Guoan International Limited

國安國際有限公司

(Incorporated in the Cayman Islands with limited liability)

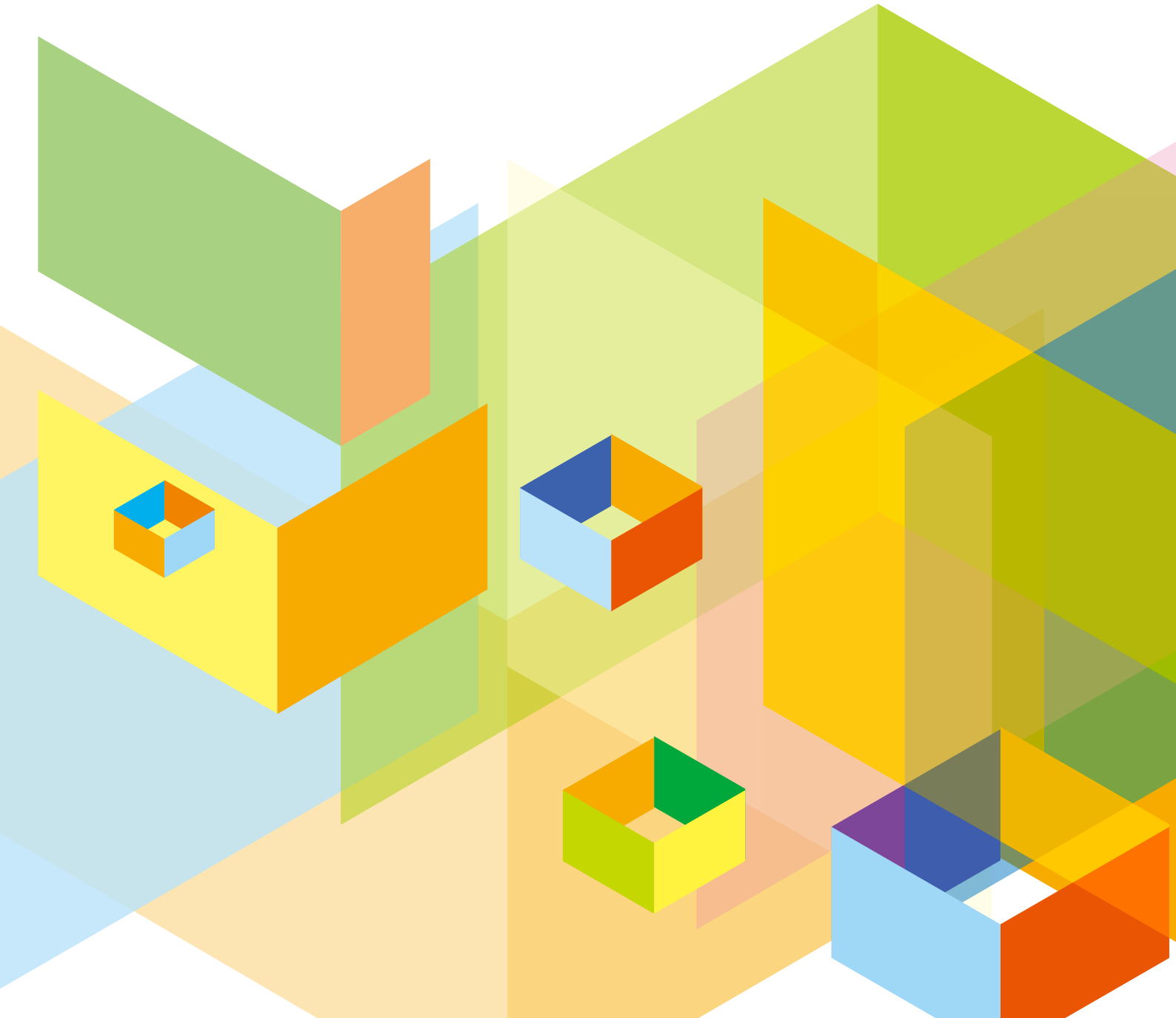
(於開曼群島註冊成立之有限公司)

(HKEX Stock Code 港交所股份代號：143)

(SGX-ST Stock Code 新交所股份代號：G11)

2018

Annual Report 年報



CONTENTS
目錄

CORPORATE PROFILE	集團簡介	2
CORPORATE INFORMATION	集團資料	3
CHAIRMAN'S STATEMENT	主席報告	5
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	8
CORPORATE GOVERNANCE REPORT	企業管治報告	16
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT	環境、社會及管治報告	31
HUMAN CAPITAL	人才資本	47
REPORT OF THE DIRECTORS	董事會報告	52
INDEPENDENT AUDITORS' REPORT	獨立核數師報告	58
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	綜合損益及其他全面收益表	67
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	綜合財務狀況表	69
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合權益變動表	71
CONSOLIDATED STATEMENT OF CASH FLOWS	綜合現金流量表	73
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	綜合財務報告附註	75
FIVE-YEAR FINANCIAL SUMMARY	五年財務摘要	180

CORPORATE PROFILE
集團簡介

Guoan International Limited (the "**Company**") (Hong Kong Stock Exchange stock code: 143 and Singapore Exchange stock code: G11), together with its subsidiaries (collectively the "**Group**"), is principally engaged in the trading of telecommunications and other products, provision of repair services for telecommunications products, investment in financial assets and money lending business.

國安國際有限公司(「**本公司**」)(香港交易所股票代號:143及新加坡交易所股票代號:G11)及其附屬公司(統稱「**本集團**」)之主要業務為從事電訊及其他產品貿易、提供電訊產品維修服務、金融資產投資、及放債業務。

On 14 December 2015, 中信國安集團有限公司 **(CITIC Guoan Group*)** became one of the substantial shareholders of the Company. CITIC Guoan Group is a large and wide-ranging enterprise group in the People's Republic of China (the "**PRC**"). Headquartered in Beijing, CITIC Guoan Group's scope of business comprises, inter alia, finance, telecommunications, culture tourism and hospitality, mineral resources development, chemical plant operation, agriculture, real estate, entertainment and media, and healthcare services.

中信國安集團有限公司(「**中信國安集團**」)自二零一五年十二月十四日起成為本公司主要股東之一。中信國安集團有限公司為一家總部設於中華人民共和國(「**中國**」)北京的大型綜合性企業集團,其經營行業涉及金融、電訊、文化旅遊及酒店、礦產資源開發、化工廠運營、農業、房地產、娛樂媒體及保健服務。

The Company intends to leverage on its presence in Hong Kong and Singapore to expand current businesses horizontally and vertically, as well as to venture into new industries and identify new investment opportunities to improve its business prospects for the long term commercial interest of the Company and its shareholders. Financial plans will periodically be revisited to strengthen the Company's financial position whilst taking capital market conditions into consideration in formulating strategies.

本公司將善用香港及新加坡兩地的優勢及作為對外的平台,積極拓展現有業務,同時進軍新產業並尋找投資合作機會,以提高本公司及股東長遠的投資回報,改善業務前景。本公司將定期審視財務計劃,在資本市場條件下制定適當策略,增強公司財務實力。

* *For identification purpose only*

* *僅供識別*

Executive Directors:	Mr. HUANG Zhen Qian Mr. SO Haw Herman	執行董事：	黃振謙先生 蘇灝先生
Non-executive Directors:	Mr. DU Jun *(Chairman)* Mr. LI Xiang Yu Mr. CUI Ming Hong Ms. BAI Wei (appointed on 23 August 2018)	非執行董事：	杜軍先生（*主席*） 李向禹先生 崔明宏先生 柏薇女士（於二零一八年八月二十三日獲委任）
Independent Non-executive Directors:	Mr. WONG Chun Man Mr. TSE Yung Hoi Mr. NG Man Kung	獨立非執行董事：	王俊文先生 謝湧海先生 吳文拱先生
Company Secretary:	Mr. WONG Man Yiu	公司秘書：	黃文耀先生
Registered Office:	P.O. Box 309 Ugland House George Town Grand Cayman KY1-1104 Cayman Islands	註冊辦事處：	P.O. Box 309 Ugland House George Town Grand Cayman KY1-1104 Cayman Islands
Head Office and Principal Place of Business:	15th Floor Tower 2 Admiralty Centre No. 18 Harcourt Road Hong Kong	總辦事處及主要營業地點：	香港 夏慤道18號 海富中心 2座15樓
Principal Share Registrar and Transfer Office:	SMP Partners (Cayman) Limited Royal Bank House – 3rd Floor, 24 Shedden Road P.O. Box 1586 Grand Cayman KY1-1110 Cayman Islands	主要股份過戶登記處：	SMP Partners (Cayman) Limited Royal Bank House – 3rd Floor, 24 Shedden Road P.O. Box 1586 Grand Cayman KY1-1110 Cayman Islands

CORPORATE INFORMATION
集團資料

Hong Kong Branch Share Registrar and Transfer Office:	Tricor Abacus Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong	股份過戶登記處香港分處：	卓佳雅柏勤有限公司 香港 皇后大道東183號 合和中心22樓
Singapore Share Transfer Agent:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623	股份新加坡過戶代理處：	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Listing Information:	The Stock Exchange of Hong Kong Limited (Stock code: 143) Singapore Exchange Securities Trading Limited (Stock code: G11)	股份編號：	香港聯合交易所有限公司（股份代號：143） 新加坡證券交易所有限公司（股份代號：G11）
Auditors:	HLB Hodgson Impey Cheng Limited Certified Public Accountant	核數師：	國衛會計師事務所有限公司 執業會計師
Principal Bankers:	Bank of China (Hong Kong) Limited China Citic Bank International Limited China Everbright Bank – Hong Kong Branch DBS Bank (Hong Kong) Limited	主要往來銀行：	中國銀行（香港）有限公司 中信銀行（國際）有限公司 中國光大銀行香港分行 星展銀行（香港）有限公司
Investor Relations Adviser:	t6.communication Limited Suite 3303 The Center 99 Queen's Road Central Hong Kong Telephone: 2511 8388 Facsimile: 2511 8238 Email: enquiry@t6pr.com	投資者關係顧問：	雋陸公關有限公司 香港 皇后大道中99號 中環中心3303室 電話：2511 8388 傳真：2511 8238 電郵：enquiry@t6pr.com

I am delighted to present the annual report of Guoan International Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2018. I wish to start by highlighting the solid work we have done to enhance our business platform.

本人欣然提呈國安國際有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)截至二零一八年十二月三十一日止年度之年報,其中包括集團過去一年就提升業務平台的實務工作重點。

In line with our diversification strategy, we have continued to broaden the scope of the existing trading business, and to expand into new arenas. I am glad to report that the acquisition of Yicko Securities Limited ("**Yicko**") was completed on 28 February 2019. This will represent a major step towards our foray into the financial services business.

為配合本集團的多元化戰略,我們會繼續擴大現時貿易業務的範圍,同時開拓新業務領域。本人欣然向股東匯報,本集團已於二零一九年二月二十八日完成收購益高證券有限公司(「**益高**」)之事項,象徵進軍金融服務業務邁出重要一步。

Although global economic growth remained steady in 2018, the Group braced for more economic headwinds during the year as the political and business environment became highly unpredictable. We have therefore adopted a more prudent business strategy to guard the Group against potential risks and challenges. Efforts will continue to broaden the Group's revenue base and to enhance its business portfolio with a view to securing a stable long-term performance. Further information on our work during the year can be found in the Management Discussion and Analysis section.

雖然二零一八年全球經濟增長保持穩定,但由於政治及營商環境高度不確定,仍令集團營運處於逆風。我們因而採取更審慎的業務策略,以防範潛在風險和挑戰。我們會繼續努力擴大集團的收入基礎,強化業務組合,致力爭取長遠穩定業績。本集團於本年度內的各項工作詳情列載於管理層討論和分析一章內。

At the macro level, the United Nations gave an estimate of more than 3% annualised economic growth for the first six to nine months of 2018, while cautioning that this growth was primarily buoyed by the fiscal expansion of the United States of America, which has largely offset slower growth in some other large economies. Expectations over the coming year point to some softening in momentum, and are closely associated with heightened uncertainty.

在宏觀層面,聯合國估算二零一八年首六至九個月的年度化經濟增長逾3%,但同時提出警示,整體增幅主要由美國的財政擴張所推動,大幅抵消其他大型經濟體系的較慢增長。預計來年不確定性更高,增長勢頭料有所緩和。

The International Monetary Fund ("**IMF**") also observed weakening in global expansion on subdued performance in Europe and Asia. The global growth forecasts for 2019 and 2020 have been revised further downward, in view of the trade issues between the United States and China, as well as softer momentum in a number of European countries. The IMF expects risks to global growth to tilt to the downside. An escalation of trade tensions remains a key source of risk to the outlook, and a range of triggers could spark a deterioration in risk sentiment, including a "no-deal" Brexit and a further slowdown in China.

國際貨幣基金組織(「**IMF**」)注意到歐洲和亞洲經濟增長減緩,削弱全球擴張,因而下調二零一九年及二零二零年的全球增長預測,其中原因是中美貿易問題及部分歐洲國家的勢頭減弱。IMF預計,全球增長面臨的風險偏於下行。貿易緊張局勢升級仍然是經濟前景面臨的一個主要風險,其他還有一系列觸發因素可引致風險情緒愈加惡化,包括英國無協議脱歐和中國經濟進一步放緩。

CHAIRMAN'S STATEMENT
主席報告

While trimming global growth projections, the IMF in January maintains its forecasts for China's economy in 2019, to be backed by resilient domestic consumption and government support policies. The World Bank, on the other hand, predicts a deepening slowdown in China's growth which it projects to drop by 0.1 percentage point. In response to the uncertain trading environment, the Chinese government has shifted its policy and placed a strong focus on stabilising the economy.

IMF下調全球增長預測，但於二零一九年一月發出對中國經濟的展望則維持較早前的預測，並歸因於其內部消費強韌和政府政策扶持。另一方面，世界銀行則預計中國經濟增長進一步放緩，增速將下降0.1百分點。中國政府為應對不明確的貿易環境，已轉移政策，以穩定經濟為重點。

Some impact of the US-Mainland trade tensions on Hong Kong has been observed. For the fourth quarter of 2018, economic growth slowed to under 1.5% while there was almost zero growth for commodities export. According to the latest government economic report, the city's economy grew by 3.7% in the first three quarters of 2018 combined, down from the 4.1% growth in the first half of the year. Developments going forward will continue to be subject to many uncertainties, especially the development of the global trade environment.

中美貿易緊張對香港有一定影響。二零一八年第四季的經濟增長減慢至低於1.5%，而商品出口接近零增長。根據政府最新經濟報告，香港首三季合計經濟增長3.7%，與上半年4.1%的增速相比有所減慢。日後發展存在許多不確定性，尤其繫於環球貿易環境的發展。

In 2018, China celebrated the 40th anniversary of the country's opening up, and with the state's determination to carry the mission forward, the pace of reform has never slowed through the years. Going forward, the central government sees both opportunities and challenges as the world enters a period of major change, but it pledges to work tirelessly for common world development and a shared future.

二零一八年，中國慶祝改革開放四十周年，國家決心推動改革，多年來步伐從未停歇。世界面臨重大轉變，內地政府正密切注視箇中商機及相關風險，同時承諾孜孜不倦構建人類命運共同體，共創未來。

The Group has full confidence in China's long-term prospects, as the country is in transition to a more stable and sustainable economy. We will continue to leverage on the solid foundation of our parent company, CITIC Guoan Group*, to capture the opportunities that emerge during the course of China's development. In particular, the board of directors (the "**Board**") believes that the growing middle-income population, the Belt and Road initiative and the Greater Bay Area scheme will be among the strong drivers for growth on a longer horizon.

中國正轉型至更穩定及可持續的經濟體系，本集團對國家的長遠前景充滿信心。我們會繼續善用母公司中信國安集團有限公司的穩健基礎，乘國家發展的時勢抓住商機。董事會(「**董事會**」)相信，中產階級人口增加、一帶一路及大灣區計劃等將成為長遠增長的強力引擎。

As an international financial centre, Hong Kong will have a crucial role to play in the development of the Greater Bay Area. The Board believes that this will bring enormous opportunities for the Hong Kong financial services sector. With the acquisition of Yicko, the Group looks forward to participating further in the promising financial development of the area.

作為國際金融中心，香港將在大灣區的發展中擔當重要角色。董事會相信大灣區會為香港金融服務業帶來龐大機遇。收購益高後，本集團期待進一步參與灣區的金融業發展，捕捉當中機會。

* *For identification purpose only*

* *僅供識別*

The Board will not underestimate the extent of the risks associated with the ongoing trade tensions, and will continue to guard against any potential impact on our business and investments. Given the uncertainties that lie ahead, we will exercise caution as we explore viable investment or business development opportunities. Nevertheless, our long-term goal remains to build a more balanced business mix to support the Group's healthy ongoing development.

董事會不會低估貿易局勢持續緊張所帶來的風險，並會防範其對集團業務及投資所構成的潛在影響。鑑於前景不明朗，在探索可行的投資或業務發展機會時，我們會謹慎行事。此外，我們將繼續秉持長期目標，建立更平衡的業務組合，支持集團日後穩健發展。

In addition to our business development, I am also delighted that the Group has made solid progress in our commitment to social responsibilities. We have renewed our Caring Company 2018/19 logo with the Hong Kong Council of Social Service, as a reflection of our collaboration with a number of social agencies. The Group has also achieved various green, social and charitable recognitions, and has contributed to some very worthwhile causes. Our work in this area is covered in the Environmental, Social and Governance Report section.

除了業務發展，本人對集團在承擔社會責任方面的實質進展倍感欣慰。年度內我們與數個社福機構合作，繼續獲香港社會服務聯會頒授二零一八／一九年度「商界展關懷」標誌。集團支持多個甚具意義的社福活動，並取得不同的綠色、社會及慈善認可。此方面的工作列載於環境、社會及管治報告一章內。

With a devoted and professional team, we look forward to the coming year with confidence. On behalf of the Board, I wish to thank our management and staff members, shareholders, and other stakeholders for their unfailing support.

我們擁有忠誠及專業的團隊，對未來充滿信心。本人謹代表董事會對管理層及員工、股東及其他持份者的堅定支持致以謝意。

Overview

The Company is 53.78% owned by CITIC Guoan Group* ("**CITIC Guoan Group***"), a conglomerate in the People's Republic of China (the "**PRC**"), headquartered in Beijing. CITIC Guoan Group* has an extensive scope of business worldwide, in particular in the PRC, spanning finance, telecommunications, culture tourism and hospitality, mineral resources development, chemical plants operation, agriculture, real estate, entertainment and media, and healthcare services.

The Group announced on 2 June 2017 a change in the financial year end date of the Company from 30 September to 31 December in order to coincide with that of CITIC Guoan Group. As a result, the comparative financial figures as stated in this annual announcement cover a period of fifteen months from 1 October 2016 to 31 December 2017.

During the year, the Group was principally engaged in the trading of an array of telecommunications, electronic parts and other products, provision of repair services for telecommunications products, investments in financial assets, and money lending business.

The Group also moved forward with plans to expand into the financial services business through the acquisition of Yicko Securities Limited ("**Yicko**"), a well-established securities brokerage in Hong Kong. Completion of the acquisition took place on 28 February 2019. As at the date of this report, Yicko is an indirect wholly-owned subsidiary of the Company.

The Group has initiated to drive sustainability in its corporate headquarters and step by step into its overall business operations. In 2017, the Group established a set of Environmental, Social and Governance ("**ESG**") policies, which were subsequently adopted by the board of directors (the "**Board**"). These policies cover the areas of environmental protection, employment, workplace quality, health and safety, responsible product and supply chain, and governance. A taskforce was also set up, overseen by the Board, to implement the policies and drive improvement in sustainability performance. In 2018, the Group took further steps to improve the ESG reporting system.

概覽

本公司由中信國安集團有限公司(「**中信國安集團**」)持有53.78%權益。中信國安集團總部設於北京,為一家中華人民共和國(「**中國**」)綜合企業,業務紮根中國,布局全球,涵蓋金融、電訊、文化旅遊及酒店、礦產資源開發、化工廠運營、農業、房地產、娛樂媒體,以及醫療保健服務等業務。

本集團於二零一七年六月二日公佈本公司之財政年度結算日由九月三十日更改為十二月三十一日,俾能與中信國安集團一致。因此,本報告所列載之比較財務數據涵蓋二零一六年十月一日至二零一七年十二月三十一日之十五個月期間。

年度內,本集團主要從事一系列電訊、電子零件及其他產品貿易、提供電訊產品維修服務、金融資產投資及放債業務。

同時,本集團通過收購益高證券有限公司(「**益高**」),按計劃進軍金融服務業。益高為一家歷史悠久的香港證券公司,交易完成已於二零一九年二月二十八日作實。於本報告日期,益高為本公司間接全資附屬公司。

本集團已著手在總部推進可持續發展工作,並逐步擴展至整體營運範疇。本集團於二零一七年建立一套環境、社會及管治(「**環境、社會及管治**」)政策,其後被本公司董事會(「**董事會**」)採納。政策涵蓋環境保護、就業、工作場所質量、健康和安全、負責任的產品和供應鏈,以及管治等領域,並成立一個由董事會監督的專責小組,以便執行政策及促進改善可持續發展之表現。於二零一八年,集團進一步採取措施改善環境、社會及管治報告系統。

* *For identification purpose only*

* *僅供識別*

As the Group is not engaged in manufacturing or business activities with heavy consumption of resources or pollution, its environmental impact is considered relatively immaterial. During the course of its business operation, the Group takes measures to ensure compliance with applicable laws and regulations in waste treatment, labour, occupational health and safety, data privacy and prevention of corruption.

