在外部，我們致力於為用戶提供優質服務，同時亦希望通過我們ESG框架下的運營模式為我們不同類型的用戶（包括借款人及出借人）營造和諧協作的氣氛，有效地加強網絡借貸業務的穩定及其健康發展。

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Internally, the Company has established written guidelines under our ESG framework and would provide training and strive to invest resources for improvements in the pursuit of sustainable development. With such guidelines, effective policies and training, the Company could integrate from top to bottom the ESG concept into all aspects of our operation and thus effectively enhance the ESG awareness of the employees, enabling each member of the Group to take part in our sustainable development. This ensures that our ESG framework could fully cover the key aspects of our business.

Driven by strong and effective ESG risk management, the Company is devoted to continuously improving the performance in these key areas through our ESG framework, so as to create sustainable values in the long run.

4. STAKEHOLDERS AND MATERIALITY ASSESSMENT

Stakeholders

We strive to make constructive communication with stakeholders (including Shareholders, customers, employees, suppliers, regulatory authorities and the public) to adopt their views and protect their interests, so as to set long-term development direction and maintain close engagement with them.

Set out below are the stakeholder groups, their expectations and the typical communication channels with the Company:

Stakeholders 持份者	Expectations 期望	Communication channels 溝通渠道
Government and regulatory authorities 政府及監管機構	<ul style="list-style-type: none"> Compliance in operation 合規開展業務 Safe and controllable online lending platform 安全可控的網絡借貸平台 Compliance with the laws and regulations 遵守法律法規 Internal inspection 內部檢查 Workplace occupational health and safety 工作場所職業衛生與安全 	<ul style="list-style-type: none"> Public information such as financial reports, announcements and circulars 財務報告、公告、通告等公開信息 Direct communication by email and phone 直接通過電子郵件和電話進行溝通 Interview with government officials 與政府官員會面

在內部，本公司的ESG框架已經建立了書面的指導方針、提供培訓以及在可持續發展的探索過程中盡可能投放資源以尋求改進方法。通過本公司的指導方針、有效的政策和相關培訓，自上而下將ESG概念融入我們經營的所有方面，從而有效地提高員工對ESG的認識，使本集團的每位成員都能成為可持續性發展的參與者。這確保了我們的ESG框架範圍能全面地覆蓋我們業務的關鍵部份。

在強而有力的ESG風險管理推動下，本公司致力於通過ESG框架持續改進該等重點領域的績效，從而在長期發展中創造可持續的價值。

四、持份者與重要性評估

持份者

我們努力通過與持份者有建設性的溝通方式採納彼等（包括股東、客戶、員工、供應商、監管機構和社會公眾）的意見及保障彼等權益，以確定本公司的長期發展方向及與彼等保持密切的關係。

持份者組別、彼等期望及彼等與本公司的典型溝通渠道如下所示：

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Stakeholders 持份者	Expectations 期望	Communication channels 溝通渠道
Users 用戶	<ul style="list-style-type: none"> • Protection of users' interests 用戶權益保障 • Capital and transaction safety of the platform 平台資金及交易安全 • User experience of the platform 平台的用戶體驗 • Fair transaction and reasonable charges 公平交易及合理徵費 • Protection of users' information, the timeliness and authenticity of information 用戶信息保護、信息及時性和真實性 • Preferential policies for marketing 營銷優惠政策 • Fair valuation standard 公平評估標準 	<ul style="list-style-type: none"> • Risk warning documents 風險提示文件 • Collection of complaints and feedback 投訴和反饋的收集 • Public information such as financial reports, announcements and circulars 財務報告、公告、通告等公開信息 • Maintaining good communication with customers 與客戶保持良好的溝通 • Satisfaction survey 滿意度調查
Employees 員工	<ul style="list-style-type: none"> • Training and career development potential 培訓和職業發展空間 • Wages and benefits 工資福利 • Working environment 工作環境 • Health and safety 健康與安全 • Career development and opportunities 職業發展和機遇 	<ul style="list-style-type: none"> • Employee activities 員工活動 • Employee bulletin board 員工佈告欄 • Periodic employee memorandum 員工定期備忘錄 • Collecting employee's views through direct communication 直接溝通收集員工意見 • Employee trainings, seminars and briefings 員工培訓、研討會和簡報 • Cultural activities such as team building 團隊建設等文化活動

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Stakeholders 持份者	Expectations 期望	Communication channels 溝通渠道
Shareholders and investors 股東和投資者	<ul style="list-style-type: none"> Return on investment 投資回報 Information disclosure and transparency 信息披露和透明度 Protection of Shareholders' interests 保護股東權益 Timely and accurate disclosure of relevant information 及時及準確地披露相關信息 Improving corporate governance 提高公司管治水平 Compliance with the laws and regulations 遵守法律法規 Anti-corruption 反腐倡廉 	<ul style="list-style-type: none"> Public information such as financial reports, announcements and circulars 財務報告、公告、通告等公開信息 Road show/teleconference/meeting with investors/Shareholders 與投資者／股東進行路演／電話會議／會議 Inquiry by phone/email 電話／電子郵件查詢 On-site visit by investors 投資者現場訪問 Information disclosure on the websites of the Stock Exchange and the Company 聯交所及本公司網站信息披露
Local communities, non-governmental organizations, potential customers and the public 當地社區、非政府組織、潛在客戶和公眾	<ul style="list-style-type: none"> Employment opportunities 就業機會 Ecological environment 生態環境 Community development 社區發展 Devotion to public welfare 對公益事業的熱情 Charitable donation 慈善捐贈 Reduction of pollutant discharge 減少污染物排放 Reduction of wastes 減少廢物 	<ul style="list-style-type: none"> Charitable activities 慈善活動 Community investment and service 社區投資與服務 Stakeholders' engagement 持份者參與 Environmental protection activities 環保活動
Media 媒體	<ul style="list-style-type: none"> Information transparency 信息透明度 Good media relations 良好的媒體關係 	<ul style="list-style-type: none"> Information disclosure on the websites of the Stock Exchange and the Company 聯交所及本公司網站信息披露 Public information such as financial reports, announcements and circulars 財務報告、公告和通函等公開信息

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Materiality assessment

The Company has collected many potential issues relating to ESG after the abovementioned communications with its stakeholders during the Reporting Period. We have grouped these issues into areas set out in the ESG Reporting Guide, and further collected more internal and external information about the Group in relation to these issues from the employees and external consultants. We assessed the impact of these issues on the Group and their materiality, and obtained the following materiality assessment results after careful analysis:

	Issue 議題	Risk 風險
Extremely important 相當重要	B6. Product Responsibility B6. 產品責任	<p>Whether the proprietary credit assessment is flawed or invalid; 專有信用評估會否有缺憾或無效;</p> <p>Whether we can maintain relatively low delinquency rates for loans facilitated; 能否維持所撮合的貸款較低的違約率;</p> <p>Whether we can identify the fraud of borrowers; 能否發現借款人的欺詐行為;</p> <p>Whether we can offer quality user experience; 能否提供優質用戶體驗;</p> <p>Whether we can protect the information and privacy of users; 能否保護用戶信息與隱私;</p> <p>Whether we can uphold and protect intellectual property rights; and 能否維護及保障知識產權; 及</p> <p>Whether we can comply with the PRC regulations on Internet security 能否遵守中國網絡安全的法規</p>
	B1. Employment B1. 僱傭	<p>Whether we can attract and retain employees; and 能否吸引及保留僱員; 及</p> <p>Whether labor cost will increase 勞動力成本會否增加</p>

重要性評估

本公司在報告期間經過上述與其持份者的溝通後，搜集到許多與ESG有關的潛在議題。我們把這些議題歸類於ESG報告指引中的各範疇當中，並且進一步就這些議題向員工及外聘顧問搜集更多關於本集團的內外信息，預計該等ESG議題對本集團的影響及評估其重要性，並經仔細分析後得到以下重要性評估結果：

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	Issue 議題	Risk 風險
Very important 非常重要	B2. Health and Safety B2. 健康與安全	Whether we can provide a safe working environment and protect employees from occupational hazards 能否提供安全工作環境及避免僱員工傷
	B3. Development and Training B3. 發展及培訓	Whether we can provide training on skilled and quality employees 能否培訓技術嫻熟及優質僱員
	B4. Labor Standards B4. 勞工準則	Whether we can comply with the PRC regulations on labor 能否遵守中國勞工法規
	B5. Supply Chain Management B5. 供應鏈管理	Our operations depend on the performance of the Internet infrastructure and fixed telecommunications networks in the PRC 業務經營有賴於中國在線基礎設施及固定電信網絡的性能
	B7. Anti-corruption B7. 反貪污	Whether we can prevent bribery, extortion, fraud and money laundering 能否防止賄賂、勒索、欺詐及洗錢
Important 重要	A1. Emissions A1. 排放物	Whether we can cope with extreme climate changes 能否應對極端氣候變化
	A2. Use of Resources A2. 資源使用	Whether we can cope with changes in water resources, water sources and water quality 能否應對水資源、水源及水質的變化
	A3. The Environment and Natural Resources A3. 環境及天然資源	Whether we can cope with sea level rise 能否應對海平面上升
	B8. Community Investment B8. 社區投資	Whether we can understand community demands and ensure that our business activities take the community's interests into consideration 能否了解社區需要和確保其業務活動考慮社區利益

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The Company keeps on improving its ESG performance to meet stakeholders' expectations and deal with the risks faced by it. During the Reporting Period, details of our practice and KPIs (as defined in the ESG Reporting Guide) which are considered to be relevant to the Group's operation and of great importance are described in the following four subject areas.

本公司不斷改善其ESG的表現，以切合持份者的期望及應對本公司所面對的風險。報告期內，我們被認為與本集團的運作相關並且具有重大意義的工作細節和關鍵績效指標（定義見ESG報告指引），在以下四個主題領域中作介紹。



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5. OUR ENVIRONMENT

We are principally engaged in the operation of online credit card management platform. In view of our online nature, the operation has minimal direct impact on the environment. Nevertheless, we acknowledge the importance of environmental protection and have adopted certain measures which are regularly implemented in our business operations, to manage emissions and wastes.

Aspect A1: Emissions

Air and greenhouse gas ("GHG") emissions

Set out below are different types of air emissions of the Group during the Reporting Period:

Direct air emissions 直接空氣排放物	Source of emissions 排放來源	2019 2019年		2018 2018年	
		Total emissions (kg) 總排放量 (千克)	Density ⁽¹⁾ (kg) 密度 ⁽¹⁾ (千克)	Total emissions (kg) 總排放量 (千克)	Density ⁽¹⁾ (kg) 密度 ⁽¹⁾ (千克)
Nitrogen Oxides ("NOx") 氮氧化物	Corporate motor vehicles 公司車輛	18.48	9.24	23.98	4.00
Sulphur Oxides ("SOx") 硫氧化物	Corporate motor vehicles 公司車輛	0.03	0.02	0.04	0.01
Particulate Matter ("PM") 微粒	Corporate motor vehicles 公司車輛	1.72	0.86	2.23	0.37

Note:

(1) Density is the average of the total emissions divided by the number of principal offices.

五、我們的環境

我們的主要業務活動是運營線上信用卡管理平台。基於我們的線上業務性質，所從事的活動對環境的直接影響非常小。儘管如此，我們認識到環境保護的重要性，並採取了一些措施，這些措施在我們的商業運作過程中定期執行，以管理排放和廢物。

A1方面：排放物

空氣和溫室氣體排放物

報告期內，本集團的不同類型的空氣排放物排放量如下：

附註：

(1) 密度是總排放量除以主要辦公場所的數量的平均值。

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Set out below is the approximate carbon dioxide equivalent (“CO₂e”)⁽¹⁾ of different types of GHG emissions during the Reporting Period:

報告期內不同類型溫室氣體排放物的二氧化碳排放當量(「CO₂e」)⁽¹⁾大致如下：

GHG emissions	Source of emissions	2019		2018	
		Total emissions	Density ⁽²⁾	Total emissions	Density ⁽²⁾
溫室氣體排放物	排放來源	(tonne CO ₂ e)	(tonne CO ₂ e)	(tonne CO ₂ e)	(tonne CO ₂ e)
		總排放量 (噸CO ₂ e)	密度 ⁽²⁾ (噸CO ₂ e)	總排放量 (噸CO ₂ e)	密度 ⁽²⁾ (噸CO ₂ e)
Scope 1: Direct emissions 範圍1：直接排放物	Corporate motor vehicles 公司車輛	5.47	2.73	6.57	1.10
Scope 2: Energy indirect emissions 範圍2：能源間接排放物	Electricity purchased 所購電力	1,538.18	769.09	1,804.12	300.69
Scope 3: Other indirect emissions 範圍3：其他間接排放物	Business trips by air, disposal of paper waste and sewage 商務航空出差、廢紙及污水處理	49.08	24.54	95.45	15.91
Total GHG emissions 總溫室氣體排放物		1,592.73	796.36	1,906.14	317.70

Notes:

附註：

- (1) CO₂e (tonne) is a measurement unit based on the greenhouse effect caused by one tonne of carbon dioxide, and used to measure and compare the greenhouse effect caused by emissions of different GHGs such as carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).
- (2) Density is the average of the total emissions divided by the number of principal offices.

- (1) 二氧化碳當量(噸)是一個以每噸二氧化碳所產生的溫室效應為基礎的度量單位，以量度及比較不同溫室氣體包括二氧化碳(CO₂)、甲烷(CH₄)、氧化亞氮(N₂O)等排放所產生的溫室效應。
- (2) 密度是總排放量除以主要辦公場所的數量的平均值。



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Minimal direct air emissions are generated from the use of corporate motor vehicles, which mainly comprise of NO_x, SO_x and PM generated from the petrol combustion in the engines of the vehicles.

During the Reporting Period, the direct GHG emissions under scope 1 amount to 5.47 tonnes of CO₂e (2018: 6.57 tonnes of CO₂e) in total, which were generated from the use of corporate motor vehicles.

During the Reporting Period, the energy indirect emissions under scope 2 represent the major source of the GHG emissions, which amounted to 1,538.18 tonnes of CO₂e (2018: 1,804.12 tonnes of CO₂e) in total and are the GHG indirectly generated from the electricity purchased. As the Group does not have any generators, all the electricity consumed is sourced from the national power grid in relevant regions.

During the Reporting Period, the GHG emissions under scope 3 approximate 49.08 tonnes of CO₂e (2018: 95.45 tonnes of CO₂e) in total, which were mainly indirectly generated from the business trips by air.

As evidenced by the data above, the measures to mitigate emissions adopted by us were effective. These measures are regularly implemented over the course of our operations. For details, please refer to the section below headed "Environmental protection policies and measures".

Waste

The waste generated by us is non-hazardous in nature, minimal in quantity and mainly from day-to-day work activities, such as disposal of food packaging, beverage cans and bottles, paper waste and office stationery. Therefore, we did not collect the relevant data for the Reporting Period, considering that neither the analysis result of such data nor its impact is significant as compared with other KPIs.

Nevertheless, we have implemented various waste-reduction measures to further reduce the waste generated from day-to-day work activities, which are detailed in the section below headed "Environmental protection policies and measures".

少量的直接空氣排放物源自公司車輛的使用。這些排放物主要由汽車引擎燃燒汽油時排放的NO_x、SO_x和PM組成。

報告期內，範圍1的直接溫室氣體共計5.47噸CO₂e（2018年：6.57噸CO₂e），來源為公司車輛的使用。

報告期內，範圍2的能源間接排放物是溫室氣體排放物的主要來源，總排放量為1,538.18噸CO₂e（2018年：1,804.12噸CO₂e），溫室氣體間接產生自所購電力。由於本集團沒有發電機，消耗的電力都是由各區域國家電網提供。

報告期內，範圍3溫室氣體總排放量約為49.08噸CO₂e（2018年：95.45噸CO₂e），主要由於出差需要而搭乘航空交通工具間接產生。

從以上數據可見，我們採取的一系列減少排放措施行之有效，這些措施是在我們的經營過程中定期執行的，詳情請見後面標題為「環境保護政策及措施」一節。

廢物

我們產生的廢物性質完全無害，數量極少，主要由日常工作活動產生，如棄置食品包裝、飲料罐和瓶子、廢紙產品和辦公室文具。因此，我們在報告期內並沒有收集相關數據，因為與其他的關鍵績效相比，這些數據的分析結果及影響均不重要。

儘管如此，我們實施了各種減少廢物的措施，以進一步減少日常工作活動產生的廢物量，這在後面標題為「環境保護政策及措施」一節中有詳細介紹。

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Aspect A2: Use of Energy and Resources

During the Reporting Period, electricity was our major energy source, which was used for general lighting at office, IT rooms and office equipment such as air-conditioners, projectors, computer screens and printers. During the Reporting Period, the total energy consumption was approximately 1,831 MWh (2018: 2,101MWh), representing an average monthly consumption of approximately 152,542 kWh (2018: 175,095 kWh).

During the Reporting Period, general domestic water was our major use of resource, which was used for office facilities such as washrooms and tea rooms, and we have no issue in sourcing water. The waste water generated has been properly discharged through the designated pipe connected finally to the main pipe of the urban central sewage disposal network. During the Reporting Period, we consumed approximately 12,217 tonnes of water (2018: 23,467 tonnes), representing an average monthly consumption of approximately 1,018 tonnes (2018: 1,955 tonnes).

For details of our energy and water use efficiency initiatives, please refer to the section below headed "Environmental protection policies and measures".

Aspect A3: The Environment and Natural Resources

Given that the Group is principally engaged in the operation of online credit card management platform, apart from the use of resources described in the previous section, the Group's operation does not consume other natural resources, nor does it have any significant impact on the environment. As a result, the Group has very limited direct impact on the natural environment. However, the Group is committed to environment protection and has adopted a series of measures to mitigate the negative impact on the environment and resources.

A2方面：能源和資源使用

報告期內，電力是我們使用的主要能源，用於辦公室的一般照明、機房以及辦公室設備的供電，如空調、投影機、電腦屏幕和打印機等。報告期內的總能耗約為1,831兆瓦時（2018年：2,101兆瓦時），平均每月消耗量約為152,542千瓦時（2018年：175,095千瓦時）。

報告期內，一般生活用水是我們使用的主要資源，用於洗手間及茶水間等辦公室設施，我們在求取適用水源時並未發現任何問題。產生的廢水均透過指定管道得到妥善處理，該管道網最終連接至城市中央污水處理的主管道。報告期內，我們使用了12,217噸水（2018年：23,467噸），平均每月消耗量為1,018噸（2018年：1,955噸）。

關於我們的能源及用水效益計劃在後面標題為「環境保護政策及措施」一節有詳細介紹。

A3方面：環境及天然資源

除了上節中描述的資源外，因本集團的主要業務活動是運營線上信用卡管理平台，其運營模式不會消耗來自環境的其他資源，也沒有對環境造成任何重大影響。因此，本集團對自然環境的直接影響非常有限。然而本集團致力於環境保護，並採取了一系列的措施來減少對環境和資源的負面影響。



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Environmental protection policies and measures

As a leading comprehensive financial service company in the credit lending sector, we are committed to do the best in fulfilling our environmental responsibility and ensure the Company's compliance with relevant laws as follows:

Law of the People's Republic of China on Environmental Protection
Law of the People's Republic of China on the Prevention and Control of Air Pollution
Law of the People's Republic of China on the Prevention and Control of Water Pollution
Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes
Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise
Law of the People's Republic of China on Energy Conservation

To achieve our ESG strategy, we regularly implement the following measures in the course of our business operations:

- (i) reminder slogans are posted on the bulletin boards and public spaces in the Company to enhance the environmental awareness among the employees and visitors;
- (ii) contracts are entered into with green plants service firms to regularly maintain and replace the green plants placed at the designated office areas, for the purpose of raising greening awareness and beautify the environment; and
- (iii) regularly update our policies and procedures, and incorporate the environmental protection rules and standards into our daily work procedures. For the purpose of saving energy and resources and reducing GHG emission, we encourage the employees to adopt the following practices in their work:
 - (1) turn off electronic equipment not in use or when they leave the office to save energy;
 - (2) save water at washroom and tea room and reduce the use of tissue paper;

環境保護政策及措施

作為一家信貸領域領先的綜合金融服務公司，我們致力把環境保護責任做到最好，並確保本公司符合相關的法規如下：

《中華人民共和國環境保護法》
《中華人民共和國大氣污染防治法》
《中華人民共和國水污染防治法》
《中華人民共和國固體廢物污染環境防治法》
《中華人民共和國環境噪聲污染防治法》
《中華人民共和國節約能源法》

我們於業務營運過程中定期執行以下的措施以實現我們的ESG戰略：

- 一、 在本公司公告欄及公共區域內張貼提示性標語，以提高員工及訪客的環保意識；
- 二、 與綠植服務公司簽訂協議，定期養護和更換在辦公指定區域內放置的綠植以提高綠化及美化環境的意識；及
- 三、 定期更新本公司的政策和程序，將環境保護的規則和準則納入日常工作流程中。我們鼓勵員工採納以下的工作方式以達到節約能源及資源以及減少溫室氣體排放：
 - (1) 在不使用或離開辦公室時關閉電子設備以節約能源；
 - (2) 在洗手間、茶水間節約用水、減少使用抹手紙；

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- | | |
|--|--|
| (3) advocate green travel and use of carpooling for business trips; | (3) 倡導綠色出行及外出出差時選用拼車； |
| (4) conduct regular check on our electrical equipment to ensure safety and operational efficiency; | (4) 定期檢查我們的電力設備，以確保安全和運行效率； |
| (5) make centralized purchase of office supplies for various departments and shorten the distance for delivery, so as to reduce the indirect emission from transportation and packing materials; | (5) 集中各部門辦公用品訂單，縮短交貨距離，減少運輸間接排放及物品包裝； |
| (6) reuse or recycle packaging materials such as plastics, paper bags and cartons; | (6) 重複使用或回收包裝物，如塑料、紙袋及紙箱； |
| (7) mitigate excessive printing by going paperless as much as possible and maximize the use of electronic equipment for internal meeting and internal communication; and | (7) 通過盡可能無紙化來減少過度打印，最大限度地利用電子設備進行內部會議和內部通信；及 |
| (8) reuse printing paper where the requirements on personal data protection are met. | (8) 在符合個人數據保密要求的情況下，重複使用印刷紙。 |

During the Reporting Period, the Company had not received any complaints from any person or the relevant authorities (2018: Nil), and had not paid or became liable to any penalties arising from any violation of relevant environmental laws or regulations (2018: Nil).

報告期內，本公司沒有收到任何個人或相關部門的投訴（2018年：無），也沒有支付或承擔由於違反有關環境法規而導致的任何處罰（2018年：無）。



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6. OUR EMPLOYEE

Aspect B1: Employment

Our workforce represents the most important asset to our operation, which is also the cornerstone on which we could build up our sustainable development. As such, it is of our top priority to ensure that all employees could have a fair, harmonious, comfortable and safe working environment.

We also respect and protect the rights of our employees. Our employees enjoy the protection under laws and the rights under the rules and regulations of the Company, which allows our employees to have equal opportunities in employment, redesignations, salary adjustment, promotion and training despite of their race, nationality and gender. The Company never tolerates any discriminatory acts in the working environment. We ensure the Company's compliance with relevant laws as follows:

Labor Law of the People's Republic of China
Labor Contract Law of the People's Republic of China
Employment Promotion Law of the People's Republic of China
Social Insurance Law of the People's Republic of China
Law of the People's Republic of China on the Protection of Disabled Persons

The Company has put in place its Human Resource Policy and Employee Manual, which comprised the key systems and procedures relating to employee management such as code of conduct, remuneration management system, working hours, holiday management, disciplinary measures, attendance and promotion, recruitment and dismissal management, internal redesignations, information safety, equal opportunities and other employee benefits, and rules and regulations relating to occupational health, and has explicitly communicated such guidelines to all employees. The Company is committed to protecting the legal interests of employees and keeps on improving employee benefit, thus enhancing the employee loyalty.

六、我們的員工

BI方面：僱傭

員工是我們運營中最重要的資產，也是推動我們可持續發展的基石。因此，確保所有員工都享有一個公平、和諧、舒適和安全的工作環境是我們的首要任務。

我們亦尊重和保護員工的權利。本公司僱員享有法律保障和本公司規章制度賦予的權利，以使不同種族、國籍及性別的員工均能享受平等的就業、調崗、調薪、晉升及培訓機會，本公司絕不容忍在工作環境上發生任何歧視行為。我們確保本公司符合相關的法規如下：

《中華人民共和國勞動法》
《中華人民共和國勞動合同法》
《中華人民共和國就業促進法》
《中華人民共和國社會保險法》
《中華人民共和國殘疾人保障法》

我們制定了《人力資源政策》及《員工手冊》，內容包括行為規範、薪酬管理體系、工時、假期管理、懲戒措施、考勤晉升、招聘離職管理、內部調動、信息安全、平等機會及其他員工福利等關於員工管理的關鍵制度和流程，以及與職業健康有關的規章制度，並已向所有員工清楚傳達該等指引。本公司致力保障員工合法權益，並不斷提升員工福利，增強員工歸屬感。

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Talent recruitment and promotion

We have the ability to attract, retain and motivate high-caliber talents. We attract and maintain a stable team of core employees through providing a comfortable working environment, comparable remuneration package and appropriate employee assessment scheme as well as provision of training and personal development opportunities according to the position and development potential of the employees.

Through implementing the recruitment and promotion policies, we could ensure that decisions on recruitment, remuneration and promotion are made based on the level of capacity of the employees, while taking his/her working experience, qualifications and professional skills into consideration.

We strive to ensure that our employees are reasonably remunerated and properly motivated. The remuneration management is conducted based on the position ranking system, which enables the position-based ranking and rank-based salary. Our remuneration system mainly comprises several aspects: determining remuneration at the time of hire, adjusting remuneration at the time of promotion/demotion and conducting performance-based remuneration adjustment. In order to broaden the career development for the employees in the Company, the Company adopts a mode of "double ladder" development route, namely professional rank route (route P) and managerial rank route (route M). Rank promotion is made after taking various factors such as work performance, professional skills, experience and behavior into consideration. According to the comprehensive assessment scheme, rank promotion assessment is made available to each employee annually. Such assessment activities aim to motivate our employees to achieve their career objectives and reach their full potential, thus resulting a win-win situation.

Our service quality relies on the quality of our employees which in turn needs on-going update of their professional knowledge and skills. The employee training and development is discussed in the section below headed "Aspect B3: Development and Training".

人才招聘及晉升

我們擁有吸引、保留和激勵高素質人才的能力。我們通過提供舒適的工作環境、可資比較的報酬和適切評估員工之方案，以及就員工之崗位及發展潛力提供培訓和個人發展機會以吸引和保持穩定的核心員工團隊。

通過執行招聘及晉升政策，我們確保招聘、報酬和晉升決策基於個人所擁有的能力水平，同時將其工作經驗、獲得的資格以及專業技能列入考慮之列。

我們努力確保員工得到合理的報酬和適當的激勵。薪酬管理以崗位職級體系為基礎，做到以崗定級及以級定薪。我們的薪酬體系主要包括以下幾個方面：員工錄用時核薪、晉升及降職調薪和業績調薪等。為拓寬員工在本公司的職業發展空間，本公司統一實行「雙梯」發展序列的模式－專業職級序列（P序列）與管理職級（M序列）。職級晉升標準從工作業績、專業技能、經驗及行為等多方面進行考慮。根據綜合評估計劃，每年安排每位員工進行職級晉升評估。這些評估活動旨在激勵員工實現其職業目標，發揮自身的最大潛能，從而達到雙贏的局面。

我們的服務質量倚賴員工素質，而員工素質需要員工持續更新職業知識和技能。員工的培訓和發展在後面題為「B3方面：發展與培訓」一節中進行討論。

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Working hours

The Company adopts a flexitime practice while staying in compliance with the standard 8-hour working system. Our employees may, in accordance with the relevant regulations, enjoy statutory holidays, annual leave, marriage leave, sick leave, bereavement leave, maternity and parental leave, and leave in lieu, thus strictly ensuring the rights of our employees to take rest and holiday.

Our workforce

As at the end of the Reporting Period, the Company had 605 employees (2018: 1,140). Set out below is the information of our employees by gender, age and rank:

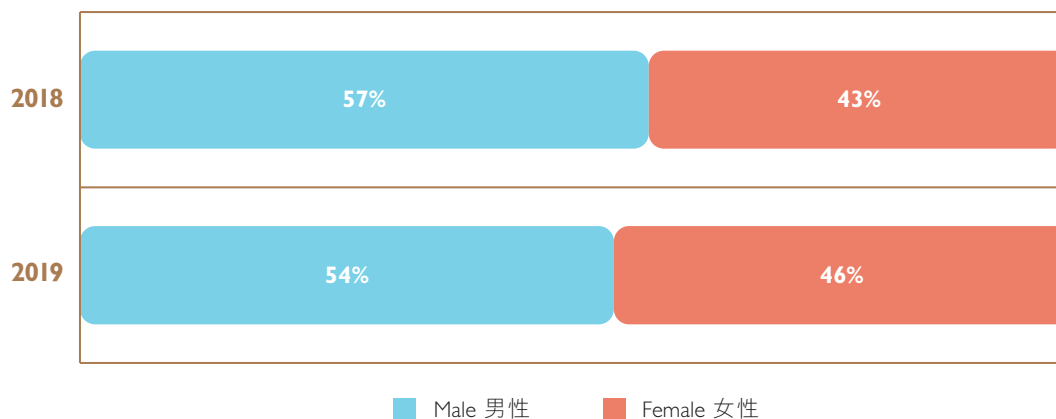
工作時數

本公司在執行標準8小時工作制度的基礎上，實行彈性上班制。員工可根據規定享有法定節日假、年假、婚假、病假、喪假、產育假及調休假，嚴格確保員工的休息休假權利。

我們的勞動力

截至報告期期末，本公司共有605名員工（2018年：1,140名），這些員工按性別、年齡和級別分類如下：

GENDER 性別



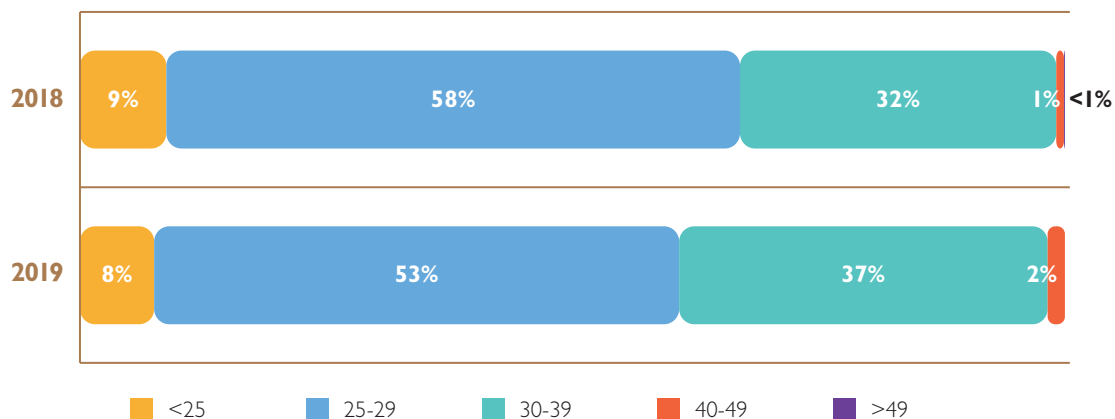
During the Reporting Period, the percentage of the Company's female employees increased by 3% as compared to 2018, representing the result of the Company's devotion to achieving a balance in the percentage of male and female employees.

報告期內，本公司的女性員工比例對比2018年增加3%，代表著本公司致力達到男女員工比例平衡的成果。

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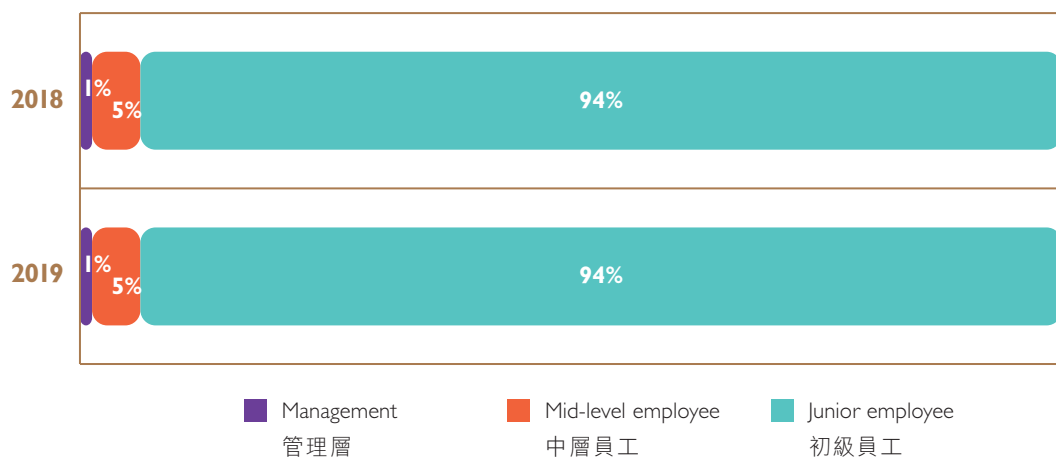
AGE GROUP 年齡群



The employees of the Company are mainly 25 to 39 years old. During the Reporting Period, there were 547 employees aged 25 to 39, accounting for 90% of the total number of our employees (number of employees aged 25 to 39 in 2018: 1,030, accounting for 90%).

本公司員工年齡主要集中於25至39歲。報告期內，年齡為25至39歲的員工共有547人，佔全部員工的90% (2018年年齡為25至39歲的員工：1,030人，佔90%)。

RANK 級別



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As at the end of the Reporting Period, a total of 565 employees left office. Set out below is the information of these employees by gender and age:

截至報告期期末，共有565名員工離職，這些員工按性別和年齡分類如下：

Category 類別	Number 人數	%
By gender 性別分類		
Male 男性	351	62
Female 女性	214	38
Total 總計	565	100
By age 年齡分類		
<25	34	6
25-29	303	54
30-39	222	39
40-49	5	1
>49	1	1
Total 總計	565	100

Aspect B2: Health and Safety

We are committed to providing our employees with a comfortable and safe working environment, maintaining and improving the employee welfare and ensuring that the Company's compliance with relevant laws as follows:

Labor Law of the People's Republic of China
Law of the People's Republic of China on Prevention and Control of Occupational Diseases
Law of the People's Republic of China on Production Safety
Fire Prevention Law of the People's Republic of China
Law of the People's Republic of China on Response to Emergencies

B2方面：健康與安全

我們致力為員工提供一個舒適及安全的工作環境，持續維護和改善員工的福利，並確保本公司符合相關的法規如下：

《中華人民共和國勞動法》
《中華人民共和國職業病防治法》
《中華人民共和國安全生產法》
《中華人民共和國消防法》
《中華人民共和國突發事件應對法》

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Workplace safety

We have put in place the Circular on Relevant Regulations on Work Environment Management and the Office Management Regulation, and engaged third-party professional institution to test and measure the environmental pollutants, which confirmed that during the Reporting Period, the methanal, benzene and total volatile organic compounds (TVOC) in the samples tested at each of our workplaces comply with the requirements of GB50325-2010 regarding Class II civil building indicators.

Set out below are certain day-to-day measures taken by the Company relating to workplace safety:

- (1) each department head provides daily safety education to the department staff for the purpose of a satisfactory safety practice at offices;
- (2) safety warnings are posted at various areas and the safety exits are kept clear;
- (3) security personnel patrol the workplaces every day to avoid any unauthorized entries;
- (4) regular inspection and maintenance are arranged for the workplaces, building structures, fire control equipment and facilities to avoid any potential safety hazards therein;
- (5) strict control is exercised over smoking to prohibit any smoking in the undesignated smoking areas at the workplaces;
- (6) purchase ergonomic chairs for the employees, which could protect their spine and lumbar; and
- (7) massage chairs and fitness equipment are placed in the recreational areas for the employees.

工作場所安全

我們已制定《關於辦公環境管理相關規定的通知》及《辦公室管理規定》，並針對工作場所的安全聘請第三方專業機構進行環境污染物檢測，確認在報告期內各辦場所所檢測樣品中的甲醛、苯和總揮發性有機物 (TVOC) 均符合 GB50325-2010 中 II 類民用建築工程指標的要求。

本公司與工作場所安全相關的一些具體日常措施如下：

- 一、各部門負責人向部門員工進行日常性的安全教育，真正做好辦公室內的安全防範工作；
- 二、各區域張貼安全標識，於安全出口位置保持暢通；
- 三、保安人員每天於工作場所進行巡查杜絕閒雜人等；
- 四、定期安排檢查及維護工作場所、樓宇結構、消防設備及設施以避免安全隱患；
- 五、嚴格管制吸煙行為，嚴禁工作場所在非吸煙區域內吸煙；
- 六、為員工採購人體工學座椅，保護員工的脊椎及腰椎；及
- 七、在休閒區安置按摩椅、健身裝備等供員工使用。



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Welfare

Apart from the employment welfare stipulated in laws, we also provide additional welfare to the employees for the purpose to improve employee protection and maintain their physical and mental health.

In respect of employee protection, we provide the group commercial supplementary medical, traffic accident and accident injury insurances for current employees, which could help to cover the salary loss and medical expenditure of the employees in case of illness or work injury. In addition, the Company also provides annual physical check-up for all current employees who, at the end of the previous year, had been in service in the Company for not less than half a year.

As to employee's physical and mental health, the Company offers meal subsidy and travel subsidy for overtime work, arranges team travel activity every year and organizes various sports and recreational activities on a regular basis.

Benefit Package

During the Reporting Period, we had 2 people (2018: 4) suffered from work injury with 23 lost work days in total (2018: 52 days), while we had no serious work-related injuries or fatalities (2018: Nil).

Aspect B3: Development and Training

We believe that the on-going update of employee's vocational knowledge and skills is critical to the business development of the Company. To this end, the Company has formulated relevant policies to provide the employees with systematic training and professional development and ensure that the employees could receive training appropriate to their respective circumstances, so as to meet the need for continuous professional training by their respective vocations.

福利

除了法律規定的就業福利外，我們亦為員工提供額外的福利項目以完善員工的保障及保持員工身心健康。

員工保障方面，本公司為在職員工統一投保團體商業補充醫療、交通意外和意外傷害保險，當不幸發生疾病或工傷事故時，為員工提供薪資損失及醫療費用的支持。此外，本公司還提供年度體檢為在截至到上年末入職滿半年的在職員工提供年度體檢。

在身心健康方面，本公司提供餐補及延時工作出行補助，每年組織員工團隊旅行及定期組織各類康體及興趣活動。

福利待遇

報告期內，工傷人數2人（2018年：4人），因工傷損失的工作日總計23天（2018年：52天），並無發生有關工作的嚴重傷亡事故（2018年：無）。

B3方面：發展及培訓

我們認為員工持續更新職業知識和技能對本公司業務發展尤其重要。就此，本公司已制定相關政策，通過有系統的培訓和專業發展，確保不同員工得到相應的培訓，以滿足他們各自職業的持續專業培訓要求。

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Set out below is the information of the types of training courses completed during the Reporting Period:

報告期內完成的培訓主題類型如下：

Training course 培訓主題	Training hours (Hour) 培訓時長 (小時)
Induction training and professional skills 入職培訓專業技能	1,224
Communication skills and emotional management 溝通能力及情緒管理	480
Updates on the knowledge of laws and regulations and compliance management 法律法規知識更新及合規管理	80
Total training hours 總培訓時間	1,784

Set out below is the information of the average training hours completed per employee by gender and rank during the Reporting Period:

報告期內，按性別和員工級別分列的每名僱員完成培訓的平均時長如下：

Category 類別	Average training hours (Hour) 平均培訓時長 (小時)
By gender 按性別	
Male 男性	3.54
Female 女性	2.26
By rank 按員工級別	
Management 管理層	12.33
Mid-level employee 中層員工	6.32
Junior employee 初級員工	2.56

The Company always sticks to diversified business layout to provide our employees with the enriching and challenging work. We have built a comprehensive training system and a dual-track development mechanism for guiding the employees to discover more possibilities.

本公司一直堅持多元化業務佈局給員工充實且富有挑戰性的工作內容、完備的培訓體系及雙道成長機制，引領員工發現更多可能。



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Aspect B4: Labor Standards

The Company places much importance on and strictly complies with all applicable national laws and local regulations in the places of operation, and prohibits any unethical business practices. The Company has put in place stringent recruitment procedures which require all candidates to give, prior to being hired, their identity documents such as identity card for screening by our administration and human resources department, so as to avoid the recruitment of any child labor and other illegal labor. We prohibit any forms of forced labor to ensure the employees could work on a voluntary and lawful basis.

Our work schedule represents the reasonable arrangement for the employees in the context of the Labor Law of the People's Republic of China, which ensures they could have sufficient rest and a proper work-life balance and provide excellent service. The Company may arrange overtime work as the circumstance demands, and provide compensation in accordance with the Labor Law of the People's Republic of China and other relevant labor laws and regulations. During the Reporting Period, the Company had no material non-compliance incidents such as employment of child and forced labor; etc (2018: Nil).

B4方面：勞工準則

本公司高度重視並嚴格恪守業務運營地所有適用的國家法律及地方法規，禁止不道德的商業行為。本公司已設定嚴格的招聘程序在擬錄用人員在入職前需提交身份證等身份證明文件供行政人力資源部門審核，以杜絕招用童工及其他非法用工行為，禁止任何勞役強迫勞工的行為，以及確保員工在自願合法的基礎上參與勞動。

工作時間表是在《中華人民共和國勞動法》標準範圍內作出的合理安排，以確保他們有足夠的休息和適當的工作生活平衡，並提供卓越服務質量。本公司根據實際需要安排加班，並按照《中華人民共和國勞動法》及相關勞動法律法規給予補償。本公司於報告期內並無發生重大不遵循事項（如僱傭童工及強制勞動等）（2018年：無）。

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7. OUR SERVICE

With our credit card management platform serving as the foundation and entry point, we develop and operate a dynamic and self-reinforcing ecosystem addressing a spectrum of our users' financial needs. We enable our users to easily compare and apply for credit cards that suit their profile and credit needs through our credit card technology services, which in turn help them to build their credit record and achieve better credit management. The credit card management platform actively monitors users' credit card bills and other personal financial liabilities and issue periodic repayment reminders. With this information, our credit active users may consider taking extra credits to satisfy their ongoing financial needs and obtain appropriate online loans through our online platform. For users who look for investment opportunities, we provide them with convenient and diversified investment opportunities. Leveraging the large amount of credit data accumulated on our platform to assess risk and determine the creditworthiness of borrowers, our platform provides borrowers who not served by traditional financial institutions with access to credit facilitation services.

Our three main services (namely personal credit management services, credit card technology services, and online credit facilitation and investment services) gradually established a coherent and dynamic financial services ecosystem in a synergistic manner.

Such ecosystem is further strengthened by other participants, including banks offering convenient credit card application process through our platform and other online consumer finance marketplaces enabling our users to further explore and compare a variety of loan products. We have developed in-depth cooperation with several credit card issuing banks in the areas of data application, credit analytics and risk profiling. Leveraging the highly valuable mobile traffic on our platform, data analytics capabilities and robust risk management capabilities, our platform keeps attracting third-party business partners such as credit card issuing banks and external online consumer finance platforms, boosting the continuous growth of our business.

七、我們的服務

我們以信用卡管理平台為基礎及切入點，開發並運營一個動態且自我強化的生態系統，滿足用戶一系列的金融需求。用戶通過我們的信用卡科技服務，方便地比較及申請適合其個人狀況及信貸需求的信用卡，從而協助彼等建立信用記錄並實現更好的信用管理。信用卡管理平台積極監察用戶的信用卡賬單和其他個人財務負債，發出定期還款提醒。有了這些信息，信貸活躍用戶可能會考慮額外的信貸來滿足彼等的持續財務需求，並透過我們的線上平台獲得適切之網絡貸款。對於尋求投資機會的用戶，我們為其提供便利且多元化的投資機會。利用我們平台積累的大量信用數據來評估風險並確定借款人的借貸能力，我們的平台能彌補傳統金融機構服務不足，為未獲傳統金融機構服務的借貸人提供信貸撮合服務。

我們的三個主要服務（包括個人信用管理服務、信用卡科技服務以及線上信貸撮合及投資服務）以協同效應的方式逐步建立連貫動態的金融服務生態系統。

此生態系統因其他參與者得以進一步加強，包括通過我們的平台提供方便的信用卡申請程序的銀行以及有助用戶能夠進一步探索和比較各種貸款產品的其他線上消費金融市場。我們已與多家信用卡發卡銀行在數據應用、信用分析及風險分析領域展開深入合作。憑借我們平台上極其寶貴的用戶流量、本公司的數據分析能力及強大的風險管理能力，我們的平台持續吸引信用卡發卡銀行及外部線上消費金融平台等第三方業務夥伴，令本公司業務持續向上發展。



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Aspect B5: Supply Chain Management

We have a total of 107 suppliers, primarily comprising providers for internet services, custody services, collection services, IT services and payment services. Our business and internal systems rely on highly technical software and processes. Failures in our IT system could prevent us from offering our services. Therefore, ensuring the stable operation and continuous development of our IT system is of vital importance to us. In order to avoid the decline in the overall performance and the increase in the breakdowns of our IT system caused by imperfect outsourcing service safeguard systems, we have established the Management Measures on Technology Service Outsourcing which stipulates the procedures for selecting service providers for outsourcing IT system technologies to ensure that our suppliers are up to standard. Before including a supplier into our list, we make a series of examination including examining its certifications, qualifications and reputation to ensure they could provide us with reliable and trustworthy products or services in compliance with the relevant laws and regulations in the PRC such as anti-money laundering and antiterrorist laws and regulations. Suppliers are selected in accordance with the relevant management measures of the Company on the principle of openness, impartialness and fairness and by way of appropriate methods such as bidding.