由於本集團並非從事大量資源消耗或污染的製造業務或商業活動，故認為對環境構成的影響相對並不重大。在業務營運過程中，本集團採取措施確保遵守現行廢物處理、勞工、職業健康與安全、數據私隱及防貪腐之法規。

The Group is committed to maintaining positive relationships with its key stakeholders, which include employees, customers and suppliers. During the year, there were no significant disputes nor any legal case brought against the Group with regard to employee relationships, customer rights, or dealings with suppliers.

本集團致力與權益人保持良好關係，包括員工、客戶及供應商。年度內，在僱員關係、客戶權益或與供應商交易方面，並無針對本集團之重大爭議或任何訴訟案件。

Further details of the Group's sustainability policies and performance are set out in the ESG Report contained in this annual report.

本集團之可持續發展政策及表現詳情列載於本年報內的環境、社會及管治報告。

Performance

The Group reported a 5.2% period on period decrease in revenue to approximately HK$110.0 million during the year ended 31 December 2018 (fifteen months ended 31 December 2017: HK$116.0 million). A gross profit of approximately HK$23.1 million (fifteen months ended 31 December 2017: HK$30.2 million) was generated.

A net loss of approximately HK$43.8 million (fifteen months ended 31 December 2017: loss of HK$45.9 million) was incurred, mainly attributable to the increase in amortisation on office premises, operating costs and administrative expenses.

By segment, revenue generated from the provision of repair services declined 33.6% period over period to approximately HK$64.7 million (fifteen months ended 31 December 2017: HK$97.4 million), as a result of shrinking demand for smartphone upgrading and maintenance services during the year. The segment incurred a loss as its gross profit margin was negatively impacted by rising operating and staff costs.

The trading segment, covering telecommunications products, electronic parts and other items, delivered a revenue of approximately HK$43.4 million during the year (fifteen months ended 31 December 2017: HK$18.4 million). However, the trading business braced for eroding margins amid overall lacklustre hardware sales and fierce competition. A segment loss was thus incurred.

業績

截至二零一八年十二月三十一日止年度內，本集團錄得收益約港幣1.10億元（截至二零一七年十二月三十一日止十五個月：港幣1.16億元），按期減少5.2%。毛利約港幣2,310萬元（截至二零一七年十二月三十一日止十五個月：港幣3,020萬元）。

集團錄得虧損淨額港幣4,380萬元（截至二零一七年十二月三十一日止十五個月：虧損港幣4,590萬元），主要由於辦公室物業攤銷、營運成本及行政開支增加。

按分部計算，由於智能手機升級及保養服務需求縮減，提供維修服務分部之收入按期下降33.6%至約港幣6,470萬元（截至二零一七年十二月三十一日止十五個月：港幣9,740萬元）。營運及員工成本上升，則對分部毛利率產生負面影響，因而錄得虧損。

貿易分部涵蓋通訊產品、電子零件及其他項目，於年內產生收入約港幣4,340萬元（截至二零一七年十二月三十一日止十五個月：港幣1,840萬元）。但是，由於市場整體硬件銷售疲弱及競爭激烈，侵蝕貿易業務的利潤率，導致分部錄得虧損。

Business Review

Trading Business

The scope of the Group's trading segment covered telecommunications products, electronic parts and a range of other items during the year.

According to the latest available statistics, electronics exports from Hong Kong, especially those related to telecommunications equipment, semiconductors and computer items, accounted for the majority of the city's total exports. Mainland China continues to be both the key source and the major destination of Hong Kong's trading in electronic products. With the trade issues between China and the United States (the "**US**") remain to be resolved completely, management will stay alert to potential disruptions in the supply chain for the telecommunications and electronics sectors.

In the midst of tougher market conditions, the telecommunications and electronics trading business has been faced with many challenges. Increased competitive pressure, faster technology obsolescence, and declining volumes for certain smartphone brands and electronic gadgets, have forced vendors and network operators to trim costs. This in turn impacted the profit margin of the business.

There will continue to be pressure on profit margins in the trade environment of telecommunications and electronic products. Management constantly reviews the product mix and will prudently seek opportunities to expand or shift the portfolio in line with market trends.

Financial Services Business

The Board believes that a diversification of business will be to the long-term benefit of shareholders, and the financial services business in Hong Kong presents one promising area for such initiatives.

The Board announced that, on 13 February 2018, Exquisite Honor Holdings Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement for the acquisition of Yicko for a consideration of HK$420,000,000, to be satisfied as to HK$120,000,000 in cash and as to HK$300,000,000 by the Company issuing convertible bonds with an initial conversion price of HK$0.26 per conversion share.

業務回顧

貿易業務

年內，本集團貿易分部的業務範圍涵蓋電訊產品、電子零件及一系列其他產品。

根據最新統計數據，電子業是香港最大的產品出口創匯行業，尤以電訊設備、半導體及電腦相關產品為然。中國內地仍為香港電子產品貿易的主要來源地及目的地。中美貿易問題糾紛仍有待完全解決，或會對電訊和電子行業供應鏈構成干擾，管理層會保持警惕。

在較嚴峻的市場情況下，電訊及電子產品貿易業務面對不少挑戰。競爭壓力增加、技術過時速度加快、若干智能手機品牌和電子裝置的銷量下降，均導致供應商和網絡運營商削減成本，影響業務利潤率。

預計電訊和電子產品的貿易環境會令利潤率持續受壓，因此管理層會不斷檢討產品組合，並按市場趨勢謹慎尋求機會擴大或轉換組合。

金融服務業務

董事會相信發展多元化的業務可為股東帶來長遠利益，香港金融服務業為其中一個具有發展潛力的領域，可提供多方面的拓展空間。

董事會於二零一八年二月十三日公佈，本公司全資附屬公司Exquisite Honor Holdings Limited已訂立買賣協議，以總代價港幣420,000,000元收購益高，其中港幣120,000,000元須以現金支付，港幣300,000,000元透過發行初步轉換價為每股轉換股份港幣0.26元的可換股債券支付。

The transaction was approved by shareholders at an extraordinary general meeting held on 14 June 2018. The Securities and Futures Commission's (the "**SFC**") approval of the change in substantial shareholders of Yicko was received on 1 February 2019, and completion of the acquisition took place on 28 February 2019. Upon completion, Yicko has become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Group.

交易已於二零一八年六月十四日舉行的股東特別大會上獲股東批准。證券及期貨事務監察委員會(「**證監會**」)已於二零一九年二月一日批准益高的主要股東變動,交易完成亦隨後於二零一九年二月二十八日作實。完成收購後,益高為本公司間接全資附屬公司,財務業績將合併入本集團的財務報表。

Yicko is a well-established brokerage company founded in 1992 in Hong Kong. It is a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). In order to ensure continuity in the management, business and operations of Yicko, the senior management team of its key business units are staying with Yicko upon completion of the acquisition.

益高成立於一九九二年,是一家歷史悠久的證券公司,為按證券及期貨條例(香港法例第571章)發牌可從事第1類(證券交易)、第4類(就證券提供意見)及第9類(提供資產管理)受規管活動的法團。收購完成後,益高主要業務單位的高級管理團隊留任,以確保其管理、業務及經營的連續性。

The acquisition will enable the Group to make a meaningful step in its strategic direction towards business diversification, and will allow the Group to leverage on the past experiences of CITIC Guoan Group and Yicko to create synergies on brokerage and other financial services business in Hong Kong.

收購事項代表本集團朝業務多元化的策略方向邁出重要一步,未來可利用公司主要股東中信國安集團及益高的過往經驗,在香港經紀及其他金融服務業務上創造協同效益。

The Group also holds a money lender's licence for conducting financial services related business. This money lending business was developed with an aim to better utilise the Group's financial resources to generate a stable stream of interest income. Management will stay alert to related market uncertainties, while proceeding with prudence.

此外,本集團領有放債人牌照,可進行相關金融服務業務。從事放債業務旨在更有效利用本集團的財政資源,以開拓穩定的利息收入來源。對於有關業務可能出現的不確定性,管理層會保持警覺,審慎行事。

Maintenance Services for Telecommunications Products

電訊產品維修服務

The segment of provision of maintenance services for telecommunications products continued to operate in a challenging business environment underlined by price competition among mobile network operators amid rising costs. The prevailing price war in the local crowded market will pose continuing threats to this servicing segment.

香港流動網絡營辦商價格競爭激烈,為電訊產品維修服務分部帶來持續挑戰。本地市場異常擠擁,價格戰將持續對此服務分部構成威脅。

The management will continue to monitor the operating conditions of the segment and will formulate measures to cope with the associated challenges.

管理層會繼續監察分部的營運狀況,並制定措施以應付相關的挑戰。

Liquidity, Financial and Working Capital Resources

The Group's total non-current assets amounted to approximately HK$349.3 million as at 31 December 2018 (31 December 2017: HK$338.9 million).

As at 31 December 2018, inventory for the telecommunications and electronics business line remained at a relatively low level of approximately HK$0.9 million (31 December 2017: HK$1.1 million). The newly established fine wine trading business maintained an inventory of HK$33.7 million (31 December 2017: N/A) as the Group strategizes to hold a reasonable stock of fine wines that have potential to increase in value.

As at 31 December 2018, the Group had net trade receivables of approximately HK$10.6 million (31 December 2017: HK$4.1 million). The Group's bank borrowings stood at HK$34.5 million (31 December 2017: HK$4.5 million), while its gearing ratio, expressed as a percentage of total borrowings over total assets, was 8.3% (31 December 2017: 1.9%). The office property and a fixed deposit of approximately HK$5.2 million (31 December 2017: HK$5.1 million) was pledged to secure banking facilities. The current ratio was approximately 1.10 (31 December 2017: 1.77) while the liquid ratio stood at approximately 0.75 (31 December 2017: 1.74).

The Group's cash and cash equivalents as at 31 December 2018 amounted to HK$34.2 million (31 December 2017: HK$73.5 million).

The objective of the Group's cash management policy is to optimise liquidity to gain a better return for shareholders in a risk-averse manner. At 31 December 2018, the value of the Group's investment in listed securities which is classified as financial assets at fair value through profit or loss amounted to approximately HK$1.8 million (31 December 2017: HK$0.2 million).

Amid the prevailing financial volatility, the Group is committed to maintaining a conservative cash management policy and to increasing operating efficiency.

資金流動、財務和營運資金

於二零一八年十二月三十一日，本集團之非流動資產總額約港幣3.493億元（二零一七年十二月三十一日：港幣3.389億元）。

於二零一八年十二月三十一日，本集團的電訊及電子業務維持較低水平存貨，約為港幣90萬元（二零一七年十二月三十一日：港幣110萬元）。新成立的精品葡萄酒貿易業務方面，對於具有升值潛力的精品葡萄酒，本集團按籌劃部署持有合理水平之庫存，故此業務的存貨為港幣3,370萬元（二零一七年十二月三十一日：不適用）。

於二零一八年十二月三十一日，本集團應收貿易賬款淨額約港幣1,060萬元（二零一七年十二月三十一日：港幣410萬元）。本集團之銀行借款為港幣3,450萬元（二零一七年十二月三十一日：港幣450萬元），以總貸款額佔總資產百分比計算的負債比率為8.3%（二零一七年十二月三十一日：1.9%）。本集團以辦公室物業及約港幣520萬元（二零一七年十二月三十一日：港幣510萬元）的定期存款作銀行融資之抵押。流動比率約為1.10（二零一七年十二月三十一日：1.77），而速動資產比率約為0.75（二零一七年十二月三十一日：1.74）。

本集團於二零一八年十二月三十一日的現金及現金等價物為港幣3,420萬元（二零一七年十二月三十一日：港幣7,350萬元）。

本集團奉行的現金管理政策，旨在規避風險的原則下優化資金流動，為股東取得更佳回報。於二零一八年十二月三十一日，本集團分類為透過損益以公平值列賬之金融資產的上市證券投資約為港幣180萬元（二零一七年十二月三十一日：港幣20萬元）。

由於金融動盪持續，本集團銳意秉承保守的現金管理政策，並持續提高營運效率。

Prospects and Strategic Outlook

Global economic and geopolitical uncertainty has dampened the outlook of the Hong Kong business sector on trade and overall confidence. According to a bank survey, less than two thirds of local businesses feel optimistic about the trading environment and their own success. Those with a negative outlook consider rising protectionism and tariffs as the main reasons for pessimism.

On the other hand, while the economic growth of Mainland China has slowed, the country is in transition from an investment and industry led growth model to a more stable economy based on domestic consumption. The same survey also reveals that Hong Kong businesses see opportunities from China's growing domestic consumption, which is backed by an expanding middle class.

In the Hong Kong SAR Government's latest economic report, the local economy expanded by 2.9% in the third quarter of 2018, which has moderated from the 4.1% growth in the first half of the year. Similarly, global economic growth remained visible in the third quarter, but has lost some momentum as compared to the first six months. The US-Mainland trade conflicts have clearly weighed on global economic sentiment and activities.

The government observed some impact of the US-Mainland trade tensions on Hong Kong's overall export performance. Management will stay alert to the many uncertainties that lie ahead.

Risk management is always an essential concern and work target for the Group. Against a backdrop of heightened uncertainty, management will exercise caution in taking forward its business plans. The Group will nevertheless continue to explore viable investment or business development opportunities to build a more balanced revenue base to support healthy ongoing development.

The management is of the view that the telecommunications products trading and servicing business lines will be subject to continued difficulties that may push margins down. The Group will closely monitor the ongoing conditions of these businesses and will formulate responsive measures. In light of the tough market environment for these segments, the Group will also seek further business diversification.

前景及策略展望

環球經濟及地緣政治的不確定性，令香港商界對貿易及整體經濟信心下挫。根據一項銀行調查，少於三分二的本地企業對貿易環境及其業績感到樂觀，保護主義和關稅問題為悲觀情緒的主要原因。

另一方面，儘管中國經濟增長減慢，國家正積極轉型，由投資及工業導向的增長模式，轉為由國內消費帶動，以建立更穩定的經濟。同一項調查亦顯示中國中產階級擴大，支持國內消費增長，香港企業正密切注視箇中商機。

根據香港特別行政區政府最新經濟報告，二零一八年第三季本地經濟增長2.9%，與上半年4.1%的增速相比有所減慢。同樣，環球經濟在第三季仍維持明顯增長，但對比首六個月勢頭有見減弱。中美貿易糾紛明顯為環球經濟氣氛及活動帶來壓力。

政府觀察到中美貿易緊張對香港整體出口表現有一定影響，日後發展亦存在許多不確定性，管理層會倍加關注。

風險管理一貫為本集團的首要考慮及營運目標。在不確定性擴大的背景下，管理層將慎重地推展業務計劃。同時，本集團會繼續探索可行的投資或業務發展機會，以建立更平衡的收入基礎，支持日後健康發展。

管理層認為，電訊產品貿易及服務業務分部面對不少困難，或會令分部的邊際利潤下降。本集團將緊密監察此業務的狀況，並制定措施應對任何進一步轉壞的跡象。鑑於此等業務面臨的艱困市場環境，本集團將尋求進一步多元化發展。

In line with the diversification strategy, the Group has acquired Yicko as a step to participate in the financial services sector. Given the solid background of CITIC Guoan Group, the Group believes that Yicko can leverage its finance experience and extensive network and resources in the PRC to create an integration of skills, knowledge and expertise.

As the Group pursues diversification, it will prudently evaluate the potential risks associated with new business developments or investments. Its goal remains to strengthen long-term prospects and returns to shareholders. The Group will place a focus on growth opportunities that may create synergy with the businesses of its parent company, and which may leverage its dual listing platform in Hong Kong and Singapore.

To support long-term development, the Group also will continue to review and strengthen its financial position and asset base. The Board believes that the Group's business portfolio realignment efforts have placed it in a more stable and advantageous position for long-term development.

Currencies

The Group conducts its core business transactions mainly in Hong Kong dollars, New Taiwan dollars and United States dollars. The majority of the Group's cash and bank balances are also denominated in these three currencies. During the year, the Group did not experience significant exposure to exchange rate and interest rate fluctuations. As a result, the Group did not enter into any material foreign exchange contracts, currency swaps or other financial derivatives.

Contingent Liability

The Group did not have any significant contingent liability at 31 December 2018.

Material Acquisition or Disposal of Subsidiaries

Except for the acquisition of Yicko, there was no material acquisition or disposal of subsidiaries during the year ended 31 December 2018.

配合多元化發展策略，本集團收購益高作為踏足金融服務業其中一步。中信國安集團擁有雄厚穩健背景，本集團相信益高可借助其金融經驗，以及內地龐大網絡及資源，形成技能、知識及經驗的整合。

本集團尋求多元化發展的同時，亦會謹慎評估新業務發展或投資的潛在風險。集團的目標為鞏固長遠前景和股東回報，並將善用在香港和新加坡的雙重上市平台優勢，特別專注可與母公司業務產生協同效應的增長機會。

本集團會不斷檢視並強化財務狀況和資產基礎，以支持業務的長遠增長。董事會相信，集團努力調整業務組合，可立於更穩定和有利的位置，推展長期業務發展。

外匯

本集團的核心業務主要以港幣、新台幣及美元進行交易。本集團的大部分現金及銀行結餘亦屬此三種貨幣。本年度內，本集團在匯兑及息口波動方面並無承受重大風險。因此，本集團概無採用任何重大外幣合同、掉期貨幣或其他財務衍生工具。

或然負債

於二零一八年十二月三十一日，本集團並無任何重大或然負債。

重大收購或出售附屬公司

除收購益高外，於截至二零一八年十二月三十一日止年度，並無重大收購或出售附屬公司。

Employee Information

At 31 December 2018, the Group employed a work force of 117 (2017: 125). Staff costs, including salaries, bonuses and allowances, were approximately HK$37.0 million (2017: HK$46.0 million).

The Group maintains a competitive remuneration policy to motivate, retain and attract talent. The remuneration packages mainly comprise salary payments, group medical insurance plans and discretionary bonuses awarded on a performance basis. The Group provides pension schemes for employees as part of the staff benefits.

僱員資料

於二零一八年十二月三十一日，本集團聘有117名員工（二零一七年：125名）。僱員成本（包括薪金、花紅及津貼）總額約為港幣3,700萬元（二零一七年：港幣4,600萬元）。

本集團維持具競爭力之薪酬政策，以激勵、挽留及吸引人才。薪酬主要包括薪金、企業醫療保險及以表現為基準之酌情花紅。員工福利亦包括本集團為僱員提供的退休金計劃。

CORPORATE GOVERNANCE REPORT
企業管治報告

CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognized standards of corporate governance principles and practices has always been one of the top priorities of the Company. The board of directors of the Company (the "**Board**") believes that good corporate governance is one of the areas that leads to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

Throughout the year ended 31 December 2018 (the "**year**"), the Company has complied with the code provisions ("**Code Provisions**") set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

企業管治常規

配合及遵循企業管治原則及常規之公認標準一貫為本公司最優先原則之一。本公司董事會(「**董事會**」)認為良好的企業管治是帶領本公司邁向成功及平衡股東、客戶及僱員之間利益之因素之一,董事會致力於持續改善該等原則及常規之效率及有效性。

於截至二零一八年十二月三十一日止年度(「**本年度**」)內,本公司一直遵守香港聯合交易所有限公司證券上市規則(「**上市規則**」)附錄十四所載之企業管治守則內所載之守則條文(「**守則條文**」)。

THE BOARD OF DIRECTORS

Composition and Responsibilities

The Board currently comprises nine directors ("**Directors**"), of which two are Executive Directors, four are Non-executive Directors and three are Independent Non-executive Directors.

The Board members of the Company during the year are:

Executive Directors:

Mr. HUANG Zhen Qian
Mr. SO Haw Herman

Non-executive Directors:

Mr. DU Jun *(Chairman)*
Mr. LI Xiang Yu
Mr. CUI Ming Hong
Ms. BAI Wei (appointed on 23 August 2018)
Mr. YANG Li Ming (resigned on 23 August 2018)

Independent Non-executive Directors:

Mr. WONG Chun Man
Mr. TSE Yung Hoi
Mr. NG Man Kung

董事會

成員及職責

董事會目前由九名董事(「**董事**」)組成,其中包括兩名執行董事,四名非執行董事及三名獨立非執行董事。

年內本公司董事會成員為:

執行董事:

黃振謙先生
蘇灝先生

非執行董事:

杜軍先生(*主席*)
李向禹先生
崔明宏先生
柏薇女士(於二零一八年八月二十三日獲委任)
楊立明先生(於二零一八年八月二十三日辭任)

獨立非執行董事:

王俊文先生
謝湧海先生
吳文拱先生

THE BOARD OF DIRECTORS *(continued)*

Composition and Responsibilities *(continued)*

On 23 August 2018, Mr. YANG Li Ming resigned from the position of Non-executive Director while Ms. BAI Wei was appointed as Non-executive Director.