Aspect B6: Product Responsibility

As online consumer finance and micro credit business gain increasing popularity and continue to evolve, and the increasing users' demand for our products, there have been changes in the regulations of the PRC government on online lending industry. In view of such new developments, we also continuously enhance the technological and risk management capability of the Company, so as to ensure the products and services we provided could meet the demands of various stakeholders.

B5方面：供應鏈管理

我們共有107家供應商，服務主要包括流量獲取服務、托管服務、收款服務、信息技術服務及付款服務供應商。我們的業務和內部系統依賴高度技術性的軟件和程序，信息技術系統失誤可能阻止我們提供服務，保證信息系統的運行穩定和不斷發展對我們十分重要。所以為避免由於外包服務保障體系不健全，而造成公司信息系統出現整體性能下降和故障增多等問題，我們建立了《技術外包服務管理辦法》規定選擇外包信息系統技術服務供應商的程序，以確保供應商符合標準。在我們把供應商列入名單之前，須經過一系列的審查過程，包括審查其認證、資質和行業口碑，以確保他們提供的產品或服務是可靠和可信，並按照相關的中國法律法規如遵守反洗錢和反恐等法律法規進行。供應商的選擇是本公司的根據相關管理辦法執行，遵循公開、公平、公正的原則，採用招標等適當的方式，擇優選定。

B6方面：產品責任

隨著網絡消費金融及小額貸款業務的流行及不斷的發展，在用戶對我們產品要求不斷提升的同時，中國政府亦對在線信貸行業的規範不斷作出變更。就該等新發展，我們也須緊跟步伐，不斷提升本公司的技術及風險管理實力，以確保我們提供的產品及服務能滿足各持份者的要求。

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Credit risk control

We utilize our proprietary comprehensive credit analytics system, iCredit, to enhance our risk management capabilities, which is built based on massive data collected through our credit management platform and various other channels, and strengthened by our sophisticated artificial intelligence and advanced machine learning techniques. The iCredit system categorizes borrowers into different credit ratings according to their risk profiles, based on which our risk pricing system assigns them with appropriate interest rates and credit limits.

In order to prevent the product responsibility risk, the Company established a comprehensive risk management system, which covers risk management framework, risk assessment procedure and risk warning management.

The risk management framework consists of our various functional models, including financial model analysis, strategy analysis, anti-fraud analysis, credit control, collection control and data analysis etc, to jointly manage day-to-day risk management.

We adopt a four-step approach to make risk assessment on the borrowers for our platform:

- (1) Identity verification: we make multidimensional verification on the basic information provided by our borrowers, including making detailed and meticulous due diligence investigation through the Internet, phone and other effective channels, so as to verify the identity of the customers;
- (2) Fraud risk assessment: for customers with different types of fraud risk, we employ a number of core technologies such as big-data anti-fraud technology, deep learning and relationship analysis by knowledge mapping to make real-time monitoring and dynamic warning against any possible fraud, thus minimizing the risk of fraud;

信貸風控

我們利用自家開發的全面信貸分析系統iCredit以增強我們的風險管理能力。該系統是基於我們的信用管理平台及多個其他渠道收集的海量數據建立，並透過高級人工智能及先進機器學習技術作出改進。iCredit系統根據風險預測按不同信用評級對借款人進行分類，風險定價系統據此安排彼等適當的利率及信貸限額。

為防範產品責任風險，本公司建立了完善的風險管理體系，包括風險管理框架、風險評估流程及風險預警管理情況。

風險管理框架由本公司多個職能模塊組成，包括金融模型分析、策略分析、反欺詐分析、信審管控、催收控制以及數據分析等，共同對風險管理進行日常管理。

我們的平台對借款客戶的風險評估採用四步法：

- 一、身份核實：對借款客戶提供的基本資料信息，進行多維度的信息校驗，同時也包括通過網絡、電話及其他的有效渠道進行詳實、仔細的盡職調查，從而實現對客戶身份的核實；
- 二、欺詐風險評估：針對不同類型欺詐風險的客戶，利用大數據反欺詐技術、深度學習、知識圖譜關聯分析等多項核心技術，實時監測並動態預警潛在欺詐威脅，降低欺詐風險；



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- (3) Credit risk assessment: we employ the credit risk assessment system to assess customers' repayment ability, repayment willingness and credit risk level, and hence formulate corresponding credit risk strategies and rules; and
- (4) Manual review: experienced examining staff examines customers' information such as photos on identity cards and customers' occupation, education and use of loan by telephone, to have a comprehensive assessment of the risk profile of the customer.

In addition to the above measures and adoption of legal actions including turning to courts for assistance, we also have started connecting to Baihang Credit system in April 2019 to strictly prevent promise-breaking, aiming to establish a sound credit environment covering the whole society via exchange of information with other players in the industry.

Regulatory compliance

In addition, we are subject to strict regulation by China Banking and Insurance Regulatory Commission and National Internet Finance Association of China. During the Reporting Period, we devoted a large amount of time and resources to ensure our compliance with laws, regulations, rules and policies relating to our industry. Details of these laws and regulations are set out in the following paragraphs. We had no significant violations during the Reporting Period (2018: Nil).

Apart from the annual audit for our annual report, we also have specific audits on the key aspects such as clients' fund management, information disclosure and operational compliance, for the purpose of a sound risk control and compliance with regulatory requirements.

- 三、 信用風險評估：利用信用風險評估系統，評估客戶的還款能力與還款意願及客戶的信用風險等級，制定相應信用風險策略規則；及
- 四、 人工審核：由經驗豐富的審核人員對客戶資料如身份證照片，通過電話對用戶的身份、工作、教育及借款用途等信息進行核實，綜合評估客戶的風險狀況。

為嚴格防範失信行為，除了以上措施及採取包括法律途徑在內的合法措施外，我們於2019年4月更開始與百行徵信系統進行了對接工作，通過與行業交換資訊合力共建覆蓋全社會的良好信用環境。

監管合規

此外，我們受到來自中國銀行保險監督管理委員會和中國互聯網金融協會的嚴格監管。報告期內，我們投入了大量的時間和資源以確保遵守行業監管相關的法律、法規、規章和政策。該等法律法規將會在以下段落詳細描述。我們在報告期內不存在(2018年：不存在)重大違規行為。

除了每年接受年報審計檢查外，我們還會針對譬如客戶資金管理、信息披露、經營合規性等重點環節接受專項審計檢查，以做好風險控制及遵守監管要求。

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Marketing and promotional activities management

In order to reinforce management over our marketing and promotional activities, we have been in strict compliance with various standards regarding advertisement release and the following regulations:

Law of the People's Republic of China against Unfair Competition
Advertisement Law of the People's Republic of China
Interim Measures for Administration of Internet Advertising
Guidance from the General Office of the State Council on Strengthening Protection of Interests of Financial Consumers
Self-discipline Convention on Marketing and Promotion Activities of Internet Financial Players (Trial)

We have also established the Control System for Marketing and Promotional Activities to strengthen our product responsibility, details of which are as below:

- (1) the business department shall conduct marketing and promotional activities in relation to only such business which is legally permitted to operate, and shall ensure the content of such marketing and promotion complied with the scope and content of the business which is legally permitted to operate;
- (2) prior to conducting any marketing and promotional activities, the business department shall evaluate the relationship between such activities and the potential contractual obligations, work out proper plans and well address the engagement between such activities and the related work, so as to protect the legal interests of Internet finance consumers;
- (3) the risks relating to financial products and services shall be highlighted in the course of marketing and promotional activities, so as to remind the Internet finance consumers to exercise caution before making a transaction; and

營銷和宣傳活動管理

為加強對公司營銷和宣傳活動的管理，我們嚴格執行各類廣告發佈標準及以下法規：

《中華人民共和國反不正當競爭法》
《中華人民共和國廣告法》
《互聯網廣告管理暫行辦法》
《國務院辦公廳關於加強金融消費者權益保護工作的指導意見》
《互聯網金融從業機構營銷和宣傳活動自律公約（試行）》

我們制定了《營銷和宣傳活動審查制度》也有利於加強產品責任，詳細準則如下：

- 一、業務部門應當僅限於針對自身依法可開展的業務進行營銷和宣傳活動，並確保所營銷和宣傳的內容與依法可開展的業務範圍、內容相符；
- 二、業務部門在開展營銷和宣傳活動前，應當評估該等活動與潛在合同義務之間的關係，制定適當的工作方案，妥善處理該等活動與相關工作之間的銜接問題，以保護互聯網金融消費者合法權益；
- 三、各產品應當在營銷和宣傳活動中提示金融產品、服務的風險，提醒互聯網金融消費者謹慎交易；及



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- (4) in case of any marketing and promotional activity in cooperation with a third party, contract shall be entered into in accordance with laws to specify the responsibilities of both parties in respect of design, production, advertising and other related work. In addition, we shall urge and supervise the third party to fulfill its contractual obligations, and ensure an effective implementation of the requirements of laws and regulations as well as the control system for marketing and promotional activities.

We have established relevant policies in relation to product responsibility management, to ensure there would be no absolute wording in the product description, and avoid the use of terms such as “guarantee of principal”, “risk-free” and “guarantee of return”, or similar terms which would mislead the Internet finance consumers. In addition, we are prohibited to make any false or misleading statement regarding the income and security of the investment products, make any guarantee commitments on the future performance, income or any related circumstances of any products or services with an expected investment return, or directly or indirectly make a commitment on guaranteed principals and interests, including either through our official website, mobile application or in any relevant contracts or agreements.

Handling of complaints

We take all complaints and suggestions seriously and take them as an important process to continuously improve our service quality. We have developed the Relevant System in Relation to the Handling of Customer Complaints, and established a sound customer service system for complaints in accordance with relevant policies to receive all customer complaints, advice and suggestions from public sentiment, regulatory authorities, procuratorial organs and media organizations. The Company has in place a dedicated department to collect these information and arrange, based on the subject of complaints, appropriate personnel to follow up and deal with the complaints, which would ultimately provide our users with a satisfactory reply. We fully cooperate with any regulatory authority on any investigation, with a view to providing the best services.

- 四、與第三方合作開展營銷和宣傳活動時依法訂立合同，明確雙方在設計、製作、宣傳及其他相關工作中的責任，並督促第三方履約，確保法律法規和營銷和宣傳活動審查制度的要求得到有效實施。

我們制定了產品責任管理相關的政策確保在產品描述中避免使用絕對化用語，避免使用「保本」、「無風險」、「保收益」等用語或近義詞誤導互聯網金融消費者。此外，本公司嚴禁對投資理財類產品的收益、安全性等情況進行虛假誤導的表述，嚴禁對有投資回報預期的產品及服務的未來表現、收益或與其相關的情況作出保證性承諾，也嚴禁直接或間接承諾保本保息的行為，包括在官方網站、手機應用程序等對外宣傳及相關合同協議。

投訴處理

我們認真對待所有的投訴和建議，並將它們視為持續改進我們服務質量重要的一環。我們設有《關於客戶服務投訴處理相關制度》及按政策建立完善的客戶服務投訴制度，接受來自輿情、監管機構、公檢法及媒體機構產生的所有客戶投訴及意見建議。本公司設有專門部門負責收集這些信息，根據投訴內容分配合適的人員積極進行處理及跟進，對任何監管機構的調查我們都全面配合，務求我們的服務能夠精益求精。

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During the Reporting Period, a total of approximately 2,000 complaints from the customers through external channels have been handled by us in relation to repayment of loans. Based on the feedback on the issues arising from call in arrears, we had terminated the cooperation with all the outsourcing collection companies in July 2019. Instead, our future collection will be undertaken by the in-house collection leaders who will supervise the collection staff to complete collection, which would in our opinion make our collection more effectively under strict supervision.

Protection of intellectual property rights

In recent years, the nation has attached great importance to intellectual property protection and supported enterprises to maintain their own legal interests. In addition to our own efforts, we also made active utilization of the relevant national policies and regulations to protect the intellectual property of our brands, thus to continually improve our brand competitiveness which in turn promised better services for users. The regulations that we are subject to are as follows:

Copyright Law of the People's Republic of China
Trademark Law of the People's Republic of China
Tort Liability Law of the People's Republic of China
Patent Law of the People's Republic of China

Trademarks are important intangible assets of the Company. For enhancing trademark management, we have established the Trademark Management Measures, and the Intellectual Property Management Policy (Publications and Patents) to regulate the naming, application and use of trademarks, and protect the trademark proprietary rights of the Company and third parties. After the application of registration of trademark, the trademarks would be centrally managed by the legal department, which would serve as the basis for the use of the trademarks. Without the written authorization of the Company, any third party is not permitted to use such trademarks on any similar products of the Company or within the scope of such registration. With regard to the third parties authorized by the Company to use our registered trademarks, the relevant business departments and the legal department would exercise necessary supervision and regularly review their use of such trademarks.

報告期內，我們處理約2,000宗通過外部渠道作出關於還款問題的客戶投訴。根據催收欠款衍生之問題的反饋，我們在2019年7月終止所有催收外包公司的合作，未來的催收工作將交由內部崗位催收組長負責監督催收員完成催收工作事務，相信更加有效地對催收工作進行嚴格監控。

知識產權保護

近年來，國家一直高度重視知識產權保護，支持企業維護自身合法權益。我們在自身積極努力的同時將借助國家政策、法規的支持積極保護自身品牌的知識產權，不斷增強品牌競爭力，為廣大用戶提供更為優質的服務，我們符合相關的法規如下：

《中華人民共和國著作權法》
《中華人民共和國商標法》
《中華人民共和國侵權責任法》
《中華人民共和國專利法》

商標是本公司重要的無形資產。為了加強商標管理，我們制定了《商標管理辦法》、《公司知識產權管理制度（軟著專利）》，規範公司的商標命名、商標申請和商標使用，同時保護本公司及第三方的商標專用權。商標申請註冊完成之後，由法務部統一管理，作為商標使用的依據，未經本公司書面許可第三方不得在本公司近似產品或商標註冊範圍內使用。獲本公司許可使用註冊商標的第三方，相關業務部門和法務部會進行必要的監督及定期檢查商標使用情況。



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In addition to the duties on trademark supervision performed by the legal department, the employees will also notify, through the relevant communication channels and mechanisms, to the legal department any infringement on the trademarks by any third parties. The infringement, once verified through investigation, would be submitted to the decision-making department, the legal department may decide whether to report the infringement to the administration agency for industry and commerce or initiate a lawsuit with the People's Court, for the purpose to stop and crack down such trademark infringement behavior.

During the Reporting Period, the People's Court of Xihu District, Hangzhou dispatched a paper of judgment in favor of the Company, which meant that substantial progress has been realized by the Company in penalizing serious tort of our trademarks. According to the paper of judgment, the Company was clearly defined as the obligee of the registered trademark. The defendant, who used a trademark similar to the registered trademark of 51 Credit Card Manager with respect to the same products and similar services without permission from the obligee, has constituted tort of trademark and shall assume the civil liability of stopping infringement and making compensation for loss by laws. The court came to a verdict that the defendant shall stop the infringement, delete or block the information as far as the infringed products concerned, and indemnify the Company with any economic loss arising therefrom taking into account a series of factors, including, among others, the popularity of the registered trademark, the operation scope and degree of subjective fault of the defendant, and the nature and time of the relevant infringement. This judgment marked that our actions could effectively prevent third parties infringing our intellectual property rights.

除法務部履行商標的監察職能外，我們的員工如發現第三方侵犯公司商標的行為亦會通過相關溝通渠道及機制告知法務部。事件經查證屬實後會提交決策部門，由法務部決定是否申報工商行政管理機關處理或向人民法院提出訴訟等處理方式，制止並打擊商標侵權行為。

報告期內，我們收到了杭州市西湖區人民法院寄送的勝訴判決書，標誌著我們嚴懲惡意商標侵權行為的行動邁出了堅實的一步。判決載明，我們為該註冊商標的權利人，被告未經權利人許可，在相同商品、類似服務中使用與「51信用卡管家」註冊商標近似商標的行為，已構成商標侵權，應當依法承擔停止侵權、賠償損失的民事責任。法院根據註冊商標的知名度、被告的經營規模以及主觀過錯程度、涉案侵權行為的性質及時間等因素，判決被告停止侵權，刪除、屏蔽侵權產品的侵權信息，並向我們賠償經濟損失。此判決標誌著我們的措施能有效地防止第三方侵犯我們的知識產權。

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Protection of personal information

Our credit management tool, 5I Credit Card Manager App, is the cornerstone for the development of our financial services ecosystem. We obtain the credit card statements of our users primarily from the users' email accounts based on the users' authorization or from the users' import, which forms the basis for us to provide customers with our credit management service. The day-to-day operation of our credit card management platform involves processing and storing a large amount of personal information of users, which includes not only the basic personal information (including mobile phone number or account information of social media) provided to us at the time of registering an account, but also the credit card transaction records from different banks, consumption history records for different occasions, and repayment data through users' life cycles. Our brand reputation is critical to our business and competitiveness. Therefore, it is a critical task for us to ensure the security of personal information on our platforms and comply with the relevant laws and regulations relating to Internet security and privacy protection as well as the following regulations.

Cybersecurity Law of the People's Republic of China
Measures for the Security Review of Network Products and Services (Trial)
Several Provisions on Regulating the Market Order of Internet Information Services
Decision on Strengthening Network Information Protection by the Standing Committee of the National People's Congress
Provisions on Protection of Personal Information of Telecommunication and Internet Users
Ninth Amendment to the Criminal Law of the People's Republic of China
Information Technology – Personal Information Security Specification
Interpretations of the Supreme People's Court and the Supreme People's Procuratorate on Several Issues Concerning the Application of Law in the Handling of Criminal Cases Involving Infringement of Citizens' Personal Information

個人信息保護

我們的信用管理工具，5I信用卡管家應用，為我們金融服務生態系統發展的基石。我們根據用戶授權或導入從用戶的電郵賬戶獲得信用卡賬單來為客戶提供信用管理服務。信用卡管理平台日常處理及儲存大量用戶的個人信息，這些信息除包括註冊賬號提供基本的個人信息（包括移動電話號碼或社交媒體賬戶信息）外，還包括來自不同銀行的信用卡交易記錄、不同消費場合的消費記錄以及用戶在生命週期內的還款記錄。品牌聲譽對我們的業務及競爭力至關重要。因此保障平台個人信息安全，並遵守網絡安全與隱私保護相關的法律法規和以下規定是我們非常重要的任務。

《中華人民共和國網絡安全法》
《網絡產品和服務安全審查辦法（試行）》
《規範互聯網信息服務市場秩序若干規定》
《全國人民代表大會常務委員會關於加強網絡信息保護的決定》
《電信和互聯網用戶個人信息保護規定》
《中華人民共和國刑法修正案（九）》
《信息安全技術個人信息安全規範》
《最高人民法院、最高人民檢察院關於辦理侵犯公民個人信息刑事案件適用法律若干問題的解釋》



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In order to keep alert for attacks from external or internal sources, we have implemented the Information Security Management System, setting out a series of the following measures to protect privacy and information security, which are detailed as below:

- (1) encryption and privacy protection. Our platform employs sophisticated Internet technology to effect multiple authentication and encryption for data such as all the account information and capital information, which shall not be disclosed without the consent of our customers and the authorizations by relevant laws and regulations;
- (2) security technology support. We apply multi-layer firewall to monitor the data security and our intrusion detection system would make real-time feedback to prevent any intrusion and hence ensure the information security;
- (3) bank custody. We have set up a custody account with a third-party bank to hold our users' fund, which could better protect the security of capital information;
- (4) at the time of hire, the human resource department have arranged the signing of formal labor contract and confidentiality agreement with the employee. The confidentiality agreement clearly provides for, among others, the content subject to confidentiality and the validity term of the agreement;
- (5) where a third party stay in the Company's office for business purpose, the relevant department of the Company shall be responsible for the management of such third party and arrange due registration with the administrative department. Such third party shall also sign a confidentiality agreement with the Company to inform the third party of the prohibited behaviors. We have strict regulations on the activities, limits of authority, use of resources of such third party at the Company. Without our prior approval, no confidential information shall be disclosed to any person. It is strictly prohibited to copy, spread or disclose, without our authorization, any confidential information such as customer's identity and transaction records; and
- (6) We have entered into an agreement with a reputable third-party insurance provider in relation to the provision of insurance covering the risk of personal information leakage.

為提高警惕防範不論外來或是內部的攻擊，我們實施了《信息安全管理制度》，制度的一系列的操作保障信息隱私和信息安全詳情如下：

- 一、 加密及隱私保護。我們平台使用先進的互聯網技術對所有賬戶信息及資金信息等數據實施多重認證和加密，在未經客戶同意以及相關法律法規規定的情況下，不得將信息外洩；
- 二、 安全技術支持。我們設置了多層防火牆保障數據的安全監控，入侵檢測系統時及時反饋，防範入侵，以確保信息的安全；
- 三、 銀行存管。我們於第三方銀行開設存管賬戶以托管用戶資金，更能妥善保障資金信息的安全；
- 四、 員工入職時，人力資源部已經與員工簽訂正規的勞動合同以及保密協議，保密協議中明確地告知員工需保密的內容及協議有效時間等；
- 五、 當第三方因為工作原因需要在本公司辦公室駐場時，應當由本公司內部對接部門負責管理並配合行政部門做好登記工作，並與本公司簽訂保密協議，告知第三方人員禁止的操作行為。該第三方人員在本公司活動、權限、資源使用都有嚴格的規定。任何保密信息未經我們的事先批准，將不會透露給任何人。嚴禁擅自複製、傳播、洩露客戶身份和交易記錄等機密信息；及
- 六、 我們已與一間有信譽的第三方保險供應商訂立協議，以提供涵蓋個人信息洩漏風險的保險。

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In addition, we plan to enhance our technology and risk management infrastructure, in particular for big data analysis and artificial intelligence technology with the focus on anti-fraud, deep learning in image analysis, behavior analysis, relationship mapping, automatic user interaction and intelligent user operation. Specifically, investment in artificial intelligence and big data will enable us, among others, to:

- (i) further develop facial recognition and voice recognition system to minimize the risks of fraud;
- (ii) increase the level of automation and precision of our interactive Help Center that serves as a starting point for any question our users may have; and
- (iii) optimize our risk pricing capabilities in data processing and analysis.

Aspect B7: Anti-corruption

In compliance with the Anti-money Laundering Law of the People's Republic of China, we have developed the Management System on Anti-corruption and Anti-terrorist Financing to monitor and report any suspected money laundering activities. The anti-money laundering procedures in the system include:

- (i) taking multiple identity verification measures against loan applicant;
- (ii) performing comprehensive analysis to assess the money-laundering risks of the loan applicant;
- (iii) identifying and monitoring suspicious transactions;
- (iv) reporting the identified suspicious transactions to relevant government authorities; and
- (v) providing ongoing anti-money laundering training to our employees.

As part of our risk management procedures, we also ensure that loans from us and from our financing partners are deposited to the correct borrowers' bank accounts and use our custodian bank as intermediaries for settlement and payment to further reduce money laundering risks.

另外，我們計劃加強我們的技術及風險管理基礎設施，尤其是大數據分析及人工智能技術領域，藉以專注於反欺詐、圖像分析深度學習、行為分析、關係影射、自動用戶互動及智能用戶操作。具體而言，人工智能及大數據方面的投資令我們可（其中包括）：

- 一、進一步開發人臉識別及語音識別系統以盡量減少欺詐風險；
- 二、提高我們交互式幫助中心（作為我們用戶可能遇到的任何問題的起點）的自動化水平及精確度；及
- 三、優化我們在數據處理及數據分析方面的風險定價能力。

B7方面：反腐倡廉

我們設有《反洗錢反恐怖融資工作管理制度》監察及報告任何疑似洗黑錢活動，以符合《中華人民共和國反洗錢法》。制度中反洗黑錢程序包括：

- 一、對貸款申請人採取多重身份認證措施；
- 二、全面分析及評估貸款申請人的洗黑錢風險；
- 三、識別及監察可疑交易；
- 四、向相關政府機構報告所識別可疑交易；及
- 五、向員工提供持續的反洗黑錢培訓。

作為風險管理程序的一環，我們亦確保源自我們及融資夥伴的貸款存入正確的借款人銀行賬戶，並通過托管銀行作為中介機構結算及支付，以進一步降低洗黑錢風險。

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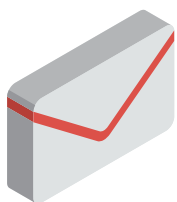
Bribery and any form of corruption behavior is forbidden by the Company. We have prepared procedures to comply with the following regulations:

Provisional Rules on Prohibition of Business Bribery Behavior
Anti-Monopoly Law of the People's Republic of China
Law of the People's Republic of China against Unfair Competition

本公司嚴禁賄賂和任何形式腐敗行為。我們已制定程序以符合相關的法規如下：

《關於禁止商業賄賂行為的暫行規定》
《中華人民共和國反壟斷法》
《中華人民共和國反不正當競爭法》

Information Collection 信息收集



- ★ Receive reporting information
收到舉報信息

Investigation 立案調查



- ★ Establish a special investigation team to verify and issue an investigation report
成立專項調查小組，核實實情，出具調查報告

Case Handling 案件處理



- ★ Issue a handling opinion based on investigation results and follow the opinion after approval
針對調查結果，出具處理意見，經審批通過後執行

We have established the Anti-corruption Administration Rules which defined corruption behavior; adopted rewards to encourage reporting and listed approaches for reporting. We would take severe disciplinary action against any staff conducting corruption.

我們已訂立《反腐敗管理制度》，定義腐敗行為，實行舉報獎勵鼓勵舉報，列出舉報途徑。我們會向任何作出腐敗行為的員工作出嚴厲的處罰。

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During the Reporting Period, the Company immediately established a special working team in charge of crime crackdown once it received the notice from the Financial Office of Xihu District concerning the action of "Special Fight against Criminal Offence (掃黑除惡專項鬥爭)", pursuant to which, particular staff were in place to take charge of the relevant contact, follow-up and dissemination. Besides, the Company has integrated contents of crime crackdown with particular slogans and dispatched the same to all employees in a straightforward manner. Roll-up banners for propaganda were placed in conspicuous positions, such as doors of elevators and reception of the Company. In addition to carrying out special propaganda classes within the Company, we also relied on suitable meetings to realize routine dissemination, showing our strong adherence to the spirits under the Notice from the State Council of the CPC Central Committee Relating to Special Fight Against Criminal Offence. We targeted to become the enterprise model within the jurisdiction in which the Company operates business in propagating "Special Fight against Criminal Offence (掃黑除惡專項鬥爭)" through four innovation, namely "one special office, one letter, one fixed point, one quarter of hour (一專辦、一封信、一定點、一刻鐘)".

During the Reporting Period, the Company had no corruption or bribery cases (2018: Nil).

在報告期內，我們接到西湖區金融辦開展「掃黑除惡專項鬥爭」宣傳活動通知，我們第一時間成立「掃黑除惡專辦」，專人對接、跟進、宣傳；將掃黑除惡內容及標語進行整合，以簡單易懂的形式發給所有員工，在電梯口、公司前台等顯眼位置放置易拉寶宣傳，在公司範圍內開展宣傳專課的同時，做到宣傳常態化，利用合適的會議契機進行日常普及，貫徹落實《中共中央國務院關於開展掃黑除惡專項鬥爭的通知》精神，創新以「一專辦、一封信、一定點、一刻鐘」的「四個一」，力爭成為轄區內「掃黑除惡專項鬥爭」的企業宣傳典範。

在報告期內，本公司並無(2018年：無)任何貪污或賄賂個案。



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8. OUR COMMUNITY

Aspect B8: Community Investment

The Company endeavors to shoulder more social responsibility by active participation in public welfare activities, so as to give positive feedback to the users and society for their caring and supports. Meanwhile, we also wish increasing number of enterprises and users would be influenced by our efforts to care about children in remote rural area, promising healthy and happy life for them.

Set out below are some of our contributions and programmes in respect of community investment during the Reporting Period:

- (1) “Home of 51 Credit Card – Rainbow Dream Programme (51信用卡之家·彩虹夢想計劃)” is our public welfare programme aiming to give a warm home to the kids. The Company will provide long-term financial assistance to the kids in the rural area at Hualansi Primary School, Dangbao Village, Dingxi, Gansu;
- (2) Sponsored the project named “Basketball Court, Not a Dream Any More (圓夢籃球場)”. Under the project, the Company made capital contribution to build a synthetic resin based basketball court with relatively high degree of safety for Hualansi Primary School. On 24 May 2019, the Company, together with the school, checked and accepted the court and announced the official run of operation of the court;
- (3) Launched the programme of “to Build a Dream Basketball Court for Children (為孩子們打造一個夢想籃球場)” on the platform of the 51 Credit Card Manager App so as to arouse considerable concern from the public for physical health of children in poverty. A total of more than 400,000 thumbs-up have been received by this programme;

八、我們的社區

B8方面：社區投資

本公司致力肩負起更多社會責任，積極從事公益活動以回饋用戶及社會的關注與支持。同時，我們也希望通過自身的影響力號召更多企業與用戶關注山區兒童，讓孩子們的成長更健康、快樂。

以下是我們在報告期內投放於社區的一些貢獻及活動：

- 一、 「51信用卡之家·彩虹夢想計劃」這公益項目旨在給予孩子一個溫暖的家。本公司將長期資助在甘肅省定西市通渭縣黨堡村山區花蘭寺小學的孩子們；
- 二、 發起「圓夢籃球場」項目，出資為花蘭寺小學建造安全係數較高的塑膠籃球場地，於2019年5月24日與校方一起對籌建的塑膠籃球場進行了驗收，同時宣佈球場正式啟用；
- 三、 於51信用卡管家應用平台上線「為孩子們打造一個夢想籃球場」活動，以引起社會公眾對貧困地區的兒童體能健康的廣泛關注，該活動共得到超過四十多萬的點贊助力；

Environmental, Social and Governance Report

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- (4) In order to popularize the first-aid knowledge and skill of the public and improve their capability in first-aid treatment, "Home of 51 Credit Card (51信用卡之家)" made special donation to the Zhejiang University Education Foundation in the PRC to support the No.1 Affiliated Hospital of Zhejiang University School of Medicine to popularize first-aid knowledge and training of the first-aid skill; and
- (5) Public welfare programme titled "Home of 51 Credit Card (51信用卡之家)" will be further promoted to encourage more people to participate in such event, with a view to helping these kids in the rural area in the long run.
- 四、為了普及公眾急救知識和急救技能，提高群眾互救、自救能力，「51信用卡之家」特向中國浙江大學教育基金會進行捐贈，用於支持浙江大學醫學院附屬第一醫院公眾急救知識的普及和急救技能的培訓；及
- 五、持續對「51信用卡之家」公益項目進行推廣，呼籲更多的社會大眾參與，長期幫助這些山裡的孩子。



Independent Auditor's Report

獨立核數師報告



羅兵咸永道

To the Shareholders of 51 Credit Card Inc.
(incorporated in the Cayman Islands with limited liability)

致51信用卡有限公司股東
(於開曼群島註冊成立之有限公司)

OPINION

What we have audited

The consolidated financial statements of 51 Credit Card Inc. (the "Company") and its subsidiaries (the "Group") set out on pages 146 to 315, which comprise:

- the consolidated statement of financial position as at 31 December 2019;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

我們已審核的內容

51信用卡有限公司(「貴公司」)及其附屬公司(「貴集團」)列載於第146頁至第315頁的綜合財務報表，包括：

- 於2019年12月31日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而公允地反映了貴集團於2019年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

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Independent Auditor's Report

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Recognition of revenue and quality assurance fund payable
- Measurement of expected credit losses
- Impairment assessments of goodwill and payment license

意見的基礎

我們已根據《國際審計準則》進行審核。我們在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審核憑證能充足及適當地為我們的意見提供基礎。

獨立性

根據國際會計師專業操守理事會頒佈的《專業會計師道德守則》（以下簡稱「道德守則」），我們獨立於貴集團，並已履行道德守則中的其他專業道德責任。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表的審核最為重要的事項。這些事項是在我們審核整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審核中識別的關鍵審核事項概述如下：

- 收益及應付質量保證金確認
- 預期信用損失計量
- 商譽及支付牌照減值評估



Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key Audit Matter

關鍵審核事項

Recognition of revenue and quality assurance fund payable ("QAF payable") 收益及應付質量保證金(「應付質量保證金」)確認

Refer to Notes 5 and 23 to the consolidated financial statements.

請參閱綜合財務報表附註5及23。

During the year ended 31 December 2019, the Group had recognized revenue of credit facilitation and service fee of approximately RMB1,173 million. As at 31 December 2019, the amount of QAF payable amounted to approximately RMB1,559 million.

截至2019年12月31日止年度，貴集團已確認信貸撮合及服務費收益約人民幣1,173百萬元。於2019年12月31日，應付質量保證金的金額為約人民幣1,559百萬元。

The total proceeds from borrowers generally includes the services fees for facilitating loan origination and for providing ongoing monthly services, and contribution to the QAF payable, which provides a protection mechanism to investors of the loans.

從借款人收到的總款項一般包括促成貸款發放及提供持續每月服務的服務費，以及對應付質量保證金的出資，質量保證金向該等貸款的投資者提供保障機制。

Of the total proceeds from borrowers, the portion meeting the definition of a financial guarantee is first allocated to the QAF payable at fair value, and the remaining amount is then allocated to credit facilitation and service fee. The initial recognition of QAF payable is based on the determination of the estimated loss rate of the financial guarantee.

從借款人收到的總款項中，符合財務擔保定義的部分首先按公允價值分配至應付質量保證金，餘額則分配至信貸撮合及服務費。初始確認應付質量保證金乃依由財務擔保的估計損失率決定。

關鍵審核事項 (續)

How our audit addressed the Key Audit Matter

我們的審核如何處理關鍵審核事項

Our procedures in relation to recognition of revenue and QAF payable included:

我們就收益及應付質量保證金確認進行的程序包括：

We made enquires of management and inspected supporting documents to evaluate the key controls in respect of recognition of revenue and QAF payable, including the management's review and approval process over the determination of estimated loss rate of the financial guarantee.

我們向管理層作出查詢並檢查證明文件，以評估有關收益及應付質量保證金確認的關鍵控制，包括管理層對釐定財務擔保的估計損失率的審批程序。

For the key underlying systems used for processing transactions in relation to credit facilitation and service fee as well as QAF payable, we tested the general control environment and automated controls of the information technology system. We tested the interface between the operating and financial systems.

對於用於處理與信貸撮合及服務費以及應付質量保證金相關交易的關鍵相關系統，我們測試了信息技術系統的整體控制環境及自動控制。我們測試了運營及財務系統之間的交互。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key Audit Matter

關鍵審核事項

Recognition of revenue and quality assurance fund payable (Cont'd)

收益及應付質量保證金確認 (續)

We identified the recognition of revenue and QAF payable as a key audit matter taking in consideration i) the recognition of revenue and QAF payable relies on the Group's self-developed IT systems which process a large volume of revenue transactions and transfer the operational data for financial reporting process; and ii) the magnitude of the credit facilitation and service fee and QAF payable recognized; and iii) the significant judgements applied by management in the recognition of revenue and QAF payable.

考慮到i)確認收益及應付質量保證金依賴貴集團自主開發的資訊科技系統，該系統處理大量的收益交易並將運營數據轉為用於財務報告流程；及ii)信貸撮合及服務費以及應付質量保證金的重要性；及iii)管理層在確認收益及應付質量保證金時應用的重大判斷，我們將收益及應付質量保證金確認列為關鍵審核事項。

關鍵審核事項 (續)

How our audit addressed the Key Audit Matter

我們的審核如何處理關鍵審核事項

We tested, on a sample basis, revenue transactions by checking the cash receipts/payments, reviewing the underlying contracts, identifying the key terms and attributes from the contracts, obtaining the underlying data from the system used in the transaction processes, and recalculating the revenue amount.

我們通過核查現金收款／付款、審查相關合同、確定合同中的關鍵條款及特徵、從交易處理中所使用的系統獲取相關數據及重新計量收益金額，抽樣測試了收益交易。

We obtained the management's calculation of the estimated loss rate and tested, on a sample basis, the major underlying data. And we further tested the mathematical accuracy of the estimated loss rate.

我們獲取了管理層對估計損失率的計算，並抽樣測試了主要的相關數據。我們進一步測試了估計損失率的算術準確性。

Based on the procedures performed, we found the Group's recognition of revenue and QAF payable was supported by the available evidence.

基於進行的程序，我們認為貴集團的收益及應付質量保證金確認已獲得證據的支持。



Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key Audit Matter

關鍵審核事項

Measurement of expected credit losses

預期信用損失計量

Refer to Notes 4.1.2, 12(b), 23, 24, and 26 to the consolidated financial statements.

請參閱綜合財務報表附註4.1.2、12(b)、23、24及26。

As at 31 December 2019, the Group's gross loans to customers and contract assets amounted to approximately RMB302 million and approximately RMB1,173 million, and a loss allowance of approximately RMB281 million and approximately RMB462 million was recognized respectively; the exposure of quality assurance fund receivable ("QAF receivable") amounting to approximately RMB1,333 million and the loss allowance of QAF receivable and QAF payable amounting to approximately RMB766 million and RMB1,559 million respectively was recognized.

於2019年12月31日，貴集團客戶貸款的總額及合約資產分別為約人民幣302百萬元及約人民幣1,173百萬元，確認虧損撥備約人民幣281百萬元及約人民幣462百萬元；應收質量保證金（「應收質量保證金」）敞口為約人民幣1,333百萬元，而應收質量保證金及應付質量保證金確認虧損撥備分別約人民幣766百萬元及人民幣1,559百萬元。

關鍵審核事項（續）

How our audit addressed the Key Audit Matter

我們的審核如何處理關鍵審核事項

Our audit procedures in relation to measurement of ECL for loans to customers, contract assets, QAF receivable and payable included:

我們就客戶貸款、合約資產、應收質量保證金及應付質量保證金的預期信用損失計量進行的審核程序包括：

We understood, evaluated and tested the internal controls related to ECL for loans to customers, contract assets, QAF receivable and payable, primarily including the review and approval of portfolio segmentation, parameters estimation, criteria for determining whether or not there is a SICR, or credit-impaired and economic indicators for forward-looking scenarios;

我們了解、評估及測試了與客戶貸款、合約資產、應收質量保證金及應付質量保證金的預期信用損失相關的內部控制，主要包括對投資組合細分、參數估計、釐定是否存在信用風險顯著增加、或已發生減值的標準及前瞻分析中使用的經濟指標的審閱及批准。

We reviewed the modelling methodologies for ECL measurement, and assessed the reasonableness, based on our industry knowledge with reference to the industry benchmarks, of the portfolio segmentation and key parameters estimation. We examined the calculation for model measurement on a sample basis, to test whether or not the measurement models reflect the modelling methodologies documented by the management.

我們審閱了預期信用損失計量的建模方法，並基於行業知識及參考行業標準評估了投資組合細分及關鍵參數估計的合理性。我們抽樣檢查了模型測量的計算，以測試測量模型是否反映了管理層記錄的建模方法。

We selected sample of loans, to assess the appropriateness of management's identification of SICR, defaults and credit-impaired loans.

我們選取貸款樣本，以評估管理層識別信用風險顯著增加、違約及已發生信用減值的貸款的適當性。

KEY AUDIT MATTERS (Cont'd)

Key Audit Matter

關鍵審核事項

Measurement of expected credit losses (Cont'd)

預期信用損失計量 (續)

The Group assesses whether the credit risk of loans to customers, contract assets, QAF receivable and payable have increased significantly since their initial recognition, and apply an impairment model to calculate their expected credit losses ("ECL"). In assessing the ECL, management use the risk parameter modelling approach that incorporates various parameters, including the portfolio segmentation, parameters estimation, criteria for determining whether or not there is a significant increase in credit risk ("SICR"), or credit-impaired and economic indicators for forward-looking scenarios.

貴集團評估客戶貸款、合約資產、應收質量保證金及應付質量保證金的信用風險自初步確認以來是否大幅增加，並採用減值模型計算其預期信用損失（「預期信用損失」）。在評估預期信用損失時，管理層使用風險參數模型法，該方法包含各種參數，包括投資組合細分、參數估計、釐定是否存在信用風險顯著增加（「信用風險顯著增加」）或已發生信用減值的標準及用於前瞻分析的經濟指標。

We identified the measurement of ECL as a key audit matter due to i) the magnitude of the loss allowance for loans to customers, contract assets, QAF receivable and payable; and ii) complex calculation models, significant judgement and assumptions used by management in determining the ECL.

我們將預期信用損失的計量確定為關鍵審核事項，原因為i)客戶貸款、合約資產、應收質量保證金及應付質量保證金的虧損撥備的重要性；及ii)管理層在確定預期信用損失時使用的複雜計算模型、重大判斷及假設。

關鍵審核事項 (續)

How our audit addressed the Key Audit Matter

我們的審核如何處理關鍵審核事項

For forward-looking measurement, we reviewed the management's model analysis of their selection of economic indicators, economic scenarios and weightings employed, assessed the reasonableness of the prediction of economic indicators and reviewed sensitivity analysis of economic indicators performed by management.

對於前瞻性計量，我們審閱了管理層篩選經濟指標、經濟情景及權重的模型分析，評估了經濟指標預測的合理性，並檢討了管理層對經濟指標的敏感性分析。

We examined major data inputs to the ECL models on selected samples, including historical data and data at the measurement date, to assess their accuracy and completeness.

我們檢查了選定樣本的預期信用損失模型的主要數據輸入，包括歷史數據及於計量日期的數據，以評估其準確性和完整性。

Based on the procedures performed, in the context of the inherent uncertainties associated with measurement of ECL for loans to customers, contract assets, QAF receivable and payable, we found the models, key parameters, significant judgement and assumptions adopted by management were supported by the available evidence.

基於進行的程序，考慮計量客戶貸款、合約資產、應收質量保證金及應付質量保證金的預期信用損失的固有不確定性，我們認為管理層採用的模型、關鍵參數、重大判斷及假設是已獲得證據支持的。



Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key Audit Matter

關鍵審核事項

Impairment assessments of goodwill and payment license 商譽及支付牌照減值評估

Refer to Note 18 to the consolidated financial statements.
請參閱綜合財務報表附註18。

As at 31 December 2019, the carrying amounts of goodwill and license amounted to approximately RMB482 million and approximately RMB499 million, respectively, before the provision of impairment.

於2019年12月31日，商譽及牌照的賬面值分別為約人民幣482百萬元及約人民幣499百萬元（未計提減值撥備）。

Management is required to perform impairment assessment of goodwill and intangible assets with indefinite life (e.g. payment license) annually or more frequently if there is an impairment indicator.

管理層須每年對無限年期的商譽及無形資產（例如支付牌照）進行減值評估，如果存在減值跡象則需要更頻繁地進行減值評估。

關鍵審核事項（續）

How our audit addressed the Key Audit Matter

我們的審核如何處理關鍵審核事項

Our procedures in relation to the impairment assessments of goodwill and payment license included:

我們就商譽及支付牌照減值評估進行的程序包括：

We understood and tested management's process and controls in respect of the impairment assessments, including the review of the implementation of impairment standards and the determination of the key assumptions.

我們了解並測試了管理層有關減值評估的程序及控制，包括審閱減值準則的實施情況及關鍵假設的釐定。

We identified the cash-generating unit ("CGU") and evaluating the composition of the assets and liabilities allocated to the CGU and assessing the fair value less cost of disposal ("FVLCD") and value-in-use calculation methodology used by management.

我們識別現金產生單位（「現金產生單位」）及評估分配至現金產生單位的資產及負債的組成部分及評估公允價值減出售成本（「公允價值減出售成本」）以及管理層所使用的使用價值計算方法。

We assessed the competency, capabilities and objectivity of the external valuation experts engaged by management.

我們評估了管理層委聘的外部估值專家的資格、能力及客觀性。

KEY AUDIT MATTERS (Cont'd)

Key Audit Matter

關鍵審核事項

Impairment assessments of goodwill and payment license (Cont'd)

商譽及支付牌照減值評估 (續)

Management engaged external valuation experts to assist in performing impairment assessments of goodwill and payment license. The recoverable amounts of goodwill and payment license have been determined based on the higher amount of the FVLCD and value-in-use calculation. Preparation of the value-in-use calculation supported by cash flow projections. Significant judgements and estimations were involved in the calculation which include use of key assumptions including annual revenue growth rate, operating profit margin and pre-tax discount rate etc. Based on the impairment test performed, an impairment charge of approximately RMB146 million was recognized against goodwill for the year ended 31 December 2019.

管理層委聘外部估值專家協助進行商譽及支付牌照的減值評估。商譽及支付牌照的可收回金額已根據公允價值減出售成本與使用價值計算的較高者釐定。編製使用價值計算使用現金流量預測。計算中涉及重大判斷和估計，包括使用年度收益增長率、營業利潤率及除稅前貼現率等關鍵假設。根據所進行之減值測試，乃就截至2019年12月31日止年度之商譽確認減值支出約人民幣146百萬元。

We identified the impairment assessments of goodwill and payment license as a key audit matter due to the magnitude of the carrying amounts of goodwill and payment license and the complexity of the assessments which involve significant judgements and assumptions.

我們將商譽及支付牌照的減值評估確定為關鍵審核事項，乃由於商譽及支付牌照的賬面值重大，及評估的複雜性，其涉及重大判斷及假設。

關鍵審核事項 (續)

How our audit addressed the Key Audit Matter

我們的審核如何處理關鍵審核事項

We assessed the appropriateness of the valuation models, the assumption of pre-tax discount rate and the accuracy of mathematical calculation applied in the valuation models with the involvement of our internal valuation experts.

我們在內部估值專家的參與下評估估值模型的適當性、除稅前貼現率的假設及估值模型中應用的算術計算的準確性。

We assessed the key assumptions adopted (including annual revenue growth rates and operating profit margin) by agreeing to the approved financial forecast models, and comparing actual results for the year against the prior year's forecast taking into consideration of market trends and our industry knowledge.

我們通過將關鍵假設（包括年度收益增長率及經營利潤率）與各審批的財務預測模型核對，並將實際業績與上一年的預測進行比較，比較時考慮市場趨勢及我們的行業知識，以評估所採用的關鍵假設。

Based on the procedures performed, we found the models and assumptions adopted by management in the impairment assessments were supported by the available evidence.

基於我們進行的程序，我們認為管理層在減值評估中採用的模型及假設已獲得證據的支持。



Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

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

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審核，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審核過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而公允的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，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。

治理層須負責監督貴集團的財務報告過程。

Independent Auditor's Report

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

核數師就審核綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，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責或承擔任何責任。合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期彼等個別或匯總可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《國際審計準則》進行審核的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。



Independent Auditor's Report

獨立核數師報告

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

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

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

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

核數師就審核綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審核憑證，以便對綜合財務報表發表意見。我們負責貴集團審核的方向、監督和執行。我們為審核意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審核範圍、時間安排、重大審核發現等，包括我們在審核中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Independent Auditor's Report

獨立核數師報告

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

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

The engagement partner on the audit resulting in this independent auditor's report is Jack Li.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 30 March 2020

核數師就審核綜合財務報表承擔的責任 (續)

從與治理層溝通的事項中，我們確定哪些事項對本年度綜合財務報表的審核最為重要，因而構成關鍵審核事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人為黎英杰。

羅兵咸永道會計師事務所
執業會計師
香港，2020年3月30日

Consolidated Statement of Comprehensive (Loss)/Income

綜合全面(虧損)/收益表

For the year ended 31 December 2019

截至2019年12月31日止年度

		Year ended 31 December		
		截至12月31日止年度		
			2019	2018
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Credit facilitation and service fee	信貸撮合及服務費	5	1,173,082	2,055,531
Referral service fee	介紹服務費		289,146	203,061
Credit card technology service fee	信用卡科技服務費		152,261	255,676
Other revenue	其他收益	6	430,904	297,726
Total revenue	收益總額		2,045,393	2,811,994
Origination and servicing expenses	辦理及服務開支	8	(870,463)	(758,314)
Sales and marketing expenses	銷售及營銷開支	8	(454,219)	(618,153)
General and administrative expenses	一般及行政開支	8	(291,711)	(411,323)
Research and development expenses	研發開支	8	(194,815)	(328,634)
Other losses, net	其他虧損淨額	12	(1,559,481)	(629,939)
Total operating expenses	經營開支總額		(3,370,689)	(2,746,363)
Operating (loss)/profit	經營(虧損)/溢利		(1,325,296)	65,631
Share of net loss of associates accounted for using equity method	分佔使用權益法入賬的聯營公司虧損淨額	19	(3,255)	(1,302)
Fair value gain of preferred shares	優先股的公允價值收益		–	1,942,221
Fair value gain of financial liabilities at fair value through profit or loss	按公允價值計入損益的金融負債公允價值收益		46,160	98,448
Finance expenses, net	財務開支淨額	13	(5,014)	(24,374)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利		(1,287,405)	2,080,624
Income tax credit	所得稅抵免	14	176,362	88,143
(Loss)/profit for the year	年度(虧損)/溢利		(1,111,043)	2,168,767
(Loss)/profit for the year attributable to:	以下各項應佔年度(虧損)/溢利:			
– Owners of the Company	– 本公司擁有人		(1,128,878)	2,162,084
– Non-controlling interests	– 非控股權益		17,835	6,683
			(1,111,043)	2,168,767

Consolidated Statement of Comprehensive (Loss)/Income

綜合全面(虧損)/收益表

For the year ended 31 December 2019

截至2019年12月31日止年度

		Note 附註	Year ended 31 December 截至12月31日止年度	
			2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Other comprehensive loss	其他全面虧損			
<i>Items that may not be reclassified to profit or loss</i>	<i>不會重新分類至損益的項目</i>			
Currency translation differences	貨幣換算差額		(5,303)	(57,408)
Change in fair value attributable to change in the credit risk of preferred shares	優先股信用風險變動導致的公允價值變動		–	(16,990)
Change in fair value attributable to change in the credit risk of other financial liabilities at fair value through profit or loss	按公允價值計入損益的其他金融負債信用風險變動導致的公允價值變動		–	(517)
Total comprehensive (loss)/income for the year, net of tax	年度全面(虧損)/收益總額，扣除稅項		(1,116,346)	2,093,852
Total comprehensive (loss)/income attributable to:	以下各項應佔全面(虧損)/收益總額：			
– Owners of the Company	– 本公司擁有人		(1,134,969)	2,083,254
– Non-controlling interests	– 非控股權益		18,623	10,598
			(1,116,346)	2,093,852
Basic (loss)/earnings per share	每股基本(虧損)/盈利	15	(1.13)	3.84
Diluted (loss)/earnings per share	每股攤薄(虧損)/盈利	15	(1.13)	3.29

The above consolidated statement of comprehensive (loss)/income should be read in conjunction with the accompanying notes.

上述綜合全面(虧損)/收益表應與相應附註一併閱讀。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019

於2019年12月31日

		As at 31 December		
		於12月31日		
		2019	2018	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note			
	附註			
ASSETS	資產			
Non-current assets	非流動資產			
Property and equipment, net	物業及設備淨額	16	179,185	236,340
Right-of-use assets	使用權資產	17	55,718	–
Intangible assets	無形資產	18	852,850	1,029,342
Investments accounted for using equity method	使用權益法入賬的投資	19	117,711	144,430
Financial assets at fair value through profit or loss	按公允價值計入損益的 金融資產	20	153,318	425,026
Deferred income tax assets	遞延所得稅資產	21	390,894	222,300
Term deposits	定期存款	27(c)	–	6,000
Prepayments and other receivables	預付款項及其他應收款項	22	4,464	7,531
Total non-current assets	非流動資產總值		1,754,140	2,070,969
Current assets	流動資產			
Quality assurance fund receivable	應收質量保證金	23	566,801	812,078
Contract assets	合約資產	24	711,741	1,155,184
Trade receivables	貿易應收款項	25	96,761	149,567
Prepayments and other receivables	預付款項及其他應收款項	22	386,528	322,923
Loans to customers, net	客戶貸款淨額	26	20,739	185,296
Financial assets at fair value through profit or loss	按公允價值計入損益的 金融資產	20	–	573,221
Restricted cash	受限制現金	27(b)	810,302	1,056,788
Cash and cash equivalents	現金及現金等價物	27(a)	1,283,144	1,206,172
Assets classified as held for sale	分類為持作出售資產	28	110,270	–
Total current assets	流動資產總值		3,986,286	5,461,229
Total assets	資產總值		5,740,426	7,532,198

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019

於2019年12月31日

		As at 31 December		
		於12月31日		
		2019	2018	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note			
	附註			
EQUITY AND LIABILITIES	權益及負債			
Equity	權益			
Share capital	股本	29	79	79
Share premium	股份溢價	29	5,960,095	5,878,494
Shares held for employee incentive schemes	持作僱員獎勵計劃的股份	29	(12)	(14)
Reserves	儲備	30	(15,599)	(57,450)
Accumulated losses	累計虧損		(3,422,389)	(2,291,794)
Non-controlling interests	非控股權益		32,184	16,941
Total equity	權益總額		2,554,358	3,546,256
Liabilities	負債			
Non-current liabilities	非流動負債			
Long-term borrowings	長期借款	32	149,046	413,102
Lease liabilities	租賃負債	17	35,435	–
Deferred income tax liabilities	遞延所得稅負債	21	127,624	150,252
Payable to trust senior tranche holders	應付信託優先級持有人款項	26	–	209,500
Total non-current liabilities	非流動負債總額		312,105	772,854
Current liabilities	流動負債			
Quality assurance fund payable	應付質量保證金	23	1,559,495	1,524,621
Payable to platform customers	應付平台客戶款項		707,842	744,783
Contract liabilities	合約負債	24	108,250	47,514
Short-term borrowings	短期借款	32	19,821	189,900
Lease liabilities	租賃負債	17	12,012	–
Payable to trust senior tranche holders	應付信託優先級持有人款項	26	20,100	–
Trade and other payables	貿易及其他應付款項	33	404,032	624,608
Income tax payable	應付所得稅		11,347	11,133
Financial liabilities at fair value through profit or loss	按公允價值計入損益的金融負債	34	24,370	70,529
Liabilities directly associated with assets classified as held for sale	與分類為持作出售資產直接相關的負債	28	6,694	–
Total current liabilities	流動負債總額		2,873,963	3,213,088
Total liabilities	負債總額		3,186,068	3,985,942
Total equity and liabilities	權益及負債總額		5,740,426	7,532,198

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應與相應附註一併閱讀。

The consolidated financial statements on pages 146 to 315 were approved by the Board of Directors on 30 March 2020 and were signed on its behalf.

第146至315頁所載之綜合財務報表於2020年3月30日獲董事會批准，並由下列代表簽署：

Sun Haitao
孫海濤
Director
董事

Zhao Ke
趙軻
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2019

截至2019年12月31日止年度

Attributable to equity holders of the Company

本公司權益持有人應佔

		Share capital (Note 29)	Share premium	Shares held for employee incentive schemes	Reserves	Accumulated losses	Sub-total	Non-controlling interests	Total
		股本 (附註29) RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	持作僱員 獎勵計劃 的股份 RMB'000 人民幣千元	儲備 RMB'000 人民幣千元	累計虧損 RMB'000 人民幣千元	小計 RMB'000 人民幣千元	非控股權益 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 31 December 2018	於2018年12月31日	79	5,878,494	(14)	(57,450)	(2,291,794)	3,529,315	16,941	3,546,256
Changes on initial application of IFRS 16 (Note 2.2)	首次應用國際財務報告準則第16號時的變動(附註2.2)	-	-	-	-	(1,506)	(1,506)	(209)	(1,715)
Restated balance as at 1 January 2019	於2019年1月1日的經重列結餘	79	5,878,494	(14)	(57,450)	(2,293,300)	3,527,809	16,732	3,544,541
Comprehensive loss (Loss)/profit for the year	全面虧損 年內(虧損)/溢利	-	-	-	-	(1,128,878)	(1,128,878)	17,835	(1,111,043)
Currency translation differences (Note 30)	貨幣換算差額(附註30)	-	-	-	(6,091)	-	(6,091)	788	(5,303)
Total comprehensive loss	全面虧損總額	-	-	-	(6,091)	(1,128,878)	(1,134,969)	18,623	(1,116,346)
Transactions with owners as their capacity as owners	與權益所有者以其所有者的身份進行的交易								
Share incentive exercised (Note 29, 30)	已行使股份獎勵(附註29、30)	-	89,542	2	(82,798)	-	6,746	-	6,746
Acquisition of additional equity interest in a subsidiary (Note 30)	收購一家附屬公司額外股權(附註30)	-	-	-	(24)	-	(24)	(3,671)	(3,695)
Share repurchase (Note 29)	股份購回(附註29)	-	(7,941)	-	-	-	(7,941)	-	(7,941)
Share incentive awarded under share incentive plan (Note 30)	股份獎勵計劃項下授出的股份獎勵(附註30)	-	-	-	130,553	-	130,553	-	130,553
Profit appropriations to statutory reserves (Note 30)	轉撥至法定儲備的溢利(附註30)	-	-	-	211	(211)	-	-	-
Capital contribution by a non-controlling interest of a subsidiary	一家附屬公司非控股權益的注資	-	-	-	-	-	-	500	500
Total transactions with owners as their capacity as owners	與權益所有者以其所有者的身份進行的交易總額	-	81,601	2	47,942	(211)	129,334	(3,171)	126,163
As at 31 December 2019	於2019年12月31日	79	5,960,095	(12)	(15,599)	(3,422,389)	2,522,174	32,184	2,554,358

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2019

截至2019年12月31日止年度

		Attributable to equity holders of the Company							
		本公司權益持有人應佔							
		Share capital (Note 29)	Share premium	Shares held for employee incentive schemes	Reserves	Accumulated losses	Sub-total	Non-controlling interests	Total
		股本 (附註29)	股份溢價	持作僱員獎勵計劃的股份	儲備	累計虧損	小計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 31 December 2017 as previously reported	於2017年12月31日 (如先前呈報)	20	33,134	(9)	(214,433)	(4,403,224)	(4,584,512)	2,956	(4,581,556)
Changes on initial application of IFRS 9	首次應用國際財務報告準則第9號時的變動	-	-	-	-	(50,654)	(50,654)	-	(50,654)
Restated balance as at 1 January 2018	於2018年1月1日的 經重列結餘	20	33,134	(9)	(214,433)	(4,453,878)	(4,635,166)	2,956	(4,632,210)
Comprehensive income	全面收益								
Profit for the year	年內溢利	-	-	-	-	2,162,084	2,162,084	6,683	2,168,767
Change in fair value attributable to change in the credit risk of other financial liabilities at fair value through profit or loss (Note 30)	按公允價值計入損益的其他金融負債信用風險變動導致的公允價值變動(附註30)	-	-	-	(517)	-	(517)	-	(517)
Change in fair value attributable to change in the credit risk of preferred shares (Note 30)	優先股信用風險變動導致的公允價值變動(附註30)	-	-	-	(16,990)	-	(16,990)	-	(16,990)
Currency translation differences (Note 30)	貨幣換算差額(附註30)	-	-	-	(61,323)	-	(61,323)	3,915	(57,408)
Total comprehensive income	全面收益總額	-	-	-	(78,830)	2,162,084	2,083,254	10,598	2,093,852
Transactions with owners as their capacity as owners	與權益所有者以其所有者的身份進行的交易								
Issuance of shares held for employee incentive schemes (Note 29)	發行持作僱員獎勵計劃的股份(附註29)	5	-	(5)	-	-	-	-	-
Conversion of preferred shares to ordinary shares (Note 29)	優先股轉換為普通股(附註29)	46	4,951,374	-	-	-	4,951,420	-	4,951,420
Issuance of ordinary shares upon Initial Public Offering ("IPO") and partial exercise of over-allotment option, net of issuance costs (Note 29)	首次公開發售(「首次公開發售」)及部分行使超額配股權後發行普通股,扣除發行成本(附註29)	8	893,986	-	-	-	893,994	-	893,994
Share incentive awarded under employee incentive schemes (Note 30)	僱員獎勵計劃項下授出的股份獎勵(附註30)	-	-	-	204,920	-	204,920	-	204,920
Conversion of convertible bonds transferred to shares of a subsidiary (Note 30)	一家附屬公司可換股債券轉撥至股份(附註30)	-	-	-	30,893	-	30,893	(2,013)	28,880
Capital contribution by a non-controlling interest of a subsidiary	一家附屬公司非控股權益的注資	-	-	-	-	-	-	5,400	5,400
Total transactions with owners as their capacity as owners	與權益所有者以其所有者的身份進行的交易總額	59	5,845,360	(5)	235,813	-	6,081,227	3,387	6,084,614
As at 31 December 2018	於2018年12月31日	79	5,878,494	(14)	(57,450)	(2,291,794)	3,529,315	16,941	3,546,256

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. 上述綜合權益變動表應與隨附的附註一併閱讀。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2019

截至2019年12月31日止年度

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note		
	附註		
Operating activities	經營活動		
Cash generated from operations	經營所得現金	210,333	135,269
Income tax paid	已付所得稅	(9,877)	(46,094)
Net cash generated from operating activities	經營活動所得現金淨額	200,456	89,175
Investing activities	投資活動		
Investments in associate accounted for using the equity method	使用權益法入賬的於聯營公司的投資	(18,904)	(51,433)
Investment in term deposits	於定期存款的投資	–	(1,000)
Disposal of term deposits	出售定期存款	1,000	–
Investments in ordinary shares with preferential liquidation rights	於附帶優先清算權的普通股的投資	(15,167)	(32,500)
Proceeds from ordinary shares with preferential liquidation rights	附帶優先清算權的普通股所得款項	109,944	–
Dividend from ordinary shares with preferential liquidation rights	附帶優先清算權的普通股的股息	16,103	11,083
Investments in disposal from ordinary share of investees	於出售被投資公司普通股的投資	(20,624)	–
Proceeds from disposal from ordinary share of investees	出售被投資公司普通股所得款項	23,378	–
Investments in investment funds	於投資基金的投資	(5,000)	(20,000)
Proceeds from disposal of investment funds	出售投資基金所得款項	–	13,677
Investments in trust	於信託的投資	(15,000)	–
Investments in wealth management products	於理財產品的投資	(778,015)	(2,113,749)
Proceeds from disposals of wealth management products	出售理財產品所得款項	1,346,974	1,903,315
Interest from wealth management products	理財產品所得利息	12,392	12,477
Interest from trust	信託所得利息	333	–
Decrease/(increase) in restricted cash in forward foreign exchange contract	遠期外匯合約受限制現金減少/(增加)	5,108	(3,000)
Purchases of property and equipment	購買物業及設備	(4,048)	(72,331)
Purchases of intangible assets	購買無形資產	(7,117)	(10,945)
Cash transferred to held for sale	轉撥至持作出售的現金	(73,437)	–
Acquisition of subsidiaries, net	收購附屬公司淨額	–	(260,102)
Decrease in restricted cash in acquisition of subsidiaries	收購附屬公司受限制現金減少	–	417,545
Net cash generated from/(used in) investing activities	投資活動所得/(所用)現金淨額	577,920	(206,963)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2019

截至2019年12月31日止年度

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Note			
附註			
	Financing activities		
	融資活動		
	Proceeds from share incentive exercised	2,185	–
	Share repurchase	(7,941)	–
	Cash paid for acquisition of additional equity interest in a subsidiary	(3,695)	–
	Cash received from capital contribution of non-controlling shareholders	500	–
	Proceeds from issuance of convertible redeemable preferred shares	–	33,832
	Proceeds from issuance of ordinary shares upon IPO, net	–	893,994
	Proceeds from borrowings	–	359,900
	Repayment of borrowings	(473,486)	(472,781)
	Cash received from trust senior tranche holders	–	281,500
	Cash paid to trust senior tranche holders	(189,400)	(1,022,000)
	Interests paid to trust senior tranche holders	(8,406)	(44,640)
	Principal elements of lease payments	(25,126)	–
	Redemption of Preferred Shares	–	(30,000)
	Cash received in connection with the reorganization	–	51,690
	Net cash (used in)/generated from financing activities	(705,369)	51,495
	融資活動(所用)/所得現金淨額		
	Effect of exchange rate changes on cash and cash equivalents	3,965	14,019
	Net increase/(decrease) in cash and cash equivalents	76,972	(52,274)
	Cash and cash equivalents at beginning of year	1,206,172	1,258,446
	Cash and cash equivalents at end of year	1,283,144	1,206,172
	年末現金及現金等價物		

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述綜合現金流量表應與隨附的附註一併閱讀。

Notes to the Consolidated Financial Statements

綜合財務報表附註

I GENERAL INFORMATION, REORGANIZATION AND BASIS OF PRESENTATION

I.1 General information

51 Credit Card Inc. (the "Company") was incorporated in the Cayman Islands on 21 September 2017 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is at Second Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange") since 13 July 2018.

The Company is an investment holding company. The Company and its subsidiaries (together, the "Group") are principally engaged in the provision of one-stop personal financial services covering personal credit management services, credit card technology services, and online credit facilitation and investment services (the "Listing Business") in the People's Republic of China ("China", or the "PRC").

The financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

These consolidated financial statements were approved and authorised for issue by the Board of Directors ("Board") of the Company on 30 March 2020.

I 一般資料、重組及呈列基準

I.1 一般資料

51信用卡有限公司(「本公司」)於2017年9月21日根據開曼群島《公司法》第22章(1961年第3號法律,經合併及修訂)在開曼群島註冊成立為獲豁免有限責任公司。本公司的註冊辦事處地址為Second Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands。

本公司股份自2018年7月13日起在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為投資控股公司。本公司及其附屬公司(統稱「本集團」)主要於中華人民共和國(「中國」)從事提供一站式個人金融服務,包括個人信用管理服務、信用卡科技服務及網絡信貸撮合及投資服務(「上市業務」)。

財務報表以人民幣(「人民幣」)呈列,除另有說明者外,所有金額均已湊整至最接近千位(人民幣千元)。

該等綜合財務報表已經本公司董事會(「董事會」)於2020年3月30日批准及授權刊發。

Notes to the Consolidated Financial Statements

綜合財務報表附註

I GENERAL INFORMATION, REORGANIZATION AND BASIS OF PRESENTATION (Cont'd)

I.2 History and reorganization of the Group

For year ended 31 December 2019 (the “current year”), the Listing Business is mainly operated by 5 operating entities and their subsidiaries (the “PRC Operating Entities”), namely, (i) Hangzhou Enniu Network Technology Co., Ltd. (杭州恩牛網絡技術有限公司, “Enniu Network”), (ii) Beijing Dingli Chuangshi Technology Co., Ltd. (北京鼎力創世科技有限公司, “Dingli Technology”), (iii) Hangzhou Yeniu Information Technology Co., Ltd. (杭州也牛信息技術有限公司, “Yeniu Information Technology”) (formerly known as Hangzhou Yeniu Asset Management Co., Ltd. (杭州也牛資產管理有限公司)), (iv) Hangzhou Yiniu Network Technology Co., Ltd. (杭州義牛網絡技術有限公司, “Yiniu Network”) and (v) Fuzhou Enniu Network Micro Loan Co., Ltd. (撫州市恩牛網絡小額貸款有限公司, “Fuzhou Enniu Microcredit”).

On 8 January 2015, U51.Com Inc., an exempted company with limited liability incorporated in the Cayman Islands has become the ultimate holding company of the Listing Business through a series of contractual agreements. From February 2016 to November 2016, the then shareholders of U51.Com Inc. agreed to undergo a restructuring pursuant to which (i) Enniu Network and other PRC Operating Entities terminated all the relevant contractual agreements and ceased to be subsidiaries of U51.Com Inc.; (ii) Enniu Network acquired the entire interests of other PRC Operating Entities; and (iii) the then shareholders of U51.Com Inc. or their affiliates invested directly in Enniu Network based on their initial investment and relative interests in U51.Com Inc..

For the purpose of preparing for the listing of the Company's shares on the Stock Exchange, the Group underwent a Group reorganisation in November 2017 (the “Reorganization”).

Pursuant to a series of contractual agreements dated 23 November 2017, Hangzhou Zhenniu Information Technology Co., Ltd. (杭州振牛信息科技有限公司, “Zhenniu Information”) is able to effectively control, recognize and receive substantially all the economic benefit of the business and operations of Enniu Network. Accordingly, Enniu Network is treated as a controlled structured entity of the Company and is consolidated by the Company.

I 一般資料、重組及呈列基準 (續)

I.2 本集團歷史及重組

截至2019年12月31日止年度(「本年度」), 上市業務主要由5家經營實體及其附屬公司經營(「中國營運實體」), 即(i)杭州恩牛網絡技術有限公司(「恩牛網絡」), (ii)北京鼎力創世科技有限公司(「鼎力科技」), (iii)杭州也牛信息技術有限公司(「也牛信息技術」)(前稱杭州也牛資產管理有限公司), (iv)杭州義牛網絡技術有限公司(「義牛網絡」)及(v)撫州市恩牛網絡小額貸款有限公司(「撫州恩牛小額貸款」)。

於2015年1月8日, 於開曼群島註冊成立的獲豁免有限責任公司U51.Com Inc.已通過一系列合約安排成為上市業務的最終控股公司。自2016年2月至2016年11月, U51.Com Inc.當時的股東同意進行重組, 據此, (i)恩牛網絡及其他中國營運實體終止所有相關合約安排且不再為U51.Com Inc.的附屬公司; (ii)恩牛網絡收購其他中國營運實體的全部權益; 且(iii)U51.Com Inc.當時的股東或其聯屬公司以其於U51.Com Inc.的初步投資及相關權益為基礎直接投資於恩牛網絡。

為給本公司股份於聯交所上市作準備, 本集團於2017年11月進行集團重組(「重組」)。

根據日期為2017年11月23日的一系列合約安排, 杭州振牛信息科技有限公司(「振牛信息」)能夠有效控制、確認及實質上收取恩牛網絡業務及經營的全部經濟利益。因此, 恩牛網絡作為本公司的受控制結構性實體, 於本公司的財務報表中合併入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

I GENERAL INFORMATION, REORGANIZATION AND BASIS OF PRESENTATION (Cont'd)

I.2 History and reorganization of the Group (Cont'd)

Pursuant to the reorganisation, the Company issued shares at par value of US\$0.0001 each to the then shareholders of Enniu Network or their affiliates based on their relative interests in Enniu Network. Upon completion of the Reorganisation, the then shareholders of Enniu Network or their affiliates became the shareholders of the Company and the Company became the ultimate holding company of the companies now comprising the Group.

In March 2018, the Company effected a share split. Each of ordinary share and preferred share of the Company was subdivided into 10 shares at a par value of US\$0.00001.

I.3 Basis of presentation

Immediately prior to and after the Reorganisation as well as the restructurings as discussed in Note 1.2, the Listing Business was carried out by Enniu Network and its subsidiaries. Upon the completion of the Reorganisation, the Company has become the holding company of Enniu Network. The Company has not involved in any other business prior to the Reorganisation and does not meet the definition of a business. The Reorganisation is merely a reorganisation of the Listing Business with no change in management and the owners of the Listing Business remain the same. Accordingly, the Group resulting from the Reorganisation is regarded as a continuation of the Listing Business under Enniu Network and the consolidated financial statements have been prepared on a consolidated basis and is presented using the respective carrying values of the companies now comprising the Group for all years presented.

Inter-company transactions, balances and unrealized gains/(losses) on transactions between the Group companies are eliminated on consolidation.

I 一般資料、重組及呈列基準 (續)

I.2 本集團歷史及重組 (續)

根據重組，本公司以恩牛網絡當時的股東或其聯屬公司於恩牛網絡的相關權益為基準，按每股面值0.0001美元向其發行股份。重組完成後，恩牛網絡當時的股東或其聯屬公司成為本公司股東且本公司成為本集團現時旗下公司的最終持股公司。

於2018年3月，本公司實施股份分拆。本公司每股普通股及優先股被分拆為10股每股面值0.00001美元的股份。

I.3 呈列基準

緊接及緊隨重組以及在附註1.2所論述的重整架構之前及之後，上市業務由恩牛網絡及其附屬公司開展。於重組完成後，本公司成為恩牛網絡的控股公司。本公司於重組前並無從事任何其他業務，亦並未符合業務的定義。重組對上市業務在管理上並無變動，且上市業務的擁有人維持不變。因此，重組後得出的本集團被視為恩牛網絡旗下上市業務的持續，綜合財務報表已按綜合基準編製，並就所呈列的所有年份以現組成本集團的公司的賬面值呈列。

集團內公司間的交易、結餘及未變現收益／(虧損)乃於綜合入賬時抵銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable IFRSs. The consolidated financial statements of the Group have been prepared under the historical cost convention, as modified by the revaluation of financial instruments at FVPL. The preparation of consolidated financial statements of the Group in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3 below.

During the year ended 31 December 2019, the Group reported a net loss attributable to owners of the Company of approximately RMB1,128,878,000. In addition, the Group's business results and liquidity position have been and likely will continue to be adversely impacted by:

- (1) The 1021 Event, as disclosed in Note 39 "Contingent liabilities" to the consolidated financial statements, has had a negative impact on the Group's business and liquidity, including (a) a decrease in the Group's credit facilitation volume after the incident; and (b) the associated publicity has led to a higher risk of default for those loans facilitated by the Group which are still outstanding; and
- (2) The release of a series of stricter regulatory notices and guidance, together with an increase in credit risk associated with the personal credit market, will lead to at least a temporary decline in the Group's credit facilitation and service fee. This is because the new regulations have led to the Group adopting a more prudent strategy towards its credit facilitation business and focusing on customers with higher credit quality, as well as ceasing the facilitation of new P2P financing.

2 重大會計政策概要

2.1 編製基準

本集團的綜合財務報表乃遵照所有適用的國際財務報告準則編製。本集團的綜合財務報表乃按歷史成本慣例編製，經按公允價值計入損益的金融工具重估修訂。編製符合國際財務報告準則的本集團的綜合財務報表時需採用若干重大會計估計。其亦要求管理層於應用本集團會計政策時作出判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在下文附註3披露。

截至2019年12月31日止年度，本集團錄得本公司擁有人應佔虧損淨額約人民幣1,128,878,000元。此外，下列因素已經並將在未來期間對本集團的經營業績和流動資金狀況持續產生不利影響：

- (1) 1021事件（披露於綜合財務報表附註39「或然負債」）對本集團的業務和流動資金產生了負面影響，包括(a)該事件發生後，本集團信貸撮合的規模降低；及(b)相關的事件報導致使本集團撮合的未償還貸款的違約風險增加；及
- (2) 一系列更為嚴格的監管文件、指導意見的發佈，加之個人信貸市場信用風險的增加，將導致本集團的信貸撮合及服務費收入在至少短期內的暫時性下降。這是由於新的規定致使本集團對其信貸撮合業務採取更為審慎的策略，並專注於信用品質更高的客戶，同時停止新的P2P資金放貸。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.1 Basis of preparation (Cont'd)

In view of the above circumstances, management has given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient funds to fulfill its financial obligations and continue as a going concern. Management has prepared cash flow projections of the Group covering a period of not less than twelve months from 31 December 2019.

The Directors have reviewed the Group's cash flow projections together with the underlying basis and assumptions and are of the opinion that, taking into account the Group's available funds and forecast cash flow from on-going businesses, the Group will have sufficient working capital to finance its operations and to meet its financial obligations and commitments for the twelve months from the period end date of these consolidated financial statements. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

鑒於上述情況，管理層在評估本集團是否有充足的資金來履行其財務義務並持續經營時，已審慎考慮本集團未來的流動資金和業績表現以及可利用的資金來源。管理層已編製了本集團的現金流量預測，涵蓋自2019年12月31日起不少於十二個月的期間。

董事已審閱了本集團的現金流量預測以及相關的基準和假設，並認為，考慮到本集團的可動用資金和基於持續經營業務的現金流量預測，本集團將有足夠的營運資金為其運營提供周轉，並在自本綜合財務報表期末之日起的十二個月內履行其財務義務和承諾事項。因此，董事信納按持續經營基準編製綜合財務報表是適當的。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

2.1.1 New and amended standards adopted by the Group

The following new standards, amendments and interpretation of IFRSs have been adopted by the Group for the first time for the financial year beginning 1 January 2019:

IFRS 16	Leases
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IFRSs	Annual Improvements to IFRSs 2015-2017 Cycle
IFRIC 23	Uncertainty over Income Tax Treatments
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement

The adoption of these revised IFRSs except for IFRS 16 currently was irrelevant or has had no significant impact on these consolidated financial statements. The Group has not early adopted any other standard, amendment or interpretation that was issued but is not yet effective.

The impact of the adoption of IFRS 16 and the new accounting policy is disclosed in Note 2.2 below.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 本集團採納的新增及經修訂準則

本集團於2019年1月1日開始的財政年度首次採納以下新增、修訂的準則和國際財務報告準則的詮釋：

國際財務報告準則第16號	租賃
國際財務報告準則第9號(修訂本)	具有負補償之預付款特性
國際財務報告準則修訂本	國際財務報告準則2015年至2017年週期年度改進
國際財務報告詮釋委員會詮釋第23號	所得稅處理的不確定性
國際會計準則第28號(修訂本)	於聯營公司及合營公司的長期權益
國際會計準則第19號(修訂本)	計劃修訂、縮減或結算

除國際財務報告準則第16號外，採納該部分經修訂的國際財務報告準則，對本綜合財務報表無關或無重大影響。本集團並無提早採納任何已頒佈但尚未生效的其他準則、修訂或詮釋。

採用國際財務報告準則第16號及新會計政策的影響披露於下文附註2.2。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.1 Basis of preparation (Cont'd)

2.1.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.2 Changes in accounting policy and disclosures

The Group has adopted IFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognized in the opening statement of financial position on 1 January 2019 as disclosed below. The new accounting policy is disclosed in Note 2.2 (v) below.

On adoption of IFRS 16, the Group recognized lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5.48%.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

2.1.2 尚未採納的新增準則及詮釋

截至2019年12月31日止的報告期間，若干新會計準則及詮釋已頒佈但非強制採納，而本集團亦未提前採納。該等準則預計不會對實體於目前或未來報告期間及可見未來的交易有重大影響。

2.2 會計政策及披露更改

本集團自2019年1月1日起追溯應用國際財務報告準則第16號，並且按照該準則的特定過渡條款，未重述2018年報告期間的比較資料，因此，新租賃準則所導致的重分類及調整在2019年1月1日期初財務狀況表中確認如下。新會計政策於下文附註2.2(v)披露。

採納國際財務報告準則第16號時，本集團已就先前根據國際會計準則第17號租賃的原則分類為「經營租賃」的租賃確認租賃負債。該等負債以剩餘租賃付款的現值計量，並使用承租人於2019年1月1日的增量借款利率貼現。於2019年1月1日應用於租賃負債的承租人加權平均增量借款利率為5.48%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policy and disclosures (Cont'd)

(i) Practical expedients applied

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019;
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- excluding initial direct costs for the measurement of the right-of-use assets at the date of initial application; and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessment made by applying IAS 17 and Interpretation 4 *Determining whether an Arrangement contains a Lease*.

2 重大會計政策概要 (續)

2.2 會計政策及披露更改 (續)

(i) 所採用的實務簡易處理方法

於首次應用國際財務報告準則第16號時，本集團已採用以下該準則所准許的實務簡易處理方法：

- 對具有合理類似特徵的租賃組合應用單一貼現率；
- 依賴先前關於租賃是否虧損的評估作為減值評估的替代 – 於2019年1月1日沒有該類合同；
- 將於2019年1月1日的餘下租賃年期少於12個月的經營租賃會計處理為短期租賃；
- 於首次應用日期排除初始直接成本以計量使用權資產；及
- 當合約包含延長或終止租約的選擇時，使用事後分析釐定租期。

本集團亦已選擇不重新評估於首次應用日期合約是否為租約或包含租約。相反，就於過渡日期之前訂立的合約而言，本集團依據其採用國際會計準則第17號及詮釋第4號確定安排是否包含租賃作出的評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policy and disclosures (Cont'd)

(ii) Measurement of lease liabilities

		2019 RMB'000 人民幣千元
Operating lease commitments disclosed as at 31 December 2018	於2018年12月31日披露的經營租賃承擔	93,964
Discounted using the lessee's incremental borrowing rate at the date of initial application	於首次應用日期採用承租人的 增量借款利率貼現	87,296
(Less): short-term leases not recognized as liabilities	(減): 未確認為負債的短期租賃	(5,377)
Lease liabilities recognized as at 1 January 2019	於2019年1月1日確認的租賃負債	81,919
Of which are:	其中包括:	
Current lease liabilities	流動租賃負債	37,949
Non-current lease liabilities	非流動租賃負債	43,970

(iii) Measurement of right-of-use assets

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognized right-of-use assets relate to the following type of assets:

		As at 31 December 2019 於2019年 12月31日 RMB'000 人民幣千元	As at 1 January 2019 於2019年 1月1日 RMB'000 人民幣千元
Properties	物業	55,718	86,838

2 重大會計政策概要 (續)

2.2 會計政策及披露更改 (續)

(ii) 租賃負債的計量

(iii) 使用權資產的計量

物業租賃的相關使用權資產在追溯的基礎上進行計量，即視同該資產始終適用該準則。本集團的租賃合同均為非虧損合同，不需要在首次應用日對使用權資產進行調整。

已確認的使用權資產與以下資產類別相關：

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policy and disclosures (Cont'd)

- (iv) Adjustments recognized in the consolidated statement of financial position on 1 January 2019

The change in accounting policy affected the following items in the consolidated statement of financial position on 1 January 2019:

Items	項目	As at	Effect of initial	As at
		31 December 2018	adoption of IFRS 16	1 January 2019
		於2018年 12月31日	首次應用 國際財務 報告準則 第16號的影響	於2019年 1月1日
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Right-of-use assets	使用權資產	–	86,838	86,838
Deferred income tax assets	遞延所得稅資產	222,300	218	222,518
Prepayments and other receivables	預付款項及其他應收款項	330,454	(6,852)	323,602
		552,754	80,204	632,958
Lease liabilities	租賃負債	–	(81,919)	(81,919)
Non-controlling interests	非控股權益	(16,941)	209	(16,732)
Accumulated losses	累計虧損	2,291,794	1,506	2,293,300
		2,274,853	(80,204)	2,194,649

- (v) Lessor accounting

The Group did not need to make any adjustment to the accounting for assets held as lessor under operating leases as a result of the adoption of IFRS 16.

2 重大會計政策概要 (續)

2.2 會計政策及披露更改 (續)

- (iv) 於2019年1月1日綜合財務狀況表內確認的調整

於2019年1月1日，會計政策的變動影響下列綜合財務狀況表的項目：

- (v) 出租人的會計處理

於採納國際財務報告準則第16號後，本集團毋須就根據經營租賃作為出租人持有資產的會計處理作出任何調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.3 Subsidiaries

(a) Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive (loss)/income, statement of financial position, statement of changes in equity respectively.

2 重大會計政策概要 (續)

2.3 附屬公司

(a) 綜合賬目

附屬公司指本集團對其具有控制權之實體(包括結構性實體)。當本集團因參與該實體而承擔可變回報之風險或享有可變回報之權益,並有能力透過其對該實體之權力影響此等回報時,本集團即控制該實體。附屬公司乃於控制權轉移至本集團當日起綜合入賬,並於控制權終止當日起不再綜合入賬。

公司間交易、結餘及本集團內公司間交易的未實現收益予以抵銷。未實現虧損亦予以抵銷,除非有關交易提供轉讓資產出現減值的證據。已對附屬公司的會計政策作出必要變更,以確保與本集團採納的政策一致。

附屬公司的業績及權益中的非控制性權益分別於綜合全面(虧損)/收益表、財務狀況表、權益變動表單獨列示。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Subsidiaries (Cont'd)

(a) Consolidation (Cont'd)

Subsidiaries controlled through Contractual Agreements

Zhenniu Information entered into a series of contractual agreements (collectively, "structured entities agreements") with Enniu Network and the direct equity owners of Enniu Network, who are affiliated with the Company. Through these contractual agreements, Zhenniu Information is able to:

- Exercise effective control over Enniu Network and its subsidiaries (collectively, "the structured entities");
- Receive substantially all of the economic benefits and residual returns, and absorb substantially all the risks of expected losses as if it were the sole shareholder; and
- Have an exclusive option to purchase all of the equity interest in the structured entities.

The Group evaluated the relationships and contractual arrangements among Zhenniu Information, the structured entities and their direct equity owners and concluded that Zhenniu Information is the primary beneficiary in the variable interest arrangement. As a result, the results of operations, assets and liabilities of the structured entities have been included in the Group's consolidated financial statements.

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(a) 綜合賬目 (續)

透過合約協議控制的附屬公司

振牛信息與恩牛網絡及恩牛網絡的直接股權擁有人(其為本公司的附屬公司)訂立一系列合約協議(統稱為「結構性實體協議」)。透過該等合約協議,振牛信息能夠:

- 對恩牛網絡及其附屬公司(統稱為「結構性實體」)有效行使控制權;
- 取得絕大部分經濟利益及剩餘收益,並承受絕大部分預期虧損風險(猶如其為唯一股東);及
- 可獨家購買結構性實體的全部股權。

經評估振牛信息、結構性實體及彼等直接股權擁有人之間的關係及合約安排,本集團認為振牛信息為可變權益安排的主要受益人。因此,結構性實體的經營業績、資產及負債列入本集團的綜合財務報表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.3 Subsidiaries (Cont'd)

(a) Consolidation (Cont'd)

Subsidiaries controlled through Contractual Agreements
(Cont'd)

Pursuant to the structured entities agreements, the Group has the power to direct activities of the structured entities and can have assets transferred out of the structured entities under its control. Therefore, the Group considers that there is no asset in any of the structured entities that can be used only to settle obligations of the structured entities, except for registered capital and PRC statutory reserves. As the structured entities are incorporated as limited liability companies under the PRC Company Law, lenders of the structured entities do not have recourse to the general credit of the Group for any of the liabilities of the structured entities.

Currently there is no contractual arrangement which requires the Group to provide additional financial support to the structured entities. However, as the Group conducts its businesses primarily based on the licenses and approvals held by its structured entities, the Group has provided and will continue to provide financial support to the structured entities considering the business requirements of the structured entities, as well as the Group's own business objectives in the future.

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(a) 綜合賬目 (續)

透過合約協議控制的附屬公司 (續)

根據結構性實體協議，本集團有權指示結構性實體的活動且可擁有從受其控制的結構性實體中轉出的資產。因此，本集團認為，結構性實體中並無僅可用於結算結構性實體責任的資產，惟註冊資本及中國法定儲備除外。由於結構性實體根據中國公司法律註冊為有限責任公司，結構性實體的借款人並無依賴於本集團就任何結構性實體負債的總體信貸。

現時並無合約安排要求本集團向結構性實體提供額外財務支持。然而，由於本集團主要基於其結構性實體持有的許可證及批准開展業務，故本集團經考慮結構性實體的業務需求及本集團未來的業務目標已並將繼續向結構性實體提供財務支持。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Subsidiaries (Cont'd)

(a) Consolidation (Cont'd)

Other structured entities through trust arrangements

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual arrangements.

The Group's structured entities include trust schemes. These trust schemes are managed by unaffiliated trust companies and invest the funds raised in loans to individuals (Note 26).

According to the trust scheme agreements, the Group is considered as the primary beneficiary of the trusts and also has the power to direct the activities of the trusts. As a result, the results of operations, assets and liabilities of the trusts have been included in the Group's consolidated financial statements.

Business combinations

The Group applies the acquisition method to account for business combinations not under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(a) 綜合賬目 (續)

透過信託安排的其他結構性實體

結構性實體則指那些在釐定誰是其控制人時，投票權或類似權利並非重要考量的實體，譬如投票權只涉及行政工作，相關業務活動是通過合約安排方式指導等。

本集團的結構性實體包括信託計劃。信託計劃由非聯屬信託公司管理並投資向個人貸款所籌得的資金（附註26）。

根據信託計劃協議，本集團被視為信託的受益人且有權指示信託的活動。因此，信託的經營業績、資產及負債計入本集團的綜合財務報表。

業務合併

本集團利用購買法將不受共同控制的業務合併入賬。因收購附屬公司獲轉讓的代價根據所轉讓資產、被收購方原擁有人所產生負債及本集團所發行股權的公允價值計算。所轉讓的代價包括或然代價安排所產生的任何資產或負債的公允價值。在業務合併中所收購可識別的資產以及所承擔的負債及或有負債，首先以彼等於收購日期的公允價值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.3 Subsidiaries (Cont'd)

(a) Consolidation (Cont'd)

Business combinations (Cont'd)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by IFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IAS 39 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(a) 綜合賬目 (續)

業務合併 (續)

本集團按個別收購基準，確認在被購買方的任何非控制性權益。被購買方的非控制性權益為現時的擁有權權益，並賦予持有人一旦清盤時按比例應佔主體的淨資產，可按公允價值或按現時擁有權權益應佔被收購方可識別淨資產的確認金額比例而計量。非控制性權益的所有其他組成部分按收購日期的公允價值計量，除非國際財務報告準則規定必須以其他計量基準計算。

購買相關成本在產生時支銷。

若分階段實現業務合併，過往持有被收購方權益的收購人的收購日期賬面值於收購日期重新計量至公允價值；有關重新計量產生的任何收益或虧損於損益中確認。

本集團將轉讓的任何或然代價於收購日期按公允價值確認。被視作資產或負債的或然代價公允價值的隨後變動根據國際會計準則第39號於損益中確認。被分類為股權的或然代價並無重新計量，及其隨後結算在權益中列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Subsidiaries (Cont'd)

(a) Consolidation (Cont'd)

Business combinations (Cont'd)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the consolidated statement of comprehensive (loss)/income.