The biographical details of each Director are set out in the section headed Human Capital on pages 47 to 51.

While the Board is primarily overseeing and managing the Company's affairs, the Chairman of the Board provides leadership to the Board in carrying out its duties. The Executive Directors constituting the senior management of the Company are delegated with responsibilities in the day-to-day management of the Company and make operational and business decisions within the control of and delegation framework of the Company. The Non-executive Directors (including Independent Non-executive Directors) contribute valuable views and proposals for the Board's deliberation and decisions.

Board Meetings

The Board members meet regularly, normally four times each year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. During the year ended 31 December 2018, four regular Board meetings were held and the attendance records of individual Directors are set out below:

董事會*(續)*

成員及職責*(續)*

於二零一八年八月二十三日，楊立明先生辭去非執行董事職務，而柏薇女士則獲委任為非執行董事。

各董事之履歷詳情載於第47至51頁「人才資本」一節。

董事會主要負責監查及管理本公司之事務，董事會主席領導董事會履行其職責。本公司之高級管理層由執行董事組成，彼等獲本公司委任以管理本公司之日常業務並於本公司之監控及委任架構下作出營運及業務方面之決策。非執行董事（包括獨立非執行董事）提供寶貴意見及建議，供董事會考慮及議決。

董事會會議

董事會成員定期舉行會議（通常為每年四次，約每季一次），並於會上討論本公司之整體策略及經營及財務方面之表現。其他董事會會議於需要時才舉行。該等董事會會議均取得大部分董事親身或透過其他電子通訊方式積極參與。於截至二零一八年十二月三十一日止年度，共舉行過四次定期董事會會議，各董事之出席記錄載列如下：

		Number of Meetings Attended/Held 已出席／舉行會議次數
Executive Directors:	*執行董事：*	
Mr. HUANG Zhen Qian	黃振謙先生	4/4
Mr. SO Haw Herman	蘇灝先生	4/4
Non-executive Directors:	*非執行董事：*	
Mr. DU Jun *(Chairman)*	杜軍先生*（主席）*	3/4
Mr. LI Xiang Yu	李向禹先生	3/4
Mr. CUI Ming Hong	崔明宏先生	1/4
Ms. BAI Wei	柏薇女士	2/2
Mr. YANG Li Ming	楊立明先生	0/2

THE BOARD OF DIRECTORS *(continued)*
Composition and Responsibilities *(continued)*

董事會*(續)*
董事會會議*(續)*

		Number of Meetings Attended/Held 已出席／舉行會議次數
Independent Non-executive Directors:	*獨立非執行董事：*	
Mr. WONG Chun Man	王俊文先生	4/4
Mr. TSE Yung Hoi	謝湧海先生	4/4
Mr. NG Man Kung	吳文拱先生	4/4

Appropriate notices were given to all Directors in advance for attending regular and other Board meetings. Meeting agendas and other relevant information are normally provided to the Directors in advance of Board meetings. All Directors are consulted to include additional matters in the agenda for Board meetings.

於董事會定期會議及其他會議前均向所有董事發出適當通知。通常於相關董事會會議舉行前會向董事發出議程及其他相關資料，並向所有董事徵詢，以將其他事項列入董事會會議議程內。

Directors have access to the advice and services of the Company Secretary with a view to ensuring that Board procedures, and all applicable law, rules and regulations, are followed.

董事可取得公司秘書之意見及服務，以確保董事會程序及所有適用法律、規則及規例均獲得遵守。

Draft and final versions of the minutes are sent to all Directors for their comment and records respectively. Minutes of Board meetings are kept by the Company Secretary and such minutes are open for inspection at any reasonable time on reasonable prior notice by any Director.

會議記錄之草擬文本及最終版本分別寄發予所有董事以供其提供意見及作記錄。董事會會議記錄由公司秘書保存，該等會議記錄可供任何董事於發出合理事先通知下於任何合理時間內查閱。

Appointments, Re-election and Removal

All Non-executive Directors (including Independent Non-executive Directors) have entered into service contracts with the Company for a specific term of two years. Every Director on board is subject to retirement by rotation at least once every three years.

委任、重選及罷免

所有非執行董事（包括獨立非執行董事）均與本公司訂有為期兩年之服務合約。各董事須最少每三年於股東週年大會上輪值告退一次。

The Board is collectively responsible for appointing new Directors either to fill causal vacancies or as additional Board members and removing any Director. Candidates to be appointed are those experienced, high caliber individuals with sufficient skills and knowledge required for the positions. All candidates must be able to meet the standards as set forth in rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an Independent Non-executive Director should also meet the independence criteria set out in rule 3.13 of the Listing Rules.

董事會共同負責委任新董事以填補空缺或增加董事會成員，及負責罷免任何董事。候任人均為經驗豐富及才智卓越之人士，並擁有足夠技能及知識以出任該等職位。所有候任人均必須符合上市規則第3.08及3.09條所載之標準。獨立非執行董事之候任人應同時符合上市規則第3.13條所載之獨立性標準。

THE BOARD OF DIRECTORS *(continued)*

Appointments, Re-election and Removal *(continued)*

The Company recognizes and embraces the benefits of diversity of Board members. It maintains a board diversity policy setting out the approach to diversity of members of the Board to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

Nomination Committee

The Board established the Nomination Committee in March 2012, with written terms of reference in compliance with the Code Provisions, which have been reviewed from time to time by the Board to keep them in line with the most up-to-date requirements. The Committee currently comprises one Non-executive Director, namely Mr. DU Jun and three Independent Non-executive Directors, namely Messrs. WONG Chun Man, TSE Yung Hoi and NG Man Kung, and is chaired by Mr. DU Jun. The most up-to-date written terms of reference of the Nomination Committee are available on the Company's website.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board regularly and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy. Its duties include making recommendations to the Board on the selection of individuals nominated for directorships, the appointment or re-appointment of Directors and succession planning for Directors. In carrying out the responsibility of identifying suitably qualified candidates to become members of the Board, the Committee will give adequate consideration to the board diversity policy. The Committee is also responsible for assessing the independence of Independent Non-executive Directors. The Nomination Committee is provided with sufficient resources to perform its duties.

董事會（續）

委任、重選及罷免（續）

本公司確認和深信董事會成員多元化之好處。維持董事會成員多元化政策，旨在列載為達致董事會成員多元化而採取之方針，確保董事會就適合本公司業務所需之技能、經驗和多元化各方面取得平衡。董事會所有委任均以用人唯才為原則，並充分顧及董事會成員多元化的裨益。甄選侯任人將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他方面）、技能及知識。最終將按侯任人的長處及可為董事會提供的貢獻而作決定。

提名委員會

董事會於二零一二年三月成立提名委員會，其權責範圍書符合守則條文之規定，並已由董事會不時審閱以符合最新規定。委員會現時由一名非執行董事杜軍先生及三名獨立非執行董事，即王俊文先生、謝湧海先生及吳文拱先生組成，並由杜軍先生出任主席。提名委員會之最新權責範圍書可於本公司網站查閱。

提名委員會負責定期檢討董事會的架構、人數及組成，並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議。其職責包括就選擇提名人士擔任董事、委任或重新委任董事以及董事繼任計劃向董事會提出建議。於履行物色合適資格人選為董事會成員之職責時，委員會將充分考慮董事會成員多元化政策。委員會亦負責評核獨立非執行董事的獨立性。提名委員會擁有充足資源以履行其職責。

THE BOARD OF DIRECTORS *(continued)*

Nomination Committee *(continued)*

During the year ended 31 December 2018, the Nomination Committee reviewed the structure, size and composition of the Board including the resignation of Mr. YANG Li Ming and the appointment of Ms. BAI Wei as Non-executive Director. It also assessed and confirmed the independence of the three Independent Non-executive Directors, and recommended to the Board the nomination of Mr. CUI Ming Hong, Mr. YANG Li Ming and Mr. TSE Yung Hoi for re-appointment as Directors by the shareholders at the 2018 annual general meeting of the Company.

The Nomination Committee held two meetings during the year, and the attendance record of individual Committee members are set out below:

董事會（續）

提名委員會（續）

於二零一八年十二月三十一日止年度，提名委員會對董事會（包括楊立明先生辭任及委任柏薇女士為非執行董事）的架構、人數及組成進行檢討，亦對三名獨立非執行董事作出評估及確認其獨立性，並向董事會推薦提名崔明宏先生、楊立明先生及謝湧海先生於本公司二零一八年股東週年大會由股東重選連任董事。

提名委員會於年內曾舉行二次會議，委員會各成員之出席記錄載列如下：

		Number of Meetings Attended/Held 已出席／舉行會議次數
Mr. DU Jun *(Chairman)*	杜軍先生（*主席*）	2/2
Mr. WONG Chun Man	王俊文先生	2/2
Mr. TSE Yung Hoi	謝湧海先生	2/2
Mr. NG Man Kung	吳文拱先生	2/2

Confirmation of Independence

The independence of the Independent Non-executive Directors has been assessed in accordance with the applicable Listing Rules. Each of the Independent Non-executive Directors has made an annual written confirmation of independence pursuant to rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the guidelines for assessing independence set out in rule 3.13 of the Listing Rules and are independent.

獨立性確認書

獨立非執行董事之獨立性已根據適用之上市規則進行評估。每一位獨立非執行董事均已根據上市規則第3.13條之規定提交確認其符合獨立性之週年確認書。本公司認為所有獨立非執行董事皆符合載於上市規則第3.13條之獨立性指引，並根據該指引條文屬獨立人士。

THE BOARD OF DIRECTORS *(continued)*

Corporate Governance Functions

The Board is collectively responsible for performing the corporate governance duties which have been formalized into the terms of reference of the Board, a summary of which are as follows:–

- To develop and review the Company's policies and practices on corporate governance and make any changes it considers necessary to ensure their effectiveness;
- To review and monitor the training and continuous professional development of Directors and senior management;
- To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- To develop, review and monitor the code of conduct and compliance manual (if any) applicable to Directors and employees; and
- To review the Company's compliance with the Code Provisions and disclosure in the Corporate Governance Report.

During the year, the Board reviewed and approved the Corporate Governance Report contained in the Company's 2017 Annual Report.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") set out in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. Specific enquiry has been made on all Directors who have confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2018.

董事會*(續)*

企業管治職能

董事會共同負責履行企業管治責任，有關責任已被納入董事會權責範圍書，其概要如下：—

- 制定及檢討本公司之企業管治政策及常規，並作出其認為必要之改動，以確保該等政策及常規之有效性；
- 檢討及監察董事及高級管理層之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之政策及常規；
- 制定、檢討及監察適用於董事及僱員之操守準則及合規手冊（如有）；及
- 檢討本公司遵守守則條文之情況及在企業管治報告所作之披露。

於年內，董事會審閱並通過載於本公司二零一七年年報之企業管治報告。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則（「**標準守則**」）作為董事進行本公司證券交易之行為守則。已向所有董事作出特定查詢，而彼等已確認，於截至二零一八年十二月三十一日止年度內一直遵守標準守則所規定之標準。

THE BOARD OF DIRECTORS *(continued)*

Directors' Training and Professional Development

Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. Directors are continually updated with regulatory and governance developments. During the year, the Company provided all members of the Board with updates on the Company's performance, position and prospects.

Directors are encouraged to participate in professional development courses and seminars to develop and refresh their knowledge and skills. The Company has devised a training record to assist the Directors to record the training they have undertaken.

During the year, Messrs. WONG Chun Man, LI Xiang Yu, TSE Yung Hoi and NG Man Kung and Ms. BAI Wei received briefings on updates of accounting standards from the auditors of the Company at Audit Committee meetings. All of the Directors were provided with reading materials on the relevant rules and regulatory updates.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Emolument Policy

The remuneration policy of the Group is to ensure the fairness and competitiveness of total remuneration. The emoluments of Executive Directors are determined based on the skills, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration the Company's performance and prevailing market conditions. The remuneration policy of Non-executive Directors (including Independent Non-executive Directors) is to ensure that the Non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in the respective Board committees. The emoluments of Non-executive Directors are determined with reference to their experience, duties and knowledge.

董事會*(續)*

董事之培訓及專業發展

每名董事均恪守作為本公司董事之責任，並與本公司之操守、業務活動及發展並進。董事持續得到規管及管治發展之最新資訊。年內，本公司為董事會所有成員提供本公司之表現、財務狀況及前景之最新資料。

本公司鼓勵董事參與專業發展課程及研討會，以發展及更新其知識及技能。本公司已訂立培訓記錄以協助董事記錄其曾經參與之培訓。

於年內，王俊文先生、李向禹先生、謝湧海先生、吳文拱先生及柏薇女士於審核委員會會議接受本公司核數師就最新會計準則之簡報。所有董事均獲提供有關規則及法規之最新資料。

董事及高級管理人員之酬金

薪酬政策

本集團之薪酬政策旨在確保整體薪酬屬公平及具競爭力。執行董事之酬金乃按照董事之技能、知識、個人表現及貢獻以及其於本公司之職責及問責範圍，經考慮本公司之表現及現行市場環境而釐定。非執行董事（包括獨立非執行董事）之酬金政策乃為確保非執行董事就本公司事務包括參與各個董事委員會所付出的努力和時間而獲得足額報酬。非執行董事之酬金乃按其經驗、職責及知識而釐定。

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

Remuneration Committee

The Board established the Remuneration Committee in July 2006, with written terms of reference in compliance with the Code Provisions, which have been reviewed from time to time by the Board to keep them in line with the most up-to-date requirements. The Committee currently comprises one Non-executive Director, namely Mr. CUI Ming Hong and three Independent Non-executive Directors, namely Messrs. WONG Chun Man, TSE Yung Hoi and NG Man Kung, and is chaired by Mr. TSE Yung Hoi. The most up-to date written terms of reference of the Remuneration Committee are available on the Company's website.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's emolument policy and on the establishment of a formal and transparent procedure for developing such policy. Prior to making its recommendations, the Committee consults the Chairman of the Board and the Executive Directors and takes into consideration factors including the Group's performance and profitability, experience, duties and time commitment of Directors, prevailing market conditions, salaries paid by comparable companies, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual Directors and senior management. The Committee is provided with sufficient resources enabling it to discharge its duties.

During the year, the Remuneration Committee reviewed the remuneration packages of the Directors and employees of the Company. No Director was involved in deciding his own remuneration.

董事及高級管理人員之酬金*(續)*

薪酬委員會

董事會於二零零六年七月成立薪酬委員會，其權責範圍書符合守則條文之規定，並已由董事會不時審閱以符合最新規定。委員會現時由一名非執行董事即崔明宏先生及三名獨立非執行董事，即王俊文先生、謝湧海先生及吳文拱先生組成，並由謝湧海先生出任主席。薪酬委員會之最新權責範圍書可於本公司網站查閱。

薪酬委員會負責向董事會就本公司之薪酬政策及就設立正式且具透明度之程序制定該等政策作出推薦建議。於作出其推薦建議前，委員會先諮詢董事會主席及執行董事並考慮包括本集團之表現及盈利能力、董事之經驗、責任及承擔時間、現行之市場環境、可比較公司支付之薪酬、本集團其他地方之就業環境及按表現計算薪酬是否可取等因素。委員會已採納向董事會提供建議之運作模式，董事會保留批准個別董事及高級管理層薪酬之最終權力。委員會擁有充足資源以履行其職責。

於年內，薪酬委員會審閱本公司董事及僱員之薪酬。概無董事參與有關其自身薪酬之決定。

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

Remuneration Committee *(continued)*

The Remuneration Committee held one meeting during the year, and the attendance record of individual Committee members are set out as follows:

董事及高級管理人員之酬金*(續)*

薪酬委員會*(續)*

薪酬委員會於年內曾舉行一次會議，委員會各成員之出席記錄載列如下：

		Number of Meetings Attended/Held 已出席／舉行會議次數
Mr. TSE Yung Hoi *(Chairman)*	謝湧海先生*(主席)*	1/1
Mr. CUI Ming Hong	崔明宏先生	0/1
Mr. WONG Chun Man	王俊文先生	1/1
Mr. NG Man Kung	吳文拱先生	1/1

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group. The financial statements set out on pages 67 to 179 were prepared on a going concern basis. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements.

問責及審核

財務匯報

董事會知悉其編製真實兼公平反映本集團財務狀況之財務報告之責任。載於第67至179頁之財務報告乃按持續基準編製。本集團之財務業績乃根據法定及／或法規之規定適時公佈。

During the year, the Company engaged HLB Hodgson Impey Cheng Limited ("**HLB**") as the external auditors. Apart from providing audit services, HLB also reviewed the interim results of the Group. The fees in respect of audit and non-audit services provided by HLB for the year ended 31 December 2018 amounted to approximately HK$1,177,000 and HK$250,000 respectively.

於年內，本公司聘任國衛會計師事務所有限公司(「**國衛**」)為外聘核數師。除核數服務外，國衛亦同時審閱本集團之中期業績。截至二零一八年十二月三十一日止年度，國衛提供有關核數及非核數服務之酬金總額分別約為港幣1,177,000元及港幣250,000元。

The reporting responsibilities of HLB are set out in the Independent Auditors' Report on pages 58 and 66.

國衛之報告責任載於第58至66頁之獨立核數師報告內。

ACCOUNTABILITY AND AUDIT *(continued)*

Risk Management and Internal Controls

The Board has overall responsibility for the maintenance of sound risk management and internal control systems within the Group and reviewing their effectiveness.

The Board has entrusted the Audit Committee with the responsibility to review the risk management and internal control systems of the Group, which not only include financial, operational and compliance controls, and risk management functions, but also cover the areas of adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions. Procedures have been set up for, inter alia, safeguarding assets against unauthorized use or disposition, controlling capital expenditure, maintaining proper accounting records for the provision of reliable financial information for internal use and for publication, and ensuring compliance with the relevant legislation and regulations.

Risk assessment and evaluation are an integral part of the annual planning process. Each division/business unit of the Group has to set its strategic objectives, identify specific risks and assess the effectiveness of its risk management actions and internal control measures to help ensure that the risks it faces are addressed by the controls that have been or will be implemented. Management throughout the Group maintains and monitors the risk management and internal control systems on an ongoing basis. Where any significant risks are identified, the Board will evaluate and manage such risks by considering the severity of the impact of the risk on the Company's financial results, the probability that the risk will occur and the imminence of the risk. It should be acknowledged that the risks management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group has adopted procedures for the handling and dissemination of inside information in a timely manner and in compliance with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Listing Rules, such procedures are subject to review on a regular basis.

問責及審核 *(續)*

風險管理及內部監控

董事會全權負責維持本集團健全的風險管理及內部監控系統並檢討其有效性。

董事會已授權審核委員會檢討本集團的風險管理及內部監控系統，其中不僅包括財務、營運與合規監控及風險管理職能，並涵蓋本公司會計、內部審核及財務匯報職能的資源充足性、員工資質及經驗、培訓課程及預算等方面。本集團已訂立程序，藉以（其中包括）保障資產不會在未經許可下被使用或處置、控制資本支出、妥善存置會計紀錄以提供可靠的財務資料內部使用及刊載，及確保遵守相關法例及法規。

風險評估及估計乃年度計劃程序的一部份。本集團各部門／業務單位制定其策略目標，識別特定風險及評估其風險管理行動及內部監控措施的成效，以助確保已獲執行或將予執行的監控能應對其面對的風險。本集團各級管理層持續維持及監察風險管理及內部監控系統。如發現任何重大風險，董事會將透過考慮該風險對本公司財務業績影響的嚴重程度、該風險發生的可能性及即將發生與否評估及管理有關風險。本集團應承認，風險管理及內部監控系統旨在管理而非消除未能達致業務目標的風險，且僅可合理而非絕對保證可防範重大錯誤陳述或損失。

本集團已實行及時處理及發佈內幕消息的程序，而根據證券及期貨條例（香港法例第571章）及上市規則，該等程序須予定期檢討。

ACCOUNTABILITY AND AUDIT *(continued)*

Risk Management and Internal Controls *(continued)*

The Board conducts review of the Group's risk management and internal control systems semi-annually. During the year, the Board has assessed the effectiveness of the risk management and internal control systems through the reviews performed by the Audit Committee, executive management, and both internal and external auditors and considered such systems are effective adequate for their purposes.

Audit Committee

The Audit Committee of the Company was established in December 2004, with written terms of reference in compliance with the Code Provisions, which have been reviewed from time to time by the Board to keep them in line with the most up-to-date requirements. The Committee currently comprises two Non-executive Directors, namely Mr. LI Xiang Yu and Ms. BAI Wei and three Independent Non-executive Directors, namely, Messrs. WONG Chun Man, TSE Yung Hoi and NG Man Kung, and is chaired by Mr. WONG Chun Man. On 23 August 2018 Mr. YANG Li Ming resigned as a member and Ms. BAI Wei took up the position. The most up-to-date written terms of reference of the Audit Committee are available on the Company's website.