(b) Separate financial statements

Investments in subsidiaries (including structured entities) are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividends exceeds the total comprehensive loss of the subsidiary in the year the dividends declared or if the carrying amount of the investments in the separate financial statements exceed the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(a) 綜合賬目 (續)

業務合併 (續)

所轉讓代價、被收購方的任何非控制性權益數額，及在被收購方之前任何權益在收購日期的公允價值，超過購入可辨識淨資產公允價值的數額記錄為商譽。如所轉讓代價、確認的任何非控制性權益及之前持有的權益計量總額，低於議價購買中購入的附屬公司淨資產的公允價值，則將該差額直接在綜合全面（虧損）／收益表中確認。

(b) 獨立財務報表

於附屬公司（包括結構性實體）的投資按成本扣除減值列賬。成本包括投資的直接歸屬成本。附屬公司的業績由本公司按已收及應收股息入賬。

如股息超過宣派股息年度內附屬公司的全面虧損總額，或如在獨立財務報表的投資賬面值超過綜合財務報表中被投資公司淨資產（包括商譽）的賬面值，則於自該等投資收取股息時必須對附屬公司投資作減值測試。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.3 Subsidiaries (Cont'd)

(b) Separate financial statements (Cont'd)

Particulars of the principal subsidiaries of the Group as at 31 December 2019 are set out below:

Name of Entity 實體名稱	Date of incorporation 註冊成立日期	Place of incorporation 註冊成立地點	Registered capital 註冊資本	Percentage of attributable equity interest 應佔股權百分比 As at 31 December 2019 於2019年12月31日	Principal activities 主要業務
Anhui Chaoke information Technology Co., Ltd. 安徽潮科信息科技有限公司	2 September 2019 2019年9月2日	PRC 中國	RMB250,000,000 人民幣250,000,000元	100.00%	Development and operation of apps 應用程式開發及運營
Beijing Gaoying Technology Co., Ltd. 北京高映技術有限公司	24 April 2019 2019年4月24日	PRC 中國	RMB5,000,000 人民幣5,000,000元	100.00%	Technology services 技術服務
Beijing Jianguo Credit Management Co., Ltd. 北京堅果信用管理有限公司	9 October 2015 2015年10月9日	PRC 中國	RMB50,000,000 人民幣50,000,000元	100.00%	Development and operation of apps 應用程式開發及運營
Beijing Shouhui Kaizhuo Technology Co., Ltd. ("Kaizhuo Technology") 北京首惠開桌科技有限公司 (「開桌科技」)	12 May 2006 2006年5月12日	PRC 中國	RMB5,887,423 人民幣5,887,423元	100.00%	Technology services 技術服務
Beijing Shouhui Shidai Information Technology Co., Ltd. ("Shouhui Shidai") 北京首惠時代信息技術有限公司 (「首惠時代」)	14 May 2012 2012年5月14日	PRC 中國	RMB10,000,000 人民幣10,000,000元	100.00%	Technology services 技術服務
Beijing Yahui Shidai Information Consulting Co., Ltd. 北京雅惠時代信息諮詢有限公司	28 August 2009 2009年8月28日	PRC 中國	RMB100,000,000 人民幣100,000,000元	100.00%	Technology services 技術服務
Beijing Yaku Shikong Information Exchange Technology Co., Ltd. ("Yaku Shikong") 北京雅酷時空信息交換技術有限公司 (「雅酷時空」)	23 March 2005 2005年3月23日	PRC 中國	RMB100,000,000 人民幣100,000,000元	100.00%	Prepaid card issuance and acceptance and internet payment 充值卡發行及承兌及網絡支付
China Netcom Technology Holdings Limited ("Netcom") 中彩網通控股有限公司(「中彩網通」)	11 November 1999 1999年11月11日	Cayman Islands 開曼群島	HK\$110,000,000 110,000,000港元	39.28%	Investment holding 投資控股
Daqing Liniu Information Technology Consulting Services Co., Ltd. 大慶利牛信息技術諮詢服務有限公司	1 March 2017 2017年3月1日	PRC 中國	RMB1,000,000 人民幣1,000,000元	100.00%	Loan collection services 收款服務
Dingli Technology 鼎力科技	14 April 2014 2014年4月14日	PRC 中國	RMB25,000,000 人民幣25,000,000元	100.00%	Development and operation of apps 應用程式開發及運營
Enniu Network 恩牛網絡	2 August 2012 2012年8月2日	PRC 中國	RMB500,000,000 人民幣500,000,000元	100.00%	Development and operation of apps 應用程式開發及運營
Fuzhou Enniu Microcredit 撫州恩牛小額貸款	23 June 2017 2017年6月23日	PRC 中國	RMB200,000,000 人民幣200,000,000元	100.00%	Micro loan services 小額貸款服務
Guangxi Jiahai Technology Co., Ltd. 廣西嘉海科技有限公司	19 August 2019 2019年8月19日	PRC 中國	RMB10,000,000 人民幣10,000,000元	100.00%	Development and operation of apps 應用程式開發及運營

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(b) 獨立財務報表 (續)

於2019年12月31日本集團的主要附屬公司詳情載列如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.3 Subsidiaries (Cont'd)

(b) Separate financial statements (Cont'd)

Particulars of the principal subsidiaries of the Group as at 31 December 2019 are set out below: (Cont'd)

Name of Entity 實體名稱	Date of incorporation 註冊成立日期	Place of incorporation 註冊成立地點	Registered capital 註冊資本	Percentage of attributable equity interest 應佔股權百分比		Principal activities 主要業務
				As at 31 December 2019 於2019年12月31日		
Hangzhou Jahao 杭州嘉好	16 August 2019 2019年8月16日	PRC 中國	RMB1,000,000 人民幣1,000,000元	100.00%		Technology services 技術服務
Hangzhou Jiniu Network Technology Co., Ltd. 杭州基牛網絡技術有限公司	23 May 2016 2016年5月23日	PRC 中國	RMB20,000,000 人民幣20,000,000元	100.00%		Operation of fund sales 基金銷售運營
Hangzhou LanYe Network Technology Co., Ltd. 杭州藍頁網絡技術有限公司	21 May 2019 2019年5月21日	PRC 中國	RMB10,000,000 人民幣10,000,000元	87.5%		Technology services 技術服務
Hangzhou Liniu Assets Management Co., Ltd. 杭州利牛資產管理有限公司	22 April 2016 2016年4月22日	PRC 中國	RMB206,250,000 人民幣206,250,000元	100.00%		Post-loan management 貸後管理
Hangzhou Qifuyun Technology Co., Ltd. 杭州企付雲科技有限公司	23 December 2019 2019年12月23日	PRC 中國	RMB10,000,000 人民幣10,000,000元	100.00%		Technology services 技術服務
Hangzhou Shangniu Information Technology Co., Ltd. 杭州尚牛信息技術有限公司	16 March 2016 2016年3月16日	PRC 中國	RMB10,000,000 人民幣10,000,000元	100.00%		Development and operation of apps 應用程式開發及運營
Hangzhou Shangniu Investment Management Partnership (Limited Partnership) 杭州尚牛投資管理合夥企業(有限合夥)	19 May 2017 2017年5月19日	PRC 中國	RMB470,000,000 人民幣470,000,000元	26.60%		Investment management 投資管理
Hangzhou Shangniu Network Technology Co., Ltd. 杭州尚牛網絡科技有限公司	12 December 2014 2014年12月12日	PRC 中國	RMB3,125,000 人民幣3,125,000元	100.00%		Technology services 技術服務
Hangzhou Wuyao Technology Co., Ltd. 杭州吾幺科技有限公司	25 July 2014 2014年7月25日	PRC 中國	RMB500,000,000 人民幣500,000,000元	100.00%		Development and operation of apps 應用程式開發及運營
Hangzhou Xingniu Information Technology Co., Ltd. 杭州興牛信息科技有限公司	20 October 2017 2017年10月20日	PRC 中國	RMB400,000,000 人民幣400,000,000元	100.00%		Technology services 技術服務
Hangzhou Panniu Financing and Guarantee Co., Ltd. 杭州磐牛融資擔保有限公司	24 May 2018 2018年5月24日	PRC 中國	RMB300,000,000 人民幣300,000,000元	100.00%		Financing guarantee services 融資擔保服務
Zhenniu Information 振牛信息	16 November 2017 2017年11月16日	PRC 中國	RMB2,000,000,000 人民幣2,000,000,000元	100.00%		Technology services 技術服務
Hefei Liniu Information Technology Co., Ltd. 合肥利牛信息技術有限公司	05 December 2018 2018年12月5日	PRC 中國	RMB1,000,000 人民幣1,000,000元	100.00%		Technology services 技術服務
Shanghai Jingjia Network Technology Co., Ltd. 上海靜嘉網絡科技有限公司	17 December 2010 2010年12月17日	PRC 中國	RMB400,000,000 人民幣400,000,000元	100.00%		Development and operation of apps 應用程式開發及運營
Shanghai Qiantian Information Technology Co., Ltd. ("Qiantian Information") 上海前點信息科技有限公司 (「前點信息」)	27 May 2009 2009年5月27日	PRC 中國	RMB325,000,000 人民幣325,000,000元	100.00%		Technology services 技術服務

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(b) 獨立財務報表 (續)

於2019年12月31日本集團的主要附屬公司詳情載列如下：(續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Subsidiaries (Cont'd)

(b) Separate financial statements (Cont'd)

Particulars of the principal subsidiaries of the Group as at 31 December 2019 are set out below: (Cont'd)

Name of Entity 實體名稱	Date of incorporation 註冊成立日期	Place of incorporation 註冊成立地點	Registered capital 註冊資本	Percentage of attributable equity interest 應佔股權百分比 As at 31 December 2019 於2019年12月31日	Principal activities 主要業務
Shanghai Qingniu Business Information Consulting Partnership (Limited Partnership) 上海卿牛商務信息諮詢合夥企業 (有限合夥)	18 September 2013 2013年9月18日	PRC 中國	RMB200,000 人民幣200,000元	100.00%	Employees' incentive operation 僱員獎勵計劃
Shanghai Wuniu Network Technology Co., Ltd. 上海悟牛網絡科技有限公司	14 December 2015 2015年12月14日	PRC 中國	RMB150,000,000 人民幣150,000,000元	100.00%	Investment holding and industry investment 投資控股及產業投資
Shenzhen Zhongrong Insurance Brokers Co., Ltd. 深圳中融保險經紀有限公司	28 October 2003 2003年10月28日	PRC 中國	RMB50,000,000 人民幣50,000,000元	100.00%	Insurance broking 保險經紀
Tianjin Lance Business Management Consulting Partnership (Limited Partnership) 天津藍策企業管理諮詢合夥企業 (有限合夥)	13 May 2019 2019年5月13日	PRC 中國	RMB2,750,000 人民幣2,750,000元	100.00%	Consulting Service 諮詢服務
Tianjin Qifutianxia Business Management Consulting Partnership (Limited Partnership) 天津企服天下企業管理諮詢合夥企業 (有限合夥)	12 December 2019 2019年12月12日	PRC 中國	RMB1,000,000 人民幣1,000,000元	100.00%	Consulting Service 諮詢服務
Yeniu Information Technology 也牛信息技術	24 February 2016 2016年2月24日	PRC 中國	RMB400,000,000 人民幣400,000,000元	100.00%	Credit facilitation service 信貸融資服務
Yiniu Network 義牛網絡	5 May 2015 2015年5月5日	PRC 中國	RMB120,000,000 人民幣120,000,000元	100.00%	Development and operation of apps 應用程式開發及運營
U51.Com Inc. U51.Com Inc.	8 August 2014 2014年8月8日	Cayman Islands 開曼群島	US\$50,000 50,000美元	100.00%	Investment holding 投資控股
U51.Com Limited U51.Com Limited	15 August 2014 2014年8月15日	Hong Kong ("HK") 香港	HK\$1 1港元	100.00%	Investment holding 投資控股
51 Award Limited 51 Award Limited	27 February 2017 2017年2月27日	British Virgin Islands ("BVI") 英屬維爾京群島	US\$1 1美元	100.00%	Employees' incentive operation 僱員獎勵計劃
51 Credit Card (China) Limited 51信用卡(中國)有限公司	13 October 2017 2017年10月13日	HK 香港	HK\$1 1港元	100.00%	Investment holding 投資控股
51 Renpin.Com Inc. 51 Renpin.Com Inc.	7 January 2016 2016年1月7日	BVI 英屬維爾京群島	US\$50,000 50,000美元	100.00%	Investment holding 投資控股
51 Renpin.Com (HK) Limited 51 Renpin.Com (HK) Limited	14 January 2016 2016年1月14日	HK 香港	HK\$1 1港元	100.00%	Investment holding 投資控股
51 Stock Limited 51 Stock Limited	2 August 2017 2017年8月2日	BVI 英屬維爾京群島	US\$1 1美元	100.00%	Employees' incentive operation 僱員獎勵計劃
51 Credit Card Investment (HK) Limited 51 Credit Card Investment (HK) Limited	12 September 2018 2018年9月12日	HK 香港	HK\$100 100港元	100.00%	Investment holding 投資控股

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(b) 獨立財務報表 (續)

於2019年12月31日本集團的主要附屬公司詳情載列如下：(續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Subsidiaries (Cont'd)

(b) Separate financial statements (Cont'd)

Consolidated structured entities material to the Group during the years presented are set out below:

Company name 公司名稱	Collective holding proportion by the Group 本集團集體持有佔比		Product scale 產品規模		Principal activities 主要業務
	As at 31 December 於12月31日		As at 31 December 於12月31日		
	2019 2019年	2018 2018年	2019 2019年	2018 2018年	
Bohai trust & China Securities Credit Investment 51 Rensindai No.1 single trust plan 渤海信託及中證信用51人品貸1號單一信託計劃	–	–	–	28,000,000	Provision of trust loans to borrowers recommended by a service vendor, which is agreed or endorsed by principals/beneficiaries of the trust. 向該信託委託人／受益人同意或贊同的服務提供商推薦的借款人提供信託貸款。
Bohai trust & Huian No.10 assembled trust plan 渤海信託及惠安10號一期集合資金信託計劃	–	18.18%	–	122,222,300	Provision of trust loans to borrowers recommended by a service vendor, which is agreed or endorsed by principals/beneficiaries of the trust. 向該信託委託人／受益人同意或贊同的服務提供商推薦的借款人提供信託貸款。
Bohai trust & Huian No.32 assembled trust plan 渤海信託及惠安32號集合資金信託計劃	57.48%	25.00%	47,270,000	108,670,000	Provision of trust loans to borrowers recommended by a service vendor, which is agreed or endorsed by principals/beneficiaries of the trust. 向該信託委託人／受益人同意或贊同的服務提供商推薦的借款人提供信託貸款。

2 重大會計政策概要 (續)

2.3 附屬公司 (續)

(b) 獨立財務報表 (續)

於呈報年度內對本集團而言屬重要的合併結構化實體載列如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.4 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates in the form of ordinary shares

Investments in associates in the form of ordinary shares are accounted for using equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

The Group's share of post-acquisition profit or loss is recognized in the consolidated statement of comprehensive (loss)/income, and its share of post-acquisition movements in other comprehensive loss is recognized in other comprehensive loss with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

2 重大會計政策概要 (續)

2.4 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。

以普通股形式投資聯營公司

以普通股形式於聯營公司投資以權益法入賬。根據權益法，投資初始以成本確認，而賬面值增加或減少以確認投資者享有被投資者在收購日期後的損益份額。本集團於聯營公司的投資包括收購時已辨認的商譽。在收購聯營公司的所有權權益時，聯營公司成本與本集團享有的對聯營公司可辨認資產和負債的公允價值淨額的差額確認為商譽。

本集團應佔收購後溢利或虧損於綜合全面(虧損)/收益表內確認，而應佔其收購後的其他全面虧損變動則於其他全面虧損內確認，並相應調整投資賬面值。如本集團應佔一家聯營公司的虧損等於或超過其在該聯營公司的權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團對聯營公司已產生法律或推定債務或已代聯營公司作出付款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.4 Associates (Cont'd)

Investments in associates in the form of ordinary shares (Cont'd)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to "share of profit of investments accounted for using equity method" in the consolidated statement of comprehensive (loss)/income. The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.9.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer and the vice presidents of the Group that make strategic decisions.

2.6 Functional currency and foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is United States dollars ("US\$"). The Company's primary subsidiaries are incorporated in the PRC and these subsidiaries consider RMB as their functional currency. As the major operations of the Group during the reporting year are within the PRC, the Group determined to present its consolidated financial statements in RMB (unless otherwise stated).

2 重大會計政策概要 (續)

2.4 聯營公司 (續)

以普通股形式投資聯營公司 (續)

本集團在每個報告日期釐定是否有客觀證據證明於聯營公司的投資已減值。如投資已減值，本集團計算減值，數額為聯營公司可收回數額與其賬面值的差額，並在綜合全面(虧損)/收益表中於「分佔使用權益法入賬的聯營公司收益」旁確認。股本入賬投資之賬面值根據附註2.9所述政策進行減值測試。

2.5 分部報告

營運分部的報告方式須與主要營運決策者獲提供的內部報告方式一致。主要營運決策者負責分配資源及評估營運分部的表現，並已被確認為本集團作出策略性決策的行政總裁及副總裁。

2.6 功能貨幣及外幣換算

(a) *功能及呈列貨幣*

本集團各實體的財務報表所列項目，均以該實體經營所處的主要經濟環境的貨幣(「功能貨幣」)計量。本公司的功能貨幣為美元(「美元」)。本公司的主要附屬公司於中國註冊成立及該等附屬公司將人民幣視為彼等的功能貨幣。由於本集團於報告年度的主要經營在中國境內，故本集團決定以人民幣呈報其綜合財務報表(除非另有指明)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.6 Functional currency and foreign currency translation (Cont'd)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive (loss)/income within "Finance expenses, net".

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of comprehensive (loss)/income, within "Finance expense, net". All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive (loss)/income on a net basis within "Other losses, net".

Translation differences on non-monetary financial assets and liabilities such as equities held at FVPL are recognized in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive loss.

2 重大會計政策概要 (續)

2.6 功能貨幣及外幣換算 (續)

(b) 交易及結餘

外幣交易採用交易或項目重新計量的估值日期的現行匯率換算為功能貨幣。因結算該等交易產生的外匯收益及虧損以及將外幣計值的貨幣資產及負債以年終匯率換算產生的外匯收益及虧損於綜合全面(虧損)／收益表內「財務開支淨額」確認。

與借貸相關的外幣換算收益及虧損均於綜合全面(虧損)／收益表中呈報為「財務開支淨額」。所有其他外幣換算收益及虧損均按淨額基準於綜合全面(虧損)／收益表中呈報為「其他虧損淨額」。

非貨幣性金融資產及負債(例如按公允價值透過損益列賬的權益)的換算差額均於損益內確認為公允價值收益或虧損的一部分。非貨幣性金融資產(例如分類為可供出售的權益)的換算差額計入其他全面虧損內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.6 Functional currency and foreign currency translation (Cont'd)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) Income and expenses for each statement of comprehensive (loss)/income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) All resulting currency translation differences are recognized in other comprehensive loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognized in other comprehensive loss.

2 重大會計政策概要 (續)

2.6 功能貨幣及外幣換算 (續)

(c) 集團公司

功能貨幣與呈列貨幣不同的所有本集團實體(均無極高通脹經濟地區的貨幣)的業績及財務狀況,均按下列方式換算為呈列貨幣:

- (i) 各財務狀況表內呈列的資產及負債按財務狀況表日期的收市匯率換算;
- (ii) 全面(虧損)/收益表內的各收支按平均匯率換算(除非該平均匯率未能合理反映交易日期現行匯率所帶來的累積影響,則按照交易日期的匯率換算該等收支);及
- (iii) 所有因此而產生的匯兌差額於其他全面虧損確認。

因收購海外實體而產生的商譽及公允價值調整,均作為有關海外實體的資產與負債,並按收市匯率換算。貨幣換算差額於其他全面虧損內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.7 Property and Equipment

Property and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on property and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Estimated useful lives of the assets
Computer and electronic equipment	3 years
Office furniture and equipment	3 years
Leasehold improvements	Estimated useful lives or remaining lease terms, whichever is shorter
Building	20 years
Motor vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "Other losses, net" in the consolidated statement of comprehensive (loss)/income.

2 重大會計政策概要 (續)

2.7 物業及設備

物業及設備按歷史成本減折舊列賬。歷史成本包括收購項目的直接應佔開支。

物業及設備折舊使用直線法計算，按其估計可使用年期將其成本分配至其剩餘價值，有關估計可使用年期如下：

	資產的估計 可使用年期
電腦及電子設備	3年
辦公傢俬及設備	3年
租賃裝修	估計可使用 年期或餘下 租賃年期 (以較短者為準)
樓宇	20年
汽車	4年

資產的剩餘價值及可使用年期在各報告年度末進行審閱並調整(如適用)。

倘資產的賬面值高於其估計可收回金額，則其賬面值即時撇減至可收回金額。

出售收益及虧損按所得款項與賬面值的差額釐定，並在綜合全面(虧損)/收益表內的「其他虧損淨額」確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.8 Intangible assets

The Group's intangible assets include software, platform, applications, license and goodwill (Note 2.10).

Intangible assets can be recognized only when future economic benefits expected to be obtained from the use of the item will flow into the Group and its cost can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition.

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;

2 重大會計政策概要 (續)

2.8 無形資產

本集團無形資產包括軟件、平台、應用、牌照及商譽(附註2.10)。

無形資產僅於未來經濟利益預期將因使用項目流入本集團且其成本能可靠計量時，才予確認。單獨收購的無形資產按成本於初始確認時計量。於業務合併時收購的無形資產成本為收購日期的公允價值。

與維護電腦軟件程式相關的成本於產生時確認為開支。當符合以下條件時，設計及測試由本集團控制的可識別及獨特軟件產品的直接應佔開發成本確認為無形資產：

- 完成該軟件產品以使其能使用或銷售，在技術上是可行的；
- 管理層有意完成該軟件產品並將之使用或出售；
- 有能力使用或出售該軟件產品；

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.8 Intangible assets (Cont'd)

- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product include the software development staff cost and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

The useful lives of intangible assets are assessed by the period of bringing economic benefits for the Group.

The intangible assets acquired in a business combination, mainly including software, platform, applications, license and goodwill, are recognized initially at fair value at the acquisition date and subsequently carried at the amount initially recognized less accumulated amortization and impairment losses, if any.

2 重大會計政策概要 (續)

2.8 無形資產 (續)

- 能顯示該軟件產品如何產生可能出現的未來經濟利益；
- 有足夠的技術、財務及其他資源完成開發並可使用或出售該軟件產品；及
- 該軟件產品在開發期內應佔開支能可靠地計量。

為軟件產品一部分的直接應佔成本資本化，包括軟件開發的僱員成本及適當部分的有關經常開支。

其他不符合該等條件的開發支出於產生時確認為開支。先前確認為開支的開發成本不會在後續期間確認為資產。

無形資產的使用年期按為本集團帶來經濟利益的期間評估。

業務合併中收購的無形資產（主要包括軟件、平台、應用、牌照及商譽）於收購日期初步按公允價值確認及隨後按初始確認金額減累計攤銷及減值虧損（如有）的金額列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Intangible assets (Cont'd)

The estimated useful lives of intangible assets are as follows:

	Estimated useful lives of the intangible assets
Software	2-3 years
Platform	5 years
Applications	10 years
Trademark	10 years
License	Indefinite
Goodwill	Indefinite

Intangible assets with finite lives are subsequently amortized on the straight-line basis over the useful life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed, and adjusted if appropriate, at least at each year end.

Intangible assets with indefinite useful lives are not amortized, but are subject to annual impairment assessment.

2 重大會計政策概要 (續)

2.8 無形資產 (續)

無形資產的估計可使用年期如下：

	無形資產的估計 可使用年期
軟件	2至3年
平台	5年
應用	10年
商標	10年
牌照	無限期
商譽	無限期

有限使用年期的無形資產隨後在其可使用年期內按直線基準攤銷。有限使用年期的無形資產的攤銷期間及攤銷法至少於各年末進行審視及調整（倘適用）。

具有無限期使用年期的無形資產不會攤銷，惟會進行年度減值評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interests in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

2 重大會計政策概要 (續)

2.9 非金融資產減值

無限可使用年期的無形資產(或尚未能使用的無形資產)毋須攤銷,惟須每年進行減值測試。須攤銷之資產須於發生事情或情況變動顯示其賬面值可能無法收回時進行減值審視。減值虧損按資產賬面值超出其可收回金額的金額確認。可收回金額指資產公允價值減出售成本及使用價值的較高者。就評估減值而言,資產按獨立可識別現金流量的最低水平歸類。已減值的非金融資產(商譽除外)於各報告日期審視是否可能撥回減值。

2.10 商譽

商譽於收購附屬公司時產生,即所轉讓代價超出本集團所佔被收購人可辨認淨資產、負債及或有負債的公允價值淨額以及被收購人非控股權益的公允價值的差額。

就減值測試而言,業務合併所獲得的商譽會分配至預期將受益於合併協同效應的各現金產生單位(「現金產生單位」)或現金產生單位組別。獲分配商譽的各單位或單位組別為實體內就內部管理目的而監察商譽的最低層次。商譽乃於經營分部層次進行監察。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.10 Goodwill (Cont'd)

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognized immediately as an expense and is not subsequently reversed.

2.11 Held for sale

Disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the disposal group to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of a disposal group, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the disposal group is recognized at the date of derecognition.

2 重大會計政策概要 (續)

2.10 商譽 (續)

商譽每年進行減值審視，當有事件出現或情況改變顯示可能出現減值時，作出更頻密審視。商譽賬面值與可收回金額作比較，可收回金額為使用價值與公允價值減出售成本的較高者。任何減值即時確認為開支，且其後不會撥回。

2.11 持作出售

倘出售組別的賬面值主要透過銷售交易而非持續使用收回且有關銷售被認為極有可能發生，則分類為持作出售。其按賬面值與公允價值減出售成本兩者的較低者計量，本規定明確豁免的遞延稅項資產、僱員福利產生的資產、金融資產、按公允價值列賬的投資物業及保險合約項下的合約權利等資產除外。

減值虧損乃按出售組別初始或其後撇減至公允價值減出售成本確認。收益乃按公允價值減出售組別的任何後續增加確認，惟不超過先前確認的累計減值虧損。先前並未於出售組別的销售日期前確認的收益或虧損於終止確認日期確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.11 Held for sale (Cont'd)

A disposal group is not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

The assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.12 Financial assets

The Group has adopted IFRS 9 "Financial Instruments" to confirm and measure financial instruments since January 1, 2018.

Measurement methods

Amortized cost and effective interest rate

The amortized cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

2 重大會計政策概要 (續)

2.11 持作出售 (續)

出售組別在分類為持作出售時不予折舊或攤銷。分類為持作出售的出售組別負債應佔的利息及其他開支將繼續予以確認。

分類為持作出售的出售組別資產於資產負債表內與其他資產分開呈列。分類為持作出售的出售組別負債於資產負債表內與其他負債單獨呈列。

2.12 金融資產

本集團已於2018年1月1日起採納國際財務報告準則第9號「金融工具」以確認及計量金融工具。

計量方法

攤銷成本及實際利率

攤銷成本是初始確認金融資產或金融負債減償還本金，加上或者減去使用實際利率法計量的累計攤銷的初始金額和到期金額的差額，而就金融資產而言，則對任何虧損撥備進行調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

Amortized cost and effective interest rate (Cont'd)

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortized cost before any impairment allowance) or to the amortized cost of a financial liability. The calculation does not consider ECL and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liabilities is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

攤銷成本及實際利率 (續)

實際利率是將預估未來現金支出或收入按金融資產或金融負債的預期年限準確貼現成金融資產的賬面價值總額（即其扣除減值撥備前的攤銷成本），或金融負債攤銷成本的利率。該計算不考慮預期信用損失，並包括交易成本、保險費或折讓，以及已付或已收的與實際利率不可分割的費用和費率（如籌辦費用）。

當本集團修訂對未來現金流量的估計時，相應的金融資產或金融負債的賬面價值將被調整，以反映使用原實際利率貼現的新估計。任何變動均於損益內確認。

利息收入

利息收入的計算方法是將實際利率應用於金融資產的賬面總額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at FVPL, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at FVPL are expensed in profit or loss. Immediately after initial recognition, an ECL allowance is recognized for financial assets measured at amortized cost and investments in debt instruments measured at fair value through other comprehensive income ("FVOCI"), which results in an accounting loss being recognized in profit or loss when an asset is newly originated.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

初始確認及計量

金融資產和金融負債在該實體成為該工具的合約條款中的一方時確認。金融資產的常規購買和銷售確認於交易日，即本集團承諾購買或出售資產的日期。

於初始確認時，本集團按公允價值計量金融資產或金融負債，對於不是以公允價值計量且其變動計入損益的金融資產或金融負債，則還應該加上或減去可直接歸屬於獲得或發行該金融資產或金融負債的交易費用，例如手續費和佣金。以公允價值計量且其變動計入損益的金融資產和金融負債的交易費用作為費用計入損益。當新產生一項資產時，緊隨初始確認後，就以攤銷成本計量的金融資產以及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」）的債務工具投資確認預期信用損失撥備，此舉導致於損益確認會計損失。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

(i) Classification and subsequent measurement

From 1 January 2018, the Group has applied IFRS 9 and classifies its financial assets in the following measurement categories:

- FVPL;
- FVOCI; or
- Amortized cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, trade receivables and other receivables.

Classification and subsequent measurement of debt instruments depend on:

- The Group's business model for managing the asset; and
- The cash flow characteristics of the asset.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

(i) 分類和後續計量

自2018年1月1日起，本集團已採用國際財務報告準則第9號，並將其金融資產分為以下數類：

- 按公允價值計入損益的金融資產；
- 按公允價值計入其他全面收益的金融資產；或
- 以攤銷成本計量的金融資產。

債務和權益工具的分類要求如下：

債務工具

債務工具是從發行人的角度來定義金融負債的工具，如貸款、貿易應收款項及其他應收款項。

債務工具的分類和後續計量取決於：

- 本集團管理資產的經營模式；及
- 資產的現金流量特徵。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

- (i) Classification and subsequent measurement (Cont'd)

Debt instruments (Cont'd)

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI"), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any ECL allowance recognized and measured. Interest income from these financial assets is included in "Other revenue" using the effective interest rate method.
- FVOCI: Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive loss, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive loss is reclassified from equity to profit or loss and recognized in "Net Investment income". As at 31 December 2019, the Group did not hold financial assets classified as FVOCI.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

- (i) 分類和後續計量 (續)

債務工具 (續)

基於這些因素，本集團將其債務工具分為以下三種計量類別：

- 攤銷成本：為收取合約現金流而持有的資產，這些現金流指單獨支付本金和利息（「單獨支付本金和利息」）及非指定按公允價值計入損益的資產，則按攤銷成本計量。這些資產的賬面價值根據已確認及計量的預期信用損失撥備進行調整。這些金融資產的利息收入採用實際利率法計入「其他收益」。
- 按公允價值計入其他全面收益的金融資產：以持有的合約現金流和出售為目的的金融資產，資產的現金流代表僅支付本金和利息，及非指定為按公允價值計入損益的金融資產，是按公允價值計入其他全面收益計量。賬面金額的變動是計入其他全面虧損，但資產減值損益、利息收入及外匯利得及工具攤銷成本的損失除外則確認為當期損益。當終止確認金融資產時，先前在其他全面虧損中確認的累計利得和損失，將從權益中重分類為當期損益，並在「投資收益淨額」中確認。於2019年12月31日，本集團並無持有分類作按公允價值計入其他全面收益的金融資產的金融資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

(i) Classification and subsequent measurement (Cont'd)

Debt instruments (Cont'd)

- FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL and is not part of a hedging relationship is recognized in profit or loss and presented in the statement of comprehensive (loss)/income within "Other losses, net" in the period in which it arises.

Business model: the business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of "other" business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

(i) 分類和後續計量 (續)

債務工具 (續)

- 按公允價值計入損益的金融資產：不符合攤銷成本或按公允價值計入其他全面收益標準的資產，是按公允價值計入損益計量。債務投資收益或損失後續計量是按公允價值計入損益計量，並且不是套期關係的一部分，其收益和損失在損益中確認並列入當期全面（虧損）／收益表內的「其他虧損淨額」。

經營模式：經營模型反映了本集團如何管理資產以產生現金流。即，本集團的目標是單純從資產中收集合約現金流，還是同時收集合約現金流及出售資產產生的現金流。倘若該兩項均不適用（例如持作交易的金融資產），則金融資產被歸類為「其他」經營模式的一部分，並按公允價值計入損益的金融資產進行計量。本集團在考慮確定一組資產的經營模式的因素中，包括如何收集該等資產的現金流，如何評估資產的表現，如何向關鍵管理人員報告，如何評估和管理風險以及管理人員如何獲得報酬的過去經驗。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

- (i) Classification and subsequent measurement (Cont'd)

Debt instruments (Cont'd)

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the "SPPI test"). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVPL.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting year following the change. Such changes are expected to be very infrequent and none occurred during the year.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

- (i) 分類和後續計量 (續)

債務工具 (續)

單獨支付本金和利息：經營模式是持有資產以收集合約現金流或收集合約現金流並出售，本集團評估金融工具的現金流是否代表單獨本金和利息的支付（「單獨支付本金和利息測試」）。在進行評估時，本集團會考慮合約現金流量是否符合基本貸款安排，即利息只包括貨幣的時間價值、信用風險、其他基本貸款風險，以及與基本貸款安排相符的利潤率。如果合約條款引入了與基本貸款安排不一致的風險或波動風險，則相關金融資產按公允價值計入損益進行分類和計量。

當確定其現金流是否單獨支付本金和利息時，嵌入衍生品的金融資產將被作為一個整體考慮。

只有當管理這些資產的經營模式發生變化時，本集團才會對債務投資進行重新分類。重新分類發生在變更後的第一個報告年度的開始。預計這種變化非常罕見，或在此年度不會發生。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

- (i) Classification and subsequent measurement (Cont'd)

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Group subsequently measures all equity investments at FVPL, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive loss. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognized in other comprehensive loss and are not subsequently reclassified to profit or loss, including on disposal. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Gains and losses on equity investments at FVPL are included in the "Other losses, net" line in the consolidated statement of comprehensive (loss)/income.

As at 31 December 2019, the Group does not hold financial assets classified as FVOCI.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

- (i) 分類和後續計量 (續)

權益工具

權益工具是從發行人的角度來定義權益的工具；即，不包含支付合約義務，體現發行人的淨資產的剩餘利息。

本集團對所有權益投資的後續計量都是按公允價值計入損益，除本集團管理層在初始確認時決定不可撤銷地指定一項權益投資按公允價值計入其他全面虧損外。本集團的政策為，當股權投資持作產生投資回報以外的用途時，將該等投資指定為按公允價值計入其他全面虧損。當採用該決定時，公允價值變動損益會被計入其他全面收益，而不會在後續重新分類為損益，處置資產時依舊如此。代表此類投資的回報的股息，一旦確立本集團獲得收款權利時，股息將繼續作為其他收入計入損益。

按公允價值計入損益的股權投資收益及虧損計入綜合全面（虧損）／收益表的「其他虧損淨額」。

於2019年12月31日，本集團並無持有分類作按公允價值計入其他全面收益的金融資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.12 Financial assets (Cont'd)

Measurement methods (Cont'd)

(ii) Impairment

The Group assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at amortized cost and FVOCI and with the exposure arising from financial guarantee contracts and contract assets. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For contract assets and trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2 重大會計政策概要 (續)

2.12 金融資產 (續)

計量方法 (續)

(ii) 減值

本集團在前瞻性的基礎上評估與其持有的以攤銷成本和按公允價值計入其他全面收益計量的債務工具資產相關的預期信用損失，以及與金融擔保合約及合約資產相關的風險。本集團在各報告日期對該等虧損確認減值撥備。預期信用損失的計量反映如下：

- 通過評估一系列可能的結果而確定的無偏差和概率加權金額；
- 金錢的時間價值；及
- 在列報期提供不以不當成本或努力獲得關於過去事件、當前狀況和對未來經濟狀況的預測的合理和可支援的資訊。

就合約資產和貿易應收款項而言，本集團採用國際財務報告準則第9號所允許的簡化方法，該方法要求在初始確認應收款項時確認預期存續期損失。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.13 Financial liabilities

Classification and subsequent measurement

Financial liabilities are classified as subsequently measured at amortized cost, except for:

- Financial liabilities at FVPL: this classification is applied to derivatives, financial liabilities held for trading and measured at fair value. Gains or losses on financial liabilities at FVPL are presented partially in other comprehensive loss (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the credit risk of the liability are also presented in profit or loss;
- Financial guarantee contracts: Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans. The Group's financial guarantee contracts is reflected as the quality assurance fund payable recorded in the consolidated statement of financial position. The quality assurance fund is a protection mechanism offered to investors who subscribe to the loans facilitated on the Group's platform. The quality assurance fund contribution rates are determined at loan inception on a loan by loan basis and does not subsequently change over the life of the loan. The determination of the contribution rates is also based on the estimated loss rate of the loans, taking into account the underlying risk profile and historical loss record and other market factors when necessary.

2 重大會計政策概要 (續)

2.13 金融負債

分類和後續計量

金融負債均按攤銷成本計量分類，下列情況除外：

- 按公允價值計入損益的金融負債：這種分類適用於衍生品、持作交易並按公允價值計量的金融負債。按公允價值計入損益的金融負債的利得和損失部分列入其他全面虧損（由該負債信用風險的變化導致的公允價值變動，而不是由市場條件變化引起的市場風險所導致）和部分列入損益（剩餘的負債的公允價值變化數額），但如果上述方式會產或擴大會計錯配，那麼源於自身信用風險的公允價值變動也計入損益；
- 金融擔保合約：財務擔保合約為規定發行人因須支付特定款項以償付持有人因指定債務人未能根據債務工具的原先或經修訂條款支付到期款項而產生的虧損。該等金融擔保乃代表客戶向銀行、金融機構及其他人士作出，以擔保貸款。本集團的財務擔保合約反映為於綜合財務狀況表中記錄的應付質量保證基金。質量保證金是向認購於本集團上撮合的貸款的投資者提供的保障機制。質量保證金出資率於貸款訂立時按個別基準釐定，之後在貸款期限內維持不變。出資率的釐定亦基於貸款的估計損失率進行，當中計及相關風險概況及歷史虧損記錄及其他市場因素（如必要）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.13 Financial liabilities (Cont'd)

Classification and subsequent measurement(Cont'd)

Financial guarantee contracts (i.e. quality assurance fund payable) are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognized in accordance with the principles of IFRS 15.

For financial guarantee contracts, the loss allowance is recognized as a provision.

Other financial liabilities

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with gains or losses arising from de-recognition or amortization recognized in profit or loss.

De-recognition of financial liabilities

The Group derecognizes a financial liability or part of it only when the underlying present obligation or part of it is discharged, cancelled or expired. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognizes a financial liability or a part of it, it recognizes the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

2 重大會計政策概要 (續)

2.13 金融負債 (續)

分類和後續計量 (續)

金融擔保合約(即應付質量保證金)初始計量以公允價值計量,後續計量以下列較高者計量:

- 虧損撥備金額;及
- 根據國際財務報告準則第15號的原則,初始確認收到的保險費減去已確認的收入。

就金融擔保合約而言,虧損撥備確認為準備金。

其他金融負債

其他金融負債採用實際利率法,按攤銷成本進行後續計量,終止確認或攤銷產生的收益或虧損於損益確認。

金融負債的終止確認

當金融負債的現時義務全部或部分已經解除、取消或到期,本集團才終止確認該金融負債或其一部分。本集團(現有借款人)與現有貸款人之間簽訂協議,以承擔新金融負債方式替換原有金融負債,且新金融負債與原有金融負債的合約條款實質上不同,則終止確認原有金融負債,並同時確認新金融負債。

當本集團全部或部分終止確認金融負債,將終止確認部分的賬面值與已付和應付代價(包括轉出的非現金資產或承擔的新金融負債)之間的差額,於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.15 Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange contracts to hedge its foreign currency risk. These derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

2 重大會計政策概要 (續)

2.14 抵銷金融工具

當有法定可執行權利可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表報告其淨額。法定可執行權利不得視未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時亦必須可強制執行。

2.15 衍生金融工具

本集團使用衍生金融工具（如外匯合約）對沖外匯風險。該等衍生金融工具於衍生工具合約訂立日期初步按公允價值確認，其後按公允價值重新計量。衍生工具於公允價值為正數時列為資產，於公允價值為負數時列為負債。

衍生工具公允價值變動產生的任何收益或虧損直接計入損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.16 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. All the trade receivables of the Group are expected in one year or less, therefore, they are presented as current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.17 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash at banks and other short-term highly liquid investments with original maturities of three months or less.

2.18 Share capital

Ordinary shares are classified as equity

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury share), the considerations paid, including any directly attributable incremental costs, is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received (net of any directly attributable incremental transaction costs) is included in equity attributable to the Company's equity holders.

2 重大會計政策概要 (續)

2.16 貿易及其他應收款項

貿易應收款項為在日常業務過程中就商品銷售或服務執行而應收客戶的款項。如貿易及其他應收款項的收回預期在一年或以內(如在正常業務經營週期中,則可為較長時間),其被分類為流動資產;否則呈列為非流動資產。本集團所有貿易應收款項均預計於一年或以內收回,故被呈列為流動資產。

貿易及其他應收款項以公允價值初始確認,其後利用實際利率法按攤銷成本扣除減值撥備計量。

2.17 現金及現金等價物

於綜合現金流量表內,現金及現金等價物包括銀行現金及原屆滿期限為三個月或以下的其他短期高流動性投資。

2.18 股本

普通股分類為權益

與發行新普通股或購股權直接有關的增量成本,於權益列為所得款項的減項(扣除稅項)。

倘任何集團公司購買本公司股本(庫存股份),則已付代價(包括任何直接應佔增量成本)從本公司權益持有人應佔權益中扣除,直至股份註銷或再發行。倘該等股份其後再發行,則任何已收代價(扣除任何直接應佔增量交易成本)計入本公司權益持有人應佔權益中。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.19 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of comprehensive (loss)/income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

2 重大會計政策概要 (續)

2.19 借款

借款初步按公允價值扣除所產生的交易成本確認。借款其後按攤銷成本列賬；所得款（扣除交易成本）與贖回價值的任何差額使用實際利率法於借款期間在綜合全面（虧損）／收益表確認。

倘貸款融資很有可能部分或全部被提取，則就設立貸款融資時支付的費用確認為貸款交易成本。在此情況下，費用遞延至提取發生為止。倘無任何證據顯示該貸款很有可能部分或全部提取，則該費用撥充資本作為流動資金服務的預付款，並於有關融資期間攤銷。

除非本集團有無條件權利遞延結算報告年度後至少12個月的負債，否則借款歸類為流動負債。



Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.20 Financial guarantee

Quality assurance fund payable

The quality assurance fund payable is measured at their fair value at inception for both individual and institutional investors. Subsequent to initial recognition, the quality assurance fund payable is measured at the greater of 1) the amount determined in accordance with IFRS 9 and 2) the amount initially recognized (fair value) less, when appropriate, cumulative amortization of the initial amount recognized in accordance with IFRS 15. The Group's financial guarantee is also reflected as the quality assurance fund payable recorded in the consolidated statement of financial position (Note 23).

Quality assurance fund receivable

The quality assurance fund receivable is recognized at loan inception for amounts allocated to the guarantee. At each reporting date, the Group estimates the future cash flows and assesses whether there is any indicator of impairment to any individual underlying loan of the quality assurance fund receivable. If the carrying amounts of the quality assurance fund receivable exceeds the expected collections, an impairment loss is recorded for the quality assurance fund receivable not recoverable.

2 重大會計政策概要 (續)

2.20 財務擔保

應付質量保證金

個人及機構投資者的應付質量保證金於初始時均按其公允價值計量。於初始確認後，應付質量保證金按下列各項之最大者計量：1)根據國際財務報告準則第9號釐定的金額及2)初始確認的金額(公允價值)減(倘適合)根據國際財務報告準則第15號確認的初步金額的累計攤銷。本集團的財務擔保亦作為應付質量保證金反映於綜合財務狀況表入賬(附註23)。

應收質量保證金

應收質量保證金就分配予擔保的款項於貸款發放時確認。於各報告日期，本集團估計未來現金流量及評估是否存在任何減值至應收質量保證金任何個別相關貸款的指標。倘應收質量保證金的賬面值超過預期收款，則就未能收回的應收質量保證金錄得減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.21 Trade and other payables

Trade payables are obligations to pay for services that have been delivered in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. All the trade payables of the Group are expected in one year or less, therefore, they are presented as current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.22 Current and deferred income tax

The income tax expense for a year comprises current and deferred tax. The income taxes are recognized in the consolidated statement of comprehensive (loss)/income, except to the extent that it relates to items recognized in other comprehensive loss or directly in equity. In this case, the tax is also recognized in other comprehensive loss or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial statements date in the countries/regions where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重大會計政策概要 (續)

2.21 貿易及其他應付款項

貿易應付款項為供應商於日常業務過程中就已提供服務進行付款的責任。倘付款於一年或以下(或業務的日常經營週期(以較長者為準))到期,貿易及其他應付款項分類為流動負債。如未到期,則呈列為非流動負債。本集團的所有貿易應付款項預計為一年或以下,因此,呈列為流動負債。

貿易及其他應付款項初步按公允價值確認,隨後使用實際利率法按攤銷成本計量。

2.22 即期及遞延所得稅

一年所得稅開支包括即期及遞延稅。所得稅於綜合全面(虧損)/收益表內確認,惟其與於其他全面虧損或直接於權益內確認的項目相關則除外。在此情況下,稅項亦各自於其他全面虧損或直接於權益內確認。

(a) 即期所得稅

即期所得稅支出根據本公司附屬公司及聯營公司營運及產生應課稅收入所在國家/地區於財務報表日期已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例有待詮釋的情況定期評估報稅表狀況,並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.22 Current and deferred income tax (Cont'd)

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 重大會計政策概要 (續)

2.22 即期及遞延所得稅 (續)

(b) 遞延所得稅

內在基準差額

遞延所得稅乃採用負債法，就資產及負債稅基與其於綜合財務報表的賬面值間產生的暫時差額作出確認。然而，倘遞延稅項負債由初步確認商譽而產生，則不會確認遞延稅項負債，倘於一項交易（業務合併除外）中初步確認於進行交易時不會影響會計或應課稅利潤或虧損的資產或負債產生遞延所得稅，則不予列賬。遞延所得稅按結算日已頒佈或已實際頒佈的稅率（及法例）釐定，預期於變現相關遞延所得稅資產或清償遞延所得稅負債時適用。

遞延所得稅資產僅於很可能將未來應課稅利潤與可動用的暫時差異抵銷時方予確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.22 Current and deferred income tax (Cont'd)

(b) Deferred income tax (Cont'd)

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred income tax liabilities in relation to taxable temporary differences arising from the associate's undistributed profits are not recognized.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries, associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

2 重大會計政策概要 (續)

2.22 即期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

外在基準差額

遞延所得稅負債須就於附屬公司、聯營公司及共同安排的投資所產生的應課稅暫時差額作出撥備，除非本集團可控制暫時差額的撥回時間，且此暫時差額不會於可見將來撥回則除外。一般而言，本集團無法控制聯營公司暫時差額的撥回。僅在訂有協議賦予本集團能力於可見將來控制暫時差額撥回時，方不會就聯營公司未分配溢利所產生的應課稅暫時差額確認遞延稅項負債。

僅於暫時差額可能將於未來撥回，且可能會有充足應課稅溢利可供暫時差額作對銷時，方會就於附屬公司、聯營公司的投資所產生的可扣減暫時差額確認遞延所得稅資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.22 Current and deferred income tax (Cont'd)

(b) Deferred income tax (Cont'd)

Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.23 Employee benefits

(a) Pension obligations

The employees of the Group are mainly covered by various defined contribution pension plans. The Group makes and accrues contributions on a monthly basis to the pension plans, which are mainly sponsored by the related government authorities that are responsible for the pension liabilities to retired employees. Under such plans, the Group has no other significant legal or constructive obligations for retirement benefits beyond the said contributions, which are expensed as incurred.

2 重大會計政策概要 (續)

2.22 即期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

抵銷

在有可依法強制執行的權利將即期稅項資產與即期稅項負債抵銷，且遞延所得稅資產及負債的相關所得稅是由同一稅務機關向某一應課稅實體或擬按淨額基準結算結餘的不同應課稅實體徵收，則遞延所得稅資產及負債予以抵銷。

2.23 僱員福利

(a) 養老金義務

本集團僱員主要參與各種定額供款養老金計劃。本集團按月向該等養老金計劃作出並累積供款，該等養老金計劃主要由有關政府機關發起，並負責向已退休僱員支付養老金。除上述於產生時支銷的供款外，根據該等計劃，本集團就退休福利並無任何其他重大法定或推定義務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.23 Employee benefits (Cont'd)

(b) Housing benefits

The employees of the Group are entitled to participate in various government-sponsored housing funds. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees. The Group's liability in respect of these funds is limited to the contributions payable in each year.

(c) Medical benefits

The Group makes monthly contributions for medical benefits to the local authorities in accordance with the relevant local regulations for the employees. The Group's liability in respect of employee medical benefits is limited to the contributions payable in each year.

2.24 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the options and restricted share units ("RSUs") is recognized as an expense. The total amount to be expensed is determined by making reference to the fair value of the options and RSUs granted:

- (i) Including any market performance condition (for example, an entity's share price);
- (ii) excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining as an employee of the entity over a specified time period); and
- (iii) including the impact of any non-vesting conditions (for example, the requirement for employees to serve).

2 重大會計政策概要 (續)

2.23 僱員福利 (續)

(b) 住房福利

本集團僱員有權參與政府發起的各種住房公積金。本集團根據僱員薪酬的若干百分比按月向該等公積金供款。本集團就該等公積金的義務僅限於按年繳納款項。

(c) 醫療福利

本集團根據相關地方僱員法規每月就醫療福利向地方機關作出供款。本集團就僱員醫療福利的義務僅限於按年繳納款項。

2.24 以股份為基礎的支付

本集團運作數個以權益結算以股份為基礎的薪酬計劃，據此，實體獲取僱員服務作為本集團股權工具的代價。獲取以交換授出的購股權及受限制股份單位（「受限制股份單位」）的僱員服務的公允價值確認為開支。將予開支的總額參考授出的購股權及受限制股份單位的公允價值而釐定：

- (i) 包括任何市場表現條件（如實體的股價）；
- (ii) 不包括任何服務及非市場表現歸屬條件（如盈利能力、銷售增長目標及該實體僱員在特定時期留任）的影響；及
- (iii) 包括任何非歸屬條件（如就僱員提供服務的規定）的影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.24 Share-based payments (Cont'd)

Non-market performance and service conditions are included in assumptions about the number of options and RSUs that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognizing the expense during the year between service commencement date and grant date.

Where there is modification of terms and conditions which increases the fair value of the equity instruments granted (for example, by changing the vesting period of share options), the Group includes the incremental fair value granted in the measurement of the amount recognized for the services received over the remainder of the vesting period. The incremental fair value is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. An expense based on the incremental fair value is recognized over the period from the modification date to the date when the modified equity instruments vest in addition to any amount in respect of the original instrument, which should continue to be recognized over the remainder of the original vesting period.

2 重大會計政策概要 (續)

2.24 以股份為基礎的支付 (續)

假設預期將歸屬的購股權及受限制股份單位數目時，非市場表現及服務條件包括在內。總開支於所有特定歸屬條件將予達成的歸屬期內確認。

此外，在若干情況下，僱員可能在授出日期之前提供服務，因此授出日期的公允價值就確認於服務開始日期至授出日期的年度內的開支作出估計。

倘修訂條款及條件（如變更購股權的歸屬期）致使已授出股權工具的公允價值增加，本集團會將已授出的公允價值增幅計入就餘下歸屬期內所獲取服務確認金額的計量中。公允價值增幅為經修訂股權工具公允價值與原有股權工具公允價值（均於修訂日期進行估計）的差額。公允價值增幅的開支於修訂日期起至經修訂股權工具歸屬之日止期間確認，惟有關原有工具的任何金額則繼續於原有歸屬期的餘下期間確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.24 Share-based payments (Cont'd)

At the end of each reporting year, the Group revises its estimates of the number of options and RSUs that are expected to vest based on the non-market performance and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised or the RSUs are vested, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.25 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2 重大會計政策概要 (續)

2.24 以股份為基礎的支付 (續)

於各報告年度末，本集團根據非市場表現及服務條件修訂對預期歸屬的購股權及受限制股份單位數目的估計，並於損益確認對原有估計作出修訂的影響（如有），並對權益作出相應調整。

本公司於購股權獲行使或受限制股份單位歸屬時發行新股份。所收取的所得款項經扣除任何直接應佔交易成本後計入股本（面值）及股份溢價。

2.25 撥備

在本集團現時須因過往事件承擔法律或推定責任，而履行該責任很有可能導致資源流出，且能夠可靠地估計金額的情況下，會確認撥備。本集團不會就日後經營業務虧損確認撥備。

倘出現多項類似責任，會整體考慮責任類別以釐定履行責任導致資源流出的可能性。即使同類責任中任何一項可能導致資源流出的機會不大，仍會確認撥備。

撥備乃採用稅前利率按預期須就履行責任而支付的開支的現值計量，有關利率反映市場當時對貨幣時間價值及該責任的特定風險的評估。因時間流逝而產生的撥備增加會確認為利息開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.26 Revenue recognition

Revenue is recognized when service is provided to the customer. Depending on the terms of the contract and the laws that apply to the contract, service may be provided over time or at a point in time. Service is provided over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates and enhances an asset that the customer controls as the Group performs; or
- do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If service transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains the service.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Group's performance in satisfying the performance obligation:

- direct measurements of the value transferred by the Group to the customer; or
- the Group's efforts or inputs to the satisfaction of the performance obligation.

2 重大會計政策概要 (續)

2.26 收益確認

收益在服務被提供給客戶時確認。服務是在一段時間內還是某一時點提供，取決於合約的條款與適用於合約的法律規定。如本集團滿足下列條件，服務是在一段時間內提供：

- 本集團履約過程中，客戶同時收到且消耗由本集團履約所帶來的經濟利益；
- 創建和增強由客戶控制的資產；或
- 本集團的履約過程中所產出的資產具有不可替代用途，且本集團有權就累計至今已完成的履約部分收取款項。

如服務在一段時間內轉移，本集團按在合約期間已完成履約義務的進度進行收益確認。否則，收益於客戶獲得服務的時點確認。

已完成履約義務的進度的計量基於下列能夠最佳描述本集團完成履約義務表現的其中一種方法：

- 直接計量本集團已向客戶轉移的價值；或
- 按本集團為完成履約義務而發生的支出或投入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.26 Revenue recognition (Cont'd)

If a contract involves multiple services, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

The following is a description of the accounting policy for the principal revenue streams of the Group.

(a) Credit facilitation and service fee

The Group engages primarily in operating an online consumer finance marketplace by providing an online platform which matches borrowers with investors. The Group's platform provides investors with various investment products, which the investors can elect to participate in. The Group determined that it is not the legal lender and legal borrower in the loan origination and repayment process. Therefore, the Group does not record loans receivable and payable arising from the loans between investors and borrowers on its marketplace.

2 重大會計政策概要 (續)

2.26 收益確認 (續)

如合約涉及多種服務，交易價格將基於獨立售價分配至各履約義務。如有關數據不可直接觀察獲得，則按預計成本加成估算。

應收款項於本集團有無條件權利收取代價時入賬。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。

下文概述本集團主要收益來源的會計政策。

(a) 信貸撮合及服務費

本集團主要從事經營線上消費金融平台，提供匹配借款人與投資者的線上平台。本集團的平台為投資者提供各類投資產品，投資者可選擇參與。本集團認為，在貸款發放及償還過程中，其並非法定貸款人及法定借款人。因此，本集團不從投資者與借款人在其平台上的貸款錄得貸款應收款項及應付款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.26 Revenue recognition (Cont'd)

(a) Credit facilitation and service fee (Cont'd)

The total proceeds are collected on a monthly basis over the loan period. The total proceeds from borrowers generally includes the services fees for facilitating loan origination (covering matching of investors to borrowers and facilitating the execution of loan agreement between investors and borrowers) and for providing ongoing monthly services (mainly covering cash processing services and collection services), and also include contribution to the quality assurance fund, which provides a protection mechanism to investors who subscribe to these loans.

The total proceeds from borrowers are first allocated to the quality assurance fund payable (Note 2.20) at fair value which meets the definition of a financial guarantee under IAS 39, and the remaining amount are then allocated to credit facilitation service and ongoing monthly service. The Group generally collects the entire amount relating to credit facilitation and ongoing monthly services as one combined fee.

2 重大會計政策概要 (續)

2.26 收益確認 (續)

(a) 信貸撮合及服務費 (續)

總款項在貸款期限內按月收取。從借款人收到的總款項一般包括撮合貸款發放 (涵蓋匹配投資者與借款人及撮合投資者與借款人簽署貸款協議) 及提供持續每月服務 (主要涵蓋現金處理服務及收款服務) 的服務費, 亦包括對質量保證金的出資, 質量保證金向認購該等貸款的投資者提供保障機制。

來自借款人的總款項首先按公允價值分配至應支付的質量保證金 (符合國際會計準則第39號項下財務擔保的定義) (附註2.20), 餘額則基於相對公允價值分配至信貸撮合服務及持續每月服務。本集團一般以合併費用形式收取與信貸撮合及持續每月服務有關的全部金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.26 Revenue recognition (Cont'd)

(a) Credit facilitation and service fee (Cont'd)


The Group considers the credit facilitation services and ongoing monthly services as distinct performance obligations. Although the Group does not sell these services separately, the Group determined that both deliverables have standalone value. However, the Group does not provide these services separately, and the third-party evidence of selling price does not exist either, as public information is not available regarding the amount of fees competitors charge for these services. As a result, the Group uses the expected-cost-plus-a-margin approach to determine its best estimate standalone selling prices of the different performance obligations as the basis for allocation. The total service fee allocated to credit facilitation is recognized as revenue upon execution of loan agreements between investors and borrowers. The service fees allocated to post-origination services are deferred and recognized over the period of the loan on a straight-line method, which approximates the pattern of when the underlying services are performed. When the cash received is different from the revenue recognized, a "Contract Asset" or "Contract Liability" shall be recognized in the consolidated statement of financial position.

2 重大會計政策概要 (續)

2.26 收益確認 (續)

(a) 信貸撮合及服務費 (續)

本集團將信貸撮合服務及持續每月服務視為不同的履約義務。本集團不單獨出售該等服務，但本集團認為兩種可交付安排均有獨立價值。然而，本集團不獨立提供該等服務，亦不存在第三方售價證明，因為並無有關我們的競爭對手就此類服務收費金額的公開資料。因此，本集團使用預期成本加利潤率法釐定其不同履約責任的最佳估計單獨售價，作為分配的基準。分配至信貸撮合的服務費總額於投資者與借款人之間簽立貸款協議時確認為收益。分配至放款後服務的服務費遞延處理，以直線法在貸款期限內確認，這與履行相關服務時的模式相若。當所收現金有別於已確認收益，則「合約資產」或「合約負債」須於綜合財務狀況表確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.26 Revenue recognition (Cont'd)

(b) Incentives

To expand its market presence, attract new investors and new borrowers and increase activity level on the Group's platform, the Group provides incentives to potential investors and borrowers at its sole discretion.

When a loan is successfully matched during the relevant incentive program period, the investor receives a cash incentive as additional interest on a monthly basis over the term of the loan. The borrower may receive a cash incentive, as a reduction of credit facilitation service fee. These cash incentives are accounted for as reduction of revenue.

(c) Referral service fee

The Group introduces loan products of external online lending platforms to borrowers on the Group's own platform who can click through to third-party platforms. The Group generally is not the primary obligor, does not have the ability to establish the price, is not exposed to the credit risk when directing borrowers to third-party platforms. Upon successful set-up of loans, the Group will charge the third-party platforms a negotiated amount or a fixed rate referral fee based on the loans amount. Loan referral service income is recognized on a net basis upon successfully set-up of the loans.

2 重大會計政策概要 (續)

2.26 收益確認 (續)

(b) 獎勵

為擴大市場份額、吸引新投資者及新借款人及提升本集團平台的活躍度，本集團可全權酌情向潛在投資者及借款人提供獎勵。

當貸款在有關獎勵計劃期間成功匹配，投資者將收到現金獎勵，作為貸款期限內每月的額外利息。借款人可能收取現金獎勵，作為減少信貸撮合服務費減少的部分。該等現金獎勵入賬列為收益減少。

(c) 介紹服務費

本集團向其自有平台上可點擊進入第三方平台的借款人推介外部線上借貸平台的貸款產品。將借款人轉介予第三方平台時，本集團一般並非主要義務人，不能確定價格，亦不承擔信用風險。成功訂立貸款後，本集團將基於貸款金額向第三方平台收取協定金額或固定費率的介紹費。信貸介紹服務收入於成功設立貸款時按淨額基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.26 Revenue recognition (Cont'd)

(d) Credit card technology service fee

The Group cooperates with banks for their online credit card applications on a nationwide basis. Users of 51 Credit Card Manager App can click on the icon of a bank displayed in the Group's platform and the webpage of the bank will pop up in the App to complete the credit card application process. The Group charges banks the referral fee based on the successful applications which are defined by the banks. Credit card technology service fee is recognized on a net basis upon successful applications.

(e) Interest income of loans to customers

The Group has originated and held loans through consolidated trust schemes and a micro loan subsidiary. Interest on the loans to customers (Note 26) is accrued based on the contractual interest rates of the loan as earned using the effective interest method. When a loan and receivables is impaired, which interest revenue is calculated by applying the effective interest rate to net of the ECL allowance.

(f) Payment service fee

The Group provides payment services for the third parties to support the platform users. The income originates from the payment channel service and the payment advance service. When the service provided, the service fee will be automatically deducted from the funds.

2 重大會計政策概要 (續)

2.26 收益確認 (續)

(d) 信用卡科技服務費

本集團在全國範圍內與銀行合作進行銀行的網上信用卡申請。51信用卡管家應用用戶可點擊本集團平台上顯示的銀行圖標，銀行的網頁將於應用中彈出以完成信用卡申請過程。本集團根據銀行界定的成功申請人向銀行收取介紹費。信用卡科技服務費於成功申請後按淨額基準確認。

(e) 向客戶貸款的利息收入

本集團通過綜合信託計劃及小額貸款附屬公司發放並持有貸款。客戶貸款的利息(附註26)採用實際利率法於賺取時按貸款合約利率累算。當貸款及應收款項出現減值，而利息收入乃按實際利率計算，以扣除預期信用損失撥備。

(f) 支付服務費

本集團為第三方提供支付服務以支持平台用戶。收入來自支付渠道服務及支付墊資服務。提供服務時，服務費將自動從資金中扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.26 Revenue recognition (Cont'd)

(g) Insurance commission income

The Group provides the intermediary service for the conclusion of an insurance contract between the applicant and insurer and charges the agreed commissions for the intermediary services.

(h) Overdue charges

The Group makes efforts to collect the outstanding overdue amounts from borrowers. Overdue charges incurred on a case-by-case basis. The collectability of these amounts are often of high uncertainty. Overdue charges are only highly probable to be collected when the actual overdue amounts are repaid and are recognized as revenue when the cash of the overdue payments is actually collected.

2.27 Interest income of cash at banks and bank deposits

Interest income is recognized on a time proportion basis, taking into account of the principal outstanding and the effective interest rate over the period to maturity, when it is determined that such income will accrue to the Group.

2.28 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the consolidated statement of comprehensive (loss)/income over the period necessary to match them with the costs that they are intended to compensate.

2 重大會計政策概要 (續)

2.26 收益確認 (續)

(g) 保險佣金收入

本集團為投保人與保險公司之間訂立保險合約提供中介服務，並就中介服務收取協定的佣金。

(h) 逾期費用

本集團會努力向借款人收取未清償欠款。逾期費用按個案基準產生。該等款項的可收回性通常具有很高的不確定性。逾期費用只有在實際欠款獲償還時才有可能收取，並於實際收取欠款現金時確認為收益。

2.27 銀行現金及銀行存款的利息收入

利息收入於有關收入將計入本集團時在計及剩餘未屆滿期限內的未結清本金及實際利率的情況下按時間比例基準確認。

2.28 政府補助

政府補助在可合理保證將收到補助及本集團將符合所有附帶條件時按公允價值確認。

與成本有關的政府補助遞延處理，在將補助與其擬補償成本相匹配所需的期間內於綜合全面(虧損)/收益表內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.29 Leases

As explained in Note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in Note 2.2.

The Group leases various offices. Rental contracts are typically made for fixed periods of 2 to 11 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, leases of property were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

2 重大會計政策概要 (續)

2.29 租賃

誠如上文附註2.2所述，本集團已變更其作為承租人的租賃會計政策。新政策於下文載述，而有關變動的影響載於附註2.2。

本集團租用多個辦公室。租賃合同一般按2至11年之固定期限訂立。租賃條款乃按個別基準磋商，並包含各種不同條款及條件。租賃協議並無施加任何契約，惟租賃資產不得用作借款的抵押品。

直至2018年財政年度，租賃物業分類為經營租賃。根據經營租賃作出的付款（扣除從出租人收到的任何獎勵）於租期內按直線基準在綜合全面收益表扣除。

自2019年1月1日起，租賃確認為使用權資產，並在租賃資產可供本集團使用之日確認相應負債。每筆租賃付款分配至負債及融資成本。融資成本於租期內自綜合全面收益表扣除，藉此制定各期間負債結餘的固定週期利率。使用權資產按資產可使用年期或租期（以較短者為準）以直線法折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.29 Leases (Cont'd)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

2 重大會計政策概要 (續)

2.29 租賃 (續)

租約產生的資產及負債在現值基礎上進行初始計量。租賃負債包括固定付款(包括實質固定付款)減任何應收租賃優惠的淨現值。

租賃付款採用租賃隱含的利率貼現。倘無法釐定該利率(即本集團租賃通常所屬的情況),則使用承租人的增量借款利率,即承租人在類似條款及條件的類似經濟環境中借入獲得類似價值資產所需資金所必須支付的利率。

為釐定增量借款利率,本集團採取以下措施:

- 在可能的情況下,採用個別承租人所收取的近期第三方融資作為起點,進行調整以反映自收取第三方融資以來融資狀況的變動;
- 並無近期第三方融資時,以無風險利率為初始值,對本集團持有租賃時的信用風險進行調整;及
- 對租賃作出特定調整,如年期、國家、貨幣及擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.29 Leases (Cont'd)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- restoration costs.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2 重大會計政策概要 (續)

2.29 租賃 (續)

使用權資產的成本計量包括以下各項：

- 租賃負債的初始計量金額；
- 於開始日期或之前所作的任何租賃付款減已收取的任何租賃優惠；及
- 復原成本。

與短期租賃及所有低價值資產租賃有關的付款按直線法於損益確認為開支。短期租賃指租賃期為12個月或以下的租賃。

來自本集團為出租人的經營租賃的租賃收入於租期內按直線法於收益內確認。取得經營租賃所產生的初始直接成本被加入相關資產的賬面值，並於租期內按與租期收入相同基準確認為開支。有關租賃資產根據其性質計入資產負債表。由於採納新訂租賃準則，本集團無須就作為出租人持有的資產的會計處理作出任何調整。



Notes to the Consolidated Financial Statements

綜合財務報表附註

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3.1 Measurement of the ECL allowance

The measurement of the ECL allowance for financial assets measured at amortized cost and is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- (i) *Determining criteria for significant increase in credit risk ("SICR");*
- The financial instrument considered to have experienced a SICR if the borrower is past due on its contractual payments.

3 關鍵會計估計及判斷

本集團作出有關未來的估計及假設。顧名思義，會計估計極少與相關實際結果相等。下文載列極有可能導致資產及負債的賬面值在下個財政年度作出重大調整的估計及假設。

3.1 計量預期信用損失撥備

計量按攤銷成本計量的金融資產的預期信用損失撥備，要求使用複雜模型以及對未來經濟狀況及信用行為（如客戶違約及引致虧損的可能性）的重大假設。

在應用計量預期信用損失的會計規定時，須作出多項重大判斷，如：

- (i) *確定信用風險大幅增加（「信用風險大幅增加」）的準則；*
- 若借款人就其合約付款逾期，金融工具被視為出現信用風險大幅增加。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

3.1 Measurement of the ECL allowance (Cont'd)

(ii) Choosing appropriate models and assumptions for the measurement of ECL:

- ECL is measured on either a 12-month (12M) or Lifetime basis depending on whether a SICR has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL are the discounted product of the Probability of Default ("PD"), Exposure at Default ("EAD"), and Loss Given Default ("LGD"), or $ECL = PD * LGD * EAD * DF$
- The calculation of PD and LGD started with the Group's historical information. They are further adjusted for the impacts from micro-economy conditions as well as observed industry experience. PD and LGD are calculated by type of products, internal risk grades and loan durations as appropriate.
- EAD is calculated based on the amounts the Group expected to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).
- The discounted rate (DF) used in the ECL calculation is the original effective interest rate or an approximation thereof.

3 關鍵會計估計及判斷 (續)

3.1 計量預期信用損失撥備 (續)

(ii) 選擇計量預期信用損失的合適模型及假設：

- 視乎自首次確認起是否發生信用風險大幅增加或資產是否被視為信用減值，預期信用損失按12個月(12M)或存續期基準計量。預期信用損失為違約可能性(「PD」)、違約風險(「EAD」)及違約損失率(「LGD」)的折算結果或 $ECL = PD * LGD * EAD * 貼現率(「DF」)$ 。
- 計算PD及LGD從本集團的歷史資料著手，並就微觀經濟狀況及依據行業經驗觀察的影響作出進一步調整。PD及LGD按產品類型、內部風險級別及貸款期限(如適用)計算。
- EAD按本集團於違約時預期未來12個月(12M EAD)或餘下存續期(存續期EAD)欠付的金額計算。
- 計算預期信用損失時所用的DF為原實際利率或其約數。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Cont'd)

3.1 Measurement of the ECL allowance (Cont'd)

(iii) Establishing the number and relative weighting of forward-looking scenarios for each type of product/market and the associated ECL; and

- The Group used the Morten Model to estimate the relationship between ECL and forward-looking scenarios.
- Based on economic statistics, three different prospective scenarios, namely the “base”, the “upside” and the “downside” are used with 80%, 10% and 10% weighting respectively.
- Other forward-looking considerations, such as the impact of any regulatory, legislative or political changes, have also been considered.
- The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL of each portfolio. The most significant assumptions used are PPI, given their impact they have on the loans facilitated or provided by the Group.

3.2 Revenue related to credit facilitation service and ongoing monthly service

The Group considers the credit facilitation services and ongoing monthly services as distinct performance obligations. However, the Group does not provide these services separately, and the third-party evidence of selling price does not exist either, as public information is not available regarding the amount of fees competitors charge for these services. As a result, the Group uses the expected-cost-plus-a-margin approach to determine its best estimate of selling prices of the different deliverables as the basis for allocation. When estimating the selling prices, the Group considers the cost related to such services, profit margin, customer demand, effect of competition, and other market factors, if applicable.

3 關鍵會計估計及判斷 (續)

3.1 計量預期信用損失撥備 (續)

(iii) 就各類產品／市場及相關預期信用損失設立前瞻性場景的數目及相關加權數；及

- 本集團使用莫頓模式(Morten Model)估計預期信用損失與前瞻性場景的關係。
- 根據經濟統計數據，三種不同前景的場景（即「基本」、「上揚」及「下跌」）分別採納80%、10%及10%的權重。
- 亦已進行其他前瞻性考量，如任何監管、法律或政策變動的影響。
- 本集團已執行歷史分析並識別出影響各種組合的信用風險及預期信用損失的主要經濟變量。所使用最重大的假設為生產者物價指數，此乃鑒於其對本集團所撮合或提供貸款的影響。

3.2 與信貸撮合服務及持續每月服務有關的收益

本集團將信貸撮合服務及持續每月服務視為多種可交付安排。然而，本集團不獨立提供該等服務，亦不存在第三方售價證明，因為並無有關我們的競爭對手就此類服務收費金額的公開資料。因此，本集團採用預計成本加成法釐定其對不同可交付安排的最佳售價估計，作為分配基準。估計售價時，本集團考慮與有關服務有關的成本、利潤率、客戶需求、競爭的影響及其他市場因素（如適用）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

3.3 Quality assurance fund payable and receivable

The quality assurance fund is a protection mechanism offered to individual and institutional investors who subscribe to the loans facilitated on the Group's platform. The quality assurance fund contribution rates are determined at loan inception on a loan by loan basis and does not subsequently change over the life of the loan. The determination of the contribution rates is also based on the estimated loss rate of the loans, taking into account the underlying risk profile and historical loss record and other market factors when necessary.

3.4 Recognition of share-based compensation expenses

The fair values of share options granted are measured on the respective grant dates based on the fair value of the underlying shares. In addition, the Group is required to estimate the expected percentage of grantees that will remain in employment with the Group or, where applicable, if the performance conditions for vesting will be met at the end of the vesting period. The Group only recognizes an expense for those share options and RSUs expected to vest over the vesting period during which the grantees become unconditionally entitled to these share-based awards. Changes in these estimates and assumptions could have a material effect on the determination of the fair value of the share options and RSUs and the amount of such share-based awards expected to become vested, which may in turn significantly impact the determination of the share-based compensation expenses.

The fair value of share options and RSUs at the time of grant is to be expensed over the vesting period of these share-based awards based on an accelerated graded attribution approach. Under the accelerated graded attribution approach, each vesting installment of a graded vesting award is treated as a separate share-based award, which means that each vesting installment will be separately measured and attributed to expense, resulting in accelerated recognition of share-based compensation expense.

3 關鍵會計估計及判斷 (續)

3.3 應付及應收質量保證金

質量保證金是向認購於本集團上撮合的貸款的個人及機構投資者提供的保障機制。質量保證金出資率於貸款訂立時按個別基準釐定，之後在貸款期限內維持不變。出資率的釐定亦基於貸款的估計損失率進行，當中計及相關風險概況及歷史虧損記錄及其他市場因素（如必要）。

3.4 確認以股份為基礎的薪酬開支

授出購股權的公允價值於各授出日期基於相關股份的公允價值計量。此外，本集團須估計將繼續受僱於本集團的承授人的預計百分比或（如適用）歸屬的表現條件在歸屬期結束時是否達成。本集團僅就預計將在承授人可無條件享有有關股份獎勵的歸屬期內歸屬的購股權及受限制股份單位確認一項開支。該等估計及假設的變動可能會對購股權及受限制股份單位的公允價值的釐定及預計將歸屬的股份獎勵的金額造成重大影響，進而可能對以股份為基礎的薪酬開支的釐定造成重大影響。

購股權及受限制股份單位於授出時的公允價值將按加速級差歸屬法在該等股份支付獎勵的歸屬期內列支。根據加速級差歸屬法，各級差歸屬獎勵的分期歸屬部分將被視為獨立的股份支付獎勵，即各分期歸屬部分將獨立計量及列支，導致加速確認以股份為基礎的薪酬開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Cont'd)

3.5 Income taxes

The Group is subject to income tax regulations under the PRC, HK, Cayman Islands and BVI. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determination is made.

In addition, a deferred income tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and the level of future taxable profits of the individual entities together with tax planning strategies.

3.6 Fair value of financial instruments

If the market for a financial instrument is not active, the Group estimates fair value by using a valuation technique. Valuation techniques include using recent prices in arm's length market transactions between knowledgeable and willing parties, if available, reference to the current fair value of another instrument that is substantially the same, or discounted cash flow analyses and option pricing models. To the extent practicable, valuation technique makes the maximum use of market inputs. However, where market inputs are not available, management needs to make estimates on such unobservable market inputs.

3 關鍵會計估計及判斷 (續)

3.5 所得稅

本集團須遵守中國、香港、開曼群島及英屬維爾京群島的所得稅法規。釐定全球所得稅撥備時須作出重大判斷。許多交易及計算難以明確釐定最終稅務。本集團根據會否需要繳納額外稅項的估計，確認對預期稅務審核事宜的責任。倘該等事宜的最終稅務結果與最初入賬金額有所不同，該等差額將影響稅務釐定年內的即期及遞延所得稅資產及負債。

此外，確認遞延所得稅資產時僅以可能有未來應課稅溢利可用於抵銷有關資產為限。管理層在釐定可予以確認的遞延稅項資產金額時，須根據個別實體未來應課稅溢利可能出現的時間及水平以及稅項規劃策略作出重大判斷。

3.6 金融工具的公允價值

倘某項金融工具的市場並不活躍，本集團會採用估值技巧估計公允價值。估值技巧包括採用最近知情自願交易方進行公平市場交易的價格（如有）、參考另一大致相同工具的現行公允價值或折現現金流量分析及期權定價模型。如實際可行，估值技巧會最大限度地使用市場輸入值。然而，如無法獲取市場值入值，則管理層需要就不可觀察市場輸入值作出估計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

4.1.1 Market Risk

(a) Foreign exchange risk

The transactions of the Company are denominated and settled in its functional currency, US\$. The Group's subsidiaries primarily operate in the PRC and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US\$ and HK\$. Therefore, foreign exchange risk primarily arose from cash and cash equivalents in the Group's PRC subsidiaries when receiving or to receive foreign currencies from overseas business partners.

The Group enters into foreign exchange contracts to cover specific foreign currency payments and receipts within the exposure generated.

4 金融風險管理

4.1 金融風險因素

本集團的活動令本集團承受多種金融風險，包括市場風險、信用風險及流動資金風險。本集團的整體風險管理計劃注重金融市場的不可預測性及尋求盡可能減小對本集團財務表現的潛在不利影響。風險管理由本集團的高級管理層承擔。

4.1.1 市場風險

(a) 外匯風險

本公司的交易以其功能貨幣美元計值及結算。本集團的附屬公司主要在中國經營，須承受持有各類貨幣帶來的外匯風險，主要與美元及港元有關。因此，外匯風險主要產生自本集團旗下收到或將收到海外業務夥伴外幣的中國附屬公司的現金及現金等價物。

本集團訂立外匯合約，涵蓋所涉及的特定外幣收支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.1 Market Risk (Cont'd)

(a) Foreign exchange risk (Cont'd)

For the Group's PRC subsidiaries whose functional currency is RMB, if US dollars had strengthened/weakened by 5% against RMB with all other variables held constant, the loss before income tax for the year ended 31 December 2019 would have been approximately RMB2,068,000 higher/lower as a result of net foreign exchange gains/(losses) on translation of net monetary liabilities denominated in US dollars, and the profit before income tax for the year ended 31 December 2018 would have been approximately RMB584,000 higher/lower as a result of net foreign exchange gains/(losses) on translation of net monetary assets denominated in US dollars.

For the Group's PRC subsidiaries whose functional currency is RMB, if Hong Kong dollars had strengthened/weakened by 5% against RMB with all other variables held constant, the loss before income tax for the year ended 31 December 2019 would have been approximately RMB17,000 lower/higher, and the profit before income tax for the year ended 31 December 2018 would have been approximately RMB5,708,000 higher/lower, as a result of net foreign exchange gains/(losses) on translation of net monetary assets denominated in Hong Kong dollars.

(b) Interest rate risk

The Group is exposed to interest rate risk primarily in relation to term deposits, loans to customers, net, long-term borrowings and short-term borrowings. The Group generally assumes borrowings to fund capital expenditures and working capital requirements. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.1 市場風險 (續)

(a) 外匯風險 (續)

就本集團旗下功能貨幣為人民幣的中國附屬公司而言，如美元兌人民幣升值／貶值5%，而所有其他變量維持不變，由於換算以美元計值的貨幣負債淨值產生的外匯收益／（虧損）淨額，截至2019年12月31日止年度的除所得稅前虧損將增加／減少約人民幣2,068,000元，由於換算以美元計值的貨幣資產淨值產生的外匯收益／（虧損）淨額，截至2018年12月31日止年度的除所得稅前溢利則增加／減少約人民幣584,000元。

就本集團旗下功能貨幣為人民幣的中國附屬公司而言，如港元兌人民幣升值／貶值5%，而所有其他變量維持不變，由於換算以港元計值的貨幣資產淨值產生的外匯收益／（虧損）淨額，截至2019年12月31日止年度的除所得稅前虧損將減少／增加約人民幣17,000元，截至2018年12月31日止年度的除所得稅前溢利則增加／減少約人民幣5,708,000元。

(b) 利率風險

本集團承受利率風險，主要與定期存款、客戶貸款淨額、長期借款及短期借款有關。本集團借款一般用於滿足資本支出及營運資金需求。本集團管理該風險的方式為維持適當的定息及浮息借款組合。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.1 Market Risk (Cont'd)

(b) Interest rate risk (Cont'd)

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this Note.

The sensitivity analysis below have been determined based on the exposure to interest rates for financial assets and financial liabilities at the end of the reporting year. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year.

A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher and all other variables were held constant, the Group's profit would approximately decrease by RMB1,884,000 for the years ended 31 December 2019 (2018: RMB2,229,000). This is mainly attributable to the Group's exposure to interest rates on loans to customers, net.

4.1.2 Credit risk

Credit risk is the risk of suffering financial loss, should any of the Group's customers, clients or market counterparties fail to fulfil their contractual obligations to the Group. Credit risk arises mainly from loan facilitation service.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.1 市場風險 (續)

(b) 利率風險 (續)


本集團承受的金融資產及金融負債利率風險在本附註流動資金風險管理部分詳述。

下列敏感度分析乃基於金融資產及金融負債於報告年末的利率風險釐定。就浮息負債而言，該分析乃假設於報告年末未清償負債金額在整個年度未清償而編製。

50個基點的升跌是管理層對利率合理可能變動的評估。如利率上升50個基點而所有其他變量維持不變，本集團截至2019年12月31日止年度的溢利將減少約人民幣1,884,000元（2018年：人民幣2,229,000元）。這主要是由於本集團承受客戶貸款淨額的利率風險。

4.1.2 信用風險

信用風險是一旦本集團有任何客戶、顧客或市場交易對手未能履行其對本集團的合約責任而蒙受財務損失的風險。信用風險主要來自信貸撮合服務。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(a) Credit risk measurement

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk using PD, EAD and LGD. This is similar to the approach used for the purposes of measuring ECL under IFRS 9. Refer to Note 4.1.2 (b) for more details.

(b) ECL measurement

IFRS 9 outlines a “three-stage” model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in “Stage 1” and has its credit risk continuously monitored by the Group.
- If a SICR since initial recognition is identified, the financial instrument is moved to “Stage 2” but is not yet deemed to be credit-impaired. Please refer to Note 4.1.2 (b) (i) for a description of how the Group determines when a SICR has occurred.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(a) 信用風險計量

基於風險管理目的的信用風險敞口估計比較複雜且需要使用模型，因為該敞口隨著市場條件、預期現金流量及時間推移的變動而發生變化。對資產組合的信用風險評估需要更多估計，如違約發生的可能性、相關損失率及對手方之間違約的相關性。本集團使用PD、EAD及LGD計量信用風險。這與國際財務報告準則第9號下計量預期信用損失所用的方法相似。進一步詳情參見附註4.1.2(b)。

(b) 預期信用損失計量

國際財務報告準則第9號規定了一個自初始確認之後信用質量發生「三階段」變化的減值模型，概述如下：

- 初始確認時未發生信用減值的金融工具分類為「第1階段」，且本集團對其信用風險進行持續監控。
- 如果識別出自初始確認後信用風險發生顯著增加，則金融工具被轉移至「第2階段」，但並未將其視為已發生信用減值。信用風險顯著增加時本集團的判斷標準，參見附註4.1.2(b)(i)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

- If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3". Please refer to Note 4.1.2 (b) (ii) for a description of how the Group defines credit-impaired and default.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on ECL on a lifetime basis. Please refer to Note 4.1.2 (b)(iii) for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. Note 4.1.2 (b) (iv) includes an explanation of how the Group has incorporated this in its ECL models.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

- 如果金融工具發生信用減值，則將被轉移至「第3階段」。本集團對違約及發生信用減值資產的定義，參見附註4.1.2(b)(ii)。
- 第1階段金融工具的虧損撥備為未來12個月的預期信用損失，該金額對應為存續期預期信用損失中由未來12個月內可能發生的違約事件導致的部分。第2階段或第3階段金融工具的預期信用損失計量存續期預期信用損失。預期信用損失計量中所使用的參數、假設及估計技術，參見附註4.1.2(b)(iii)。
- 根據國際財務報告準則第9號計量預期信用損失時應充分考慮前瞻性信息。關於本集團如何將前瞻性信息納入預期信用損失模型的說明，參見附註4.1.2(b)(iv)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

The following diagram summarises the impairment requirements under IFRS 9:

Change in credit quality since initial recognition 自初始確認起的信用品質的變化

Stage 1 第1階段	Stage 2 第2階段	Stage 3 第3階段
(Initial recognition) (初始確認)	(SICR since initial recognition) (自初始確認以來信用風險發生顯著增加)	(Credit-impaired assets) (信用減值資產)
12-month ECL 12個月預期信用損失	Lifetime ECL 存續期的預期信用損失	Lifetime ECL 存續期的預期信用損失

The key judgements and assumptions adopted by the Group in addressing the requirements of the standard are discussed below:

(i) SICR

The financial instrument considered to have experienced a SICR if the borrower is more than 1 day (inclusive) past due on its contractual payments. No qualitative criteria is considered by the Group since the Group monitor the risk of borrowers purely based overdue period.

The Group has not used the low credit risk exemption for any financial instruments in the year ended 31 December 2019.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

下圖概述國際財務報告準則第9號項下的減值規定：

Change in credit quality since initial recognition 自初始確認起的信用品質的變化

Stage 1 第1階段	Stage 2 第2階段	Stage 3 第3階段
(Initial recognition) (初始確認)	(SICR since initial recognition) (自初始確認以來信用風險發生顯著增加)	(Credit-impaired assets) (信用減值資產)
12-month ECL 12個月預期信用損失	Lifetime ECL 存續期的預期信用損失	Lifetime ECL 存續期的預期信用損失

在按照該準則計量預期信用損失時，本集團採用的關鍵判斷及假設如下：

(i) 信用風險顯著增加

如果借款人在合同付款日後逾期超過1天(包括1天)仍未付款，則視為該金融工具已經發生信用風險顯著增加。由於本集團純粹基於逾期期間監察借款人風險，故本集團並無考慮定性標準。

截至2019年12月31日止年度，本集團並未將任何金融工具視為具有較低信用風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(ii) Definition of default and credit-impaired assets

The Group defines a financial instruments as is in default, which is fully aligned with the definition of credit impaired if the borrower is more than 1 month (inclusive) past due on its contractual payments. Besides, fraudulent list is also considered by the Group for definition for default and credit-impaired assets.

The criteria above have been applied to loan to customers and financial guarantees held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout the Group's expected loss calculations.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(ii) 違約及已發生信用減值資產的定義

如果借款人在合同付款日後逾期超過1個月(包括1個月)仍未付款,則本集團將該金融資產界定為已發生違約,其標準與已發生信用減值的定義一致。此外,本集團亦會就違約及已發生信用減值資產的定義考慮欺詐訂單。

上述標準適用於本集團的客戶貸款及金融擔保,且與內部信用風險管理所採用的違約定義一致。違約定義已被一致地應用於本集團的預期信用損失計算過程中對PD、EAD及LGD的模型建立。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iii) *Measuring ECL – Explanation of inputs, assumptions and estimation techniques*

The ECL is measured on either a 12-month (12M) or Lifetime basis depending on whether a SICR has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL are the discounted product of the PD, EAD, and LGD, defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per “Definition of default and credit-impaired” above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iii) *計量預期信用損失—對參數、假設及估計技術的說明*

根據信用風險是否自初步確認起顯著增加以及資產是否被視為已發生信用減值，預期信用損失按12個月或存續期基準計量。預期信用損失是PD、EAD及LGD三者折現後的結果。相關定義如下：

- 違約概率是指借款人在未來12個月或在剩餘存續期，無法履行其償付義務的可能性（根據上文「違約及已發生信用減值資產的定義」）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iii) Measuring ECL – Explanation of inputs, assumptions and estimation techniques (Cont'd)

- LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default ("EAD"). LGD is calculated on a 12M or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12M and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.
- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iii) 計量預期信用損失—對參數、假設及估計技術的說明 (續)

- 違約損失率是指本集團對違約敞口發生損失程度作出的預期。根據交易對手的類型、追索的方式和優先順序，以及擔保品或其他信用支持的可獲得性不同，違約損失率也有所不同。違約損失率為違約發生時風險敞口損失的百分比，以12個月或存續期為基準進行計算。12個月違約損失率是指當未來12個月內發生違約時的損失率，存續期違約損失率是存續期內發生違約時的損失率。
- 違約風險敞口是指，在未來12個月或在剩餘存續期中，在違約發生時，本集團應獲償付的金額。例如，對於迴圈信貸協議，在違約發生時本集團已放款的貸款金額與合同限額內的預期提取金額之和視為違約風險敞口。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iii) *Measuring ECL – Explanation of inputs, assumptions and estimation techniques (Cont'd)*

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is developed by looking at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The PD profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iii) *計量預期信用損失—對參數、假設及估計技術的說明 (續)*

本集團通過預計未來各月份中單個敞口或資產組合的違約概率、違約損失率和違約風險敞口，來確定預期信用損失。本集團將這三者相乘並對其存續性進行調整（如並未提前還款或發生違約）。此舉可以有效地計算未來各月地預期信用損失。再將各月地計算結果折現至報告日並加總。預期信用損失計算中使用的貼現率為初始實際利率或概約初始實際利率。

存續期違約概率是基於貸款從初始確認到存續期結束的違約變化情況推演而成。組合的基礎是可觀察的歷史信息，並假定同一組合的資產及信用等級的情況相同。上述分析以歷史分析作為支持。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iii) Measuring ECL – Explanation of inputs, assumptions and estimation techniques (Cont'd)

For amortising products, this is based on the contractual repayments owed by the borrower over a 12M or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

The 12M and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

Forward-looking economic information is also included in determining the 12M and lifetime PD, EAD and LGD. These assumptions vary by product type. Refer to Note 4.1.2 (b) (iv) for an explanation of forward-looking information and its inclusion in ECL calculations.