The Audit Committee reports to the Board and has held regular meetings to assist the Board in reviewing the effectiveness of the Group's financial reporting process, internal controls and risk management systems. The Committee monitors the integrity of the Company's financial statements, annual report and accounts and half-year report, and reviews significant financial report judgments contained therein. It reviews, makes recommendations and reports to the Board on findings relating to the financial statements, reports and accounts, systems of internal controls and risk management and compliance issues. The Committee also oversees the Company's relationship with the external auditors, reviews auditors' letter of engagement and make recommendations to the Board on the appointment and re-appointment of external auditors. It is empowered to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. It reviews external auditors' management letter and any material queries raised by the auditors to the management and the management's response. The Audit Committee is provided with sufficient resources enabling it to discharge its duties.

問責及審核*(續)*

風險管理及內部監控*(續)*

董事每半年對本集團的風險管理及內部監控系統進行檢討。於年內，董事會已透過審核委員會、行政管理層及內部及外部核數師進行的檢討評估風險管理及內部監控系統的有效性，並認為該等系統可有效及充分達致其目的。

審核委員會

本公司之審核委員會於二零零四年十二月成立，其權責範圍書符合守則條文之規定，並已由董事會不時審閱以符合最新規定。委員會現時由兩名非執行董事，即李向禹先生及柏薇女士以及三名獨立非執行董事，即王俊文先生、謝湧海先生及吳文拱先生組成，並由王俊文先生出任主席。於二零一八年八月二十三日，楊立明先生辭任成員及柏薇女士接任該職務。審核委員會之最新權責範圍書可於本公司網站查閱。

審核委員會向董事會報告，並定期舉行會議，以協助董事會檢討本集團之財務報告程序、內部監控及風險管理系統之有效性。委員會監察本公司之財務報表、年報及賬目以及中期報告之完整性，以及審閱其中包含之重大財務報告判斷。委員會就有關財務報表、報告及賬目、內部監控及風險管理系統以及合規事宜之調查結果向董事會作出檢討、推薦建議及報告。委員會亦監察本公司與外聘核數師之關係、審閱核數師之聘書及就外聘核數師之聘任及續聘作出推薦建議。委員會有權根據適用準則審核及監察外聘核數師之獨立性及客觀性以及審核過程之有效性。委員會審閱外聘核數師之管理信函及核數師向管理層提出之任何重大查詢及管理層之回應。審核委員會擁有充足資源以履行其職責。

ACCOUNTABILITY AND AUDIT *(continued)*

Audit Committee *(continued)*

During the year, the Audit Committee discussed and reviewed with the management of the financial reporting system, the accounting principles and practices adopted by the Group, internal control procedures, risk management system and the adequacy of resources, qualifications and experiences of staff in the Group's accounting, financial reporting and internal control functions and the effectiveness of such systems and functions. The Audit Committee also met with the external auditors and reviewed the annual and interim reports of the Company.

The Audit Committee members met two times during the year, and the attendance records of individual Committee members are set out below:

問責及審核*(續)*

審核委員會*(續)*

於年內，審核委員會已與管理層討論及審閱本集團採納的財務報告系統、會計原則及慣例、內部監控程序、風險管理系統及本集團會計、財務報告及內部監控職能的資源充足性、員工資質及經驗以及該等系統及職能的有效性。審核委員會亦會與外部核數師會面，並檢討本公司年度及中期報告。

審核委員會成員於年內曾舉行兩次會議，委員會各成員之出席記錄載列如下：

		Number of Meetings Attended/Held 已出席／舉行會議次數
Mr. WONG Chun Man *(Chairman)*	王俊文先生*(主席)*	2/2
Mr. LI Xiang Yu	李向禹先生	1/2
Ms. BAI Wei	柏薇女士	1/1
Mr. TSE Yung Hoi	謝湧海先生	2/2
Mr. NG Man Kung	吳文拱先生	2/2
Mr. YANG Li Ming	楊立明先生	0/1

DELEGATION BY THE BOARD

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various Board committees which have been established by the Board to deal with different aspects of the Company's affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these Board committees are governed by the Company's articles of association as well as the Board's policies and practices (in so far as the same are not in conflict with the provision contained in the articles of association).

The Board has also delegated the responsibility of implementing its strategies and the day-to-day operation to the management of the Company under the leadership of the Executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision which include matters on, inter alia, capital, finance and financial reporting, internal controls, communication with shareholders, Board membership, delegation of authority and corporate governance.

COMPANY SECRETARY

The Company Secretary of the Company is Mr. WONG Man Yiu who is a member of the Hong Kong Institute of Certified Public Accountants. Mr. WONG assists the Board by ensuring good information flow within the Board and that the Board's policy and procedures including those on governance matters are followed.

董事會委派代表

儘管董事會在履行其職責時始終完全承擔引領及監督本公司之責任，惟若干責任已授予董事會之各個委員會，該等委員會乃由董事會設立以處理本公司各方面之事務。除經董事會批准與彼等相關之權責範圍書另有訂明外，該等董事委員會乃受本公司組織章程細則以及董事會之政策及慣例（惟不可與組織章程細則所載條文有抵觸）所規限。

董事會亦已向本公司執行董事領導下之管理層授予施行其策略及日常營運之職責。本公司已就須由董事會決策之事宜訂明清晰之指引，其中包括有關資本、籌資及財務匯報、內部監控、與股東通訊、董事會組成、授予權力及企業管治等事宜。

公司秘書

本公司之公司秘書為黃文耀先生，彼為香港會計師公會會員。黃先生協助董事會確保董事會內之良好資訊流通，以及確保董事會遵從包括有關管治事宜之政策及程序。

SHAREHOLDER AND INVESTOR RELATIONS

Communication Strategies

The Board established a shareholders' communication policy setting out the principles of the Company in relation to its communication with the shareholders, with the objective of ensuring effective and timely dissemination of information to shareholders. Information would be communicated to shareholders mainly through the Company's corporate communications including interim and annual reports, announcements and circulars. These publications are sent to the shareholders in a timely manner and are also available on the website of the Company.

The Chairman of the Board, members of the Board and external auditors attended the 2018 annual general meeting of the Company ("AGM") held on 31 May 2018. The attendance record of the Directors at the AGM is set out below:

股東及投資者關係

通訊策略

董事會建立一套載有本公司就與股東通訊之股東通訊政策，旨在確保向股東有效並適時發佈資訊。資訊主要透過本公司之企業傳訊包括中期報告、年報、公告及通函向股東發佈。該等刊物適時向股東寄發，亦可於本公司網站查閱。

董事會主席、董事會成員及外聘核數師均出席於二零一八年五月三十一日舉行之本公司二零一八年股東週年大會(「股東週年大會」)。董事於股東週年大會出席之記錄載列如下：

		AGM Attended/Held 已出席／舉行股東週年大會次數
Executive Directors:	*執行董事：*	
Mr. HUANG Zhen Qian	黃振謙先生	1/1
Mr. SO Haw Herman	蘇灝先生	1/1
Non-executive Directors:	*非執行董事：*	
Mr. DU Jun *(Chairman)*	杜軍先生(*主席*)	0/1
Mr. LI Xiang Yu	李向禹先生	1/1
Mr. CUI Ming Hong	崔明宏先生	0/1
Mr. YANG Li Ming	楊立明先生	0/1
Independent Non-executive Directors:	*獨立非執行董事：*	
Mr. WONG Chun Man	王俊文先生	1/1
Mr. TSE Yung Hoi	謝湧海先生	1/1
Mr. NG Man Kung	吳文拱先生	1/1

Shareholders may direct enquires about their shareholdings to the Company's Share Registrars. To the extent the requisite information of the Company is publicly available, shareholders and the investment community may at any time make enquiry in respect of the Company in writing at our head office in Hong Kong by post, facsimile or email via the numbers and email address provided on the Company's website or through the Company's Investor Relations Adviser whose contact details are provided in the "Corporate Information" section of this annual report.

股東可直接向本公司股份過戶登記處作出有關其股權的查詢。於可供公眾查閱之範圍內，股東及公眾投資者可隨時透過於本公司網站提供之號碼及電郵地址，以郵寄、傳真或電郵方式向本公司之總辦事處作書面查詢所需資料，或透過本公司之投資者關係顧問(其聯絡資料於本年報「集團資料」一節提供)提出查詢。

SHAREHOLDER AND INVESTOR RELATIONS *(continued)*

Shareholders' Rights

Pursuant to the Articles of Association of the Company, any two or more shareholders or any one shareholder which is a clearing house (or its nominee) (in either case) holding not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings can make a requisition to convene and put forward proposals at an extraordinary general meeting. The requisition must specify the objects of the meeting, and must be signed by the relevant requisitionist(s) and deposited at the head office of the Company in Hong Kong.

Shareholders may put forward their enquires about the Company to the Board or the Company Secretary at the Company's head office in Hong Kong or by email or through the Investor Relations Adviser of the Company.

Amendment to the Company's Constitutional Documents

During the year and up to the date of this annual report, the Company has not made any changes to its memorandum and articles of association. An up-to-date version of the memorandum and articles of association of the Company is available on both the websites of the Company and the Stock Exchange.

股東及投資者關係*(續)*

股東之權利

根據本公司組織章程細則之規定，任何兩名或以上股東或任何一名股東（其為結算所（或其代理人））（在任一情況下）持有本公司附帶於本公司股東大會投票權不少於十分之一之繳足股本者，可要求召開股東特別大會，並於會上提出動議。有關要求必須列明大會之主要商議事項及由有關請求人簽署，並送達本公司於香港之總辦事處。

股東可向本公司於香港之總辦事處或透過電子郵件或透過本公司之投資者關係顧問向董事會或公司秘書作出有關本公司之查詢。

修訂本公司章程文件

於年內及直至本年報日期，本公司概無對其組織章程大綱及細則作出任何修改。本公司組織章程大綱及細則的最新版本已刊載於本公司及聯交所網站可供查閱。

Guoan International Limited (the "Company") and its subsidiaries (collectively the "Group") are pleased to present our Environmental, Social and Governance ("ESG") Report for the year ended 31 December 2018. This report captures the essence of our ESG policies, their implementation, and highlights of our performance in different areas of corporate social responsibility ("CSR").

國安國際有限公司(「本公司」及其附屬公司(統稱「本集團」)欣然提呈截至二零一八年十二月三十一日止年度之環境、社會及管治報告。本報告切實反映本公司環境、社會及管治政策要點和實施情況,並重點介紹本公司在不同範疇上企業社會責任的表現。

ABOUT THE REPORT

ESG Policies, Implementation and Governance

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the trading of telecommunications, electronic and other products; provision of repair services for telecommunications products; investments in financial assets; and money lending business in Hong Kong. Data collected for this report covers a period of twelve months ended 31 December 2018.

關於本報告

環境、社會及管治政策、履行及管理

本公司之主要業務為投資控股。其附屬公司主要在香港從事電訊、電子及其他產品之貿易,並提供電訊產品之維修服務,及進行金融資產投資及放債業務。本報告所收集之數據涵蓋截至二零一八年十二月三十一日止十二個月期間。

The board of directors of the Company (the "Board") assumes overall responsibility for the Group's ESG policy, implementation, reporting and governance. In 2017, the Group established a set of ESG policies to guide us to carry out business operations in an environmentally and socially responsible way. These policies, which have subsequently been adopted by the Board, cover various aspects of the environment, business ethics, employee relationships and community investments, details of which will be discussed in subsequent sections of this report.

本公司董事會(「董事會」)負責本集團於環境、社會及管治方面的整體政策、實施、報告及管治。本集團於二零一七年制定環境、社會及管治政策,引領本集團以環保及對社會盡責的方式進行商業營運。此等政策其後獲董事會採納,涵蓋環境、商業道德、僱員關係及社區投資等範疇,具體細節列載於本報告其後章節。

The Board has also authorised the setting up of a working group to co-ordinate and monitor the Group's ESG-related work. The working group, led by a Board member and comprising staff of various levels, regularly reviews and updates the policies to ensure their relevance to the Group's business operations, our key stakeholders, and new ESG trends and regulations. It is also responsible for identifying potential ESG-related risks on a continual basis, and brings them to the Board for discussion and if thought fit, management action.

董事會亦授權組成工作小組,協調和監控本集團的環境、社會及管治相關工作。此工作小組由一位董事會成員領導,成員包括不同職級人員,負責定期檢討及調整政策,以確保政策與本集團業務及持份者具相關性,並符合環境、社會及管治的新趨勢和規定。工作小組亦須持續識別環境、社會及管治相關風險,並提交董事會以作討論及酌情採取管理措施。

ABOUT THE REPORT *(continued)*

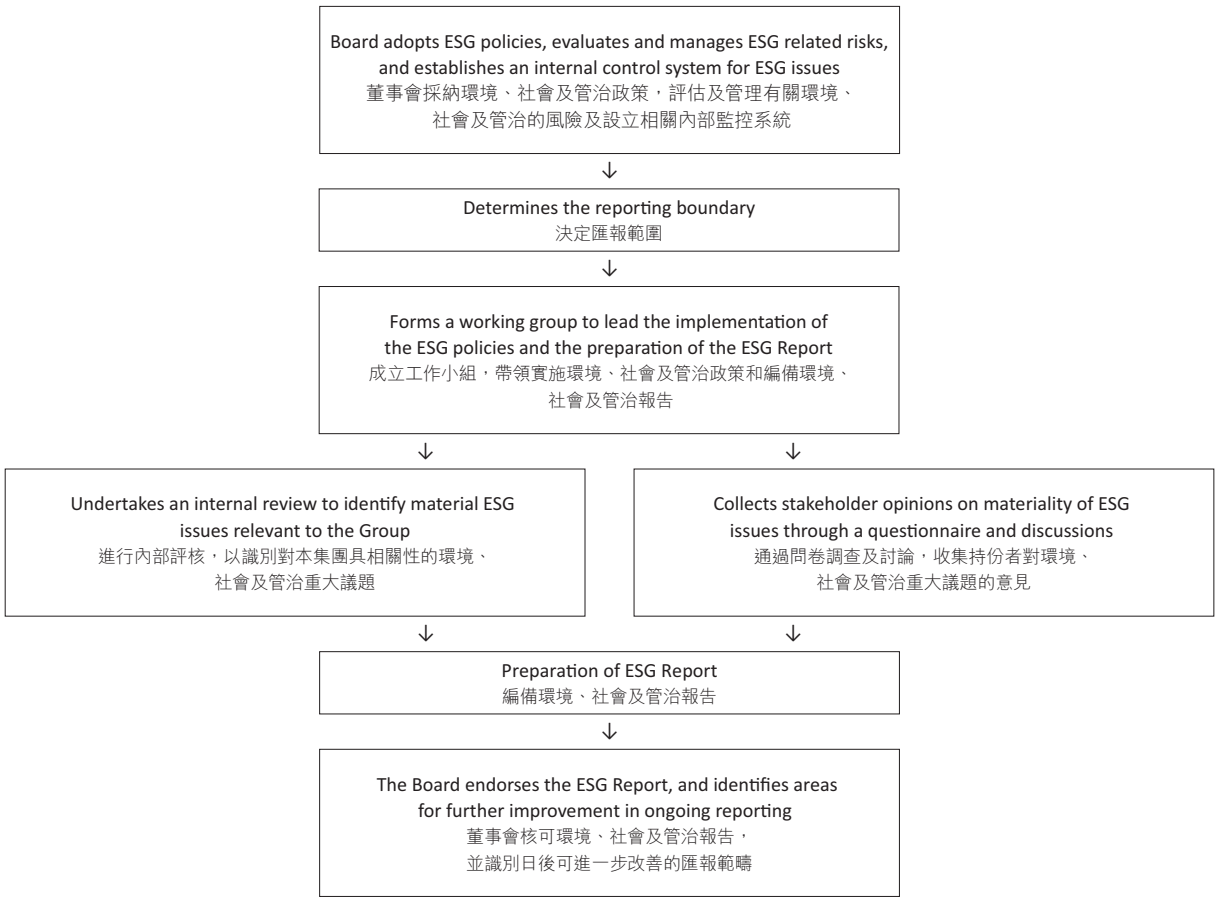
Preparation of the ESG Report

The ESG Report has been prepared with reference to Appendix 27 of the Main Board Listing Rules of the Stock Exchange of Hong Kong ("HKEX ESG Guide"), adhering to the "comply or explain" provisions and where possible reporting on recommended disclosures. The preparation process was overseen by the Board and consisted of the following steps. The report was endorsed by the Board in March 2019.

關於本報告 *(續)*

編備環境、社會及管治報告

本環境、社會及管治報告參考香港交易所的主板上市規則(「香港交易所環境、社會及管治報告指引」)附錄第二十七條,按「不遵守就解釋」條文及儘可能就建議披露事項作匯報。本報告之準備過程由董事會監督,包括以下步驟。本報告於二零一九年三月獲董事會核可。



Reporting Boundary

The Group's operations are all based in Hong Kong, and the scope of this report mainly includes data and activities of the Group's corporate headquarters and offices in Hong Kong. Compared with the 2017 ESG Report published in March 2018, the scope has been broadened to include a new joint-venture trading and wholesaling operation set up in June 2018, and the scope of data collection from the headquarters has also been expanded upon completion of the remodelling work of the head office.

匯報範圍

本集團所有業務均以香港為基地,而本報告的範圍主要涵蓋公司總部和香港辦事處的數據及活動。與二零一八年三月刊發的二零一七年環境、社會及管治報告比較,本報告範圍擴大至包含於二零一八年六月新成立的合資貿易及批發業務,並於總部完成裝修工程後,擴展所收集的總部數據。

ABOUT THE REPORT *(continued)*

Stakeholder Engagement

The Group's key stakeholders include its employees, customers, suppliers, shareholders, business partners and community work partners. During the year, members of the ESG working group have engaged in discussions with them to collect their views on the materiality of different aspects of ESG. A questionnaire survey has also been carried out during the year, and its results were analysed and used as a reference for the preparation of this report.

Set out below is a summary of the channels used to engage our key stakeholders:

關於本報告*(續)*

持份者參與

本集團的主要持份者包括僱員、客戶、供應商、股東、業務夥伴及社區工作合作夥伴。環境、社會及管治工作小組成員於年內與持份者討論溝通，以收集他們對不同層面事項的重要性之評核意見。集團亦於年內進行問卷調查，經分析所得結果，用作編備本報告之參考。

以下為主要持份者參與之渠道摘要：

Stakeholder 持份者	Engagement Channels 參與渠道
Employees 僱員	• Formal and informal meetings 正式及非正式會議 • Staff activities 員工活動 • New hire orientation 新員工入職迎新
Customers 客戶	• Customer services hotline (for servicing and maintenance business) 客戶服務熱線（服務及維修業務） • Personal contact 個人聯繫
Suppliers 供應商	• Tendering or business negotiation process 投標或業務洽商 • Regular correspondences 定期通訊 • Site visits 實地考察 • Promotional activities 宣傳活動
Shareholders 股東	• Annual and special general meetings 股東周年大會及股東特別大會 • Annual and interim reports 年報及中期報告 • Corporate website 公司網站 • Contacts with IR representative 經投資者關係代表聯繫
Business partners 業務夥伴	• Regular correspondences 定期通訊 • Joint activities 聯合活動
Community work partners 社區工作合作夥伴	• Staff members' participation in volunteering work 員工參與義工活動 • Joint activities 聯合活動
Wider community 更廣泛的社區	• CSR initiatives 企業社會責任活動

ABOUT THE REPORT *(continued)*

Materiality Assessment

The Group has summarised the internal and external assessment results and identified these material ESG topics:

- B7: Anti-corruption
- B8: Community Investments
- B6: Product responsibility
- B1: Employment
- B4: Labour Standards
- B3: Development and Training

The following distribution map exhibits the importance of the key ESG issues as considered by the management and the stakeholders of the Group.