There have been no significant changes in estimation techniques or significant assumptions made during the year ended 31 December 2019.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iii) 計量預期信用損失—對參數、假設及估計技術的說明 (續)

對於整分期還款，本集團根據合同約定的還款計劃確定12個月期間或存續期違約敞口，並對借款人作出的預期超額還款和提前還款／再融資進行調整。

本集團根據對影響違約後回收的因素來確定12個月及存續期的違約損失率。不同產品類型的違約損失率有所不同。

在確定12個月及存續期的違約概率、違約敞口及違約損失率時應考慮前瞻性經濟信息。此假設因產品類型的不同而有所不同。關於前瞻性信息以及如何將其納入預期信用損失計算的說明，參見附註4.1.2 (b) (iv)。

於截至2019年12月31日止年度，估計技術或關鍵假設未發生重大變化。

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綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iv) *Forward-looking information incorporated in the ECL models*

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. The Group applies expert judgment in the forecast of these economic variables to obtain the best estimate view of the economy over the next one year. After one year, to project the economic variables out for the full remaining lifetime of each instrument, a mean reversion approach has been used, which means that economic variables tend to be close to a long run average growth rate (e.g. Producer Price Index, Consumer Price Index) over a period of two to five years. The impact of these economic variables on the PD, EAD and LGD has been determined by performing Euclidean Distance analysis to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iv) *預期信用損失模型中包括的前瞻性信息*

信用風險顯著增加的評估及預期信用損失的計算均涉及前瞻性信息。本集團通過進行歷史分析，識別出影響各資產組合的信用風險及預期信用損失的關鍵技術指標。

該等經濟變量及其對違約概率、違約風險敞口及違約損失率之相關影響，視乎不同金融工具而有所不同。本集團應用專家判斷對該等經濟變量進行預測，以獲得未來一年經濟狀況之最佳估計。於一年後，中集財務採用均值回歸法估預測各金融工具剩餘存續期結束時之經濟變量，表示經濟變量在兩年至五年期間內，趨向於接近長期平均增長率（如生產者物價指數及消費者物價指數）。歐氏距離分析被用於釐定該等經濟變量對違約概率、違約風險敞口及違約損失率之影響，以了解該等變量過往對違約概率以及違約風險敞口及違約損失率組成部分之影響變化。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iv) Forward-looking information incorporated in the ECL models (Cont'd)

In addition to the base economic scenario, the Group also obtained other possible scenarios along with scenario weightings from external experts. The number of other scenarios used is set based on the analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are reassessed at each reporting date. At 1 January 2019 and 31 December 2019, the Group concluded that three scenarios appropriately captured non-linearities among all portfolios. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The assessment of SICR is performed using the Lifetime PD under each of the base, and the other scenarios, multiplied by the associated scenario weighting, along with qualitative and backstop indicators (see Note 4.1.2). This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded. Following this assessment, the Group measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iv) 預期信用損失模型中包括的前瞻性信息 (續)

除基本經濟情景外，本集團亦自外部專家獲得其他可能的情景及情景權重。其他所用情景之數量乃根據對每個主要產品類型之分析而設定，以確保覆蓋非線性特徵。情景之數量及其特徵乃於各報告日期按年重新評估。於2019年1月1日及2019年12月31日，本集團認為三個情景可適當地覆蓋非線性特徵。本集團考慮各所選情景所代表之可能結果範圍，結合統計分析及專家信貸判斷釐定情景權重。評估信用風險顯著增加時，使用各基礎及其他情景下之存續期違約概率，乘以相關情景權重以及定性及上限指標（見附註4.1.2）。此釐定整個金融工具乃處於第1階段、第2階段或第3階段，亦藉此釐定應記錄12個月或存續期預期信用損失。進行評估後，本集團以概率加權12個月預期信用損失（第1階段）或概率加權存續期預期信用損失（第2階段及第3階段）計量預期信用損失。該等概率加權預期信用損失乃按各情景下運行相關預期信用損失模型乘以相應情景權重釐定，而非對參數進行加權計算。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iv) *Forward-looking information incorporated in the ECL models (Cont'd)*

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iv) *預期信用損失模型中包括的瞻性信息 (續)*

與其他經濟預測類似，對預計值和發生可能性的估計具有的高度的固有不确定性，因此實際結果可能同預測存在重大差異。本集團認為這些預測體現了集團對可能結果的最佳估計，並分析了本集團不同組合的非線性及不對稱特徵，以確定所選擇的情景能夠適當地代表可能發生的情景。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iv) Forward-looking information incorporated in the ECL models (Cont'd)

Economic variable assumptions

The most significant year-end assumptions used for the ECL estimate as at 31 December 2019 and 1 January 2019 are set out below. The scenarios "base", "upside" and "downside" were used for all portfolios.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iv) 預期信用損失模型中包括的前瞻性信息 (續)

可變經濟假設

於2019年12月31日及2019年1月1日，用於估計年末信用損失的重要假設列示如下。「基準」、「上揚」及「下跌」這三種情景適用於所有組合。

		2020
Producer Price Index 生產者物價指數	Base 基準	100.04
	Upside 上揚	101.40
	Downside 下跌	98.35

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(b) ECL measurement (Cont'd)

(iv) Forward-looking information incorporated in the ECL models (Cont'd)

Economic variable assumptions (Cont'd)

The weightings assigned to each economic scenario at 31 December 2019 and 1 January 2019 were as follows:

		Base 基準	Upside 上揚	Downside 下跌
All portfolios	所有組合	80%	10%	10%

Sensitivity analysis

The most significant assumptions affecting the ECL allowance are as follows:

		2019 RMB'000 人民幣千元
Producer Price Index 生產者物價指數	-1%	34,937
	No change 無變動	-
	+1%	(34,198)

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(b) 預期信用損失計量 (續)

(iv) 預期信用損失模型中包括的前瞻性信息 (續)

可變經濟假設 (續)

於2019年12月31日及2019年1月1日，分配至各項經濟情景的權重如下：

敏感度分析

影響預期信用損失撥備的最重要假設如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(c) Credit risk exposure

Maximum exposure to credit risk

The following table contains an analysis of the credit risk exposure subject to impairment. The amount of financial assets and non-financial assets below also represents the Group's maximum exposure to credit risk.

Measurement category	計量類別	As at December 31 2019			As at December 2018		
		於2019年12月31日			於2018年12月31日		
		Gross carrying amount	Loss allowance	Carrying amount	Gross carrying amount	Loss allowance	Carrying amount
		賬面總值 RMB'000 人民幣千元	虧損撥備 RMB'000 人民幣千元	賬面值 RMB'000 人民幣千元	賬面總值 RMB'000 人民幣千元	虧損撥備 RMB'000 人民幣千元	賬面值 RMB'000 人民幣千元
Non-financial asset	非金融資產						
Contract assets	合約資產	1,173,480	(461,739)	711,741	1,370,529	(215,345)	1,155,184
Financial assets at amortized cost (IFRS 9)	按攤銷成本計量的金融資產(國際財務報告準則第9號)						
Cash and cash equivalents	現金及現金等價物	1,283,144	–	1,283,144	1,206,172	–	1,206,172
Trade receivables	貿易應收款項	172,023	(75,262)	96,761	149,913	(346)	149,567
Prepayments and other receivables	預付款項及其他應收款項	390,992	–	390,992	330,454	–	330,454

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(c) 信用風險敞口

最大信用風險敞口

下表對可能出現減值的金融工具的信用風險敞口進行了分析。下列金融資產及非金融資產的金額亦即本集團面臨的最大信用風險敞口。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(c) Credit risk exposure (Cont'd)

Maximum exposure to credit risk (Cont'd)

Measurement category	計量類別	As at December 31 2019			As at December 2018		
		於2019年12月31日			於2018年12月31日		
		Gross carrying amount	Loss allowance	Carrying amount	Gross carrying amount	Loss allowance	Carrying amount
		賬面總值 RMB'000 人民幣千元	虧損撥備 RMB'000 人民幣千元	賬面值 RMB'000 人民幣千元	賬面總值 RMB'000 人民幣千元	虧損撥備 RMB'000 人民幣千元	賬面值 RMB'000 人民幣千元
Loans to customers	客戶貸款	302,213	(281,474)	20,739	381,072	(195,776)	185,296
Stage 1	第1階段	15,653	(667)	14,986	177,340	(1,256)	176,084
Stage 2	第2階段	1,238	(413)	825	2,023	(807)	1,216
Stage 3	第3階段	285,322	(280,394)	4,928	201,709	(193,713)	7,996
Financial guarantee contracts	財務擔保合約						
– Quality assurance fund receivable	– 應收質量保證金	1,333,252	(766,451)	566,801	1,291,203	(479,125)	812,078
Stage 1	第1階段	545,607	(49,449)	496,158	769,171	(40,287)	728,884
Stage 2	第2階段	104,860	(49,749)	55,111	84,407	(36,927)	47,480
Stage 3	第3階段	682,785	(667,253)	15,532	437,625	(401,911)	35,714
Term deposits	定期存款	–	–	–	6,000	–	6,000
		4,655,104	(1,584,926)	3,070,178	4,735,343	(890,592)	3,844,751

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(c) 信用風險敞口 (續)

最大信用風險敞口 (續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.2 Credit risk (Cont'd)

(c) Credit risk exposure (Cont'd)

Maximum exposure to credit risk (Cont'd)

The following table contains an analysis of the maximum credit risk exposure from financial guarantee contracts (i.e. quality assurance fund payable):

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial guarantee contracts – quality assurance fund payable	財務擔保合約 – 應付質量保證金	1,559,495	1,524,621
Stage 1	第1階段	558,586	866,523
Stage 2	第2階段	7,043	77,436
Stage 3	第3階段	993,866	580,662

4.1.3 Liquidity risk

The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.2 信用風險 (續)

(c) 信用風險敞口 (續)

最大信用風險敞口 (續)

下表載列財務擔保合約 (即應付質量保證金) 的最大信用風險敞口分析:

4.1.3 流動資金風險

本集團通過維持足夠現金儲備、銀行融資及儲備借款融資，持續監察預測及實際現金流量及匹配金融資產及負債的屆滿期限管理流動資金風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.3 Liquidity risk (Cont'd)

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on 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 flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the year. The contractual maturity is based on the earliest date on which the Group may be required to pay.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.3 流動資金風險 (續)

下列表格詳述本集團設有協定還款期限的金融負債的剩餘合約屆滿期限。有關表格乃基於金融負債的未折現現金流量按本集團可能被要求付款的最早日期編製。有關表格載有利息及本金現金流量。倘利息流量為浮動利率，未折現金額乃基於年末的利率曲線推算。合約屆滿期限乃基於本集團可能被要求付款的最早日期釐定。

		As at 31 December 2019 於2019年12月31日			
		Less than 1 year 不足1年 RMB'000 人民幣千元	Between 1 – 5 years 1至5年 RMB'000 人民幣千元	Over 5 years 超過5年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Long-term borrowings	長期借款	9,257	156,725	5,543	171,525
Payable to trust senior tranche holders	應付信託優先級 持有人款項	21,617	–	–	21,617
Quality assurance fund payable	應付質量保證金	1,559,495	–	–	1,559,495
Payable to platform customers	應付平台客戶款項	707,842	–	–	707,842
Short-term borrowings	短期借款	19,821	–	–	19,821
Trade payables	貿易應付款項	27,468	–	–	27,468
Other financial liabilities	其他金融負債	315,408	–	–	315,408
		2,660,908	156,725	5,543	2,823,176

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.3 Liquidity risk (Cont'd)

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.3 流動資金風險 (續)

		As at 31 December 2018			
		於2018年12月31日			
		Less than 1 year	Between 1 – 5 years	Over 5 years	Total
		不足1年	1-5年	5年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Long-term borrowings	長期借款	36,651	453,985	13,857	504,493
Payable to trust senior tranche holders	應付信託優先級 持有人款項	44,655	205,228	–	249,883
Quality assurance fund payable	應付質量保證金	1,524,621	–	–	1,524,621
Payable to platform customers	應付平台客戶款項	744,783	–	–	744,783
Short-term borrowings	短期借款	192,667	–	–	192,667
Trade payables	貿易應付款項	30,197	–	–	30,197
Other financial liabilities	其他金融負債	459,431	–	–	459,431
		3,033,005	659,213	13,857	3,706,075

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.3 Liquidity risk (Cont'd)

The following table details the Group's expected maturity for its financial assets. The tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.3 流動資金風險 (續)

下表詳述本集團金融資產的預計屆滿期限。有關表格乃基於金融資產的未折現合約屆滿期限編製，包括該等資產將賺取的利息。載入金融資產的資料有助於理解本集團對流動資金風險的管理，因為流動資金是按資產及負債淨額基準管理。

		As at 31 December 2019 於2019年12月31日		
		Less than 1 year 不足1年 RMB'000 人民幣千元	Over 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets at FVPL	按公允價值計入損益的 金融資產	–	153,318	153,318
Quality assurance fund receivable	應收質量保證金	566,801	–	566,801
Contract assets	合約資產	711,741	–	711,741
Trade receivables	貿易應收款項	96,761	–	96,761
Loans to customers, net	客戶貸款淨額	20,739	–	20,739
Restricted cash	受限制現金	810,302	–	810,302
Cash and cash equivalents	現金及現金等價物	1,283,144	–	1,283,144
Other financial assets	其他金融資產	370,710	–	370,710
		3,860,198	153,318	4,013,516

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.1 Financial risk factors (Cont'd)

4.1.3 Liquidity risk (Cont'd)

4 金融風險管理 (續)

4.1 金融風險因素 (續)

4.1.3 流動資金風險 (續)

		As at 31 December 2018 於2018年12月31日		
		Less than 1 year 不足1年 RMB'000 人民幣千元	Over 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets at FVPL	按公允價值計入損益的 金融資產	573,221	425,026	998,247
Quality assurance fund receivable	應收質量保證金	812,078	–	812,078
Contract assets	合約資產	1,155,184	–	1,155,184
Trade receivables	貿易應收款項	149,567	–	149,567
Loans to customers, net	客戶貸款淨額	185,296	–	185,296
Restricted cash	受限制現金	1,056,788	–	1,056,788
Cash and cash equivalents	現金及現金等價物	1,206,172	–	1,206,172
Other financial assets	其他金融資產	277,720	–	277,720
		5,416,026	425,026	5,841,052

The amounts included above for variable interest rate instruments for both financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting year.

倘可變利率的變動有別於在報告年度末釐定的利率估計，上文所列有關金融資產及負債可變利率工具的金額可能會有變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.2 Capital risk management

The Group's objectives when managing capital 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 and to maintain an optimal capital structure to enhance shareholders' value in the long-term.

The Group monitors capital (including share capital, capital reserves and preferred shares on an as-if-converted basis) by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group's capital risk is low.

4.3 Fair value estimation

The Group has adopted IFRS 13 in respect of disclosures about the degree of reliability of fair value measurements. The Group classifies, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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.

4 金融風險管理 (續)

4.2 資本風險管理

本集團管理資本的目標是保障本集團持續經營的能力，以向股東提供回報及令其他權益持有人獲益，以及維持最優資本架構以提升股東的長期價值。

本集團通過定期審視資本架構的方式監察資本，包括股本、資本儲備及優先股（按猶如獲轉換基準）。作為該審視的一部分，本集團會考慮資本成本及與已發行股本有關的風險。本集團可調整向股東派息的金額、向股東退還資本、發行新股或購回本公司股份。本公司董事認為，本集團的資本風險較低。

4.3 公允價值估計

本集團已就有關公允價值計量可靠程度的披露採納國際財務報告準則第13號。本集團為披露目的採用公允價值層級對公允價值計量進行分類，有關層級反映進行計量時所用輸入值的重要性。公允價值層級有以下層級：

- 第一層輸入值為實體於計量日期可取得的相同資產或負債於活躍市場的報價（未經調整）；
- 第二層輸入值為可直接或間接就該資產或負債觀察所得的輸入值（第一層級所述的報價除外）；及
- 第三層輸入值為無法就該資產或負債觀察得來的輸入值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.3 Fair value estimation (Cont'd)

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the management. Management consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

As at 31 December 2019, the Group's financial assets and liabilities, including quality assurance fund receivable, trade receivables, other receivables, loans to customers, net, trade payables, other payables and other current liabilities are recognized according to the amortized cost. Based on the estimate of the management, the carrying value of these financial assets and liabilities are approximate to their fair value because most of the financial assets and financial liabilities are within one year. Financial assets at FVPL and financial liabilities at FVPL are measured at fair value.

4 金融風險管理 (續)

4.3 公允價值估計 (續)

公允價值計量整體被歸入的公允價值層級應基於對公允價值計量整體而言具重要性的最低層次輸入值釐定。就此而言，某項輸入值的重要性乃就整體公允價值計量進行評估。倘某項公允價值計量採用需要根據不可觀察輸入值作出重大調整的可觀察輸入值，該計量屬第三層計量。評估特定輸入值對整體公允價值計量的重要性時，需要作出判斷、考慮該資產或負債的特定因素。

釐定什麼構成「可觀察」輸入值時，需要管理層作出重大判斷。管理層認為，可觀察數據是現成、定期發佈或更新、可靠及可核實、非專有且由積極參與相關市場的獨立資料來源提供的市場數據。

於2019年12月31日，本集團的金融資產及負債，包括應收質量保證金、貿易應收款項、其他應收款項、客戶貸款淨額、貿易應付款項、其他應付款項及其他流動負債，乃按攤銷成本確認。基於管理層的估計，該等金融資產及負債的賬面值與其公允價值相若，因為大部分金融資產及負債的期限為一年內。按公允價值計入損益的金融資產及按公允價值計入損益的金融負債乃按公允價值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.3 Fair value estimation (Cont'd)

The following table presents the Group's assets and liabilities that are measured at fair value as at 31 December 2019 and 2018:

		As at 31 December 2019 於2019年12月31日			
	Valuation techniques and key input 估值技術及主要參數	Level 1	Level 2	Level 3	Total
		第一級 RMB'000 人民幣千元	第二級 RMB'000 人民幣千元	第三級 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Assets					
資產					
Financial assets at FVPL – investments	Discounted cash flow. Future cash flows are estimated based on key assumptions including perpetual growth rate, inflation rate, weighted average cost of capital and liquidity discount.	–	–	138,273	138,273
按公允價值計入損益的 金融資產－投資	貼現現金流量。未來現金流量基於永續增長率、通脹率、加權平均資本成本及流動性折價等主要假設進行估計。				
Financial assets at FVPL – trust	Discounted cash flow. The valuation techniques mainly include risk-free interest rates, benchmark interest rates etc.	–	–	15,045	15,045
按公允價值計入損益的 金融資產－信託	貼現現金流量。估值技術主要包括無風險利率、基準利率等。				

4 金融風險管理 (續)

4.3 公允價值估計 (續)

下表呈列本集團於2019年及2018年12月31日按公允價值計量的資產及負債：

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.3 Fair value estimation (Cont'd)

4 金融風險管理 (續)

4.3 公允價值估計 (續)

		As at 31 December 2019 於2019年12月31日			
Valuation techniques and key input 估值技術及主要參數		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Liabilities					
負債					
Financial liabilities at FVPL 按公允價值計入損益的 金融負債	Market stock price. 市場股價。	24,370	–	–	24,370

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.3 Fair value estimation (Cont'd)

The following table presents the changes in level 3 asset instruments for the years ended 31 December 2019 and 2018:

4 金融風險管理 (續)

4.3 公允價值估計 (續)

下表呈列截至2019年及2018年12月31日止年度第三級資產工具的變動：

		As at 31 December 2018 於2018年12月31日			
	Valuation techniques and key input 估值技術及主要參數	Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets					
資產					
Financial assets at FVPL – investments	Discounted cash flow. Future cash flows are estimated based on key assumptions including perpetual growth rate, inflation rate, weighted average cost of capital and liquidity discount.	–	–	425,026	425,026
按公允價值計入損益的 金融資產 – 投資	貼現現金流量。未來現金流量基於永續增長率、通脹率、加權平均資本成本及流動性折價等主要假設進行估計。				
Financial assets at FVPL – wealth management products	Bank quoted expected return.	–	568,959	–	568,959
按公允價值計入損益的 金融資產 – 理財產品	銀行提供預期回報。				
Financial assets at FVPL – derivative financial assets	Foreign exchange contracts.	–	4,262	–	4,262
按公允價值計入損益的 金融資產 – 衍生金融資產	外匯合約。				

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Cont'd)

4.3 Fair value estimation (Cont'd)

4 金融風險管理 (續)

4.3 公允價值估計 (續)

		As at 31 December 2018 於2018年12月31日			
Valuation techniques and key input 估值技術及主要參數	Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
Liabilities					
負債					
Financial liabilities at FVPL 按公允價值計入損益的 金融負債	Market stock price. 市場股價。	70,529	–	–	70,529

The following table presents the changes in level 3 asset instruments for the years ended 31 December 2019 and 2018:

下表呈列截至2019年及2018年12月31日止年度第三級資產工具的變動：

		Year ended 31 December 截至12月31日止年度	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
At the beginning of the year	於年初	425,026	425,093
Addition	添置	55,790	30,000
Fair value losses	公允價值損失	(46,487)	(16,389)
Disposals	出售	(281,011)	(13,678)
At the end of the year	於年末	153,318	425,026

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 CREDIT FACILITATION AND SERVICE FEE

5 信貸撮合及服務費

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Upfront credit facilitation service fee	前期信貸撮合服務費	740,271	1,414,185
Post credit facilitation service fee	後期信貸撮合服務費	432,811	641,346
		1,173,082	2,055,531

Note: The unsatisfied performance obligation as at 31 December 2019 was approximately RMB137,359,000. Management expects that 99% of the transaction price allocated to the unsatisfied contracts as at 31 December 2019 will be recognized as revenue within the next twelve months.

附註：於2019年12月31日未完成履約責任約為人民幣137,359,000元。管理層預期分配至於2019年12月31日未履行合約的交易價的99%將於未來十二個月內確認為收益。

6 OTHER REVENUE

6 其他收益

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Payment service fee	支付服務費	267,326	75,438
Insurance commission income	保險佣金收入	47,700	30,656
Interest income of loans to customers	向客戶貸款的利息收入	27,518	91,107
Overdue charges	逾期費用	15,472	45,098
Others	其他	72,888	55,427
		430,904	297,726

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors of the Company who reviews consolidated results of the Group when making decisions about resources allocation and assessing the performance of the Group. The executive directors consider that the Group operates in one business segment and the measurement of segment result is based on "Operating (loss)/profit" as presented in the consolidated statement of comprehensive (loss)/income.

The majority of the Group's activities are carried out in mainland China during the years presented and the majority of the Group's assets and liabilities are located in mainland China. Accordingly, no analysis by geographical basis for the years are presented.

The Group has a large number of customers, no revenue from any individual customer exceeded 10% or more of the Group's revenue during the year ended 31 December 2019 and 2018.

The Group's non-current assets other than financial instruments were located in the PRC as at 31 December 2019 and 2018.

7 分部資料

主要經營決策者被確定為本公司的執行董事，其在作出有關資源分配的決策及評估本集團表現時審閱本集團的綜合業績。執行董事認為本集團經營一個業務分部及分部業績計量乃基於綜合全面（虧損）／收益表所呈列的「經營（虧損）／溢利」。

於呈報年度內，本集團的大部分活動於中國內地開展及本集團的大部分資產及負債位於中國內地。因此，於呈報年度內概無呈列按地區劃分的分析。

本集團擁有大量客戶，於截至2019年及2018年12月31日止年度，概無來自任何單個客戶的收益超過本集團收益的10%或以上。

於2019年及2018年12月31日，本集團除金融工具外的非流動資產均位於中國。

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 EXPENSES BY NATURE

8 按性質劃分的開支

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Employee benefit expenses (Note 9)	僱員福利開支(附註9)	508,756	766,083
Marketing and advertising fees	營銷及廣告費	439,754	592,382
Fund transfer charges	資金轉賬費用	327,194	194,040
External technical service fees	外部技術服務費	252,902	238,059
Depreciation and amortization	折舊及攤銷	94,081	66,433
Referral service expense	介紹服務開支	40,591	48,126
Professional service fees	專業服務費	38,012	26,682
Insurance commissions	保險佣金開支	30,925	27,339
Office expenses	辦公開支	19,988	26,752
Office rental	辦公室租金	5,422	19,189
Listing expenses	上市開支	–	37,275
Others	其他	53,583	74,064
Total origination and servicing expenses, sales and marketing expenses, general and administrative expenses and research and development expenses	辦理及服務開支、銷售及營銷開支、一般及行政開支及研發開支的總和	1,811,208	2,116,424

Note: Incremental costs to obtain arrangements where the Group is not the loan originator are generally expensed off when incurred, because the amortization periods of these incremental costs are one year or less. These costs are recorded as sales and marketing expenses.

附註：由於增量成本的攤銷期為一年或以下，為取得本集團並非貸款發放者的安排的增量成本一般於發生時支銷。該等成本被列賬為銷售及營銷開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 EMPLOYEE BENEFIT EXPENSES

9 僱員福利開支

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	283,298	423,819
Pension costs — defined contribution plans	退休金成本—界定供款計劃	27,064	34,214
Other social security costs, housing benefits and other employee benefits	其他社保成本、住房福利及其他僱員福利	67,841	103,130
Share-based compensation expenses (Note 31)	以股份為基礎的薪酬開支(附註31)	130,553	204,920
		508,756	766,083

Note: Majority of the Group's contributions to pension plans are related to the local employees in the PRC. All local employees of the subsidiaries in the PRC participate in employee social security plans established in the PRC, which cover pension, medical and other welfare benefits. According to the relevant regulations, the portion of premium and welfare benefit contributions that should be borne by the companies within the Group as required by the above social security plans are principally determined based on percentages of the basic salaries of employees. The applicable percentages used to provide for these social security plans for the years ended 31 December 2019 and 2018 are listed below:

附註：本集團的大部分退休金供款與中國當地僱員相關。中國附屬公司的所有當地僱員均參與中國的僱員社會保障計劃，包括退休金、醫療及其他福利。根據有關規則，上述社會保障計劃所規定的本集團轄下公司須承擔的保費及福利供款，主要按僱員基本薪金百分比釐定。截至2019年及2018年12月31日止年度有關社保計劃的適用百分比載列如下：

		Percentage-2019	Percentage-2018
		百分比—2019年	百分比—2018年
Pension insurance	退休保險	14.0~20.0%	14.0~20.0%
Medical insurance	醫療保險	5.7-11.7%	5.2~10.0%
Unemployment insurance	失業保險	0.5~0.8%	0.5~0.8%
Housing fund	住房基金	12.0%	12.0%

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 EMPLOYEE BENEFIT EXPENSES (Cont'd)

(a) Senior management's remuneration

Senior management includes directors and other senior executives. The aggregate compensation paid/payable to senior management for employee services excluding the directors, whose details have been reflected in Note 10, is as follows:

9 僱員福利開支 (續)

(a) 高級管理人員的酬金

高級管理人員包括董事及其他高級行政人員。就僱員服務而已付／應付予高級管理人員（不包括詳情已反映於附註10的董事）的總薪酬如下：

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries	薪金	2,965	4,279
Discretionary bonus	酌情花紅	482	1,266
Pension costs-defined contribution plan	退休金成本-界定供款計劃	142	257
Other social security costs, housing benefits and other employee benefits	其他社保成本、住房福利及其他僱員福利	248	416
Share-based compensation expenses	以股份為基礎的薪酬開支	32,866	84,509
		36,703	90,727

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 EMPLOYEE BENEFIT EXPENSES (Cont'd)

(a) Senior management's remuneration (Cont'd)

The emoluments of the senior management fell within the following bands:

9 僱員福利開支 (續)

(a) 高級管理人員的酬金 (續)

高級管理人員的薪酬介乎以下範圍：

		Number of individuals	
		人數	
		2019	2018
HK\$nil to HK\$1,000,000	零港元至1,000,000港元	—	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	—	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	—
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	—	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	—	—
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	—	—
HK\$3,500,001 to HK\$5,000,000	3,500,001港元至5,000,000港元	—	—
HK\$5,000,001 to HK\$5,500,000	5,000,001港元至5,500,000港元	1	1
HK\$5,500,001 to HK\$7,500,000	5,500,001港元至7,500,000港元	1	—
HK\$7,500,001 to HK\$8,000,000	7,500,001港元至8,000,000港元	—	1
HK\$8,000,001 to HK\$8,500,000	8,000,001港元至8,500,000港元	—	—
HK\$8,500,001 to HK\$9,000,000	8,500,001港元至9,000,000港元	—	1
HK\$9,000,001 to HK\$14,000,000	9,000,001港元至14,000,000港元	1	—
HK\$14,000,001 to HK\$14,500,000	14,000,001港元至14,500,000港元	—	1
HK\$14,500,001 to HK\$20,000,000	14,500,001港元至20,000,000港元	—	—
HK\$20,000,001 to HK\$20,500,000	20,000,001港元至20,500,000港元	—	1
HK\$20,500,001 to HK\$24,500,000	20,500,001港元至24,500,000港元	1	—
HK\$24,500,001 to HK\$25,000,000	24,500,001港元至25,000,000港元	—	1
HK\$25,000,001 to HK\$26,000,000	25,000,001港元至26,000,000港元	—	—
HK\$26,000,001 to HK\$26,500,000	26,000,001港元至26,500,000港元	—	1
		5	7

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 DIRECTORS' REMUNERATION

The remuneration of every director of the Company for the year ended 31 December 2019 is set out as follows:

10 董事薪酬

截至2019年12月31日止年度本公司每名董事的薪酬載列如下：

	Director's fee	Salaries	Discretionary bonus	Pension contribution plan	Other social security costs, housing benefits and other employee benefits	Share-based compensation expenses	Total
	董事袍金	薪金	酌情花紅	退休金成本—界定供款計劃	其他 社保成本、 住房福利 及其他 僱員福利	以股份 為基礎的 薪酬開支	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Sun Haitao (a)	孫海濤(a)	–	557	203	27	60	53,053
Yang Yuzhi (b)	楊宇智(b)	–	448	76	27	60	18,845
Zhao Ke (b)	趙軻(b)	–	461	224	27	60	23,527
Non-executive director	非執行董事						
Zou Yunli (b)	鄒雲麗(b)	–	–	–	–	–	–
Independent non-executive directors	獨立非執行董事						
Wong Ti (c)	汪楦(c)	282	–	–	–	–	282
Wang Zhaocheng (c)	王朝成(c)	108	–	–	–	–	108
Ye Xiang (c)	葉翔(c)	247	–	–	–	–	247
Yang Dong (d)	楊東(d)	140	–	–	–	–	140
		777	1,466	503	81	180	96,202

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 DIRECTORS' REMUNERATION (Cont'd)

The remuneration of every director of the Company for the year ended 31 December 2018 is set out as follows:

10 董事薪酬 (續)

截至2018年12月31日止年度本公司每名董事的薪酬載列如下：

	Director's fee	Salaries	Discretionary bonus	Pension contribution plan	Other social security costs, housing benefits and other employee benefits	Share-based compensation expenses	Total
	董事袍金	薪金	酌情花紅	退休金成本—界定供款計劃	其他 社保成本、 住房福利 及其他 僱員福利	以股份 為基礎的 薪酬開支	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Sun Haitao (a)	–	545	226	26	56	37,554	38,407
Yang Yuzhi (b)	–	431	144	26	56	23,863	24,520
Zhao Ke (b)	–	545	251	26	56	21,359	22,237
Non-executive director	非執行董事						
Zou Yunli (b)	–	–	–	–	–	–	–
Independent non-executive directors	獨立非執行董事						
Wong Ti (c)	128	–	–	–	–	–	128
Wang Zhaocheng (c)	104	–	–	–	–	–	104
Ye Xiang (c)	104	–	–	–	–	–	104
	336	1,521	621	78	168	82,776	85,500

Notes:

- (a) Appointed as director of the Company in September 2017;
- (b) Appointed as director of the Company in November 2017;
- (c) Appointed as director of the Company in February 2018, and Mr. Wang Zhaocheng resigned in June 2019;
- (d) Appointed as director of the Company in June 2019;
- (e) Except for Zou Yunli, no director waived or has agreed to waive any remuneration during the year ended 31 December 2019. No Director waived or has agreed to waive any remuneration during the year ended 31 December 2018.
- (f) As at 31 December 2019, there were no loans, quasi-loans and other dealing arrangements in favour of the Directors, controlled bodies corporate and controlled entities with such Directors.

附註：

- (a) 於2017年9月獲委任為本公司董事；
- (b) 於2017年11月獲委任為本公司董事；
- (c) 於2018年2月獲委任為本公司董事；及王朝成先生於2019年6月辭任；
- (d) 於2019年6月獲委任為本公司董事；
- (e) 除鄒雲麗外，截至2019年12月31日止年度，概無董事放棄或同意放棄任何薪酬。截至2018年12月31日止年度，概無董事放棄或同意放棄任何薪酬。
- (f) 於2019年12月31日，概無以董事、董事的受控制法團及受控制實體為受益人的貸款、準貸款及其他交易安排。

Notes to the Consolidated Financial Statements

綜合財務報表附註

II FIVE HIGHEST PAID INDIVIDUALS

The five individuals whose emoluments were the highest in the Group for each of the year ended 31 December 2019 include 3 (2018: 3) directors whose emoluments are reflected in the analysis shown in Note 10. The emoluments payable to the remaining 2 individuals for the year ended 31 December 2019 (2018: 2) are as follows:

II 五名最高薪酬人士

截至2019年12月31日止年度，本集團五名最高薪酬人士包括3名董事（2018年：3名），其薪酬反映在附註10所示的分析。截至2019年12月31日止年度，應付餘下2名人士（2018年：2名）的薪酬如下：

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries	薪金	967	1,269
Discretionary bonus	酌情花紅	140	343
Pension costs — defined contribution plan	退休金成本—界定供款計劃	67	100
Other social security costs, housing benefits and other employee benefits	其他社保成本、住房福利及其他僱員福利	91	123
Share-based compensation expenses	以股份為基礎的薪酬開支	26,905	41,084
		28,170	42,919

The emoluments fell within the following bands:

薪酬介乎以下範圍：

		Number of individuals	
		僱員人數	
		2019	2018
HK\$ nil to HK\$1,000,000	零港元至1,000,000港元	—	—
HK\$1,000,001 to HK\$2,500,000	1,000,001港元至2,500,000港元	1	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	—	—
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	—	—
HK\$3,500,001 to HK\$21,500,000	3,500,001港元至21,500,000港元	—	—
HK\$21,500,001 to HK\$22,500,000	21,500,001港元至22,500,000港元	1	—
HK\$22,500,001 to HK\$24,500,000	22,500,001港元至24,500,000港元	—	—
HK\$24,500,001 to HK\$25,000,000	24,500,001港元至25,000,000港元	—	1
HK\$25,000,001 to HK\$25,500,000	25,000,001港元至25,500,000港元	—	—
HK\$25,500,001 to HK\$26,000,000	25,500,001港元至26,000,000港元	—	—
HK\$26,000,001 to HK\$26,500,000	26,000,001港元至26,500,000港元	—	1
		2	2

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 OTHER LOSSES, NET

12 其他虧損淨額

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Fair value loss on financial assets at FVPL	按公允價值計入損益的金融資產的公允價值虧損	(137,303)	(3,911)
Dividend income from an investee	來自被投資公司的股息收入	16,103	11,083
Fair value (loss)/gain on foreign exchange contracts	外匯合約的公允價值(虧損)/收益	(2,154)	4,262
Quality assurance fund loss, net (Note 23)	質量保證金虧損淨額(附註23)	(858,457)	(345,854)
Government grants (a)	政府補助(a)	21,113	6,705
Interest expenses to trust senior tranche holders (Note 26)	信託優先級持有人的利息開支(附註26)	(8,946)	(44,640)
ECL for financial assets other than quality assurance fund receivable/payable (b)	除應收/應付質量保證金以外的金融資產的預期信用損失(b)	(407,008)	(258,375)
Impairment loss (c)	減值損失(c)	(184,652)	–
Others	其他	1,823	791
		(1,559,481)	(629,939)

(a) Government grants represented various subsidies granted by the government authorities which are not asset related to the Group.

(a) 政府補助指由政府機關授予的多項補貼，其與本集團的資產無關。

(b) The composition of ECL provided for the years ended 31 December 2019 and 2018 is as follows:

(b) 截至2019年及2018年12月31日止年度，預期信用損失撥備組成如下：

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Contract assets (Note 24)	合約資產(附註24)	(246,394)	(212,636)
Loans to customers, net (Note 26)	客戶貸款淨額(附註26)	(85,698)	(45,469)
Trade receivables (Note 25)	貿易應收款項(附註25)	(74,916)	(270)
		(407,008)	(258,375)

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 OTHER LOSSES, NET (Cont'd)

(c) The composition of impairment loss provided for the years ended 31 December 2019 and 2018 is as follows:

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Goodwill impairment (Note 18)	商譽減值(附註18)	(145,788)	–
Impairment on investments accounted for using equity method (Note 19)	使用權益法入賬的投資減值(附註19)	(38,864)	–
		(184,652)	–

12 其他虧損淨額(續)

(c) 截至2019年及2018年12月31日止年度，減值虧損撥備組成如下：

13 FINANCE EXPENSES, NET

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Finance income	財務收入		
Interest income on bank deposits	銀行存款利息收入	(35,202)	(24,054)
Exchange gains, net	匯兌收益淨額	–	(2,842)
		(35,202)	(26,896)
<i>Finance expenses</i>	<i>財務開支</i>		
Interest and finance charges paid/payable for financial liabilities not at FVPL	就非按公允價值計入損益的金融負債已付／應付的利息及財務費用	36,626	51,270
Exchange losses, net	匯兌虧損淨額	3,590	–
		40,216	51,270
Finance expenses, net	財務開支淨額	5,014	24,374

13 財務開支淨額

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 INCOME TAX CREDIT

14 所得稅抵免

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current income tax	即期所得稅	10,092	21,185
Deferred income tax	遞延所得稅	(186,454)	(109,328)
		(176,362)	(88,143)

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to (loss)/profit of the consolidated entities as follows:

本集團除所得稅前(虧損)/溢利的稅項不同於利用合併實體(虧損)/溢利適用的法定稅率計算將產生的理論金額，如下文所示：

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(Loss)/profit before income tax:	除所得稅前(虧損)/溢利：	(1,287,405)	2,080,624
Tax calculated at PRC statutory income tax rate of 25%	按中國法定所得稅稅率25%計算的稅項	(321,851)	520,156
Tax effects of:	以下各項的稅務影響：		
Preferential income tax rates applicable to subsidiaries	附屬公司適用的優惠所得稅稅率	140,966	(19,240)
Effects from change of tax rates	稅率變動的影響	(1,612)	(4,254)
Effect from fair value change of preferred shares	優先股公允價值變動的影響	–	(485,555)
Unrecognized deductible temporary differences and other permanent differences	未確認可扣減暫時性差額及其他永久性差額	42,963	(18,672)
Research and development tax credit	研究與開發稅項抵免	(38,332)	(40,687)
Reversal/(utilisation) of unrecognized deductible temporary differences in prior years	撥回/(使用)往年度未確認可扣減暫時性差額	1,504	(39,891)
Income tax credit	所得稅抵免	(176,362)	(88,143)

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 INCOME TAX CREDIT (Cont'd)

The Group's main applicable taxes and tax rates are as follows:

Cayman Islands

The Company was incorporated in the Cayman Islands. Under the current tax laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, no withholding tax will be imposed to dividends distributed by the Company to its shareholders.

BVI

The Group's entities incorporated in BVI are not subject to tax on income or capital gains.

HK

The Group's entities incorporated in HK are subject to profits tax rate of 16.5%.

Within the PRC

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law"), the enterprises incorporated within the PRC are generally subject to a uniform enterprise income tax rate of 25%, except for entities qualified as "High and New Technology Enterprise" ("HNTE") or "Small Low-profit Enterprise" for which preferential tax treatments are granted under the EIT Law.

Yaku Shikong and Shouhui Shidai were qualified as HNTEs in 2014 and 2015; Dingli Technology, Yiniu Network and Kaizhuo Technology were qualified as HNTEs in 2017; Enniu Network and Zhenniu Information were qualified as HNTEs in 2019. They were entitled to a preferential income tax rate of 15% for three years. The HNTE qualification is subject to renewal every three years.

14 所得稅抵免 (續)

本集團的主要適用稅項及稅率如下：

開曼群島

本公司於開曼群島註冊成立。根據開曼群島的現行稅法，本公司毋須繳納所得稅或資本利得稅。此外，概無對本公司向其股東分派的股息徵收預扣稅。

英屬維爾京群島

本集團於英屬維爾京群島註冊成立的實體毋須繳納所得稅或資本利得稅。

香港

本集團於香港註冊成立的實體須繳納16.5%稅率的利得稅。

中國境內

根據《中華人民共和國企業所得稅法》（「企業所得稅法」），於中國境內註冊成立的企業一般須按統一的企業所得稅率25%繳納企業所得稅，惟根據企業所得稅法授出優惠稅務待遇的合資格作為「高新技術企業」（「高新技術企業」）或「小型微利企業」的實體除外。

雅酷時空及首惠時代分別於2014年及2015年被認定為高新技術企業；鼎力科技、義牛網絡及開桌科技於2017年被認定為高新技術企業；恩牛網絡及振牛信息於2019年被認定為高新技術企業。該等公司有權享有三年15%的優惠所得稅率。高新技術企業資格須每三年重新認定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 INCOME TAX CREDIT (Cont'd)

Within the PRC (Cont'd)

Guangxi Jiahai Technology Co., Ltd. was qualified as Small Low-profit Enterprise under the EIT Law in 2019 and was entitled to a preferential income tax rate of 10% for the year ended 31 December 2019.

All other subsidiaries of the Company established within the PRC were subject to enterprise income tax rate of 25%.

Withholding Tax on Undistributed Profits

According to the EIT Law, distribution of profits earned by the companies in China since 1 January 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

The Group does not have any plan to require its subsidiaries in China to distribute their retained earnings and intends to retain them to operate and expand its business within the PRC. Accordingly, no deferred income tax liability on withholding tax for the undistributed profits of the subsidiaries in China has been accrued.

15 (LOSS)/EARNINGS PER SHARE

- (a) Basic (loss)/earnings per share is calculated by dividing the (loss)/profit of the Group attributable to owners of the Group by the weighted average number of ordinary shares in issue during the year. The weighted average number of ordinary shares has reflected the effect of share split as disclosed in Note 1.2.

14 所得稅抵免 (續)

中國境內 (續)

廣西嘉海科技有限公司於2019年根據企業所得稅法被認定為小型微利企業，有權於截至2019年12月31日止年度享有10%的優惠所得稅率。

本公司於中國境內成立的所有其他附屬公司須繳納25%稅率的企業所得稅。

未分派溢利的預扣稅

根據企業所得稅法，在向於境外註冊成立的直接控股公司分派溢利時，中國境內公司自2008年1月1日起向境外投資者分派所賺取的溢利須按5%或10%的稅率繳納預扣稅，視乎該境外投資者註冊成立所在地而定。

本集團並無計劃要求其中國境內附屬公司分派其保留盈利，且擬由其中國境內附屬公司保留相關溢利以在中國境內經營及拓展其業務。因此，概無就中國境內附屬公司未分派溢利產生與預扣稅有關的遞延所得稅負債。

15 每股 (虧損) / 盈利

- (a) 每股基本 (虧損) / 盈利乃按本集團擁有人應佔本集團年內 (虧損) / 溢利除以年內已發行普通股加權平均數計算。普通股的加權平均數已反映股份分拆的影響 (於附註1.2披露)。

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
(Loss)/earnings attributable to owners of the Group (RMB'000)	本集團擁有人應佔 (虧損) / 溢利 (人民幣千元)	(1,128,878)	2,162,084
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數 (千股)	999,772	563,603
Basic (loss)/earnings per share (expressed in RMB)	每股基本 (虧損) / 盈利 (以人民幣列示)	(1.13)	3.84

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 (LOSS)/EARNINGS PER SHARE (Cont'd)

- (b) Diluted (loss)/earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the year ended 31 December 2018, diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all dilutive potential ordinary shares arising from share options and restricted share units ("RSUs") granted by the Company (collectively forming the denominator for computing diluted earnings per share). No adjustment is made to earnings (numerator).

As the Group incurred losses for the year ended 31 December 2019, the potential ordinary shares were not included in the calculation of dilutive loss per share, as their inclusion would be antidilutive. Accordingly, diluted loss per share for the year ended 31 December 2019 is the same as basic loss per share.

15 每股(虧損)/盈利(續)

- (b) 每股攤薄(虧損)/盈利乃假設轉換所有具潛在攤薄影響的普通股而調整發行在外普通股加權平均數的方式計算。

截至2018年12月31日止年度，每股攤薄盈利乃假設因所有本公司授出的購股權及受限制股份單位(「受限制股份單位」)轉換為具潛在攤薄影響的普通股而調整發行在外普通股加權平均數(共同構成計算每股攤薄盈利的分母)的方式計算。並無對盈利(分子)作出任何調整。

由於本集團於截至2019年12月31日止年度產生虧損，故在計算每股攤薄虧損時並無計及潛在普通股，原因是計及潛在普通股將具有反攤薄影響。因此，截至2019年12月31日止年度的每股攤薄虧損與每股基本虧損相同。

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
(Loss)/earnings attributable to owners of the Group (RMB'000)	本集團擁有人應佔(虧損)/溢利(人民幣千元)	(1,128,878)	2,162,084
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數(千股)	999,772	563,603
Adjustments for share options and RSUs granted to employees ('000)	就授予僱員的購股權及受限制股份單位作出調整(千股)	—	92,713
Weighted average number of ordinary shares for calculation of diluted (loss)/earnings per share ('000)	用於計算每股攤薄(虧損)/盈利的普通股加權平均數(千股)	999,772	656,316
Diluted (loss)/earnings per share (expressed in RMB)	每股攤薄(虧損)/盈利(以人民幣列示)	(1.13)	3.29

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 PROPERTY AND EQUIPMENT, NET

16 物業及設備淨額

		Computer and electronic equipment 電腦及 電子設備 RMB'000 人民幣千元	Office furniture and equipment 辦公傢具及 設備 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Building 樓宇 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本						
As at 1 January 2019	於2019年1月1日	105,042	21,595	90,712	105,215	1,491	324,055
Addition from purchases	購買添置	2,179	539	3,281	–	322	6,321
Disposal	處置	(4,550)	(2,518)	–	–	–	(7,068)
Assets classified as held for sale	分類為持作出售之資產	(46)	(86)	(10)	–	–	(142)
As at 31 December 2019	於2019年12月31日	102,625	19,530	93,983	105,215	1,813	323,166
Accumulated depreciation	累計折舊						
As at 1 January 2019	於2019年1月1日	(45,813)	(10,283)	(23,696)	(7,497)	(426)	(87,715)
Depreciation charge for the year	年內折舊開支	(24,749)	(9,109)	(22,875)	(4,997)	(361)	(62,091)
Disposal	處置	4,207	1,532	–	–	–	5,739
Assets classified as held for sale	分類為持作出售之資產	31	55	–	–	–	86
As at 31 December 2019	於2019年12月31日	(66,324)	(17,805)	(46,571)	(12,494)	(787)	(143,981)
Net book value	賬面淨值						
As at 31 December 2019	於2019年12月31日	36,301	1,725	47,412	92,721	1,026	179,185

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 PROPERTY AND EQUIPMENT, NET (Cont'd)

16 物業及設備淨額 (續)

		Computer and electronic equipment 電腦及 電子設備 RMB'000 人民幣千元	Office furniture and equipment 辦公傢俬及 設備 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Building 樓宇 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本						
As at 1 January 2018	於2018年1月1日	76,183	20,550	57,862	102,156	1,491	258,242
Addition from purchases	購買添置	42,909	13,192	32,850	3,059	-	92,010
Disposal	處置	(14,050)	(12,147)	-	-	-	(26,197)
As at 31 December 2018	於2018年12月31日	105,042	21,595	90,712	105,215	1,491	324,055
Accumulated depreciation	累計折舊						
As at 1 January 2018	於2018年1月1日	(21,592)	(5,022)	(7,064)	(2,426)	(72)	(36,176)
Depreciation charge for the year	年內折舊開支	(28,206)	(7,794)	(16,632)	(5,071)	(354)	(58,057)
Disposal	處置	3,985	2,533	-	-	-	6,518
As at 31 December 2018	於2018年12月31日	(45,813)	(10,283)	(23,696)	(7,497)	(426)	(87,715)
Net book value	賬面淨值						
As at 31 December 2018	於2018年12月31日	59,229	11,312	67,016	97,718	1,065	236,340

Depreciation expenses have been charged to the consolidated statement of comprehensive (loss)/income as follows:

折舊開支按以下方式於綜合全面(虧損)/收益表扣除:

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Origination and servicing expenses	辦理及服務開支	28,203	22,302
Sales and marketing expenses	銷售及營銷開支	2,727	2,336
General and administrative expenses	一般及行政開支	9,901	9,853
Research and development expenses	研發開支	21,260	23,566
		62,091	58,057

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 LEASES

This note provides information for leases where the Group is a lessee.

(a) Amounts recognized in the statement of financial position

The balance sheet shows the following amounts relating to leases:

		As at 31 December 2019 於2019年 12月31日 RMB'000 人民幣千元	As at 1 January 2019 於2019年 1月1日 RMB'000 人民幣千元
Right-of-use assets	使用權資產		
Buildings	樓宇	55,718	86,838
Lease liabilities	租賃負債		
Current	流動	(12,012)	(37,949)
Non-current	非流動	(35,435)	(43,970)
		(47,447)	(81,919)

Additions to the right-of-use assets during the 2019 financial year were RMB5,240,000.

於2019年財政年度內添置的使用權資產為人民幣5,240,000元。

(b) Amounts recognized in the statement of comprehensive (loss)/ income

		Year ended 31 December, 截至12月31日止年度	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Depreciation charge of right-of-use assets	使用權資產折舊開支		
Buildings	樓宇	30,150	N/A不適用
Depreciation charge that will be net off as other income	將作為其他收入扣除之折舊開支	(8,855)	N/A不適用
Depreciation charge	折舊開支	(21,295)	N/A不適用
Interest expense (included in finance expense)	利息開支 (計入財務開支)	2,742	N/A不適用
Expense relating to short-term leases (included in operating expenses)	與短期租賃有關的開支 (計入經營開支)	504	N/A不適用

The total cash outflow for leases in 2019 was approximately RMB25,126,000.

於2019年，租賃的現金流出總額約為人民幣25,126,000元。

17 租賃

本附註提供本集團作為承租人的租賃資料。

(a) 於財務狀況表內確認的金額

資產負債表顯示以下與租賃有關的金額：

		As at 31 December 2019 於2019年 12月31日 RMB'000 人民幣千元	As at 1 January 2019 於2019年 1月1日 RMB'000 人民幣千元
Right-of-use assets	使用權資產		
Buildings	樓宇	55,718	86,838
Lease liabilities	租賃負債		
Current	流動	(12,012)	(37,949)
Non-current	非流動	(35,435)	(43,970)
		(47,447)	(81,919)

(b) 於全面(虧損)/收益表內確認的金額

		Year ended 31 December, 截至12月31日止年度	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Depreciation charge of right-of-use assets	使用權資產折舊開支		
Buildings	樓宇	30,150	N/A不適用
Depreciation charge that will be net off as other income	將作為其他收入扣除之折舊開支	(8,855)	N/A不適用
Depreciation charge	折舊開支	(21,295)	N/A不適用
Interest expense (included in finance expense)	利息開支 (計入財務開支)	2,742	N/A不適用
Expense relating to short-term leases (included in operating expenses)	與短期租賃有關的開支 (計入經營開支)	504	N/A不適用

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS

18 無形資產

		Goodwill 商譽 RMB'000 人民幣千元 (Note a) (附註a)	Software 軟件 RMB'000 人民幣千元	Platform 平台 RMB'000 人民幣千元	Applications 應用 RMB'000 人民幣千元	Licenses 牌照 RMB'000 人民幣千元 (Note b) (附註b)	Trademark 商標 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本							
As at 1 January 2019	於2019年1月1日	491,303	20,473	9,810	3,260	517,200	2,358	1,044,404
Addition from purchases	購買添置	–	4,203	–	–	–	2,914	7,117
Assets classified as held for sale	分類為持作出售的資產	(8,926)	–	–	–	(18,200)	–	(27,126)
As at 31 December 2019	於2019年12月31日	482,377	24,676	9,810	3,260	499,000	5,272	1,024,395
Accumulated amortization	累計攤銷							
As at 1 January 2019	於2019年1月1日	–	(8,213)	(5,722)	(951)	–	(176)	(15,062)
Amortization charge for the year (Note c)	年內攤銷開支 (附註c)	–	(7,492)	(1,962)	(326)	–	(915)	(10,695)
As at 31 December 2019	於2019年12月31日	–	(15,705)	(7,684)	(1,277)	–	(1,091)	(25,757)
Impairment losses	減值損失							
As at 1 January 2019	於2019年1月1日	–	–	–	–	–	–	–
Addition	添置	(145,788)	–	–	–	–	–	(145,788)
As at 31 December 2019	於2019年12月31日	(145,788)	–	–	–	–	–	(145,788)
Net book value	賬面淨值							
As at 31 December 2019	於2019年12月31日	336,589	8,971	2,126	1,983	499,000	4,181	852,850
Cost	成本							
As at 1 January 2018	於2018年1月1日	491,303	11,884	9,810	3,260	517,200	–	1,033,457
Addition from purchases	購買添置	–	9,489	–	–	–	2,358	11,847
Disposal	處置	–	(900)	–	–	–	–	(900)
As at 31 December 2018	於2018年12月31日	491,303	20,473	9,810	3,260	517,200	2,358	1,044,404
Accumulated amortization	累計攤銷							
As at 1 January 2018	於2018年1月1日	–	(2,300)	(3,761)	(625)	–	–	(6,686)
Amortization charge for the year (Note c)	年內攤銷開支 (附註c)	–	(5,913)	(1,961)	(326)	–	(176)	(8,376)
As at 31 December 2018	於2018年12月31日	–	(8,213)	(5,722)	(951)	–	(176)	(15,062)
Net book value	賬面淨值							
As at 31 December 2018	於2018年12月31日	491,303	12,260	4,088	2,309	517,200	2,182	1,029,342

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Cont'd)

(a) Impairment tests for goodwill

As at 31 December 2019, goodwill of RMB42,707,000, RMB132,454,000, RMB307,161,000 and RMB55,000 were recognized as the results of the acquisition of Dingli Technology in 2016, China Netcom Technology Holdings Limited ("Netcom"), Kaizhuo Technology and Shanghai Qidian Information Technology Co., Ltd. in 2017 by the Group, respectively. Goodwill is monitored at the operating segment level by the management. The management assessed Netcom as one separate operating segment ("Netcom Unit") and the Group excluding Netcom as the other operating segment ("Core Unit").

As at 31 December 2019 and 2018, goodwill is allocated to the Group's cash-generating units identified as follows:

		As at 31 December	
		於12月31日	
		2019	2018
Core Unit (i)	核心單位(i)	349,923	358,849
Netcom Unit (ii)	中彩網通單位(ii)	132,454	132,454
		482,377	491,303

Impairment review on the goodwill of the Group has been conducted by the management as at 31 December 2019 and 2018 according to IAS 36 "Impairment of assets". For the purpose of impairment review, the recoverable amount of goodwill is determined based on the higher amount of the FVLCD and value in use calculations.

18 無形資產(續)

(a) 商譽減值測試

於2019年12月31日，因本集團分別於2016年收購鼎力科技及於2017年收購中彩網通控股有限公司（「中彩網通」）、開卓科技及上海前點信息科技有限公司，故確認商譽人民幣42,707,000元、人民幣132,454,000元、人民幣307,161,000元及人民幣55,000元。管理層於經營分部層面監察商譽。管理層評估中彩網通為單獨經營分部（「中彩網通單位」）及本集團（不包括中彩網通）為其他經營分部（「核心單位」）。

於2019年及2018年12月31日，商譽分配至本集團已識別現金產生單位如下：

於2019年及2018年12月31日，管理層根據國際會計準則第36號「資產減值」對本集團的商譽進行減值審閱。就減值審閱而言，商譽的可收回金額乃基於公允價值減出售成本及使用價值計算的較高金額釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Cont'd)

(a) Impairment tests for goodwill (Cont'd)

i) Core Unit

As at 31 December 2019 and 2018, the recoverable amount of goodwill of Core Unit was determined based on value in use calculations. The value in use calculations uses cash flow projections based on financial budgets approved by management covering a five year period. Key assumptions for the value in use calculations relate to the estimation of cash flows which include expected annual growth rate and operating profit margin, such estimation based on each operating unit's past performance and management's expectations for the market development. The pre-tax discount rates used reflect specific risks relating to each relevant operating unit. As at 31 December 2019 and 2018, key assumptions and parameter for goodwill of Core Unit used for value in use calculations are set as below:

		As at 31 December	
		於12月31日	
		2019	2018
Annual growth rates	年增長率	(35.6%) – 35.6%	(15.2%) – 34.8%
Operating profit margin	營業利潤率	(74.1%) – 28.7%	28.9% – 36.5%
Pre-tax discount rate	除稅前貼現率	16.2%	18.0%

Based on the impairment assessment review, the recoverable amount of goodwill of Core Unit was lower than the carrying amount, resulting in an impairment loss of RMB62,287,000 recognized against the goodwill of Core Unit during the year ended 31 December 2019.

18 無形資產 (續)

(a) 商譽減值測試 (續)

i) 核心單位

於2019年及2018年12月31日，核心單位商譽的可收回金額乃基於使用價值計算釐定。使用價值計算採用現金流量預測，以管理層批准涵蓋五年期的財政預算為基準。用於使用價值計算的主要假設與現金流量估計（包括預期年增長率及營業利潤率）有關，有關估計乃基於各經營單位的過往表現以及管理層對市場發展的預期而定。所用除稅前貼現率反映與各相關經營單位有關的特定風險。於2019年及2018年12月31日，用作使用價值計算的核心單位商譽主要假設及參數載列如下：

根據減值評估審閱，核心單位商譽的可收回金額低於賬面值，導致截至2019年12月31日止年度就核心單位商譽確認減值損失人民幣62,287,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Cont'd)

(a) Impairment tests for goodwill (Cont'd)

ii) Netcom Unit

As at 31 December 2019, the recoverable amount of goodwill of Netcom Unit was determined based on FVLCD, which was estimated by management with reference to the transaction price of Netcom's listed shares on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Management considered the recoverable amount of goodwill of Netcom Unit was lower than its carrying amount as at 31 December 2019.

Based on the result of the above impairment testing, the estimated recoverable amount was lower than its carrying amount, resulting in an impairment loss of RMB83,501,000 recognized against the goodwill of Netcom Unit during the year ended 31 December 2019.

(b) Impairment tests for license

The Group tests whether the payment license with indefinite useful life has suffered any impairment on an annual basis. The Group compares the carrying amounts of the payment license against their recoverable amounts (the higher amount of FVLCD and value in use) to assessing the impairment.

As at 31 December 2019, the carrying amount of license was RMB499,000,000. The recoverable amount of the payment license was determined based on FVLCD, which was estimated by management with reference to the comparable transaction cases within one year. As the disposal consideration of which exceed the attributable carrying amounts of the license, the Directors were of the opinion that there was no impairment of the license as at 31 December 2019.

18 無形資產 (續)

(a) 商譽減值測試 (續)

ii) 中彩網通單位

於2019年12月31日，中彩網通單位商譽的可收回金額乃基於公允價值減出售成本釐定，由管理層經參考中彩網通上市股份於香港聯交所有限公司（「聯交所」）GEM的交易價預測。於2019年12月31日，管理層認為中彩網通單位商譽的可收回金額低於其賬面值。

根據上述減值測試結果，預期可收回金額低於賬面值，導致截至2019年12月31日止年度就中彩網通單位商譽確認減值損失人民幣83,501,000元。

(b) 牌照減值測試

本集團每年測試無限期可使用年期的支付牌照是否遭受任何減值。本集團將支付牌照的賬面值與彼等可收回金額（公允價值減出售成本及使用價值的較高者）進行比較以評估減值。

於2019年12月31日，牌照的賬面值是人民幣499,000,000元。支付牌照的可收回金額乃基於公允價值減出售成本釐定，由管理層經參考一年內可資比較交易案例預測。由於處置代價高於牌照應佔賬面值，所以於2019年12月31日，董事認為牌照並無減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INTANGIBLE ASSETS (Cont'd)

(c) Amortization of intangible assets

Amortization charges of intangible assets were expensed in the following categories in the consolidated statement of comprehensive (loss)/income:

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Origination and servicing expenses	辦理及服務開支	4,528	4,101
General and administrative expenses	一般及行政開支	3,551	3,175
Research and development expenses	研發開支	2,616	1,100
		10,695	8,376

19 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

18 無形資產(續)

(c) 無形資產攤銷

無形資產的攤銷費用於綜合全面(虧損)/收益表中在以下類別中支銷:

19 使用權益法入賬的投資

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Associates	聯營公司	117,711	144,430

The movement of the Group's interests in associates is as follows:

本集團於聯營公司權益的變動如下:

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At the beginning of the year	年初	144,430	145,732
Addition	添置	15,400	–
Disposal	出售	–	–
Share of losses	分佔虧損	(3,255)	(1,302)
Impairment loss	減值損失	(38,864)	–
At the end of the year	年末	117,711	144,430

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綜合財務報表附註

19 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (Cont'd)

The investments in associates as at 31 December 2019 and 2018 are as follows:

19 使用權益法入賬的投資(續)

於2019年及2018年12月31日於聯營公司的投資如下：

Name of Entity 實體名稱	Date of incorporation 註冊成立日期	Place of incorporation 註冊成立地點	Percentage of attributable equity interest 佔股權百分比		Principal activities 主要活動
			2019	2018	
Beijing Caizhiyun Investment Management Co., Ltd.* (a) 北京財智雲投資管理有限公司(a)	29 October 2014 2014年10月29日	PRC 中國	10.00%	10.00%	Development and operation of apps 開發及運營應用
Zhejiang Anniu Technology Co.,Ltd ("Anniu Technology") * (b) 浙江安牛科技有限公司 (「安牛科技」)*(b)	9 October 2016 2016年10月9日	PRC 中國	27.25%	27.25%	Development and operation of apps 開發及運營應用
Hangzhou Shanniu Catering Management Co., Ltd.* 杭州膳牛餐飲管理有限公司	29 August 2017 2017年8月29日	PRC 中國	30.00%	30.00%	Catering services 餐飲服務
Beijing Juece Xincheng Technology Co., Ltd.* (c) 北京決策信誠科技有限公司(c)	29 December 2006 2006年12月29日	PRC 中國	49.61%	49.61%	Development and operation of apps 開發及運營應用
Hangzhou Xinyada Fantai Technology Co., Ltd.* (d) 杭州信雅達泛泰科技有限公司(d)	26 May 2016 2016年5月26日	PRC 中國	13.76%	13.76%	Technology services 技術服務
Shanghai Pengshu Information Technology Co., Ltd.* (e) 上海朋數信息科技有限公司(e)	6 February 2016 2016年2月6日	PRC 中國	15.42%	8.42%	Loan collection services 收回貸款服務

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綜合財務報表附註

19 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (Cont'd)

- (a) On 30 October 2015, the Group acquired 10.00% equity interests in Beijing Caizhiyun Investment Management Co., Ltd. (北京財智雲投資管理有限公司, "Caizhiyun"). According to Caizhiyun's Article of Association, the Group is entitled to appoint one director in the Board of Directors of Caizhiyun (3 board seats in total), and the Group's management considers that the Group has the power to exercise significant influence in Caizhiyun through the participation in operational and financial policy-making process. Consequently, Caizhiyun has been accounted for the investment using equity method. The impairment provision for this investment has been accrued in full amount for the year ended 31 December 2019 as there is significant doubt as to Caizhiyun's ability to continue as a going concern.
- (b) On 17 November 2016, the Group acquired 40.97% equity interests in Anniu Technology. In July 2017, the Group disposed 10.00% equity interests at carrying amount of RMB990,000 for a cash consideration of RMB1,250,000. In January 2018, the Group's interests in Anniu Technology was further diluted from 30.97% to 27.25% with the additional capital contributed by other two shareholders. The impairment provision for this investment has been accrued in full amount for the year ended 31 December 2019 as there is significant doubt as to Anniu Technology's ability to continue as a going concern.
- (c) On 26 December 2017, the Group acquired 49.61% equity interests in Beijing Juece Xincheng Technology Co., Ltd. (北京決策信誠科技有限公司, "Juece"). According to Juece's Article of Association, the Group is entitled to appoint one director in the Board of Directors of Juece (3 board seats in total), and the Group's management considers that the Group has the power to exercise significant influence in Juece through the participation in operational and financial policy-making process. Consequently, Juece has been accounted for the investment using equity method.

19 使用權益法入賬的投資 (續)

- (a) 於2015年10月30日，本集團收購北京財智雲投資管理有限公司（「財智雲」）10.00%股權。根據財智雲的組織章程細則，本集團有權於財智雲的董事會委任一名董事（總共有三個董事席位），且本集團的管理層認為本集團有權力透過參與經營及財務政策制訂過程對財智雲行使重大影響力。因此，財智雲的投資使用權益法入賬。截至2019年12月31日止年度，本集團已就該投資全額計提減值撥備，原因是存在財智雲持續經營能力相關的重大懷疑。
- (b) 於2016年11月17日，本集團收購安牛科技40.97%股權。於2017年7月，本集團按賬面值人民幣990,000元出售10.00%股權，現金代價為人民幣1,250,000元。於2018年1月，因其他兩名股東增加注資，本集團於安牛科技的權益由30.97%進一步攤薄至27.25%。截至2019年12月31日止年度，本集團已就該投資全額計提減值撥備，原因是存在安牛科技持續經營能力相關的重大懷疑。
- (c) 於2017年12月26日，本集團收購北京決策信誠科技有限公司（「決策」）49.61%股權。根據決策的組織章程細則，本集團有權於決策的董事會委任一名董事（總共有三個董事席位），且本集團的管理層認為本集團有權力透過參與經營及財務政策制訂過程對決策行使重大影響力。因此，決策的投資使用權益法入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD *(Cont'd)*

- (d) On 23 October 2017, the Group acquired 13.76% equity interests in Hangzhou Xinyada Fantai Technology Co., Ltd. (杭州信雅達泛泰科技有限公司, "Xinyada"). According to Xinyada's Article of Association, the Group is entitled to appoint one director in the Board of Directors of Xinyada (5 board seats in total), and the Group's management considers that the Group has the power to exercise significant influence in Xinyada through the participation in operational and financial policy-making process. Consequently, Xinyada has been accounted for the investment using equity method.
- (e) On 31 December 2019, the Group held 15.42% equity interests in Shanghai Pengshu Information Technology Co., Ltd. (上海朋數信息科技有限公司, "Pengshu"). According to Pengshu's Article of Association, the Group is entitled to appoint one director in the Board of Directors of Pengshu (5 board seats in total), and the Group's management considers that the Group has the power to exercise significant influence in Pengshu through the participation in operational and financial policy-making process. Consequently, Pengshu has been accounted for the investment using equity method. The impairment provision for this investment has been accrued in full amount for the year ended 31 December 2019 as there is significant doubt as to Pengshu's ability to continue as a going concern.

19 使用權益法入賬的投資 (續)

- (d) 於2017年10月23日，本集團收購杭州信雅達泛泰科技有限公司（「信雅達」）13.76%股權。根據信雅達的組織章程細則，本集團有權於信雅達的董事會委任一名董事（總共有五個董事席位），且本集團的管理層認為本集團有權力透過參與經營及財務政策制訂過程對信雅達行使重大影響力。因此，信雅達的投資使用權益法入賬。
- (e) 於2019年12月31日，本集團持有上海朋數信息科技有限公司（「朋數」）15.42%股權。根據朋數的組織章程細則，本集團有權於朋數的董事會委任一名董事（總共有五個董事席位），且本集團的管理層認為本集團有權力透過參與經營及財務政策制訂過程對朋數行使重大影響力。因此，朋數的投資使用權益法入賬。截至2019年12月31日止年度，本集團已就該投資全額計提減值撥備，原因是存在朋數持續經營能力相關的重大懷疑。

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綜合財務報表附註

19 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (Cont'd)

Set out below is the summarized financial information of the Group's major associate, Juece, which is accounted for using equity method.

		Juece 決策	
		31 December 12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current assets	流動資產	34,026	44,012
Non-current assets	非流動資產	244	747
Current liabilities	流動負債	3,210	10,100
Non-current liabilities	非流動負債	-	-
Revenue	收益	35,146	80,507
(Loss)/profit for the year	年內(虧損)/溢利	(3,599)	2,296

Set out below is the reconciliation of summarised financial information of the Group's major associate, Juece, presented to the carrying amount of its interest in the associated.

		Juece 決策	
		31 December 12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net assets at the beginning of the year	年初資產淨值	34,659	32,363
(Loss)/profit for the year	年內(虧損)/溢利	(3,599)	2,296
Net assets at the end of the year	年末資產淨值	31,060	34,659
Interest in associates	於聯營公司的權益	49.61%	49.61%
Goodwill	商譽	69,780	69,780
Carrying value	賬面值	85,189	86,974

19 使用權益法入賬的投資(續)

下文載列使用權益法入賬的本集團主要聯營公司決策的財務資料概要。

下文載列本公司的主要聯營公司決策的財務資料概要與其於聯營公司的權益的賬面值的對賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 FINANCIAL ASSETS AT FVPL

20 按公允價值計入損益的金融資產

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Included in non-current assets	計入非流動資產		
– Investment in ordinary shares with preferential liquidation rights (a)	– 於附帶優先清算權的普通股的投資(a)	97,634	335,152
– Investments in investment funds (b)	– 於投資基金的投資(b)	40,407	78,353
– Investments in trust	– 於信託的投資	15,045	–
– Investment in equity host securities	– 於權益證券的投資	232	11,521
		153,318	425,026
Included in current assets	計入流動資產		
– Wealth management products	– 理財產品	–	568,959
– Derivative financial assets	– 衍生金融資產	–	4,262
		–	573,221
		153,318	998,247

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 FINANCIAL ASSETS AT FVPL (Cont'd)

- (a) The Group made investments in ordinary shares with liquidation preference rights of certain companies that are engaged in providing internet information and technology services. These investments contain embedded derivatives that are not closely related to the host contract. After considering the Group's investment objectives and intentions, the Group does not bifurcate the embedded derivatives from the host instruments and recognizes the entire hybrid contracts as financial assets at FVPL, with the changes in the fair value recorded in "Other losses, net" in the consolidated statement of comprehensive (loss)/income. The Company determines the respective fair values as at the year end based on the expected discounted cash flow and market multiple of comparable companies.

20 按公允價值計入損益的金融資產(續)

- (a) 本集團投資從事提供線上信息及技術服務的若干公司的附有優先清算權的普通股。該等投資含有與主合約並非密切相關的嵌入式衍生工具。經考慮本集團的投資目標及意向後，本集團並未將嵌入式衍生工具與主工具分開，而將全部混合式合約確認為按公允價值計入損益的金融資產，公允價值變動於綜合全面(虧損)/收益表內計入「其他虧損淨額」。本公司依據預期貼現現金流量及可資比較公司的市場倍數釐定於年末的相關公允價值。

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At the beginning of the year	年初	335,152	353,060
Additions	添置	15,167	10,000
Fair value losses of investment in ordinary shares with preferential liquidation rights	具有優先清算權的普通股投資的公允價值虧損	(3,586)	(27,908)
Disposal	出售	(249,099)	—
At the end of the year	年末	97,634	335,152

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 FINANCIAL ASSETS AT FVPL (Cont'd)

(b) In April 2019, the Group made investments of RMB5,000,000 in certain funds to invest in industry value chain. The Group managed and evaluated these investments on a fair value basis. These investments were recognized as financial assets at FVPL upon initial recognition.

20 按公允價值計入損益的金融資產(續)

(b) 於2019年4月，本集團於若干基金投資人民幣5,000,000元，以投資產業價值鏈。本集團按公允價值基準管理及評估該等投資。該等投資於初步確認時被確認為按公允價值計入損益的金融資產。

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At the beginning of the year	年初	78,353	59,801
Additions	添置	5,000	20,000
Fair value (loss)/gain of investments in investment funds	於投資基金投資的公允價值 (虧損)/收益	(42,946)	12,230
Disposal	出售	—	(13,678)
At the end of the year	年末	40,407	78,353

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綜合財務報表附註

21 DEFERRED INCOME TAX

The amount of offsetting deferred income tax assets and liabilities is approximately RMB13,225,000 as at 31 December 2019 (31 December 2018: RMB54,195,000).

The analysis of deferred tax assets and deferred tax liabilities is as follows:

21 遞延所得稅

於2019年12月31日抵銷遞延所得稅資產及負債的金額為約人民幣13,225,000元(2018年12月31日: 人民幣54,195,000元)。

對遞延稅項資產及遞延稅項負債的分析如下:

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deferred income tax assets:	遞延所得稅資產:		
– to be recovered after more than 12 months	– 將於12個月後收回	299,509	276,495
– to be recovered within 12 months	– 將於12個月內收回	104,610	–
		404,119	276,495
Amount offset deferred tax assets	抵銷遞延稅項資產的金額	(13,225)	(54,195)
Total deferred tax assets	遞延稅項資產總額	390,894	222,300
Deferred income tax liabilities:	遞延所得稅負債:		
– to be recovered after more than 12 months	– 將於12個月後收回	(137,135)	(157,189)
– to be recovered within 12 months	– 將於12個月內收回	(8,264)	(47,258)
		(145,399)	(204,447)
Amount offset deferred tax liabilities	抵銷遞延稅項負債的金額	13,225	54,195
Liabilities directly associated with assets classified as held for sale	與分類為持作出售之資產直接相關的負債	4,550	–
Total deferred tax liabilities	遞延稅項負債總額	(127,624)	(150,252)

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 DEFERRED INCOME TAX (Cont'd)

The gross movements of deferred income tax assets were as follows:

		Net impact of revenue and risk reserve fund recognition	Advertising expenses	Tax losses	Other temporary differences	Total
		收益及 風險儲備 基金確認 的淨影響 RMB'000 人民幣千元	廣告開支 RMB'000 人民幣千元	稅項虧損 RMB'000 人民幣千元	其他 暫時差額 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 31 December 2017	於2017年12月31日	72,514	18,812	430	12,800	104,556
Changes due to the adoption of IFRS 9	採納國際財務報告準則第9號 產生的變動	22,916	-	-	-	22,916
Restated balance as at 1 January 2018	於2018年1月1日的經重列結餘	95,430	18,812	430	12,800	127,472
As at 1 January 2018	於2018年1月1日	95,430	18,812	430	12,800	127,472
Recognized in the profit or loss	於損益確認	(95,430)	(18,102)	91,619	170,936	149,023
As at 31 December 2018	於2018年12月31日	-	710	92,049	183,736	276,495
Changes due to the adoption of IFRS 16 (Note 2.2)	採納國際財務報告準則第16號 產生的變動(附註2.2)	-	-	-	218	218
Restated balance as at 1 January 2019	於2019年1月1日的經重列結餘	-	710	92,049	183,954	276,713
As at 1 January 2019	於2019年1月1日	-	710	92,049	183,954	276,713
Recognized in the profit or loss	於損益確認	104,610	(678)	(64,638)	88,112	127,406
As at 31 December 2019	於2019年12月31日	104,610	32	27,411	272,066	404,119

The gross movements of deferred income tax liabilities were as follows:

遞延所得稅負債的變動如下：

		Net impact of revenue and risk reserve fund recognition	Unrealised profits from consolidated trust schemes	Unrealised investment gains	Intangible assets acquired in business combination	Total
		收益及 風險儲備 基金確認 的淨影響 RMB'000 人民幣千元	來自綜合 信託計劃的 未變現溢利 RMB'000 人民幣千元	未變現 投資收益 RMB'000 人民幣千元	於業務 合併中收購 的無形資產 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 31 December 2017	於2017年12月31日	-	(16,896)	(26,825)	(133,165)	(176,886)
Changes due to the adoption of IFRS 9	採納國際財務報告準則第9號 產生的變動	-	12,134	-	-	12,134
Restated balance as at 1 January 2018	於2018年1月1日的經重列結餘	-	(4,762)	(26,825)	(133,165)	(164,752)
As at 1 January 2018	於2018年1月1日	-	(4,762)	(26,825)	(133,165)	(164,752)
Recognized in the profit or loss	於損益確認	(36,636)	(5,860)	2,458	343	(39,695)
As at 31 December 2018	於2018年12月31日	(36,636)	(10,622)	(24,367)	(132,822)	(204,447)
As at 1 January 2019	於2019年1月1日	(36,636)	(10,622)	(24,367)	(132,822)	(204,447)
Recognized in the profit or loss	於損益確認	36,636	2,358	19,711	343	59,048
As at 31 December 2019	於2019年12月31日	-	(8,264)	(4,656)	(132,479)	(145,399)

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22 PREPAYMENTS AND OTHER RECEIVABLES

22 預付款項及其他應收款項

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Included in non-current assets:	計入非流動資產：		
Rental deposits	租金按金	4,464	7,531
Included in current assets:	計入流動資產：		
Deposits	按金	228,811	112,775
Receivables from investees	應收投資者款項	44,150	–
Withholding tax paid on behalf of grantees under employee incentive schemes	代表僱員獎勵計劃承授人支付的預扣稅	31,040	42,508
Prepaid expense	預付開支	20,282	45,023
Receivable on behalf of customers for payment service	代表客戶的支付服務應收款項	–	49,203
Receivable from disposal of bad debts	處置壞賬的應收款項	–	23,100
Others	其他	62,245	50,314
		390,992	330,454

23 QUALITY ASSURANCE FUND PAYABLE AND RECEIVABLE

The following table sets forth the Group's quality assurance fund payable movements for the years ended 31 December 2019 and 2018:

23 應付及應收質量保證金

下表載列截至2019年及2018年12月31日止年度本集團應付質量保證金的變動：

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Opening balance	期初結餘	1,524,621	1,767,210
Changes on initial application of IFRS 9	初次應用國際財務報告準則第9號時的變動	N/A 不適用	(10,828)
Fair value of newly written quality assurance obligation	新訂質量保證責任的公允價值	2,838,588	2,393,887
ECL for quality assurance fund (Note 12)	質量保證金的預期信用損失(附註12)	810,466	423,489
Release of the margin (Note 12)	解除保證金(附註12)	(239,335)	(178,537)
Payouts during the year, net	年內開支淨額	(3,374,845)	(2,870,600)
Ending balance	期末結餘	1,559,495	1,524,621

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綜合財務報表附註

23 QUALITY ASSURANCE FUND PAYABLE AND RECEIVABLE (Cont'd)

The following table sets forth the Group's quality assurance fund receivable movements for the years ended 31 December 2019 and 2018:

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Opening balance	期初結餘	812,078	1,407,981
Changes on initial application of IFRS 9	初次應用國際財務報告準則第9號時的變動	N/A 不適用	(46,960)
Fair value of newly written quality assurance obligation ECL for quality assurance fund (Note 12)	新訂質量保證責任的公允價值 質量保證金的預期信用損失 (附註12)	2,838,588	2,393,887
Contribution received from borrowers	借款人出資	(2,796,539)	(2,841,928)
Ending balance	期末結餘	566,801	812,078

23 應付及應收質量保證金 (續)

下表載列截至2019年及2018年12月31日止年度本集團應收質量保證金的變動：

		As at 31 December 2018 於2018年 12月31日	As at 31 December 2019 於2019年12月31日			
			ECL staging 預期信用損失階段			
			Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Quality assurance fund receivable	應收質量保證金	1,291,203	545,607	104,860	682,785	1,333,252
Less: ECL allowance under IFRS 9 (a)	減：根據國際財務報告準則第9號計量的預期信用損失撥備(a)	(479,125)	(49,449)	(49,749)	(667,253)	(766,451)
Quality assurance fund receivable, net	應收質量保證金淨額	812,078	496,158	55,111	15,532	566,801

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23 QUALITY ASSURANCE FUND PAYABLE AND RECEIVABLE

(Cont'd)

(a) The following table explains the changes in the ECL allowance of quality assurance fund receivable by stage for the year ended 31 December 2019 and 2018:

23 應付及應收質量保證金 (續)

(a) 下表分階段說明截至2019年及2018年12月31日止年度應收質量保證基金預期信用損失撥備的變動：

		Year ended 31 December 2019 截至2019年12月31日止年度			
		Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 總計
		12-month ECL 12個月 預期信用損失	Lifetime ECL 存續期 預期信用損失	Lifetime ECL 存續期 預期信用損失	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Opening balance	期初結餘	40,287	36,927	401,911	479,125
Provisions	撥備	46,193	21,411	256,835	324,439
Reversal	撥回	(29,255)	(4,399)	(3,459)	(37,113)
Transfer	轉移				
Transfer from Stage 1 to Stage 2	第一階段轉移至第二階段	(1,036)	1,036	–	–
Transfer from Stage 1 to Stage 3	第一階段轉移至第三階段	(6,973)	–	6,973	–
Transfer from Stage 2 to Stage 1	第二階段轉移至第一階段	233	(233)	–	–
Transfer from Stage 2 to Stage 3	第二階段轉移至第三階段	–	(4,993)	4,993	–
Ending balance	期末結餘	49,449	49,749	667,253	766,451

		Year ended 31 December 2018 截至2018年12月31日止年度			
		Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 總計
		12-month ECL 12個月 預期信用損失	Lifetime ECL 存續期 預期信用損失	Lifetime ECL 存續期 預期信用損失	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Opening balance	期初結餘	139,948	47,810	190,465	378,223
Provisions	撥備	34,375	6,451	250,622	291,448
Reversal	撥回	(107,038)	(7,136)	(76,372)	(190,546)
Transfer	轉移				
Transfer from Stage 1 to Stage 2	第一階段轉移至第二階段	(5,158)	5,158	–	–
Transfer from Stage 1 to Stage 3	第一階段轉移至第三階段	(22,333)	–	22,333	–
Transfer from Stage 2 to Stage 1	第二階段轉移至第一階段	493	(493)	–	–
Transfer from Stage 2 to Stage 3	第二階段轉移至第三階段	–	(14,898)	14,898	–
Transfer from Stage 3 to Stage 2	第三階段轉移至第二階段	–	35	(35)	–
Ending balance	期末結餘	40,287	36,927	401,911	479,125

Notes to the Consolidated Financial Statements

綜合財務報表附註

24 CONTRACT ASSETS/(LIABILITIES)

24 合約資產／（負債）

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Contract assets	合約資產	1,173,480	1,370,529
Less: ECL allowance	減：預期信用損失撥備	(461,739)	(215,345)
Contract assets, net	合約資產淨值	711,741	1,155,184
Contract liabilities	合約負債	(108,250)	(47,514)

The activity in the total ECL allowance for the years ended 31 December 2019 and 2018 consisted of the following:

截至2019年及2018年12月31日止年度，預期信用損失撥備總額變動包括下列各項：

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Opening balance	期初結餘	(215,345)	(1,933)
Changes on initial application of IFRS 9	初次應用國際財務報告準則第9號時的變動	N/A 不適用	(776)
Provision of ECL for the year	年內預期信用損失撥備	(246,394)	(212,636)
Ending balance	期末結餘	(461,739)	(215,345)

Note: The Group receives payments from borrowers over the tenures of the loans. Contract assets represent the Group's right to consideration in exchange for services that the Group has provided. A substantial majority of the Group's contract assets as at 31 December 2019 would be realized within the next twelve months as the weighted average term of the arrangements where the Group is not the loan originator was less than twelve months. The Group determined that there is no significant financing component for its arrangements where the Group is not the loan originator.

附註：本集團在貸款期限內收到借款人付款。合約資產指本集團有權收取以換取本集團所提供服務的代價。由於本集團並非貸款發放者安排的加權平均期限少於十二個月，本集團於2019年12月31日的絕大部分合約資產將於未來十二個月內變現。本集團認為，就本集團並非貸款發放者的安排而言，並無重大融資成分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

25 TRADE RECEIVABLES

25 貿易應收款項

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Referral and credit card technology service receivables	介紹及信用卡科技服務應收款項	167,118	142,053
Others	其他	4,905	7,860
		172,023	149,913
ECL allowance	預期信用損失撥備	(75,262)	(346)
Trade receivables, net	貿易應收款項淨額	96,761	149,567

The activity in the total ECL allowance for trade receivables as at 31 December 2019 and 2018 consisted of the following:

於2019年及2018年12月31日，貿易應收款項的預期信用損失撥備總額變動包括下列各項：

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Opening balance	期初結餘	(346)	–
Changes on initial application of IFRS 9	初次應用國際財務報告準則第9號時的變動	N/A 不適用	(76)
Provision of ECL for the year	年內預期信用損失撥備	(74,916)	(270)
Ending balance	期末結餘	(75,262)	(346)

Aging analysis of trade receivables based on invoice date is as follows:

貿易應收款項基於發票日期的賬齡分析如下：

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 30 days	30天內	35,000	110,784
More than 30 days	超過30天	61,761	38,783
		96,761	149,567

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 LOANS TO CUSTOMERS, NET

26 客戶貸款淨額

		31 December 2018 2018年12月31日		31 December 2019 2019年12月31日		
		ECL staging 預期信用損失階段				
		Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 總計	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Loans	貸款	381,072	15,653	1,238	285,322	302,213
Less: ECL allowance under IFRS 9 (b)	減：國際財務報告準則第9號下的預期信用損失撥備(b)	(195,776)	(667)	(413)	(280,394)	(281,474)
Loans to customers, net	客戶貸款淨額	185,296	14,986	825	4,928	20,739

(a) The following table explains the aging of loans to customers past due for the past year ended 31 December 2019 and 2018:

(a) 下表說明截至2019年及2018年12月31日止年度逾期客戶貸款的賬齡：

		Overdue days 逾期日數			
		Less than 30 days 少於30天	30 days to 90 days 30天至90天	90 days to 180 days 90天至180天	Over 180 days 180天以上
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 31 December 2019	於2019年12月31日				
Loans to customers past due	已逾期的客戶貸款	1,238	3,263	6,958	275,101
As at 31 December 2018	於2018年12月31日				
Loans to customers past due	已逾期的客戶貸款	2,023	4,854	11,219	185,636

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 LOANS TO CUSTOMERS, NET (Cont'd)

(b) The activity in the total ECL allowance for the years ended 31 December 2019 and 2018 consisted of the following:

26 客戶貸款淨額 (續)

(b) 截至2019年及2018年12月31日止年度，預期信用損失撥備總額活動包括下列各項：

		Year ended 31 December 2019 截至2019年12月31日止年度			
		Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 總計
		12-month ECL 12個月 預期信用損失 RMB'000 人民幣千元	Lifetime ECL 存續期 預期信用損失 RMB'000 人民幣千元	Lifetime ECL 存續期 預期信用損失 RMB'000 人民幣千元	RMB'000 人民幣千元
Opening balance	期初結餘	1,256	807	193,713	195,776
Provisions	撥備	667	407	88,277	89,351
Reversal	撥回	(1,198)	(509)	(1,946)	(3,653)
Transfer	轉移				
Transfer from Stage 1 to Stage 3	第一階段轉移至第三階段	(58)	–	58	–
Transfer from Stage 2 to Stage 3	第二階段轉移至第三階段	–	(292)	292	–
Ending balance	期末結餘	667	413	280,394	281,474

		Year ended 31 December 2018 截至2018年12月31日止年度			
		Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 總計
		12-month ECL 12個月 預期信用損失 RMB'000 人民幣千元	Lifetime ECL 存續期 預期信用損失 RMB'000 人民幣千元	Lifetime ECL 存續期 預期信用損失 RMB'000 人民幣千元	RMB'000 人民幣千元
Opening balance	期初結餘	31,244	9,202	61,326	101,772
Change of IFRS 9	國際財務報告第9號準則的變動	14,901	4,388	29,246	48,535
Provisions	撥備	1,216	492	87,100	88,808
Reversal	撥回	(32,204)	(1,050)	(10,085)	(43,339)
Transfer	轉移				
Transfer from Stage 1 to Stage 2	第一階段轉移至第二階段	(910)	910	–	–
Transfer from Stage 1 to Stage 3	第一階段轉移至第三階段	(13,028)	–	13,028	–
Transfer from Stage 2 to Stage 1	第二階段轉移至第一階段	37	(37)	–	–
Transfer from Stage 2 to Stage 3	第二階段轉移至第三階段	–	(13,136)	13,136	–
Transfer from Stage 3 to Stage 2	第三階段轉移至第二階段	–	38	(38)	–
Ending balance	期末結餘	1,256	807	193,713	195,776

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 LOANS TO CUSTOMERS, NET (Cont'd)

(b) (Cont'd)

As at 31 December 2019 and 2018, these loans are primarily personal loans made to individual borrowers through the consolidated trusts and a subsidiary of the Group. The interest rates of these loans ranged between 6.96% to 35.40% for the year ended 31 December 2019 (2018: 17.04% to 32.99%).

Set out below are the summarized financial information for the consolidated trusts included in the consolidated financial statements.

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income of loans to customers	向客戶貸款的利息收入	27,448	88,375
Interest expenses to trust senior tranche holders	信託優先級持有人的利息開支	(8,946)	(44,640)
ECL	預期信用損失	(19,388)	(51,650)

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物	31,403	76,923
Loans to customers, net	客戶貸款淨額	20,518	183,341
Payable to trust senior tranche holders	應付信託優先級持有人款項	20,100	209,500

26 客戶貸款淨額 (續)

(b) (續)

於2019年及2018年12月31日，該等貸款主要為通過綜合信託及本集團的附屬公司向個人借款人發放的個人貸款。截至2019年12月31日止年度，該等貸款的利率介乎6.96%至35.40%（2018年：17.04%至32.99%）。

下文載列計入綜合財務報表的綜合信託的財務資料概要。

27 CASH AND BANK BALANCES

(a) Cash and cash equivalents

27 現金及銀行結餘

(a) 現金及現金等價物

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash at bank (i)	銀行現金(i)	1,283,144	1,206,172

Cash in bank includes cash in trust schemes of approximately RMB31,403,000 and RMB76,923,000 as at 31 December 2019 and 2018, respectively.