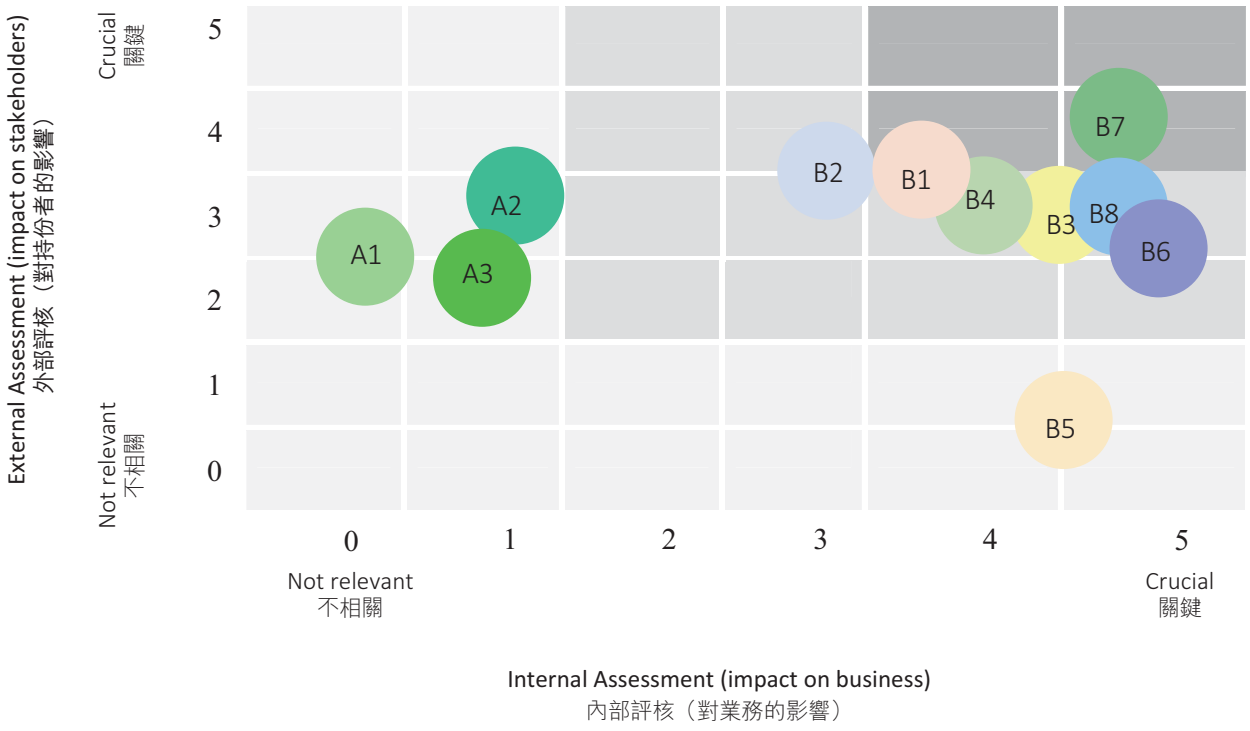
關於本報告*(續)*

重要性評估

本集團總結內部及外部評核結果，並識別出以下環境、社會及管治重大議題：

- B7：反貪污
- B8：社區投資
- B6：產品責任
- B1：僱傭
- B4：勞工準則
- B3：發展及培訓

以下分佈圖展示本集團管理層及持份者就主要環境、社會及管治議題重要性所作之評核。



A1: Emissions 排放物
A2: Use of Resources 資源使用
A3: The Environment and Natural Resources 環境及天然資源
B1: Employment 僱傭
B2: Health and Safety 健康與安全
B3: Development and Training 發展及培訓
B4: Labour Standards 勞工準則
B5: Supply Chain Management 供應鏈管理
B6: Product Responsibility 產品責任
B7: Anti-corruption 反貪污
B8: Community Investment 社區投資

ENVIRONMENT

Environmental Policy

- Seek to reduce the environmental impact of our operations through different schemes to reduce energy and day-to-day operational inputs consumption, to re-use materials where practicable, and to collect and separate appropriate materials for recycling.
- Go paperless where feasible.
- Comply with relevant environmental legislation and regulations and strive to go beyond them.
- Support the environmental initiatives of the communities where we operate.

環境

環境政策

- 通過參與不同的計劃，力求節約能源及減低日常營運中的能源消耗，從而減少對環境造成的影響，並在可行的情況下重用物料，收集和進行適當分類以循環再用。
- 在可行的情況下實現無紙化。
- 致力遵守相關環境保護法例和規條，並努力超越法定標準。
- 支持所在社區的環保舉措。

Environmental Pledges and Activities during the Period

期內獲授環境約章及參與活動

Programme 項目	Label/Pledge 標誌／承諾	Organiser 主辦機構	Date/Period 日期／期間
Let's Save 10L Water Campaign 齊來慳水十公升運動	Commitment Certificate 承諾宣言	Water Supplies Department 水務署	Since September 2017 由2017年9月開始
Saying No to Shark Fin 向魚翅說不	No Shark Fin Corporate Pledge 向魚翅說不企業承諾	WWF 世界自然基金會	Since October 2017 由2017年10月開始
Energy Saving Charter & 4Ts Charter Schemes 節能約章計劃及4Ts約章計劃	Energy Saving Charter 2018 and 4Ts Charter 節能約章2018及4Ts約章	Environment Bureau 環境局	June 2018 – May 2019 2018年6月 – 2019年5月
Green Office Awards Labelling Scheme 綠色辦公室獎勵計劃	Green Office Awards and Eco-Healthy Workplace labels 綠色辦公室及健康工作間標誌	World Green Organisation 世界綠色組織	1 year from Autumn 2018 2018年秋季開始，為期一年
Mooncake Sharing and Project Green Moon Programme 2018 月餅及環保中秋月餅盒回收活動	Staff participation 員工參與	Green Power and Food Angel 綠色力量及綠惜學堂	September – October 2018 2018年9月 – 10月

ENVIRONMENT *(continued)*

Since most of our business activities are carried out inside the office, in particular within our corporate headquarters, we have adopted a number of green best practices based on the World Green Organisation's ("WGO") guidelines under the Green Office Awards Labelling Scheme ("GOALS"). Such practices include energy saving, reduced resources usage and support of recycling. Having demonstrated sufficient achievements in green workplace practices after a green audit, we have been awarded Green Office Awards and Eco-Healthy Workplace labels. Most importantly, these green practices are straightforward and easy to follow, and are therefore helpful in instilling a behavioural change within our workplace.

A1. Emissions

The Group is a non-production company principally engaged in trading, maintenance and customer service activities, which do not have material impact on the environment. Our business operations do not produce hazardous waste and do not rely heavily on energy consumption or water resources.

The Group owns only one company passenger car in Hong Kong, with a low level of direct emission recorded during the year. NOx, SOx and particulate matter emissions from this source were all close to zero tonne.

Indirect emissions of greenhouse gases by the Group were mainly contributed by the consumption of purchased electricity at our corporate headquarters and 3 offices in Hong Kong. Under the Energy Saving Charter 2018 scheme, we maintained an average indoor temperature between 24-26°C during the summer months of June to September in 2018; switched off electrical appliances and systems when not in use; procured energy-efficient electrical appliances and systems; and engaged staff to adopt energy saving practices.

Another source of indirect emission was from paper usage in offices, while non-hazardous waste was mainly produced in the form of paper waste and toner cartridges. Waste paper is separated from other kinds of wastes and is collected for recycling. Recognising the indirect greenhouse gas emissions from business air travel by employees, the Group encourages employees to utilise instant messaging tools, video calls or teleconferences where feasible.

環境*(續)*

本集團大部分業務活動均在辦公室，尤其於總辦事處內進行，因此我們遵照世界綠色組織對綠色辦公室獎勵計劃所訂的指引，奉行一系列綠色最佳守則。此等守則包括節約能源、減少資源使用和支持回收。經綠色審核後，我們所落實的綠色辦公室措施達標並獲頒授綠色辦公室及健康工作間標誌。更重要的是，綠色守則直接且易於遵循，有助為工作場所帶來行為改變。

A1. 排放物

本集團主要從事貿易、維修及客戶服務等非製造業務，對環境並不構成重大影響。集團之營運並不產生有害廢物，亦不倚重能源消耗或水資源。

本集團在香港僅擁有一部公司乘用車，年內錄得低量直接排放。源於此的NOx、SOx及顆粒物排放均接近零噸。

本集團間接排放之溫室氣體主要由於香港的總辦事處及3個辦事處耗用所購電力。根據節能約章2018，我們在二零一八年六月至九月的夏季期間維持室內平均溫度24-26°C；在不使用時關掉電器及系統；採購節能電器和系統；及與員工攜手實行節約能源措施。

另一間接排放源頭主要來自辦公室耗用紙張；非有害廢物則主要包括廢紙及碳粉匣。廢紙與其他類型的廢物分開收集，作回收之用。本集團意識到僱員乘坐飛機出外公幹的間接排放，故鼓勵僱員在可行的情況下使用即時通訊工具、視頻通話或電話會議。

ENVIRONMENT *(continued)*

環境*(續)*

A1. Emissions *(continued)*

A1. 排放物*(續)*

Sources of Greenhouse Gas Emission **溫室氣體排放源頭**		2017[1] 二零一七年[1]	**2018** **二零一八年**
Scope 1: Direct emission – Unleaded petrol consumed by Group-owned passenger car	範圍1： 直接排放 －集團擁有乘用車所消耗的無鉛汽油	10.4 tonnes噸	**11.4 tonnes噸**
Scope 2: Energy indirect emission – Purchased electricity	範圍2： 能源間接排放 －購買電量	149.2 tonnes噸	**155.2 tonnes噸**
Total annual carbon dioxide equivalent greenhouse gas emission	**年度二氧化碳當量排放物**	159.6 tonnes噸	**166.6 tonnes噸**

Non-hazardous Waste **非有害廢物**		2017[1] 二零一七年[1]	**2018** **二零一八年**
Waste to landfills: Toner cartridges	棄置於堆填區： 碳粉匣	NA不適用	**2 pieces件**
Collected for recycling: Paper waste	回收作循環再造： 廢紙	NA不適用	**2.1 tonnes噸**

Note:

1. Office remodelling planning and works were ongoing in 2017 during which staff members were working at temporary workstations. The Group was therefore unable to accurately record the use of paper and other non-hazardous waste during this period.

附註：

1. 於二零一七年內進行辦公室裝修規劃及工程，期間員工在臨時工作間工作，故本集團未能準確紀錄期內所耗用的紙張及其他間接非有害廢物。

ENVIRONMENT *(continued)*

A2. Use of Resources

The Group's headquarters was designed to maximise the admission of natural daylight in order to reduce energy for office lighting. Environmental impact was also minimised through responsible sourcing. Eco-friendly materials were selected where feasible for the headquarters, and formaldehyde-free fixtures were used. During the remodelling process in 2017, old furniture was retained as much as possible, or donated to respective social groups for re-use. Electrical appliances with Grade 1 energy labels and LED lights were purchased.

As a practice, our office lights, computers and most electrical appliances are switched off when not in use. In addition, automatic lighting control is in place to switch lighting off in common areas after office hours. Also as a principle, the Group goes paperless where feasible and re-uses materials as much as practicable. Waste separation facilities for paper, plastic and metal are installed in the headquarters to support recycling. In view of the Group's business nature, there is no significant raw material being used in operations. For the trading segment, the goods are pre-packed by the suppliers and the Group does not add further packaging during the shipment process. Packaging materials usage is therefore regarded as immaterial.

In terms of water consumption, the Group's corporate headquarters in Hong Kong does not have independent fresh water accounts with the Water Supplies Department, and we are therefore unable to obtain water consumption information. According to the latest sustainability report of the management company of the Group's headquarters, the company aims to be resource-efficient and ecologically sustainable and achieved a 1.6% year-on-year reduction in greenhouse gas emissions in 2017. It also stated in its report that it had implemented a number of water efficiency initiatives including recycling wastewater for landscaping and outdoor cleaning purposes.

環境（續）

A2. 資源使用

集團的總辦事處設計著重自然採光，盡量減少耗用辦公室照明能源，並奉行負責任的採購原則，盡量減低對環境影響。在可行的情況下為總辦事處選用環保材料，並使用不含甲醛的設施。二零一七年的總辦事處裝修過程中，盡量保留舊有傢具，或捐贈予社會團體供重用。本集團並選購第一級別能源標籤電器及發光二極管燈。

辦公室燈、電腦及大部分電器如不使用均慣常關上，並裝置自動燈光控制以便在辦公時間以外關閉公用地方燈光。此外，本集團在切實可行的情況下儘量實行無紙化及重用物料。為響應回收，總辦事處已設置紙張、塑膠和金屬的廢物分類設施。鑑於本集團的業務性質，營運中並無大量原材料之耗用。貿易分部的貨品均由供應商預先包裝，本集團在付運過程中不會加添包裝，因此本集團所耗用的包裝物料可視為無關重要。

本集團於香港的總辦事處並沒有在水務署設立獨立淡水收費戶口，因此無法取得用水量的資料。根據集團總辦事處之管理公司的最新可持續發展報告，該公司以實現資源效率及生態可持續發展為目標，二零一七年溫室氣體排放量按年減少1.6%。該報告並指管理公司已實施一系列節水措施，包括回收廢水作園藝和戶外清潔用途。

ENVIRONMENT *(continued)*

A2. Use of Resources *(continued)*

環境*(續)*

A2. 資源使用*(續)*

Energy Consumption Sources 能源耗量來源		2017[1] 二零一七年[1]	2018 二零一八年
Electricity	電力	232,213 kWh 千瓦	**238,255 kWh 千瓦**
Petrol	汽油	4,411.1 litres升	**4,825.6 litres升**

A3. The Environment and Natural Resources

As a non-production company, the Group's business activities are mainly conducted inside offices. The Board therefore considers that our operations do not have a major impact on the environment and natural resources. As discussed in the above sections, we have adopted an Environmental Policy and various green practices to help reduce the carbon footprint of our office activities.

However, we are mindful of the indirect impact of our trading business. We therefore incorporate environmental considerations in the process of selecting products, suppliers and logistics services providers. We also strive to ensure that the Group complies with relevant laws and regulations on environmental protection in Hong Kong.

A3. 環境及天然資源

作為非生產公司，本集團的商業活動主要在辦公室內進行。因此，董事會認為業務對環境及天然資源並無重大影響。如上文所述，我們採納環境政策及若干綠色守則以減少辦公室活動的碳排放。

儘管如此，我們注意到貿易業務之間接影響，因此在選擇產品、供應商及物流服務供應商時均會納入環境考慮因素。我們亦致力確保本集團遵守香港環保方面的相關法律規例。

SOCIAL

CSR Activities during the Period

The Group is delighted to have renewed the Caring Company 2018/19 logo from the Hong Kong Council of Social Service in recognition of our commitment to CSR and collaboration with several social agencies. The Caring Company scheme is a widely recognised CSR programme in Hong Kong aiming at building strategic partnerships among businesses and non-profit organisations to create a more cohesive society. Through cross-sectoral activities and exchanges, the two sectors can get to know and understand each other and develop projects matching with community needs.

We have also received the Corporate Citizenship logo from Hong Kong Productivity Council for our notable CSR performance and volunteer work.

社會

期內企業社會責任活動

本集團榮幸獲得香港社會服務聯會更新商界展關懷標誌2018/19，以嘉許集團對企業社會責任的付出，以及與不同社福機構之合作。商界展關懷計劃在香港廣被認可，旨在促進商界與社福界之間的策略夥伴合作，建設共融社會。透過舉辦不同類型的跨界別交流活動，讓企業和社會服務機構彼此認識和加深了解，開拓合作空間以推行針對社會需要的社區計劃。

我們憑藉良好的環境、社會及管治表現及參與義務工作，獲香港生產力促進局頒發企業公民嘉許標誌。

SOCIAL *(continued)*

社會*(續)*

Social and Employee Related Pledges during the Period

期內獲授社會和員工相關約章

Programme 項目	Label/Pledge 標誌／承諾	Organiser 主辦機構	Date/Period 日期／期間
The 9th Hong Kong Corporate Citizenship Program 第九屆香港企業公民計劃	Corporate Citizenship logo (Enterprise Category) 企業公民嘉許標誌(企業組別)	Hong Kong Productivity Council and Committee on the Promotion of Civic Education 香港生產力促進局及公民教育委員會	December 2018 – December 2019 2018年12月 – 2019年12月
Happiness at Work Promotional Scheme 2018 開心工作間推廣計劃2018	Happy Company label 開心企業標誌	Promoting Happiness Index Foundation and Hong Kong Productivity Council 香港提升快樂指數基金及香港生產力促進局	January – December 2019 2019年1月 – 12月
Jockey Club Age-Friendly City Partnership Scheme 賽馬會齡活城市–「全城•長者友善」計劃	City Partnership Scheme sticker 「全城•長者友善」標籤	The Hong Kong Jockey Club 香港賽馬會	June 2018 – May 2019 2018年6月 – 2019年5月
Caring Company Scheme 商界展關懷計劃	Caring Company logo 2018/2019 2018/19商界展關懷標誌	The Hong Kong Council of Social Service 香港社會服務聯會	December 2018 – December 2019 2018年12月 – 2019年12月

SOCIAL *(continued)*

B1. Employment

Employment Policy

- Adhere to equal opportunity principles in the recruitment, selection, compensation, training, appraisal and career advancement of staff.
- Hire and promote staff members based on objective criteria, individual performance and merit.
- Prohibit any form of forced labour and adhere to the minimum age provisions of applicable laws and regulations.

Workplace Quality Policy

- Aim to offer a welcoming and positive work environment in which members of staff are treated with respect and dignity.
- Promote inclusivity and equality in the workplace.
- Maintain a work environment that is free from discrimination on the basis of sex, disability, family status, race or religion. Discriminatory behaviour or harassment will not be tolerated.

In addition to full compliance with the Employment Ordinance in Hong Kong, the Group has in place a set of open and fair employment policies to guide its human resources activities. This policy covers compensation, dismissal, recruitment, promotion, working hours, conditions and welfare of employees. Other benefits include entitlements to the Group's medical insurance scheme and special casual leave arrangements, offered to eligible employees in accordance with length of service, seniority and job nature. The Group also ensures equal opportunity for all employees and diversity. Discriminatory behaviour towards any employee or in treatment of staff matters is strictly prohibited.

社會 *(續)*

B1. 僱傭

僱傭政策

- 公司在招聘員工、選拔、釐訂薪酬、培訓、考核和職業晉升上，堅守平等機會原則。
- 根據客觀標準、個人表現和貢獻聘用和晉升員工。
- 禁止任何形式的強制勞工，並遵守適用法律及法規的最低年齡規定。

優質工作場所政策

- 旨在提供正面愉悅的工作環境，讓僱員享有尊嚴和備受尊重。
- 促進工作場所的包容性和平等待遇。
- 維護公平的工作環境，讓員工不受性別、殘疾、家庭狀況、種族或宗教歧視。絕不容忍歧視行為或騷擾。

本集團除全面遵守香港僱傭條例外，亦樹立公開公平的僱傭政策，作為人力資源工作的指引。此政策涵蓋薪酬、解僱、招聘、晉升、工作時數、環境和待遇福利。其他福利包括本集團的醫療保險計劃及特別事假安排，按年資和工作性質提供予合資格僱員。此外，本集團對所有員工奉行平等機會及多元化原則。任何針對員工或處理員工事務上的歧視行為均嚴格禁止。

SOCIAL *(continued)*

B1. Employment *(continued)*

Our fair employment policy and employee-friendly practices have earned us recognitions as a Jockey Club Age-friendly City Partner and a Happy Company.

At 31 December 2018, the Group employed a work force of 117 (2017: 125). The Group maintains a generally diversified combination of employees which provides a balanced mix of skills, experience and job knowledge to support its different operational requirements. The staff turnover and combination have remained broadly stable.

B2. Health and Safety

Health and Safety Policy

- Operate in full compliance with relevant occupational health and safety legislation.
- Provide and maintain a healthy and safe work environment and strive to prevent workplace accidents.

The Group is committed to maintaining a healthy and safe workplace for employees, and observes all the requirements under the Occupational Safety and Health Ordinance of Hong Kong.

B3. Development and Training

Staff are encouraged to receive training in their respective professional fields and are provided with paid leave for attending relevant programmes or public examinations during office hours. Senior management members attended sessions three times during the period to update them on corporate governance issues and the latest audit requirements.

B4. Labour Standards

The Group complies strictly with Employment of Children and Employment of Young Persons (Industry) Regulations made under the Employment Ordinance in Hong Kong, including prohibiting child or forced labour for any position. There was no legal case brought against the Group or its employees for violation of relevant labour laws or regulations during the period.

社會*（續）*

B1. 僱傭*（續）*

基於公平僱傭政策及對員工友善措施，我們取得了賽馬會齡活城市夥伴及開心企業認可。

於二零一八年十二月三十一日，本集團聘有117名員工（二零一七年：125名）。本集團維持大致多元化的員工隊伍結構，為集團提供平衡的技能、經驗和工作知識，支持不同的營運需要。員工流失及結構維持大致穩定。

B2. 健康與安全

健康與安全政策

- 全面遵守相關職業健康和安全法規。
- 提供並保持健康安全的工作環境，竭力預防僱員在工作場所中發生意外。

本集團致力為員工維持健康安全的工作環境，並遵守香港職業安全及健康條例之所有規定。

B3. 發展及培訓

本集團鼓勵員工接受各項專業領域的培訓，並為所有於辦公時間內出席相關課程或公開考試的員工提供有薪假期。期內資深管理層成員共出席三次會議，以更新企業管治事項及最新的審計規定。

B4. 勞工準則

本集團嚴格遵守僱傭條例下的僱用兒童及僱用青年（工業）規例，包括禁止在任何職位聘用童工或強制勞動。期內並無針對本集團或其僱員提出相關的違反勞工法例及規例之訴訟案件。

SOCIAL *(continued)*

B5. Supply Chain Management

The Group had one major supplier for its telecommunications trading and repair services business. According to this supplier's published sustainability report of 2018, it fully endorses the UN Sustainable Development Goals ("UN SDGs") that aim to achieve a balanced development of economy, society and environment through business' engagement and value creation. In alignment with the UN SDGs, the Supplier reported that it had taken steps to manage water resource risks in the workplace and monitor the quality of the effluent; researched technology that reduces energy use and adopted such technology for its products; implemented energy use reduction projects at overseas subsidiaries; adopted an eco-design process and in-house eco product rating system in the product development phase; operated a programme to recover and recycle waste products; reduced greenhouse gas emissions in the workplace and increased the use of renewable energy; implemented pilot climate change adaptation projects with an academic institute; and developed biodiversity preservation guidelines and identified and improved its impact on the aquatic ecosystem and the habitats of endangered species.

The Group also had a few major suppliers for its fine wines trading and wholesaling business. The Group mainly deals with the trading of French wines. While the Board is aware of the potential impact of the wine production life cycle, it takes note of a new guide published by the French Ministry of Agriculture to establish an ecological approach to agricultural production for the wine industry. This guide aims to help French wine makers reduce environmental damage, allowing them to offer wines to consumers that come from wineries of environmental value by respecting and preserving biodiversity, developing bio-control measures, guaranteeing better water management, and in using plant material in a way that is better adapted to agroecology. As a policy, we work with reputable wine traders and incorporate sustainability considerations in our trading operations.

社會 *(續)*

B5. 供應鏈管理

本集團的電訊貿易及維修服務業務分部有一間主要供應商。根據該供應商發佈的二零一八年可持續發展報告，其全面採納聯合國可持續發展目標，旨在通過企業的參與及價值創造，達致經濟、社會和環境之平衡發展。按照聯合國可持續發展目標，該供應商報告說明已採取措施對工作場所的水資源進行風險管理及監測污水的質量；研究節省能源的技術並應用於產品上；於海外附屬公司實施節省能源項目；在產品開發階段採用生態設計流程和內部生態產品評級制度；實施廢物回收及循環再造方案；減少工作場所的溫室氣體排放，並增加使用可再生能源；與學術機構合作實施適應氣候變化的先導項目；以及制定生物多樣性保護準則，識別並改善對水生態系統和瀕危物種棲息地的影響。

葡萄酒貿易和批發業務方面有數個主要供應商。本集團主要從事法國葡萄酒貿易。董事會知悉葡萄酒生產週期的潛在影響，惟亦注意到法國農業部新發佈的指引，為葡萄酒行業訂立生態農作業方式。此指引旨在幫助法國葡萄酒生產商減低對環境帶來的傷害，指導酒廠尊重及保護生物多樣性、發展生物控制措施、確保較佳水資源管理，及以較佳的方式使用植物材料，順應生態農業趨勢，從而可向客戶確保葡萄酒產自具環境價值的酒莊。我們的既定政策是與信譽良好的葡萄酒貿易商合作，進行貿易業務時亦結合可持續性之考慮。

SOCIAL *(continued)*

B6. Product Responsibility

Responsible Product and Supply Chain Policy

- Continuously improve the quality of our products and services.
- Safeguard the health and safety of customers, and protect customer privacy and consumer rights in accordance with applicable legislation.
- Committed to the protection of intellectual property.
- Ensure fair and reasonable treatment of suppliers and service providers in the procurement process.

For the trading segment, there had not been any product recalls for safety or health reasons during the period. The supplier of mobile phones provides a warranty on the products it supplies to the Group for distribution. Generally the warranty provided by the supplier covers one year but certain warranty terms apply. The supplier also adopts strict quality control procedures on its products. The wine suppliers are responsible for ensuring appropriate temperature and humidity conditions of the storage and during the transportation of the wine products.

The repair services segment recorded 1-2 incidents of customer complaints per day, which were resolved with the provision of further repair services. The services segment generally offers 30 days of warranty for repaired devices.

The Group observes the Codes of Practice issued by the Office of the Privacy Commission for Personal Data. The repair services segment has in place a system to erase and separately store all data on customers' mobile phones prior to maintenance, and erase such data from the Group's system after restoring them on customers' mobile phones. There had not been any reported case of data or privacy infringement during the period.

社會*（續）*

B6. 產品責任

負責任的產品和供應鏈政策

- 不斷提高公司的產品及服務質量。
- 按照適用法律，保護客戶的健康和安全，保障客戶私隱和消費者權益。
- 致力保護知識產權。
- 確保採購過程中對供應商和服務提供者的公平合理待遇。

期內貿易分部並無因安全或健康理由須就任何產品進行回收。手提電話供應商就供應予本集團供分銷用之產品提供保修，一般保修期為一年，惟附帶若干保養條款。供應商對產品亦採取嚴格的質量控制程序。另一方面，葡萄酒供應商負責確保在倉儲及運輸期間以合適溫度及濕度存放葡萄酒產品。

維修服務分部每天約接獲一至兩宗客戶投訴，並透過提供進一步維修服務予以解決。服務分部一般為所維修的裝置提供30日保養期。

本集團恪守個人資料私隱專員公署所訂之實務守則。維修服務分部設有系統，在維修前會刪除及分開儲存客戶手機內的所有數據。當客戶手機完成維修後，該系統所儲存的該等數據會被刪除。期內並無接獲任何數據或隱私被侵犯的報告個案。

SOCIAL *(continued)*

B7. Anti-corruption

Governance Policy

- Maintain a strong commitment to conducting business ethically.
- Adopt good corporate governance practices.
- Employees are prohibited from soliciting, accepting or offering advantages when dealing with the Group's business.
- Operate in full compliance with all regulatory reporting requirements for monetary transactions.

The Group complies with the Sample Code of Conduct by the Independent Commission Against Corruption for the private sector. There had not been any legal case regarding corrupt practices brought against the Group or its employees during the period.

B8. Community Investment

Social and Employee Related Activities during the Period

Programme 項目	Group's Participation 集團參與	Organiser 主辦機構	Date/Period 日期／期間
Dress Red For Thalassaemia 地貧基金紅衣日	Staff participation in fund raising 員工參與籌款	Children's Thalassaemia Foundation 地中海貧血兒童基金	25 May 2018 2018年5月25日
Mooncakes for Charity 2018 公益月餅2018	Staff engagement and donation 提高員工投入度及捐贈	The Community Chest 香港公益金	September 2018 2018年9月
Recreational Activity for the Elderly 長者康樂活動	Staff volunteering and donation 員工參與義務工作及捐贈	Good Neighbour Network (Tin Shui Wai) 天水圍愛鄰網絡	29 August 2018 2018年8月29日
Dress Casual Day 2018 公益金便服日2018	Staff participation in fund raising 員工參與籌款	The Community Chest 香港公益金	11 October 2018 2018年10月11日
Raleigh Challenge – Wilson Trail 雷利衛徑長征	Staff volunteering, donation and venue sponsorship 員工參與義務工作、捐贈及場地贊助	Raleigh Hong Kong 雷利計劃（香港）	17 September 2018 and 13 October 2018 2018年9月17日及2018年10月13日

社會*（續）*

B7. 反貪污

管治政策

- 承諾堅守商業道德。
- 採納良好的企業管治作業守則。
- 進行商業交易時，嚴禁僱員索取、接受或提供任何利益。
- 進行金錢交易時全面遵守所有監管報告要求。

本集團遵守廉政公署為私營機構訂下之行為守則範本。期內並無針對本集團或其僱員提出的貪污訴訟案件。

B8. 社區投資

期內參與社會及員工相關活動

SOCIAL *(continued)*

B8. Community Investment *(continued)*

Social and Employee Related Activities during the Period *(continued)*

Through staff volunteering, donations and venue sponsorships, the Group has supported a range of meaningful causes, including youth empowerment, and care for the elderly, patients and persons with severe disabilities. In addition to staff's volunteering services for a range of activities, the Group also made charitable donations in Hong Kong and supported staff members to contribute to different causes through participation in special fundraising events.

社會*（續）*

B8. 社區投資*（續）*

期內參與社會及員工相關活動*（續）*

本集團透過員工參與義務工作、捐贈和場地贊助，支持一系列具意義的社區項目，包括激發青少年潛能、關顧長者、病者和嚴重殘疾人士之活動。除員工參與多項義工活動外，期內本集團在香港亦作出慈善捐獻，及支持員工通過參與特別籌款活動，為不同社福項目作出貢獻。

The biographical details of each Director are set out below:

Mr. HUANG Zhen Qian ("Mr. HUANG")

Mr. HUANG, aged 58, was appointed as Executive Director on 11 March 2016. He is an experienced businessman in the People's Republic of China ("PRC"). During the period from October 2000 to March 2015, Mr. HUANG worked in 中信網絡有限公司深圳分公司 (CITIC Networks Limited – Shenzhen Branch*), a wholly-owned subsidiary under 中國中信集團有限公司 (CITIC Group Corporation*), in the capacity of general manager and was responsible for managing the operation of its Shenzhen Branch including budgeting, development, operations and strategies in the region of southern and eastern Guangdong as well as liaising with corresponding governmental departments. On 19 December 2018, Mr. HUANG was appointed as a director of Guoan (HK) Holdings Limited, the immediate holding company of Road Shine Developments Limited, the controlling shareholder of the Company. Mr. HUANG is responsible for the Group's corporate and business development strategies.

Mr. SO Haw Herman ("Mr. SO")

Mr. SO, aged 36, was appointed as Executive Director on 3 February 2016. He is a holder of a Master Degree of Business Administration at the Hong Kong University of Science and Technology. Mr. SO has experiences in banking services, commercial and residential real estate investment and development, developments and operations in information technology, mergers and acquisitions and general management. Mr. SO had worked in banking and private business group in various industries. Before joining the Group, Mr. SO was an executive director of another Hong Kong Stock Exchange listed company. Mr. SO has been designated to lead the work of the environmental, social and governance working group.

各董事之履歷詳情載列如下：

黃振謙先生(「黃先生」)

黃先生，58歲，於二零一六年三月十一日獲委任為執行董事。彼為中華人民共和國(「中國」)商人，從商多年。於二零零零年十月至二零一五年三月期間，黃先生擔任中國中信集團有限公司(「中信國安集團」)之全資附屬公司中信網絡有限公司深圳分公司之總經理，負責管理深圳分公司之業務營運，包括廣東南部及東部地區預算、開發、營運及策略以及聯繫相關政府部門。於二零一八年十二月十九日，黃先生獲委任為本公司控股股東Road Shine Developments Limited之直接控股公司國安(香港)控股有限公司之董事。黃先生負責本集團的企業及業務發展策略。

蘇灝先生(「蘇先生」)

蘇先生，36歲，於二零一六年二月三日獲委任為執行董事。 彼獲香港科技大學頒授工商管理碩士學位。蘇先生於銀行服務、商住房地產投資及開發、資訊科技發展及營運、併購及整體管理範疇具備經驗。蘇先生曾於多個行業的銀行和私營企業集團工作。 在加入本集團前，蘇先生曾擔任另一家香港聯交所上市公司之執行董事。 蘇先生已被指定領導環境、社會和管治工作組的工作。

* *For identification purpose only*

* *僅供識別*

HUMAN CAPITAL
人才資本

Mr. DU Jun ("Mr. DU")

Mr. DU, aged 50, was appointed as Non-executive Director on 11 March 2016. He graduated from Shaanxi College of Finance and Economics with a Master Degree of Economics. He was an engineer in the early years, and until 1996 he joined Beijing Securities Limited and has become very experienced in the finance industry over the years.

In 2005, Mr. DU joined CITIC Guoan Group and became the capital operation manager in 2006. In 2015, he was appointed the deputy general manager of CITIC Guoan Group, mainly responsible for capital operation and fund management. He is also a director or a member of the senior management of the subsidiary companies of CITIC Guoan Group managing investment, elderly services and winery business. Mr. DU oversees the Group's corporate governance, and guides the sustainability development of the Group.

Mr. LI Xiang Yu ("Mr. LI")

Mr. LI, aged 51, was appointed as Non-executive Director on 11 March 2016. He graduated from Renmin University of China with Bachelor Degree of Economics. In 1995, he got the qualification of Senior Accountant in Beijing and has been very experienced in the finance industry for years.

Mr. LI joined CITIC Guoan Group in 2000 and became the deputy manager and manager in finance department in 2002 and 2007 respectively. In 2015, he became the deputy general manager of CITIC Guoan Group, mainly responsible for finance management etc. He is also a director of the subsidiary companies of CITIC Guoan Group managing technology, asset management, travel investment and hotel businesses.

杜軍先生(「杜先生」)

杜先生,50歲,於二零一六年三月十一日獲委任為非執行董事。彼畢業於陝西財經學院金融學專業,經濟學碩士學位。彼於早年曾為工程師,並於一九九六年加入北京證券公司,多年來在財經界累積豐富經驗。

二零零五年,杜先生加入中信國安集團,二零零六年任資本運營部經理,二零一五年任中信國安集團有限公司副總經理,主要負責中信國安集團資本運營及資金管理。彼亦於中信國安集團的子公司擔任董事或高管職位,負責管理投資、安老事務及葡萄酒業務。杜先生負責監督本集團的企業管治及指導本集團的可持續發展。

李向禹先生(「李先生」)

李先生,51歲,於二零一六年三月十一日獲委任為非執行董事。彼畢業於中國人民大學函授學院財務會計專業,經濟學學士學位,並於一九九五年在北京取得高級會計師資格,多年來在財經界累積豐富經驗。

李先生在二零零零年加入中信國安集團,二零零二年任財務部副經理,二零零七年任財務部經理,二零一五年任中信國安集團副總經理,主要負責財務管理等工作。彼亦於中信國安集團的子公司擔任董事,負責管理科技、資產管理、旅遊投資及酒店業務。

* *For identification purpose only*

* *僅供識別*

Mr. CUI Ming Hong ("Mr. CUI")

Mr. CUI, aged 54, was appointed as Non-executive Director on 11 March 2016. He got his professional qualification of Physics and graduated in the Capital Normal University (ex-Beijing Normal College).

In 1998, Mr. CUI joined CITIC Guoan Group and became the deputy manager and manager in integrated planning department in 1999 and 2007 respectively. In 2015, he became the deputy general manager of CITIC Guoan Group, mainly responsible for business strategic planning and project management etc.

Mr. CUI is also a director of the subsidiary companies of CITIC Guoan Group managing properties investment, asset management and winery businesses.

Ms. BAI Wei ("Ms. BAI")

Ms. BAI, aged 36, was appointed as Non-executive Director on 23 August 2018. Ms. BAI graduated from the University of Leicester of the United Kingdom with a Bachelor Degree of Marketing and is also a holder of Master Degree of Science. She was an executive manager of an advertisement company in the early years.

In 2009, Ms. BAI joined the capital operation department of CITIC Guoan Group. In 2016, she was promoted as deputy manager of capital operation department, mainly responsible for capital operation, fund management and overseas investment management. She is also a director or a supervisor of the senior management of a number of the subsidiary companies of CITIC Guoan Group.

崔明宏先生(「崔先生」)

崔先生,54歲,於二零一六年三月十一日獲委任為非執行董事。崔先生畢業於首都師範大學(前身為北京師範學院)物理學專業。

崔先生在一九九八年加入中信國安集團,一九九九年任綜合計劃部副經理,二零零七年任綜合計劃部經理,二零一五年任中信國安集團副總經理,主要負責業務戰略規劃、項目管理等工作。

崔先生亦於中信國安集團的子公司擔任董事,負責管理物業投資、資產管理及葡萄酒業務。

柏薇女士(「柏女士」)

柏女士,36歲,於二零一八年八月二十三日獲委任為非執行董事。柏女士畢業於英國萊斯特大學,獲市場營銷學士學位,亦持有理學碩士學位。彼早年曾擔任一家廣告公司執行經理。

於二零零九年,柏女士加入中信國安集團資本運營部。於二零一六年,彼獲晉升為資本運營部副經理,主要負責資本運營、資金管理及海外投資管理工作。彼亦於中信國安集團的多家附屬公司擔任董事或監事職位。

HUMAN CAPITAL
人才資本

Mr. WONG Chun Man ("Mr. WONG")

Mr. WONG, aged 43, was appointed as Independent Non-executive Director on 11 March 2016. Mr. WONG is a holder of a Bachelor Degree of Business Administration at the Chinese University of Hong Kong. Mr. WONG has experiences in corporate finance and financial media. Mr. WONG is a member of the American Institute of Certified Public Accountants and Chartered Financial Analyst of the CFA Institute. Mr. WONG worked as a senior auditor at PricewaterhouseCoopers Hong Kong from 1999 to 2001. Mr. WONG is the managing partner of Share News Media Company Limited and of Share New Asset Services Limited. He is also a managing director of Inner Mongolia Overseas Friendship Association (內蒙古海外聯誼會) since 2018.

Mr. TSE Yung Hoi ("Mr. TSE")

Mr. TSE, aged 66, was appointed as Independent Non-executive Director on 11 March 2016. Mr. TSE graduated from English studies from the Department of Foreign Languages and Literatures of Fudan University in July 1975. He is currently the Chairman and Non-executive Director of BOCI-Prudential Asset Management Limited. Mr. TSE serves as member of Election Affairs Commission (Financial Services), Standing Committee Member of the Chinese General Chamber of Commerce and Permanent Honorary President of Hong Kong Chinese Securities Association. Mr. TSE is also the independent non-executive director of HJ Capital (International) Holdings Company Limited (stock code: 982), BOCOM International Holdings Company Limited (stock code: 3329), DTXC Silk Road Investment Holdings Company Limited (stock code: 620), Vico International Holdings Limited (stock code: 1621), China Tower Corporation Limited (stock code: 788), Banco Well Link, S.A. and Shenzhen Qianhai Financial Holdings Company Limited. Mr. TSE was awarded the Bronze Bauhinia Star (BBS) by the Government of HKSAR in 2013.

王俊文先生(「王先生」)

王先生,43歲,於二零一六年三月十一日獲委任為獨立非執行董事。王先生擁有香港中文大學商學士學位。王先生在企業金融及金融媒體方面有豐富經驗。王先生亦為會計師學會美國註冊會計師及特許金融分析師學會的會員。王先生於一九九九年至二零零一年期間在羅兵咸永道會計師事務所擔任高級審計師。黃先生於新新聞傳媒有限公司及新資產服務有限公司擔任管理合夥人。自二零一八年起,亦為內蒙古海外聯誼會之常務董事。

謝湧海先生(「謝先生」)

謝先生,66歲,二零一六年三月十一日獲委任為獨立非執行董事。謝先生於一九七五年七月畢業於復旦大學外文系英語專業。現為中銀國際英國保誠資產管理有限公司董事長兼非執行董事。謝先生同時還擔任香港特別行政區選舉委員會委員(金融服務界)、香港中華總商會常務會董及香港中資證券業協會永遠名譽會長。謝先生亦擔任華金國際資本控股有限公司(股份代號:982)、交銀國際控股有限公司(股份代號:3329)、大唐西市絲路投資控股有限公司(股份代號:620)、域高國際控股有限公司(股份代號:1621)、中國鐵塔股份有限公司 (股份代號:788)、立橋銀行股份有限公司及深圳市前海金融控股有限公司的獨立非執行董事。二零一三年榮獲香港特別行政區政府頒授銅紫荊星章。

Mr. NG Man Kung ("Mr. NG")

Mr. NG, aged 67, was appointed as Independent Non-executive Director on 11 March 2016. Mr. NG graduated from Hong Kong Polytechnic University with an attendance certificate in banking. Mr. NG has over 28 years of management experience in banking industry. He was appointed as the managing director and general manager of Chiyu Banking Corporation Limited in 1992 and was its vice-chairman and chief executive from 2001 to 2012. He had worked as a business consultant at China Orient Asset Management (International) Holding Limited, a company principally engaged in investment from January 2014 to April 2015. Mr. NG was a non-executive director of Roma Group Limited (stock code: 8072) from 24 August to 18 December 2017. Mr. NG was a member of the Council of Hong Kong Polytechnic University from 1999 to 2003 and a member of the Fujian Province Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議福建省委員會委員) from 1993 to 2013. Mr. NG is an independent non-executive director of Fujian Holdings Limited (stock code: 181), ELL Environmental Holdings Limited (stock code: 1395), HKBridge Financial Holdings Limited (formerly known as China HKBridge Holdings Limited) (stock code: 2323) and Shanghai Zendai Property Limited (stock code: 755). On 31 March 2018, Mr. NG was appointed as the Chairman of the Supervisor Board of Well Link Bank in Macau.

吳文拱先生(「吳先生」)

吳先生,67歲,於二零一六年三月十一日獲委任為獨立非執行董事。吳先生曾於香港理工大學進修銀行學課程。吳先生在銀行業擁有逾二十八年的管理經驗。彼於一九九二年獲委任為集友銀行有限公司常務董事兼總經理,並於二零零一年至二零一二年擔任其副董事長兼行政總裁。彼曾於二零一四年一月至二零一五年四月期間在中國東方資產管理(國際)控股有限公司(一間主要從事投資業務的公司)擔任業務顧問。吳先生於二零一七年八月二十四日至十二月十八日擔任羅馬集團有限公司(股份代號:8072)的非執行董事。吳先生於一九九九年至二零零三年擔任香港理工大學校董會成員、以及於一九九三年至二零一三年擔任中國人民政治協商會議福建省委員會委員。吳先生擔任閩港控股有限公司(股份代號:181)、強泰環保控股有限公司(股份代號:1395)、港橋金融控股有限公司(前稱中國港橋金融控股有限公司)(股份代號:2323)及上海証大房地產有限公司(股份代號:755)的獨立非執行董事。於二零一八年三月三十一日,吳先生獲委任為澳門立橋銀行股份有限公司監事會主席。

REPORT OF THE DIRECTORS
董事會報告

The Directors submit their report together with the audited financial statements of the Company and the Group for the year ended 31 December 2018.