銀行現金包括於2019年及2018年12月31日信託計劃中的現金，分別為約人民幣31,403,000元及人民幣76,923,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 CASH AND BANK BALANCES (Cont'd)

(b) Restricted cash

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash held on behalf of investors through platform (i)	通過平台代投資者持有的現金(i)	736,301	779,097
Cash in quality assurance fund (ii)	質量保證金中的現金(ii)	–	274,691
Deposit of foreign exchange contracts	外匯合約保證金	–	3,000
Deposit of secured transactions	有擔保交易保證金	74,001	–
		810,302	1,056,788

(i) Cash held on behalf of investors through platform as at 31 December 2019 mainly represented the cash in custody account with CITIC aiBank to hold user's fund (2018: Bank of Beijing).

(ii) Cash in quality assurance fund is cash managed by the Group for the default payouts. There is no other use of these funds except for making payments to investors for default loans that are subject to quality assurance fund.

(c) Term deposits

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Term deposits with initial term over three months	初步期限超過三個月的定期存款	–	6,000

27 現金及銀行結餘 (續)

(b) 受限制現金

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash held on behalf of investors through platform (i)	通過平台代投資者持有的現金(i)	736,301	779,097
Cash in quality assurance fund (ii)	質量保證金中的現金(ii)	–	274,691
Deposit of foreign exchange contracts	外匯合約保證金	–	3,000
Deposit of secured transactions	有擔保交易保證金	74,001	–
		810,302	1,056,788

(i) 於2019年12月31日，通過平台代投資者持有的現金主要為中信百信銀行託管賬戶內持有的用戶資金的現金(2018年：北京銀行)。

(ii) 質量保證金中的現金為本集團就違約金管理的現金。除就受質量保證金保障的違約貸款向投資者作出付款外，該等資金概無其他用途。

(c) 定期存款

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

Due to the change of the operating business plan, the Group has entered into a share transfer agreement and supplemental agreement dated on 31 December 2019 with a third-party company to dispose of the assets and liabilities of its subsidiary company Shenzhen Zhongrong Insurance Brokers Co., Ltd. (the "Disposal Group") for a cash consideration of RMB73,500,000.

On 13 December 2019, the terms of the share transfer agreement were approved by the shareholders in an extraordinary general meeting of the Group. The transaction is expected to be completed in 2020.

Assets and liabilities of the Disposal Group were classified as "Assets classified as held for sale" and "Liabilities directly associated with assets classified as held for sale" respectively in accordance with IFRS 5 as at 31 December 2019, and the transaction with the Group was excluded.

As at 31 December 2019, the cumulative gains recognized in other comprehensive loss relating to the Disposal Group were RMB10,027,000.

28 分類為持作出售之出售集團資產及負債

由於營運業務計劃變更，本集團與獨立第三方公司訂立一份日期為2019年12月31日的股權轉讓協議及補充協議，以出售其附屬公司深圳中融保險經濟有限公司（「出售集團」）之資產及負債，現金代價為人民幣73,500,000元。

於2019年12月13日，股權轉讓協議之條款於本集團股東特別大會上獲股東批准。該交易預期於2020年完成。

於2019年12月31日，出售集團之資產及負債根據國際財務報告準則第5號分別列為「分類為持作出售資產」及「與分類為持作出售資產直接相關的負債」，惟與本集團之交易除外。

於2019年12月31日，累計收益人民幣10,027,000元於有關出售集團之其他全面虧損內確認。

		31 December 2019 2019年12月31日 RMB'000 人民幣千元
Assets held for sale	持作出售資產	
Cash at bank and on hand	銀行及手頭現金	73,437
Trade receivables	貿易應收款項	2,063
Prepayments and other receivables	預付款項及其他應收款項	2,314
Term deposits	定期存款	5,000
Intangible assets (Note 18)	無形資產(附註18)	27,126
Right-of-use assets	使用權資產	274
Property and equipment, net (Note 16)	物業及設備淨額(附註16)	56
Total assets of the Disposal Group held for sale	持作出售之出售集團資產總額	110,270
Liabilities directly associated with assets classified as held for sale	與分類為持作出售資產直接相關的負債	
Trade and other payables	貿易及其他應付款項	1,855
Lease liabilities	租賃負債	289
Deferred income tax liabilities	遞延所得稅負債	4,550
Total liabilities of the Disposal Group directly associated with assets classified as held for sale	與分類為持作出售之出售集團資產直接相關的負債總額	6,694

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 SHARE CAPITAL, SHARE PREMIUM AND SHARES HELD FOR EMPLOYEE INCENTIVE SCHEMES

29 股本、股份溢價及就僱員獎勵計劃持有的股份

		Number of shares 股份數目	Share capital		Share premium	Shares held for employee incentive schemes
			股本		股份溢價	持作僱員獎勵計劃的股份
			US\$'000 美元千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 1 January 2018	於2018年1月1日	297,819,000	3	20	33,134	(9)
Issuance of ordinary shares upon IPO and partial exercise of over-allotment option, net of issuance costs (a)	於首次公开发售及部分行使超额配股權後發行普通股，扣除發行成本(a)	126,102,000	1	8	893,986	–
Conversion of preferred shares to ordinary shares (a)	優先股轉換為普通股(a)	683,548,000	7	46	4,951,374	–
Issuance of shares held for employee incentive schemes (b)	發行持作僱員獎勵計劃的股份(b)	86,956,522	1	5	–	(5)
As at 31 December 2018	於2018年12月31日	1,194,425,522	12	79	5,878,494	(14)
As at 1 January 2019	於2019年1月1日	1,194,425,522	12	79	5,878,494	(14)
Share incentive exercised (c)	已行使股份獎勵(c)	–	–	–	89,542	2
Share repurchase (d)	股份購回(d)	(2,772,000)	(0.03)	(0.20)	(7,941)	–
As at 31 December 2019	於2019年12月31日	1,191,653,522	12	79	5,960,095	(12)

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 SHARE CAPITAL, SHARE PREMIUM AND SHARES HELD FOR EMPLOYEE INCENTIVE SCHEMES (Cont'd)

- (a) The Company issued 126,102,000 ordinary shares at par value of US\$0.00001 upon its completion of IPO on 13 July 2018 and partial exercise of the over-allotment option on 10 August 2018. In the meantime, 654,913,000 preferred shares and 28,635,000 Class B ordinary shares have been converted to ordinary shares.
- (b) The Company issued 86,956,522 ordinary shares to 51 Award Limited and 51 Stock Limited which are established for the purpose of administering and holding the Company's shares for employee incentive schemes.
- (c) During the year ended 31 December 2019, the subscription rights attaching to 19,912,394 share options were exercised at the average subscription prices of approximately RMB0.34 per share, for a total cash consideration, before expenses, of RMB6,746,000. An amount of RMB82,798,000 was transferred from the share-based payment reserve to share premium upon the exercise of the share options. The weighted average market price at the date of exercise of options exercised during the year ended 31 December 2019 was approximately RMB2.43 (2018: not applicable).
- (d) During the year ended 31 December 2019, the Company repurchased a total of 2,772,000 shares of the Company from the Stock Exchange, with the aggregate consideration paid (before expenses) amounting to approximately HK\$8,799,000. All the shares repurchased were subsequently cancelled.

29 股本、股份溢價及就僱員獎勵計劃持有的股份(續)

- (a) 本公司於2018年7月13日完成首次公開發售及於2018年8月10日部分行使超額配股權後按面值0.00001美元發行126,102,000股普通股。同時，654,913,000股優先股及28,635,000股B類普通股已轉換為普通股。
- (b) 本公司向51 Award Limited及51 Stock Limited(均為管理及持有本公司的僱員獎勵計劃的股份而成立)發行86,956,522股普通股。
- (c) 截至2019年12月31日止年度，19,912,394份購股權所附帶之認購權已按平均認購價約每股人民幣0.34元獲行使，扣除開支前現金代價總額為人民幣6,746,000元。購股權獲行使後，人民幣82,798,000元已自以股份為基礎的支付儲備轉撥至股份溢價。截至2019年12月31日止年度，於購股權獲行使之日的加權平均市價約為人民幣2.43元(2018年：不適用)。
- (d) 截至2019年12月31日止年度，本公司已於聯交所購回本公司總共2,772,000股股份，已付總代價(扣除開支前)約為8,799,000港元。所有購回的股份隨後註銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

30 RESERVES

30 儲備

		Other reserve	Share-based compensation reserve	Translation reserve	Total
		其他儲備 RMB'000 人民幣千元	以股份為基礎 的薪酬儲備 RMB'000 人民幣千元	換算儲備 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 1 January 2018	於2018年1月1日	(289,432)	142,406	(67,407)	(214,433)
Conversion of convertible bonds transferred to shares of a subsidiary	一家子公司的可換股債券轉撥至股份	30,893	–	–	30,893
Change in fair value attributable to change in the credit risk of other financial liabilities at FVPL	按公允價值計入損益的其他金融負債信用風險變動導致的公允價值變動	–	–	(517)	(517)
Change in fair value attributable to change in the credit risk of preferred share	優先股信用風險變動導致的公允價值變動	–	–	(16,990)	(16,990)
Share incentive awarded under employee incentive schemes	僱員獎勵計劃項下授出的股份獎勵	–	204,920	–	204,920
Currency translation differences	貨幣換算差額	–	–	(61,323)	(61,323)
As at 31 December 2018	於2018年12月31日	(258,539)	347,326	(146,237)	(57,450)
As at 1 January 2019	於2019年1月1日	(258,539)	347,326	(146,237)	(57,450)
Share incentive exercised	已行使股份獎勵	–	(82,798)	–	(82,798)
Acquisition of additional equity interest in a subsidiary	收購一家子公司的額外股權	(24)	–	–	(24)
Share incentive awarded under share incentive plan	股份獎勵計劃項下授出的股份獎勵	–	130,553	–	130,553
Profit appropriations to statutory reserves	轉撥至法定儲備的利潤	211	–	–	211
Currency translation differences	貨幣換算差額	–	–	(6,091)	(6,091)
As at 31 December 2019	於2019年12月31日	(258,352)	395,081	(152,328)	(15,599)

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 SHARE-BASED PAYMENTS

The Company has adopted 51 Award Scheme and 51 Stock Scheme ("Employee Incentive Schemes") to provide options and RSUs to employees and senior management as an additional incentives for the purposes of attracting and retaining the best available personnel. The majority of the options and RSUs vest 50% at the second service year end and 25% at the third and fourth service year end.

The Company has set up two structured entities, namely 51 Award Limited and 51 Stock Limited, which are solely for the purpose of administering and holding the Company's shares for the Employee Incentive Schemes. As at 31 December 2019, the Company issued 186,398,642 ordinary shares to 51 Award Limited and 51 Stock Limited at a par value of US\$0.00001 each, being the ordinary shares underlying the Company's Employee Incentive Schemes. In addition, the Company entered into a trust deed with an independent trustee (the "Trustee") in November 2017, pursuant to which the Trustee shall act as the administrator of the Company's Employee Incentive Schemes.

The Company has the power to direct the relevant activities of 51 Stock Limited and 51 Award Limited and it has the ability to use its power over the trusts to affect its exposure to returns. Therefore, the assets and liabilities of 51 Award Limited and 51 Stock Limited are included in the Group's consolidated statement of financial position and the ordinary shares held for the Company's Employee Incentive Schemes were regarded as issued but not outstanding shares and presented as a deduction in equity as "Shares held for employee incentive schemes".

The Group has no legal or constructive obligations to repurchase or settle the options in cash.

31 以股份為基礎的支付

本公司已採納51 Award Scheme及51 Stock Scheme（「僱員激勵計劃」），以為僱員及高級管理層提供購股權及受限制股份單位作為額外獎勵，以吸引及挽留優秀人才。大部分購股權及受限制股份單位於第二個服務年度年末歸屬50%及於第三及第四個服務年度年末歸屬25%。

本公司已設立兩個結構實體，即51 Award Limited及51 Stock Limited，僅為管理及持有本公司的僱員激勵計劃所涉股份。於2019年12月31日，本公司按面值每股0.00001美元向51 Award Limited及51 Stock Limited發行186,398,642股普通股，即本公司僱員激勵計劃的相關普通股數目。此外，本公司於2017年11月與一名獨立受託人（「受託人」）訂立信託契據，據此受託人將擔任本公司僱員激勵計劃的管理人。

本公司有權指示51 Stock Limited及51 Award Limited的相關業務，且其有能力使用其對信託的權力影響其回報風險。因此，51 Award Limited及51 Stock Limited的資產及負債計入本集團的綜合財務狀況表，且就本公司僱員激勵計劃持有的普通股被視作已發行但並非發行在外的股份並呈列為「持作僱員激勵計劃的股份」權益扣減。

本集團並無以現金購回或結算購股權的法定或推定義務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 SHARE-BASED PAYMENTS (Cont'd)

- (a) Movements in the number of stock options outstanding and their related weighted average exercise prices are as follows:

		2019	2019	2018	2018
			Weighted		Weighted
		Number	average	Number	average
			price in RMB		price in RMB
			人民幣加權		人民幣加權
		數目	平均價	數目	平均價
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Outstanding at 1 January	於1月1日尚未行使	139,552,055	2.40	83,904,938	0.81
Granted during the year	年內已授出	–	–	65,819,732	4.52
Exercised during the year	年內已行使	(19,912,394)	0.34	–	–
Forfeited and expired during the year	年內已沒收及屆滿	(30,873,615)	2.39	(10,172,615)	2.01
Outstanding at 31 December	於12月31日尚未行使	88,766,046	2.88	139,552,055	2.40
Vested at 31 December	於12月31日已歸屬	61,647,343	0.68	36,260,466	0.69

Based on the fair value of the underlying ordinary share, the Company has used Binomial option-pricing model to determine the fair values of the share options as at the grant dates. Key assumptions used for the valuation are set as below:

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
Risk-free interest rate	無風險利率	0.00%	2.19%
Volatility	波幅	0.00%	38.60%
Dividend yield	股息收益率	–	–

The Company estimated the risk-free interest rate based on the yield of US Treasury bond and China Government bond with a maturity life equal to the option life of the share option. Volatility was estimated at grant date based on average of historical volatilities of the comparable companies with length commensurable to the time to maturity of the share option. Dividend yield is based on management estimation at the grant date.

31 以股份為基礎的支付 (續)

- (a) 尚未行使的購股權數目及相關加權平均行使價的變動如下：

基於相關普通股的公允價值，本公司已採用二項式購股權定價模式釐定購股權於授出日期的公允價值。估值使用的主要假設載列如下：

本公司根據到期年限與購股權年期相等的美國國債及中國政府債券的收益率估計無風險利率。波幅乃於授出日期根據期限與購股權到期期限相若的可比較公司的平均過往波幅而估計。股息收益率乃根據管理層於授出日期的估計釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 SHARE-BASED PAYMENTS (Cont'd)

(b) Movements in the number of RSUs during the years ended 31 December 2018 and 2019 are as follows:

31 以股份為基礎的支付 (續)

(b) 截至2018年及2019年12月31日止年度的受限制股份單位數目的變動如下：

		Number of RSUs 受限制股份 單位數目
Outstanding balance as at 1 January 2018	於2018年1月1日的未行使結餘	22,739,327
Vested	已歸屬	(3,024,515)
Forfeited	已沒收	(9,739,250)
Outstanding balance as at 31 December 2018	於2018年12月31日的未行使結餘	9,975,562
Granted	已授出	26,415,400
Vested	已歸屬	(5,690,858)
Forfeited	已沒收	(5,072,380)
Outstanding balance as at 31 December 2019	於2019年12月31日的未行使結餘	25,627,724

The fair value of each RSUs at the grant dates were determined by reference to the market price of the ordinary share of the Company.

於授出日期各受限制股份單位的公允價值乃經參考本公司普通股的市價釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 BORROWINGS

32 借款

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At amortized cost	按攤銷成本計		
Short-term borrowings:	短期借款：		
Bank borrowings (a) – secured	銀行借款(a)–有擔保	6,205	189,900
Other borrowings (b)– unsecured	其他借款(b)–無擔保	13,616	–
		19,821	189,900
Long-term borrowings:	長期借款：		
Bank borrowings (a) – secured	銀行借款(a)–有擔保	34,046	56,116
Other borrowings (c) – secured and unsecured	其他借款(c)–有擔保及無擔保	115,000	356,986
		149,046	413,102
Borrowing by repayment schedule:	按還款計劃劃分的借款：		
Within 1 year	一年內	19,821	189,900
1 year to 2 years	一年至二年	121,563	34,056
2 years to 5 years	二年至五年	22,056	365,850
5 years to 8 years	五年至八年	5,427	13,196
		168,867	603,002

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 BORROWINGS (Cont'd)

- (a) In August 2017, the Group borrowed a loan of RMB53,000,000 from Bank of Hangzhou. The loan bears interest at the annual rate of 115% of the five-year loan benchmark rate of the People's Bank of China. The loan is repayable in eight years from the borrowing date and is guaranteed by Sun Haitao and pledged by the building of Enniu Network. The amount of RMB6,205,000 will be repaid within one year and was classified in short-term borrowing.
- (b) The borrowing amount of approximately RMB11,986,000 was assumed by the Group through the acquisition of Netcom in July 2017. This borrowing is the financial liability component bifurcated from the convertible bond issued by Netcom and is accounted using annual effective interest rate of 14.61% with a ten-year payment term from August 2010. In January 2018, the convertible bond at par value of HK\$50,000,000 was converted to the ordinary shares of Netcom.
- (c) In May 2017, Enniu Network, together with Shenzhen Tiantu Xingneng Investments (Limited Partnership) ("Tiantu Xingneng") and China Merchants Securities Asset Management Co., Ltd. ("CMS AM"), set up Hangzhou Shangniu Investment Management Partnership (Limited Partnership). In November and December 2017, Enniu Network entered into the repurchase agreements with Tiantu Xingneng and CMS AM respectively that Enniu Network would repurchase all the shares contributed by Tiantu Xingneng and CMS AM in four years with fixed interest rate of 8% and 8.035% per annum respectively. In November 2019, Hangzhou Shangniu Investment Management Partnership (Limited Partnership) returned partnership funds of RMB230,000,000 to CMS AM.

The partnership funds of RMB25,000,000 and RMB90,000,000 contributed by Tiantu Xingneng and CMS AM respectively are deemed as borrowing of the Group. The borrowings were pledged by the ordinary shares of Kaizhuo Technology held by the Group. The amount of RMB90,000,000 contributed by CMS AM was also guaranteed by Sun Haitao.

32 借款 (續)

- (a) 於2017年8月，本集團向杭州銀行借貸人民幣53,000,000元。貸款利息按中國人民銀行五年期貸款基準利率的115%的年利率計算。該貸款須於借款日期起八年內償還，由孫海濤擔保及由恩牛網絡的樓宇作抵押。人民幣6,205,000元將於一年內償還並獲分類為短期借款。
- (b) 借款款項約人民幣11,986,000元乃由本集團透過於2017年7月收購中彩網通承擔。該借款為自中彩網通發行的可換股債券中分離出來的金融負債部分，使用實際年利率14.61%入賬，付款期為自2010年8月起十年。於2018年1月，面值為50,000,000港元的可換股債券被轉換為中彩網通的普通股。
- (c) 於2017年5月，恩牛網絡連同Shenzhen Tiantu Xingneng Investments (Limited Partnership) (「Tiantu Xingneng」)及招商證券資產管理有限公司(「招證資管」)成立杭州商牛投資管理合夥企業(有限合夥)。於2017年11月及12月，恩牛網絡分別與Tiantu Xingneng及招證資管訂立購回協議，恩牛網絡將分別按固定年利率8%及8.035%於四年內購回Tiantu Xingneng及招證資管出資的全部股份。於2019年11月，杭州商牛投資管理合夥企業(有限合夥)將合夥基金人民幣230,000,000元退還予招證資管。

Tiantu Xingneng及招證資管分別出資的合夥基金人民幣25,000,000元及人民幣90,000,000元被視為本集團之借款。借款由本集團所持開桌科技的普通股作抵押。由招證資管出資的金額人民幣90,000,000元亦由孫海濤擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

33 TRADE AND OTHER PAYABLES

33 貿易及其他應付款項

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Payables for equity investments (a)	股權投資應付款項(a)	214,825	218,329
Payroll and welfare payable	應付工資及福利	49,699	115,519
Trade payables (b)	貿易應付款項(b)	27,468	30,197
Payable to settlement banks	應付收單銀行款	24,920	74,847
Online promotion marketing expenses payable	網絡推廣營銷應付款項	19,909	80,863
Other tax payable	其他應付稅項	11,457	19,460
Payable on behalf of credit card users	代表信用卡用戶應付款項	3,539	8,670
Deposit payables (c)	應付按金(c)	3,287	1,965
Payable to related parties	應付關聯方款項	1,513	3,951
Listing fee payables	應付上市費用	–	3,431
Others	其他	47,415	67,376
		404,032	624,608

Notes to the Consolidated Financial Statements

綜合財務報表附註

33 TRADE AND OTHER PAYABLES (Cont'd)

- (a) Payables for equity investments primarily represent the cash consideration due to the counterparties of equity transactions in connection with the acquisition of Kaizhuo Technology.
- (b) Trade payables represent payables of fund transfer charges and collection service charges.

The aging analysis of trade payables based on invoice date is as below:

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 30 days	30天內	13,304	22,831
30 to 90 days	30天至90天	11,266	7,298
90 to 180 days	90天至180天	2,323	43
180 to 360 days	180天至360天	575	25
		27,468	30,197

- (c) Deposit payables primarily represent credit facilitation deposit received from other lending platforms when the Group introduced investors to other lending platforms.

34 FINANCIAL LIABILITIES AT FVPL

Financial liabilities at FVPL

In December 2017, the Group acquired 100% shares of Kaizhuo Technology from independent third parties for cash consideration and issuance of certain shares of the Company. As at 31 December 2019, the issuance of shares has not been completed.

33 貿易及其他應付款項 (續)

- (a) 股權投資應付款項主要指就收購開卓科技應付股權交易對手方的現金代價。
- (b) 貿易應付款項指資金轉賬費用及回收服務收費的應付款項。

基於發票日期的貿易應付款項賬齡分析載列如下：

34 按公允價值計入損益的金融負債

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial liabilities at FVPL	按公允價值計入損益的金融負債	24,370	70,529

於2017年12月，本集團以現金代價及發行若干本公司股份向獨立第三方收購開卓科技的100%股份。於2019年12月31日，股份發行尚未完成。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

Relationship and details of transactions between the Group and other related parties are disclosed below:

35 關聯方交易

倘一方有能力直接或間接控制另一方或對另一方的財務及經營決策行使重大影響力，均被視為關聯方。倘彼等受共同控制，亦被視為關聯方。本集團主要管理層成員及彼等近親亦被視作關聯方。

本集團與其他關聯方的關係及交易詳情披露如下：

Name of the major related parties 主要關聯方名稱	Relationship with the Group 與本集團的關係
Sun Haitao 孫海濤	CEO, Director of the Company 本公司行政總裁、董事
Zou Yunli 鄒雲麗	Director of the Company 本公司董事
Yang Yuzhi 楊宇智	Director of the Company 本公司董事
Zhao Ke 趙軻	Director of the Company 本公司董事
Wang Zhaocheng 王朝成	Director of the Company 本公司董事
Wong Ti 汪棣	Director of the Company 本公司董事
Ye Xiang 葉翔	Director of the Company 本公司董事
Yang Dong 楊東	Director of the Company 本公司董事
Wang Yongjun 汪擁軍	key management personnel of the entity 實體之主要管理人員
Yang Jun 楊軍	key management personnel of the entity 實體之主要管理人員
Zhu Jianfei 朱劍飛	key management personnel of the entity 實體之主要管理人員
Zhang Xi 章曦	key management personnel of the entity 實體之主要管理人員

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Cont'd)

35 關聯方交易 (續)

Name of the major related parties 主要關聯方名稱	Relationship with the Group 與本集團的關係
Guo Wei 郭威	key management personnel of the entity 實體之主要管理人員
Zhu Yangzhi 朱揚志	key management personnel of the entity 實體之主要管理人員
Wei Jianpeng 魏建鵬	key management personnel of the entity 實體之主要管理人員
Zhang Chuanbo 張傳波	key management personnel of the entity 實體之主要管理人員
Zhejiang Anniu Technology Co., Ltd. 浙江安牛科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Beijing Juece Xincheng Technology Co., Ltd. 北京決策信誠科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Hangzhou Shanniu Restaurant Management Co., Ltd. 杭州膳牛餐飲管理有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Shanghai Pengshu Information Technology Co., Ltd. 上海朋數信息科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Beijing Caizhiyun Investment Management Co., Ltd. 北京財智雲投資管理有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Hangzhou Sunyard Fantai Technology Co., Ltd. 杭州信雅達泛泰科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Zhuhai Yunyoudao Technology Co., Ltd. 珠海雲遊道科技有限責任公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Zhejiang Zhongma Technology Co., Ltd. 浙江眾馬科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Cont'd)

35 關聯方交易 (續)

Name of the major related parties 主要關聯方名稱	Relationship with the Group 與本集團的關係
Shark Kuaiyou Network Technology (Beijing) Co., Ltd. 鯊魚快游網絡技術(北京)有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Hangzhou Pinpianyi Network Technology Co., Ltd. 杭州拼便宜網絡科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Hangzhou Zaodao Technology Co., Ltd. 杭州早稻科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Hangzhou Ren Junxing Technology Co., Ltd. 杭州任君行科技有限公司	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
TOWERING GROUP INC. TOWERING GROUP INC.	Investee over which the Group has significant influence 受本集團重大影響的被投資公司
Hangzhou Lvji Network Technology Co., Ltd. 杭州旅記網絡技術有限公司	Controlled by key management 受主要管理人員控制
Henan Amumu Network Technology Co., Ltd. 河南阿木木網絡科技有限公司	Controlled by key management 受主要管理人員控制
Pingxiang Chuangniu Asset Management Co., Ltd. 萍鄉創牛資產管理有限公司	Controlled by key management 受主要管理人員控制
Pingxiang Shiniu Asset Management Partnership (Limited Partnership) 萍鄉世牛資產管理合夥企業(有限合夥)	Controlled by key management 受主要管理人員控制
Pingxiang Jiniu Asset Management Partnership (Limited Partnership) 萍鄉紀牛資產管理合夥企業(有限合夥)	Controlled by key management 受主要管理人員控制
Shanghai Haobin Financial Information Services Co., Ltd. 上海好斌金融信息服務有限公司	Controlled by key management 受主要管理人員控制
51 Xihu L.P. 51 Xihu L.P.	Controlled by key management 受主要管理人員控制
Rising Sun Limited Rising Sun Limited	Controlled by key management 受主要管理人員控制

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Cont'd)

The following transactions were carried out between the Group and its related parties during the year ended 31 December 2019. In the opinion of the directors of the Company, the related party transactions were carried out in the ordinary course of business and at terms negotiated between the Group and the respective related parties.

Save as disclosed in elsewhere of these financial statements, the Group entered into the following related party transactions during the Reporting Period:

- (a) Loan referral service income, credit card technology service income and other income-recognized in revenue (before net of sales tax and related surcharges)

35 關聯方交易 (續)

下列交易乃由本集團與其關聯方於截至2019年12月31日止年度進行。根據本公司董事意見，關聯方交易乃於一般業務過程中按本集團與各自關聯方協商的條款進行。

除本財務報表其他部分披露者外，本集團於報告期間訂立下列關聯方交易：

- (a) 於收益確認的信貨介紹服務收入、信用卡科技服務收入及其他收入（扣除銷售稅項及相關附加稅前）

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Investees over which the Group has significant influence	受本集團重大影響的被投資公司	8,358	14,304

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Cont'd)

(b) Origination and servicing expenses

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Investees over which the Group has significant influence	受本集團重大影響的被投資公司	5,018	94

(c) Sales and marketing expenses

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Investees over which the Group has significant influence	受本集團重大影響的被投資公司	15,078	12,213

(d) Loans guaranteed by related parties

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
The CEO	行政總裁	130,251	566,017

35 關聯方交易 (續)

(b) 辦理及服務開支

(c) 銷售及營銷開支

(d) 關聯方擔保的貸款

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 RELATED PARTY TRANSACTIONS (Cont'd)

(e) Balances with related parties

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款項		
Investees over which the Group has significant influence	受本集團重大影響的被投資公司	2,581	4,387
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		
Directors of the Company	本公司董事	57	-
Controlled by key management	受主要管理層控制	300	-
Investees over which the Group has significant influence	受本集團重大影響的被投資公司	6,217	200
		6,574	200
Trade and other payables	貿易及其他應付款項		
Investees over which the Group has significant influence	受本集團重大影響的被投資公司	1,513	3,951
		1,513	3,951

35 關聯方交易 (續)

(e) 與關聯方的結餘

(f) Key management personnel compensations

Key management includes executive directors and senior management. The compensations paid or payable to key management for employee services are shown below:

(f) 主要管理層人員薪酬

主要管理層包括執行董事及高級管理層。就其僱員服務已付或應付主要管理層的薪酬列示如下：

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	5,416	7,687
Pension costs-defined contribution plan	退休金成本—界定供款計劃	223	335
Other social security costs, housing benefits and other employee benefits	其他社保成本、住房福利及其他僱員福利	428	584
Share-based compensation expenses	以股份為基礎的薪酬開支	126,061	167,285
		132,128	175,891

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation from (loss)/profit before income tax to cash generated from operating activities:

36 綜合現金流量表附註

(a) 將除所得稅前(虧損)/溢利調節為經營活動產生的現金：

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(Loss)/profit for the year	年內(虧損)/溢利	(1,111,043)	2,168,767
Adjustments for:	就以下各項進行調整：		
Depreciation and amortization	折舊及攤銷	94,081	66,433
Fair value losses on financial assets at FVPL	按公允價值計入損益金融資產的公允價值虧損	46,487	3,911
Fair value gain on financial liabilities at FVPL	按公允價值計入損益金融負債的公允價值收益	(46,160)	(98,448)
Fair value loss/(gain) on foreign exchange contracts	外匯合約的公允價值虧損/(收益)	2,154	(4,262)
Gain on wealth management products	理財產品收益	(12,392)	–
Gain on trust	信託收益	(333)	–
Interest expenses charged by trust senior tranche holders	信託優先級持有人收取的利息開支	8,946	44,640
Share of net losses of associates accounted for using equity method	使用權益法入賬的聯營公司應佔虧損淨額	3,255	1,302
Loss on disposal of ordinary share of investees	出售被投資公司普通股虧損	8,536	–
Loss on disposal of investments in ordinary shares with preferential liquidation rights	出售具有優先清盤權的普通股的投資虧損	95,005	–
Share based compensation expenses	以股份為基礎的薪酬開支	130,553	204,920
Gain on disposal of property and equipment	出售物業及設備收益	(944)	–
ECL and quality assurance fund loss	預期信用損失及質量保證金虧損	1,265,465	604,307
Impairment loss	減值虧損	184,652	–
Fair value gain of preferred shares	優先股公允價值收益	–	(1,942,221)
Dividend income from an investee	來自被投資公司的股息收入	(16,103)	(11,083)
Finance expenses	財務開支	30,084	16,088
		1,793,286	(1,114,413)

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

(a) Reconciliation from (loss)/profit before income tax to cash generated from operating activities: (Cont'd)

36 綜合現金流量表附註 (續)

(a) 將除所得稅前(虧損)/溢利調節為經營活動產生的現金:(續)

		Year ended 31 December	
		截至12月31日止年度	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Changes in operating assets and liabilities:	經營資產及負債變動:		
Increase in restricted cash	受限制現金增加	(377,615)	-
Decrease/(increase) in contract assets and trade receivables	合約資產及貿易應收款項減少/(增加)	172,876	(1,435,936)
Decrease in loans to customers	客戶貸款減少	78,859	669,687
Increase in prepayments and other receivables	預付款項及其他應收款項增加	(70,196)	(11,200)
Decrease in trade and other payables	貿易及其他應付款項減少	(160,208)	(51,331)
Increase/(decrease) in contract liabilities	合約負債增加/(減少)	60,736	(2,200)
Decrease in taxes payables	應付稅項減少	(186,239)	(134,199)
		(481,787)	(965,179)
Cash generated from operating activities	經營活動產生的現金	200,456	89,175

(b) Non-cash investing and financing activities

(b) 非現金投資及融資活動

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Payable for acquisition of a subsidiary	收購附屬公司應付款項	(214,825)	(228,736)
Acquisition of right-of-use assets	收購使用權資產	5,240	-
Financial liabilities to be issued for acquisition of a subsidiary	就收購附屬公司將予發行金融負債	-	70,529

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

(c) Net Debt Reconciliation

An analysis of net debt and the movements in net debt for the years ended 31 December 2019 and 2018 are presented as follows:

Net Debt

36 綜合現金流量表附註 (續)

(c) 淨債務對賬

截至2019年及2018年12月31日止年度淨債務及淨債務變動的分析呈報如下：

淨債務

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物	1,283,144	1,206,172
Liquid investments	短期投資	–	568,959
Borrowings – repayable within one year	借款—須於一年內償還	(19,821)	(189,900)
Borrowings – repayable after one year	借款—須於一年後償還	(149,046)	(413,102)
Payable to trust senior tranche holders within one year	須於一年內應付信託優先級持有人款項	(20,100)	–
Payable to trust senior tranche holders after one year	須於一年後應付信託優先級持有人款項	–	(181,500)
Lease liabilities	租賃負債	(47,447)	–
Net debt	淨債務	1,046,730	990,629
Cash and liquid investments	現金及短期投資	1,283,144	1,775,131
Gross debt – fixed interest rates	總債務—固定利率	(188,967)	(784,502)
Gross debt – variable interest rates	總債務—浮動利率	(47,447)	–
Net debt	淨債務	1,046,730	990,629

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

(c) Net Debt Reconciliation (Cont'd)

		Cash and cash equivalents	Liquid investments	Borrowings (non-current)	Borrowings (current)	holders within one year 須於一年內 應付信託	Payable to trust senior tranche holders after one year 須於 一年後應付 信託優先級 持有人款項	Leases	Payable to preferred shareholders repayable after one year 須於 一年後 應付優先股 股東款項	Total
		現金及 現金等價物 RMB'000 人民幣千元	短期投資 RMB'000 人民幣千元	借款 (非即期) RMB'000 人民幣千元	借款(即期) RMB'000 人民幣千元	持有入款項 RMB'000 人民幣千元	持有入款項 RMB'000 人民幣千元	租賃 RMB'000 人民幣千元	股東款項 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 1 January 2018	於2018年1月1日	1,258,446	245,284	(437,911)	(257,057)	-	(790,000)	-	(6,815,260)	(6,796,498)
Foreign exchange adjustments	外匯調整	14,019	-	-	-	-	-	-	-	14,019
Cash flows	現金流量	(66,293)	323,675	24,809	67,157	-	608,500	-	-	957,848
Other non-cash movements	其他非現金變動	-	-	-	-	-	-	-	6,815,260	6,815,260
As at 31 December 2018	於2018年12月31日	1,206,172	568,959	(413,102)	(189,900)	-	(181,500)	-	-	990,629
Recognized on adoption of IFRS 16	確認採納國際財務報告準則第16號	-	-	-	-	-	-	(81,919)	-	(81,919)
As at 1 January 2019	於2019年1月1日	1,206,172	568,959	(413,102)	(189,900)	-	(181,500)	(81,919)	-	908,710
Foreign exchange adjustments	外匯調整	3,965	-	-	-	-	-	-	-	3,965
Acquisition-leases	收購-租賃	-	-	-	-	-	-	5,240	-	5,240
Cash flows	現金流量	73,007	(568,959)	264,056	170,079	(20,100)	181,500	(25,126)	-	74,457
Other non-cash movements	其他非現金變動	-	-	-	-	-	-	54,358	-	54,358
As at 31 December 2019	於2019年12月31日	1,283,144	-	(149,046)	(19,821)	(20,100)	-	(47,447)	-	1,046,730

37 DIVIDENDS

No dividend has been paid or declared by the Company for the year ended 31 December 2019 (2018: nil).

37 股息

截至2019年12月31日止年度，本公司並未派付或宣派任何股息（2018年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38 FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(a) Financial position of the Company

38 本公司財務狀況及儲備變動

(a) 本公司財務狀況

		As at 31 December	
		於12月31日	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	1,002,348	1,076,838
Receivables from subsidiaries	應收附屬公司款項	5,034,809	4,812,155
Total non-current assets	非流動資產總值	6,037,157	5,888,993
Current assets	流動資產		
Cash and cash equivalents	現金及現金等價物	63,848	96,925
Total current assets	流動資產總值	63,848	96,925
Total assets	資產總值	6,101,005	5,985,918
EQUITY AND LIABILITIES	權益及負債		
Equity	權益		
Share capital	股本	79	79
Share premium	股份溢價	5,960,095	5,878,494
Share held for employee incentive schemes	持作僱員獎勵計劃的股份	(12)	(14)
Reserves (Note 38 (b))	儲備(附註38(b))	189,843	146,231
Accumulated loss (Note 38 (b))	累計虧損(附註38(b))	(49,000)	(38,872)
Total equity	總權益	6,101,005	5,985,918
Total liabilities	負債總額	-	-
Total equity and liabilities	權益及負債總額	6,101,005	5,985,918

The statement of financial position of the Company was approved by the Board of Directors on 30 March 2020 and was signed on its behalf.

本公司之財務狀況表於2020年3月30日獲董事會批准，並由下列代表簽署。

Sun Haitao
孫海濤
Director
董事

Zhao Ke
趙軻
Director
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

38 FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

(b) Reserve movement of the Company

38 本公司財務狀況及儲備變動 (續)

(b) 本公司儲備變動

		Reserves 儲備 RMB'000 人民幣千元	Accumulated loss 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2019	於2019年1月1日	146,231	(38,872)	107,359
Comprehensive loss	全面收益			
Loss for the year	年度虧損	-	(10,128)	(10,128)
Currency translation differences	貨幣換算差額	(4,143)	-	(4,143)
Total comprehensive income	全面收益總額	(4,143)	(10,128)	(14,271)
Transactions with owners as their capacity as owners	與身為擁有人的擁有人之交易			
Share incentive exercised	已行使股份獎勵	(82,798)	-	(82,798)
Share incentive awarded under employee incentive schemes	僱員激勵計劃項下的股份獎勵	130,553	-	130,553
Total transactions with owners as their capacity as owners	與身為擁有人的擁有人之交易總額	47,755	-	47,755
As at 31 December 2019	於2019年12月31日	189,843	(49,000)	140,843
		Reserves 儲備 RMB'000	Accumulated loss 累計虧損 RMB'000	Total 總計 RMB'000
As at 1 January 2018	於2018年1月1日	3,844	-	3,844
Comprehensive income	全面收益			
Loss for the year	年度虧損	-	(38,872)	(38,872)
Change in fair value attributable to change in the credit risk of preferred share	優先股信用風險變動導致的公允價值變動	(16,990)	-	(16,990)
Currency translation differences	貨幣換算差額	(45,543)	-	(45,543)
Total comprehensive loss	全面收益總額	(62,533)	(38,872)	(101,405)
Transactions with owners as their capacity as owners	與身為擁有人的擁有人之交易			
Share incentive awarded under employee incentive schemes	僱員激勵計劃項下的股份獎勵	204,920	-	204,920
Total transactions with owners as their capacity as owners	與身為擁有人的擁有人之交易總額	204,920	-	204,920
As at 31 December 2018	於2018年12月31日	146,231	(38,872)	107,359

Notes to the Consolidated Financial Statements

綜合財務報表附註

39 CONTINGENT LIABILITIES

On 21 October 2019, the Company's office in Hangzhou, Zhejiang was subject to an onsite investigation by certain PRC government authorities (the "Authorities"). A number of employees, including several members of the Group's key management team, were requested to assist with the investigation. On the same day the Public Security Bureau of Hangzhou issued an announcement on its website stating that the investigation related to allegations of criminal behavior; specifically the offence of "picking quarrels and provoking trouble" (the "Offence"), committed by certain debt collection agencies deployed by the Group. The Group resumed its normal business operations the following day and since then has not been subject to any formal investigation by the Authorities related to the I021 Event, nor has any assets of the Group been confiscated or frozen.

According to the Company's PRC legal counsel, only a natural person, rather than a corporate body, can be charged for committing the Offence. In addition, given the Group has compliance policies and controls in place to govern its debt collection processes, and that management is not aware of any intentional or knowingly illegal acts conducted or instructed by the Group in relation to debt collection, management has assessed that the likelihood of the Group being charged with such Offence is relatively remote.

Nevertheless, it is uncertain at the date of this report whether the investigation in connection with the I021 Event has been completed; whether the Group or any staff member (including senior management members) will be convicted and held liable for any negative legal consequences arising from the I021 Event investigation; and whether any further investigations will be carried out by the Authorities. The Group will continue to monitor the developments in relation to the I021 Event and assess the impact to the consolidated financial statements.

39 或然負債

2019年10月21日，本集團位於浙江杭州的辦事處接受了中國有關政府部門（「有關部門」）的現場調查。多名員工，包括本集團數名主要管理層成員，被要求協助調查。同日杭州市公安局在其網站上發佈公告，稱該調查與犯罪指控有關，具體是集團委託的外包催收公司涉嫌「尋釁滋事」（「尋釁滋事」）的犯罪行為。本集團於翌日恢復了正常業務運營，且此後並未受到有關部門與I021事件相關的正式調查，本集團的資產亦未被罰沒或凍結。

據本公司的中國法律顧問告知，只有自然人而非法人團體才能以尋釁滋事罪被起訴。此外，鑒於本集團採用合規政策與控制來約束其債務催收流程，且管理層並不知悉任何由本集團蓄意或有意實施或指示的與債務催收相關的違法行為，因而管理層認為本集團不太可能因這一特定罪行被起訴。

然而，截至本報告日止，尚不確定與I021事件有關的調查是否已經完結；以及本集團或任何員工（包括高級管理人員）是否會因I021事件調查產生的任何負面法律後果被定罪定責；以及有關部門是否會開展任何進一步的調查。本集團將繼續跟進與I021事件有關的事態發展，並評估其對合併財務報表的影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 SUBSEQUENT EVENTS

After the outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) in early 2020, a series of precautionary and control measures have been and continued to be implemented across the PRC. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group.

The COVID-19 outbreak has certain impacts on the Group’s business operation and overall economy in some areas or industries. This may affect the personal consumption credit market and increase the credit risk of the credit facilitation business to a certain extent, and the degree of the impact depends on the situation of the epidemic preventive measures, the duration of the epidemic and the implementation of regulatory policies.

The Group will keep continuous attention on the situation of the COVID-19 outbreak, assess and react actively to its impacts on the financial position and operating results of the Group. Up to the date of the report, the assessment is still in progress.

40 期後事項

於2020年年初爆發2019冠狀病毒病（「COVID-19疫情」）以來，全國各地已實施並將繼續實施一系列防控措施。本集團會密切關注COVID-19疫情的動向，並評估其可能對本集團財務狀況及經營業績產生的影響。

COVID-19疫情對本集團的部分領域或行業的業務運營及整體經濟有一定影響。這可能會影響個人消費信貸市場，並在一定程度上增加信貸撮合業務的信用風險，而受影響程度則取決於疫情防控措施的形勢、疫情的持續時間及監管政策的實施情況。

本集團會持續關注COVID-19疫情的形勢，並評估和積極應對其可能對本集團財務狀況及經營業績產生的影響。截至本報告日期，評估工作尚在進行中。

Five-Year Financial Summary

五年財務資料概要

For the year ended 31 December

截至12月31日止年度

		2015	2016	2017	2018	2019
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Results	業績					
Revenue	收益	89,727	571,046	2,268,580	2,811,994	2,045,393
Profit/(loss) for the year	本年度溢利／(虧損)	(693,303)	(2,231,442)	(1,378,471)	2,168,767	(1,111,043)
Profit/(loss) attributable to:	下列人士應佔溢利／ (虧損)：					
Owners of the Company	本公司所有人	(693,303)	(2,231,442)	(1,371,270)	2,162,084	(1,128,878)
Non-controlling interests	非控股權益	—	—	(7,201)	6,683	17,835
		(693,303)	(2,231,442)	(1,378,471)	2,168,767	(1,111,043)
		2015	2016	2017	2018	2019
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Assets and liabilities	資產及負債					
Total assets	總資產	496,850	4,085,519	7,725,042	7,532,198	5,740,426
Total liabilities	總負債	(1,329,152)	(7,179,253)	(12,306,598)	(3,985,942)	(3,186,068)
		(832,302)	(3,093,734)	(4,581,556)	3,546,256	2,554,358
Equity attributable to owners of the Company	本公司擁有人 應佔權益	(832,302)	(3,093,734)	(4,584,512)	3,529,315	2,522,174
Non-controlling interests	非控股權益	—	—	2,956	16,941	32,184
		(832,302)	(3,093,734)	(4,581,556)	3,546,256	2,554,358

51信用卡

51 CREDIT CARD