董事同寅謹將本公司及本集團截至二零一八年十二月三十一日止年度之報告連同經審核財務報告呈覽。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries of the Company are set out in Note 16 to the consolidated financial statements.

主要業務

本公司之主要業務為投資控股。本公司之主要附屬公司之主要業務載於綜合財務報告附註16。

BUSINESS REVIEW

An analysis of the Group's performance for the year ended 31 December 2018 by business and geographical segments is set out in Note 6 to the consolidated financial statements.

A fair review of the Group's business, including the principal risks and uncertainties facing the Group, the important events affecting the Group that have occurred after 31 December 2018 and the likely future development, is set out in the sections headed "Chairman's Statement" on pages 5 to 7 and "Management Discussion and Analysis" on pages 8 to 15.

業務回顧

本集團截至二零一八年十二月三十一日止年度按業務及地區分部之表現分析載於綜合財務報告附註6。

本集團業務的中肯審視，包括本集團面臨的主要風險及不確定因素、於二零一八年十二月三十一日後已發生影響本集團的重大事件以及可能未來發展乃載於第5至7頁「主席報告」及第8至15頁「管理層討論及分析」各節。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on page 67.

The Directors resolved not to make any payment of an interim dividend (2017: HK$Nil) and do not recommend the payment of a final dividend (2017: HK$Nil) for the year ended 31 December 2018.

業績及分派

本集團截至二零一八年十二月三十一日止年度之業績載於第67頁之綜合損益及其他全面收益表內。

董事已議決不會派發任何中期股息（二零一七年：港幣零元），亦不建議就截至二零一八年十二月三十一日止年度派發末期股息（二零一七年：港幣零元）。

RESERVES

Movements in the reserves of the Group and the Company during the year ended 31 December 2018 are set out in the consolidated statement of changes in equity on pages 71 to 72 and Note 36 to the consolidated financial statements respectively.

儲備

本集團及本公司於截至二零一八年十二月三十一日止年度之儲備變動分別載於第71至72頁之綜合權益變動表及綜合財務報告附註36。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2018 are set out in Note 15 to the consolidated financial statements.

物業、廠房及設備

本集團於截至二零一八年十二月三十一日止年度之物業、廠房及設備之變動詳情載於綜合財務報告附註15。

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2018.

購買、出售或贖回本公司上市證券

本公司及其任何附屬公司於截至二零一八年十二月三十一日止年度概無購買、出售或贖回本公司任何上市證券。

BANK BORROWINGS

Details of the bank borrowings of the Group at 31 December 2018 are set out in Note 27 to the consolidated financial statements.

銀行借貸

本集團於二零一八年十二月三十一日之銀行借貸詳情載於綜合財務報告附註27。

DIRECTORS

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

Executive Directors:

Mr. HUANG Zhen Qian
Mr. SO Haw Herman

Non-executive Directors:

Mr. DU Jun *(Chairman)*
Mr. LI Xiang Yu
Mr. CUI Ming Hong
Ms. BAI Wei (appointed on 23 August 2018)
Mr. YANG Li Ming (resigned on 23 August 2018)

Independent Non-executive Directors:

Mr. WONG Chun Man
Mr. TSE Yung Hoi
Mr. NG Man Kung

In accordance with Article 116 of the Articles of Association of the Company, Mr. HUANG Zhen Qian, Mr. SO Haw Herman and Mr. NG Man Kung shall retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

董事

於截至二零一八年十二月三十一日止年度內及直至本報告刊發之日在任之董事如下：

執行董事：

黃振謙先生
蘇灝先生

非執行董事：

杜軍先生（*主席*）
李向禹先生
崔明宏先生
柏薇女士（於二零一八年八月二十三日獲委任）
楊立明先生（於二零一八年八月二十三日辭任）

獨立非執行董事：

王俊文先生
謝湧海先生
吳文拱先生

按照本公司組織章程細則第116條，黃振謙先生、蘇灝先生及吳文拱先生於即將舉行之股東週年大會上輪值退任，惟符合資格，願膺選連任。

BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of the Directors are set out on pages 47 to 51.

董事之履歷

董事之履歷詳情載於第47至51頁。

DISTRIBUTABLE RESERVES

Details of distributable reserves of the Company at 31 December 2018 are set out in Note 36 to the consolidated financial statements.

可供分派儲備

本公司於二零一八年十二月三十一日之可供分派儲備詳情載於綜合財務報告附註36。

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 180.

五年財務摘要

本集團過去五個財政年度之業績以及資產及負債之摘要載於第180頁。

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting have a service contract with Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

董事服務合約

於即將舉行之股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立僱用公司不可於一年內終止而毋須作出補償(法定補償除外)之服務合約。

CONNECTED TRANSACTIONS

Save as disclosed, no transactions were entered into by the Group during the year ended 31 December 2018, which constitute connected transactions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

關連交易

除所披露者外,本集團於截至二零一八年十二月三十一日止年度內並無訂立任何交易,而該等交易根據香港聯合交易所有限公司證券上市規則(「上市規則」)構成關連交易。

DIRECTORS' INTERESTS IN CONTRACTS

Saved as disclosed in Note 31 to the consolidated financial statements, no Directors had material beneficial interests, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party at any time during the year ended 31 December 2018.

董事之合約權益

除綜合財務報告附註31所披露者外,於截至二零一八年十二月三十一日止年度內任何時間,並無董事於任何本公司、其控股公司或其任何附屬公司作為一方訂立對本集團業務屬重要合約中直接或間接擁有重大實益權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2018, no Director had been recorded as having interests in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

董事於具競爭性業務之權益

截至二零一八年十二月三十一日止年度,並無董事於任何直接或間接、或有可能直接或間接與本集團業務競爭之任何業務中擁有權益。

PERMITTED INDEMNITY PROVISIONS

The Company has put in place appropriate insurance cover in respect of Directors' liability.

獲准許彌償條文

本公司已就董事之責任投保合適之責任保險。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 December 2018, none of the Directors or chief executive of the Company had any interests or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

董事於股份、相關股份及債權證中之權益

於二零一八年十二月三十一日，本公司之董事或最高行政人員概無於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中擁有須記入本公司根據證券及期貨條例第352條規定存置之登記冊內，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之任何權益或淡倉。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS DISCLOSEABLE UNDER THE SECURITIES AND FUTURES ORDINANCE

At 31 December 2018, the register of substantial shareholders maintained under section 336 of the SFO shows that the following company (not being Directors or chief executive of the Company) had long positions of 5% or more in the shares of the Company which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

根據證券及期貨條例須予披露之主要股東及其他人士之權益

於二零一八年十二月三十一日，根據證券及期貨條例第336條存置之主要股東名冊所示，下列公司（非本公司董事或最高行政人員）於根據證券及期貨條例第XV部第2及3分部須予披露之本公司股份之好倉中擁有5%或以上之權益：

Name of shareholder 股東名稱	Capacity 身份	Number of ordinary shares 普通股份數目	Approximate percentage of shareholding 持股量概約百分比
Road Shine Developments Limited	Beneficial owner 實益擁有人	4,158,606,337	53.667%
Guoan (HK) Holdings Limited *(Note)* 國安（香港）控股有限公司*（附註）*	Interest of controlled corporation 受控制法團權益	4,158,606,337	53.667%
中信國安集團有限公司 (CITIC Guoan Group*) *(Note)* 中信國安集團有限公司*（附註）*	Interest of controlled corporation 受控制法團權益	4,158,606,337	53.667%

Note: Road Shine Developments Limited is held as to 100% by Guoan (HK) Holdings Limited, which in turn is held as to 100% by CITIC Guoan Group*. Under the SFO, each of Guoan (HK) Holdings Limited and CITIC Guoan Group* is deemed to be interested in all the shares held by Road Shine Developments Limited.

附註： Road Shine Developments Limited由國安（香港）控股有限公司持有100%權益，而國安（香港）控股有限公司由中信國安集團有限公司持有100%權益。根據證券及期貨條例，國安（香港）控股有限公司及中信國安集團有限公司各被視為於Road Shine Developments Limited持有之全部股份中擁有權益。

* *For identification purpose only*

* *僅供識別*

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS DISCLOSEABLE UNDER THE SECURITIES AND FUTURES ORDINANCE
(continued)

Save as disclosed above, no other person was recorded in the register required to be kept under section 336 of the SFO as having an interest or short position in the shares or underlying shares of the Company as at 31 December 2018.

根據證券及期貨條例須予披露之主要股東及其他人士之權益(續)

除上文所披露者外，於二零一八年十二月三十一日，概無其他擁有本公司之股份或相關股份之權益或淡倉之人士記錄於根據證券及期貨條例第336條須存置之股東名冊內。

SHARE OPTION SCHEME

On 5 March 2015, a share option scheme (the "Option Scheme") was adopted by the shareholders of the Company. No share option has been granted under the Option Scheme since its adoption.

購股權計劃

於二零一五年三月五日，本公司股東採納一項購股權計劃(「購股權計劃」)。購股權計劃自採納以來，概無根據該計劃授出購股權。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2018.

管理合約

於截至二零一八年十二月三十一日止年度內，本公司並無就整體業務或任何重要業務之管理及行政工作簽訂或存有任何合約。

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year ended 31 December 2018 attributable to the Group's major suppliers and customers are as follows:–

主要客戶及供應商

本集團之主要供應商及客戶截至二零一八年十二月三十一日止年度應佔購貨額及銷售額之百分比如下：－

		Percentage of the total purchases/sales accounted for 所佔購貨／銷售總額百分比
Purchases	購貨額	
– the largest supplier	－最大供應商	41.7%
– five largest suppliers combined	－五大供應商總額	87%
Sales	銷售額	
– the largest customer	－最大客戶	33.8%
– five largest customer combined	－五大客戶總額	79.5%

None of the Directors, their close associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had an interest in the five largest suppliers or customers of the Group noted above.

概無董事、其聯繫人或任何股東(據董事所知擁有本公司已發行股本5%以上)擁有上述本集團五大供應商或客戶之權益。

PRE-EMPTIVE RIGHTS

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

優先購買權

雖然開曼群島法例並無對優先購買權作出限制，但本公司組織章程細則中並無有關規定。

PENSION SCHEME

On 1 December 2000, the Group set up a Mandatory Provident Fund Scheme (the "MPF Scheme") in association with the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) (the "MPF Ordinance"). The assets of the MPF Scheme are held separately from those of the Group and are under the control of an independent trustee.

The Group and its employees are each required to make a mandatory contribution of 5% of the employees' relevant income to the MPF Scheme, subject to a maximum contribution of HK$1,500 per month during the year ended 31 December 2018 as prescribed by the MPF Ordinance. Members are entitled to 100% of the employer's mandatory contributions as soon as they are paid to the MPF Scheme but all benefits derived from the mandatory contributions must be preserved until an employee reaches the retirement age of 65 or in accordance with the rules of MPF Scheme.

In addition to the mandatory contributions, the Group made voluntary contributions for certain employees during the year ended 31 December 2018. In any event, the total monthly contributions made by the Group to an employee are capped at 5% of the relevant employee's relevant income.

退休金計劃

本集團於二零零零年十二月一日根據香港法例第485章強制性公積金計劃條例(「強積金條例」)，設立強制性公積金計劃(「強積金計劃」)。強積金計劃之資產與本集團之資產分開持有，並由獨立受託人控制。

本集團及其僱員各自均須按僱員相關收入之5%作出強制性供款至強積金計劃，惟受限於強積金條例訂明的最高供款額，該上限於截至二零一八年十二月三十一日止年度為每月港幣1,500元。會員有權在有關強積金計劃供款後取得僱主之100%強制性供款，但所有強制性供款所產生之利益必須保存至僱員達65歲退休年齡或根據強積金計劃之規例為止。

除強制性供款外，本集團於截至二零一八年十二月三十一日止年度為若干僱員向強積金計劃作出自願供款，惟在任何情況下，為每名僱員作出之每月總供款按該僱員之相關收入之5%為上限。

PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors at the date of this report, the Company has maintained the prescribed public float under the Listing Rules.

公眾持股量

根據本公司於本報告日期之公開資料以及據董事所知，本公司一直維持上市規則所訂明之公眾持股量。

AUDITORS

HLB Hodgson Impey Cheng Limited will retire at the forthcoming annual general meeting of the Company and a resolution for their re-appointment as auditors of the Company will be proposed at the said meeting.

核數師

國衛會計師事務所有限公司於即將舉行之本公司股東週年大會上任滿告退，並將於上述大會上提呈決議案，續聘其為本公司之核數師。

On behalf of the Board
DU Jun
Chairman

代表董事會
主席
杜軍

Hong Kong, 26 March 2019

香港，二零一九年三月二十六日

Independent Auditors' Report
獨立核數師報告

HLB 國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong
香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

TO THE SHAREHOLDERS OF
GUOAN INTERNATIONAL LIMITED
(Incorporated in the Cayman Islands with limited liability)

致國安國際有限公司各股東

(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Guoan International Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 67 to 179, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended 31 December 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

意見

吾等已完成審核列載於第67至179頁國安國際有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報告,此綜合財務報告包括於二零一八年十二月三十一日之綜合財務狀況表與截至二零一八年十二月三十一日止年度期間之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報告附註,當中包括主要會計政策概要。

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

吾等認為,該等綜合財務報告已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況及二零一八年十二月三十一日止年度之綜合財務表現及綜合現金流量,並已遵照香港公司條例之披露規定妥為編製。

BASIS FOR OPINION

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

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.

意見基準

吾等已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。吾等於該等準則下之責任已於本報告「核數師就審核綜合財務報告承擔之責任」一節中詳述。根據香港會計師公會頒佈之職業會計師道德守則(「守則」),吾等獨立於 貴集團,並已根據該等規定及守則履行其他職業道德責任。吾等相信,吾等所獲得之審核憑證乃充足和適當地為吾等之意見提供基礎。

關鍵審核事項

關鍵審核事項為根據吾等專業判斷,對於本期綜合財務報告之審核最重要之事項。吾等於整體審核綜合財務報告及就此出具意見時處理該等事項,而不會對該等事項單獨發表意見。

KEY AUDIT MATTERS *(continued)*

關鍵審核事項 *(續)*

The key audit matter
關鍵審核事項

Impairment assessment of trade receivables
貿易應收款項之減值評估

Refer to Notes 2, 3 and 21 to the consolidated financial statements
請參閱綜合財務報表附註2、3及21

As at 31 December 2018, the Group had gross trade receivables of approximately HK$149,894,000 (2017: HK$143,419,000) and provision for impairment of approximately HK$139,290,000 (2017: HK$139,305,000).
貴集團於二零一八年十二月三十一日有貿易應收款項總額約149,894,000港元(二零一七年:143,419,000港元)及減值撥備約139,290,000港元(二零一七年:139,305,000港元)。

How our audit addressed the key audit matter
吾等在審核中的處理方法

Our procedures in relation to management's impairment assessment of the trade receivables as at 31 December 2018 included:
我們有關管理層對於二零一八年十二月三十一日的貿易應收款項之減值評估之程序包括:

- Understanding and evaluating the key controls that the Group has implemented to manage and monitor its credit risk, and validating the control effectiveness on a sample basis;
- 了解及評估 貴集團已實施的關鍵控制措施,以管理及監控其信貸風險,並抽樣驗證其控制效用;

- Checking, on a sample basis, the ageing profile of the trade receivables as at 31 December 2018 to the underlying financial records and post year-end settlements to bank receipts;
- 抽樣檢查於二零一八年十二月三十一日有關財務記錄內的貿易應收款項的賬齡情況及年結日後的銀行賬戶結算收據;

- Inquiring of management for the status of each of the material trade receivables past due as at year end and corroborating explanations from management with supporting evidence, such as performing public search of credit profile of selected customers, understanding on-going business relationship with the customers based on trade records, checking historical and subsequent settlement records of and other correspondence with the customers; and
- 諮詢管理層有關年末已逾期的各項重大貿易應收款項的狀況,透過公開查閱選定客戶的信用情況、根據交易記錄了解與客戶的持續性業務關係、核實客戶過往及後續結算記錄以及與客戶的其他往來信函等支持證據證實管理層的解釋;及

KEY AUDIT MATTERS *(continued)*

關鍵審核事項*(續)*

The key audit matter 關鍵審核事項	How our audit addressed the key audit matter 吾等在審核中的處理方法
Impairment assessment of trade receivables *(continued)* **貿易應收款項之減值評估***(續)* In general, the credit terms granted by the Group to the customers. Management performed periodic assessment on the recoverability of the trade receivables and the sufficiency of provision for impairment based on information including credit profile of different customers, ageing of the trade receivables, historical settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances, and on-going trading relationships with the relevant customers. Management also considered forward-looking information that may impact the customers' ability to repay the outstanding balances in order to estimate the expected credit losses for the impairment assessment. 總體而言，　貴集團授予客戶的信貸期。管理層根據不同客戶的信用情況、貿易應收款項的賬齡、過往結算記錄、後續結算狀況、預期時間及未償還結餘變現金額及與相關客戶的持續交易關係等資料對貿易應收款項的可收回性及減值撥備的充足性進行定期評估。管理層亦考慮可能影響客戶償還未償還結餘能力的前瞻性資料，以估量減值評估的預期信貸虧損。 We focused on this area due to the impairment assessment of trade receivables under the expected credit losses model involved the use of significant management judgements and estimates. 我們關注此範疇乃由於根據預期信貸虧損模式進行的貿易應收款項減值評估涉及運用重大管理層判斷及估計。	• Assessing the appropriateness of the expected credit loss provisioning methodology, examining the key data inputs on a sample basis to assess their accuracy and completeness, and challenging the assumptions, including both historical and forward-looking information, used to determine the expected credit losses. • 評估預期信貸虧損撥備方法的適用性、抽樣審查主要輸入數據評估其準確性及完整性、對用於釐定預期信貸虧損的假設，包括歷史及前瞻性資料，保持質疑態度。 We found that the management judgment and estimates used to assess the recoverability of the trade receivables and determine the impairment provision to be supportable by available evidence. 我們發現管理層用以評估貿易應收款項的可收回性及釐定有可得證據支持的減值撥備作出的判斷及估計。

IMPAIRMENT ASSESSMENT OF INVENTORIES 存貨減值評估

The key audit matter
關鍵審核事項

Impairment assessment of inventories
存貨減值評估

Refer to Notes 3 and 20 in the consolidated financial statement
請參閱綜合財務報表附註3及20

As at 31 December 2018 the carrying values of inventories was approximately HK$34,566,000.
於二零一八年十二月三十一日，存貨的賬面值約為34,566,000港元。

A provision for inventories is made by the Group based on the current market conditions, historical experience of selling similar products and estimated net realisable value of inventories. The impairment assessment of inventories involved significant management's estimates and judgements.
存貨撥備乃由本集團根據現時市況、銷售類似產品的過往經驗及存貨的估計可變現淨值作出。存貨減值評估涉及重大管理層的估計及判斷。

How our audit addressed the key audit matter
吾等在審核中的處理方法

Our procedures in relation to assessing the appropriateness of the valuation of the inventories, included:
吾等評估存貨估值的適當性的程序包括：

- Assessing the appropriateness of the methodologies used by the management for the assessment of the net realisable value of inventories;
- 評估管理層用於評估存貨可變現淨值的方法的適當性；

- Assessing, on a sample basis, whether items in ageing report prepared by the management where classified within the appropriate ageing bracket of comparing items; and
- 通過對比相關項目，抽樣評估由管理層編製的存貨賬齡分析報告中，有關項目是否被劃分在適當的賬齡區間內；及

- Testing, on a sample basis, the net realizable value of selected inventory items, by comparing the subsequent selling price to year end carrying amount.
- 通過對比其後售價與年末賬面值，抽樣測試所選存貨項目的可變現淨值。

We consider the management conclusion to be consistent with the available information.
吾等認為管理結論與現有資料一致。

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not included the consolidated financial statements and our auditors' report thereon ("Other Information").

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.

其他資料

董事須對其他資料負責。其他資料包括年報所載資料，惟不包括綜合財務報告及吾等就此發出之報告（「其他資料」）。

吾等對綜合財務報告之意見並不涵蓋其他資料，吾等概不對其他資料發表任何形式的鑒證結論。

就吾等審核綜合財務報告，吾等的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報告或吾等於審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若基於吾等已進行的工作，吾等認為其他資料存在重大錯誤陳述，吾等須報告該事實。在這方面，吾等並無報告。

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

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

董事及審核委員會就綜合財務報告須承擔之責任

董事須遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例披露規定，負責編製及真實公平地呈列該等綜合財務報告，而有關之內部監控，董事須確保編製綜合財務報告不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報告時，董事須負責評估　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　貴集團清盤或停止營運，或別無其他實際可行的替代方案。

審核委員會須負責監督　貴集團的財務報告過程。

AUDITORS' 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 auditors' 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 HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- 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告須承擔之責任

吾等目標為合理確定綜合財務報告整體而言不會存在由於欺詐或錯誤而導致之重大錯誤陳述，並出具載有吾等意見之核數師報告。吾等僅向全體股東報告，不作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。合理確定屬高層次核證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報告作出之經濟決定時，則被視為重大錯誤陳述。

於根據香港審計準則進行審計之過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報告存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，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監控，以設計適當的審核程序，惟並非旨在對 貴集團內部監控之有效性發表意見。

- 評估董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: (continued)

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and 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告須承擔之責任*(續)*

於根據香港審計準則進行審計之過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：(續)

- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取之審核憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對　貴集團的持續經營能力產生重大疑慮。倘吾等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告中的相關披露。倘有關披露不足，則修訂吾等意見。吾等之結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致　貴集團無法持續經營。

- 評估綜合財務報告的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報告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之財務資料獲取充足及適當之審核憑證，以便對綜合財務報告發表意見。吾等負責集團審核之方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與審核委員會就(其中包括)審核的計劃範圍、時間安排及重大審核發現溝通，該等發現包括吾等在審核過程中識別的內部監控的任何重大缺失。

吾等亦向審核委員會作出聲明，指出吾等已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性之所有關係及其他事宜，以及相關防範措施(如適用)。

Independent Auditors' Report
獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 director on the audit resulting in this independent auditors' report is Ng Ka Wah.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Ng Ka Wah
Practising Certificate Number: P06417

Hong Kong, 26 March 2019

核數師就審核綜合財務報告須承擔之責任*(續)*

從與審核委員會溝通之事項中，吾等釐定對本期間綜合財務報告之審核至關重要之事項，因而構成關鍵審核事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在吾等報告中溝通某事項造成之負面後果超出產生之公眾利益，則吾等決定不應在報告中傳達該事項。

出具本獨立核數師報告之審核項目董事為吳家華。

國衛會計師事務所有限公司
執業會計師

吳家華
執業證書編號：P06417

香港，二零一九年三月二十六日

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

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

		Notes	Year ended 31 December 2018 HK$'000 截至二零一八年十二月三十一日止年度	Fifteen months ended 31 December 2017 HK$'000 截至二零一七年十二月三十一日止十五個月
		附註	港幣千元	港幣千元
Revenue	收益	7	**109,712**	116,026
Cost of sales	銷售成本		**(86,630)**	(85,868)
Gross profit	毛利		**23,082**	30,158
Other revenue	其他收益	8	**3,728**	1,381
Other losses	其他虧損	9	**(2,402)**	–
Selling and distribution expenses	銷售及分銷支出		**(1,063)**	(3)
Administrative expenses	行政支出		**(66,814)**	(76,552)
Other operating expenses	其他經營支出		**(121)**	(659)
Finance costs	財務成本	10	**(251)**	(178)
Loss before taxation	除税前虧損	11	**(43,841)**	(45,853)
Taxation	税項	12	**4**	(39)
Loss for the year/period	**年度／期內虧損**		**(43,837)**	(45,892)
Other comprehensive (loss)/income	**其他全面（虧損）／收入**			
Item that may be reclassified subsequently to profit or loss:	***其後可能重新分類至損益之項目：***			
Exchange differences on translating foreign operations	換算海外業務之匯兑差額		**(21)**	133
Other comprehensive (loss)/income for the year/period, net of tax	**年度／期內其他全面（虧損）／收入，扣除税項**		**(21)**	133
Total comprehensive loss for the year/period	**年度／期內全面虧損總額**		**(43,858)**	(45,759)

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

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

		Notes	Year ended 31 December 2018	Fifteen months ended 31 December 2017
			HK$'000	HK$'000
			截至二零一八年十二月三十一日止年度	截至二零一七年十二月三十一日止十五個月
		附註	港幣千元	港幣千元
Loss for the year/period attributable to:	以下人士應佔年度／期內虧損：			
Owners of the Company	本公司擁有人		**(43,690)**	(45,892)
Non-controlling interests	非控股權益		**(147)**	–
			(43,837)	(45,892)
Total comprehensive loss for the year/period attributable to:	以下人士應佔年度／期內全面虧損總額：			
Owners of the Company	本公司擁有人		**(43,711)**	(45,759)
Non-controlling interests	非控股權益		**(147)**	–
			(43,858)	(45,759)
Loss per share attributable to owners of the Company	本公司擁有人應佔每股虧損			
Basic and diluted (HK cents)	基本及攤薄（港仙）	*14*	**(0.56)**	(0.68)

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為本簡明綜合財務報表的組成部分。

Consolidated Statement of Financial Position
綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK$'000 港幣千元	2017 二零一七年 HK$'000 港幣千元
Non-current assets	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	15	**312,863**	322,763
Available-for-sale financial assets	可供出售金融資產	17	**–**	5,950
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	18	**14,550**	–
Deposits for acquisition of subsidiaries	收購附屬公司之按金		**21,873**	–
Loan and interest receivables	應收貸款及利息	19	**–**	10,167
			349,286	338,880
Current assets	**流動資產**			
Inventories	存貨	20	**34,566**	1,131
Trade receivables	應收貿易賬款	21	**10,604**	4,114
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	**11,651**	9,774
Loan and interest receivables	應收貸款及利息	19	**13,043**	–
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	18	**1,840**	240
Tax recoverable	可收回稅項		**–**	126
Pledged time deposits	已抵押定期存款	23	**5,159**	5,084
Cash and bank balances	現金及銀行結餘	24	**34,199**	73,511
			111,062	93,980
Current liabilities	**流動負債**			
Trade payables	應付貿易賬款	25	**10,540**	1,209
Accrued charges and other payables	應計費用及其他應付款項	26	**52,663**	43,904
Bank borrowings	銀行借貸	27	**34,500**	4,500
Loan from the ultimate holding company	最終控股公司貸款	28	**3,556**	3,602
			101,259	53,215
Net current assets	**流動資產淨額**		**9,803**	40,765
Total assets less current liabilities	**總資產減流動負債**		**359,089**	379,645

Consolidated Statement of Financial Position
綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK$'000 港幣千元	2017 二零一七年 HK$'000 港幣千元
Non-current liability	**非流動負債**			
Deferred tax liabilities	遞延税項負債	*29*	**604**	552
Net assets	**資產淨額**		**358,485**	379,093
Equity	**權益**			
Capital and reserves attributable to owners of the Company	**本公司擁有人應佔資本及儲備**			
Share capital	股本	*30*	**77,489**	77,489
Reserves	儲備		**267,643**	301,604
			345,132	379,093
Non-controlling interests	**非控股權益**		**13,353**	–
Total equity	**總權益**		**358,485**	379,093

The consolidated financial statements were approved and authorised for issue by the board of directors on 26 March 2019 and signed on its behalf by:

綜合財務報告已於二零一九年三月二十六日獲董事會批准及授權刊發，並由下列董事代表董事會簽署：

HUANG Zhen Qian
黃振謙
Executive Director
執行董事

SO Haw Herman
蘇灝
Executive Director
執行董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為此等綜合財務報告之一部分。

Consolidated Statement of Changes in Equity
綜合權益變動表

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

		Share Capital 股本 HK$'000 港幣千元	Share premium 股份溢價 HK$'000 港幣千元	Capital reserve 資本儲備 HK$'000 港幣千元	Capital redemption reserve 資本贖回儲備 HK$'000 港幣千元 (Note a) (附註a)	Exchange difference reserve 匯兑差額儲備 HK$'000 港幣千元 (Note b) (附註b)	Accumulated losses 累計虧損 HK$'000 港幣千元	Subtotal 小計 HK$'000 港幣千元	Non-controlling interests 非控股權益 HK$'000 港幣千元	Total 合計 HK$'000 港幣千元
At 1 October 2016	於二零一六年十月一日	51,659	457,804	2,450	160	5,974	(520,118)	(2,071)	–	(2,071)
Loss for the period	期內虧損	–	–	–	–	–	(45,892)	(45,892)	–	(45,892)
Other comprehensive income	其他全面收入									
Item that may be reclassified subsequently to profit or loss:	*其後可能重新分類至損益之項目:*									
Exchange differences on translating foreign operations	換算海外業務之匯兑差額	–	–	–	–	133	–	133	–	133
Total comprehensive income/(loss) for the period	期內全面收入/(虧損)總額	–	–	–	–	133	(45,892)	(45,759)	–	(45,759)
Rights issue	供股	25,830	413,278	–	–	–	–	439,108	–	439,108
Share issuance expenses	股份發行開支	–	(12,185)	–	–	–	–	(12,185)	–	(12,185)
At 31 December 2017 as originally presented	於二零一七年十二月三十一日 如原先呈列	77,489	858,897	2,450	160	6,107	(566,010)	379,093	–	379,093
Change in accounting policy	會計政策變動	–	–	–	–	–	9,750	9,750	–	9,750
At 1 January 2018 as restated	於二零一八年一月一日經重列	77,489	858,897	2,450	160	6,107	(556,260)	388,843	–	388,843
Loss for the year	期內虧損	–	–	–	–	–	(43,690)	(43,690)	(147)	(43,837)
Other comprehensive income	其他全面收入									
Item that may be reclassified subsequently to profit or loss:	*其後可能重新分類至損益之項目:*									
Exchange differences on translating foreign operations	換算海外業務之匯兑差額	–	–	–	–	(21)	–	(21)	–	(21)
Total comprehensive loss for the year	本年度全面虧損總額	–	–	–	–	(21)	(43,690)	(43,711)	(147)	(43,858)
Capital contribution from non-controlling interests of a subsidiary	來自附屬公司非控股權益之注資	–	–	–	–	–	–	–	13,500	13,500
At 31 December 2018	**於二零一八年十二月三十一日**	**77,489**	**858,897**	**2,450**	**160**	**6,086**	**(599,950)**	**345,132**	**13,353**	**358,485**

Consolidated Statement of Changes in Equity
綜合權益變動表

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

Notes:

(a) Capital redemption reserve

The capital redemption reserve represents the repurchase of shares of the Company on The Stock Exchange of Hong Kong Limited during the financial year of 30 September 2000. These repurchased shares were cancelled upon repurchase and, accordingly, the nominal value of the cancelled shares was credited to capital redemption reserve and the aggregate consideration paid was debited to the retained earnings and share premium account.

(b) Exchange difference reserve

Exchange differences arising from the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollars) are recognised directly in other comprehensive income and accumulated in the exchange difference reserve. The reserve is dealt with in accordance with the accounting policy of foreign currencies set out in Note 3(i).

附註：

(a) 資本贖回儲備

資本贖回儲備指於二零零零年九月三十日的財政年度在香港聯合交易所有限公司購回本公司股份。該等購回股份於購回時註銷，因此，註銷股份之面值撥入資本贖回儲備，及已付總代價從保留盈利及股份溢價賬中扣除。

(b) 匯兑差額儲備

本集團將海外業務之資產淨額由功能貨幣換算為本集團之呈列貨幣（即港幣）產生之匯兑差額直接於其他全面收入內確認，並累計在匯兑差額儲備內。該儲備根據附註3(i)載列之外幣會計政策處理。

Consolidated Statement of Cash Flows
綜合現金流量表

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

		Notes 附註	Year ended 31 December 2018 HK$'000 截至二零一八年十二月三十一日止年度 港幣千元	Fifteen months ended 31 December 2017 HK$'000 截至二零一七年十二月三十一日止十五個月 港幣千元
Cash flows from operating activities	**經營業務之現金流量**			
Loss before taxation	除税前虧損		**(43,841)**	(45,853)
Adjustments for:	調整項目：			
Depreciation	折舊	*11, 15*	**10,810**	8,225
Bad debts written off	呆壞賬撇銷	*11*	**101**	362
Unrealised loss from financial assets at fair value through profit or loss	透過損益以公平價值列賬之未變現金融資產虧損	*9*	**2,402**	–
Realised gain from financial assets at fair value through profit and loss	透過損益以公平價值列賬之已變現金融資產收益	*7*	**(385)**	(36)
Loss on written off of property, plant and equipment	撇銷物業、廠房及設備之虧損	*11*	**6**	121
Allowance for inventories	存貨撥備	*11*	**17**	48
Reversal of allowance for inventories	存貨撥備撥回	*11*	**(70)**	(20)
Written off of inventories	存貨撇銷	*11*	**–**	47
Dividend income	股息收入	*8*	**(87)**	(5)
Interest income	利息收入	*8*	**(112)**	(136)
Interest expense	利息開支	*10*	**251**	178
Operating cash flows before movements in working capital	**營運資金變動前之經營現金流量**		**(30,908)**	(37,069)
Increase in financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產增加		**(2,467)**	–
(Increase)/decrease in inventories	存貨（增加）／減少		**(33,382)**	226
Increase in loan and interest receivables	應收貸款及利息增加		**(2,876)**	(10,167)
Increase in trade receivables	應收貿易賬款增加		**(6,491)**	(3,343)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加		**(23,742)**	(1,084)
Increase/(decrease) in trade payables	應付貿易賬款增加／（減少）		**9,331**	(1,413)
Increase in accrued charges and other payables	應計費用及其他應付款項增加		**8,748**	20,481
Cash used in operating activities	**經營業務使用之現金淨額**		**(81,787)**	(32,369)
Profit tax refund/(paid)	退回／（已付）利得税		**182**	(46)
Net cash used in operating activities	經營業務使用之現金淨額		**(81,605)**	(32,415)

Consolidated Statement of Cash Flows
綜合現金流量表

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

		Notes 附註	Year ended 31 December 2018 HK$'000 截至二零一八年十二月三十一日止年度 港幣千元	Fifteen months ended 31 December 2017 HK$'000 截至二零一七年十二月三十一日止十五個月 港幣千元
Cash flows from investing activities	**投資業務之現金流量**			
Purchase of property, plant and equipment	購買物業、廠房及設備		**(903)**	(3,516)
Net cash outflow on acquisition of asset	收購資產之現金流出淨額	*33*	**–**	(323,898)
Dividend received	已收股息		**87**	5
Interest received	已收利息		**112**	130
Increase in pledged time deposits	已抵押定期存款增加		**(75)**	(40)
Net cash used in investing activities	投資業務使用之現金淨額		**(779)**	(327,319)
Cash flows from financing activities	**融資活動之現金流量**			
Proceeds from issue of ordinary shares	發行普通股之所得款項		**–**	439,108
Share issuance expenses	股份發行開支		**–**	(12,185)
Interest paid	已付利息		**(223)**	(164)
Increase in loan from the immediate holding company	直接控股公司貸款增加		**–**	286,200
Repayments of loan from the immediate holding company	償還直接控股公司貸款		**–**	(336,200)
(Decrease)/increase in loan from the ultimate holding company	最終控股公司貸款(減少)／增加		**–**	3,602
Capital contribution from non-controlling interests of a subsidiary	來自附屬公司非控股權益之注資		**13,500**	–
Increase in bank borrowings	銀行借貸增加		**57,000**	31,500
Repayments of bank borrowings	償還銀行借貸		**(27,000)**	(31,500)
Net cash generated from financing activities	融資活動產生之現金淨額		**43,277**	380,361
Net (decrease)/increase in cash and cash equivalents	**現金及現金等價物(減少)／增加淨額**		**(39,107)**	20,627
Cash and cash equivalents at the beginning of year/period	**年初／期初之現金及現金等價物**		**73,511**	52,923
Effect of foreign exchange rate changes	**匯率變動之影響**		**(205)**	(39)
Cash and cash equivalents at the end of the year/period	**年末／期末之現金及現金等價物**		**34,199**	73,511
Analysis of balances of cash and cash equivalents	**現金及現金等價物結餘分析**			
Cash and bank balances	現金及銀行結餘		**34,199**	73,511

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 9 December 1998 as an exempted company with limited liability and its shares have a primary listing on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and a secondary listing on Singapore Exchange Securities Trading Limited ("**the SGX-ST**").

The registered office of the Company is P.O. Box 309, Ugland House, George Town, Grand Cayman KY1-1104, Cayman Islands and the principal place of business of the Company is located at 15th Floor of Tower II, Admiralty Centre, No.18 Harcourt Road, Hong Kong.

The principal activity of the Company is investment holding and the principal activities of its principal subsidiaries are set out in Note 16 to the consolidated financial statements.

During the last financial period, the reporting period end date of the Group was changed from 30 September to 31 December because the Group would like to align its financial year end date with CITIC Guoan Group* ("**CITIC Guoan Group**") so as to facilitate the preparation of consolidated financial statements of the Company and those of CITIC Guoan Group, which is for the benefit of the overall development of the Group. Accordingly, the current financial period covers a twelve-month period from 1 January 2018 to 31 December 2018. The corresponding comparative amounts shown (which covers a period of fifteen months from 1 October 2016 to 31 December 2017) for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes are not entirely comparable with amounts shown for the current year.

The directors of the Company (the "**Directors**") regard Road Shine Developments Limited, a company incorporated in the British Virgin Islands as the immediate holding company, and CITIC Guoan Group, a company incorporated in the People's Republic of China (the "**PRC**") as the ultimate holding company.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**") which is also the functional currency of the Company. All values are rounded to the nearest thousand ("**HK$'000**") except otherwise indicated.

* *For identification purpose only*

1. 公司資料

本公司於一九九八年十二月九日在開曼群島註冊成立為一間獲豁免有限公司，其股份在香港聯合交易所有限公司(「**聯交所**」)擁有第一上市地位，及於新加坡證券交易所有限公司(「**新交所**」)擁有第二上市地位。

本公司之註冊辦事處為P.O. Box 309, Ugland House, George Town, Grand Cayman KY1-1104, Cayman Islands，而本公司主要業務地點位於香港夏慤道18號海富中心2座15樓。

本公司之主要業務為投資控股，其主要附屬公司之主要業務載於綜合財務報告附註16。

於上一個財政期間，本集團之報告期結算日由九月三十日更改為十二月三十一日，原因為本集團有意將其財政年度結算日與中信國安集團有限公司(「**中信國安集團**」)達成一致，以方便編製本公司及中信國安集團之綜合財務報告，有利本集團之整體發展。因此，本財政期間涵蓋二零一八年一月一日至二零一八年十二月三十一日止十二個月。綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及相關附註所示之相應比較金額涵蓋二零一六年十月一日至二零一七年十二月三十一日止十五個月，故無法與本年度所示者比較。

本公司董事(「**董事**」)認為在英屬處女群島註冊成立之公司Road Shine Developments Limited為直接控股公司，及在中華人民共和國(**中國**)註冊成立之公司中信國安集團為最終控股公司。

綜合財務報告乃以港幣(「**港幣**」)呈列，其亦為本公司之功能貨幣。除另有所指外，所有數值均約整至近千位(「**港幣千元**」)。

* *僅供識別*

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The accounting policies adopted in the consolidated financial statements for the year ended 31 December 2018 are consistent with those followed in the preparation of the Group's annual financial statements for the fifteen months ended 31 December 2017 except as described below.

In the current year, the Group has applied for the first time, the following new and revised standards, amendments and interpretations (collectively referred to as the "new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial period beginning on 1 January 2018. A summary of the new and revised HKFRSs applied by the Group is set out as follows:

HKAS 7 (Amendments)	Disclosure Initiative
HKAS12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
HKAS 28 (Amendments)	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
HKAS 40 (Amendments)	Transfers of Investment Property
HKFRS 2 (Amendments)	Classification and Measurement of Share-based payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 *Financial Instruments* with HKFRS 4 *Insurance Contracts*
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in the Consolidated Financial Statements.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)

截至二零一八年十二月三十一日止年度之綜合財務報表採納之會計政策與編製本集團截至二零一七年十二月三十一日止十五個月之年度財務報表所遵循者一致,下文所述者除外。

於本年度,本集團已首次應用下列由香港會計師公會(「香港會計師公會」)頒佈於本集團於二零一八年一月一日開始之財政期間生效之新訂及經修訂準則、修訂及詮釋(統稱「新訂及經修訂香港財務報告準則」)。本集團應用新訂及經修訂香港財務報告準則之概要載列如下:

香港會計準則第7號(修訂本)	披露主動性
香港會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產
香港會計準則第28號(修訂本)	作為二零一四年至二零一六年週期香港財務報告準則之年度改進之一部分
香港會計準則第40號(修訂本)	投資物業轉移
香港財務報告準則第2號(修訂本)	以股份為基礎付款交易之分類及計量
香港財務報告準則第4號(修訂本)	採用香港財務報告準則第4號*「保險合約」*時一併應用香港財務報告準則第9號*「金融工具」*
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收益及相關修訂本
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價

除下文所述,本年度應用新訂及經修訂香港財務報告準則對本集團於本期間及過往期間之財務表現及狀況及/或載於綜合財務報表之披露並無重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

The above new and revised HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures as described below.

Impact on the consolidated financial statements

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standards below.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(*續*)

上述新訂及經修訂香港財務報告準則已根據各自準則及修訂之相關過度條文應用,導致會計政策、呈報金額及╱或披露變動如下文所述。

對綜合財務報表的影響

下表列示就各個項目確認之調整。並未包含未受變動影響的項目。因此,所披露的小計和總計不能從提供的數字中重新計算。下文準則更詳細地解釋了調整。

Consolidated statement of financial position (extract)	**綜合財務狀況表(摘錄)**	**At 31 December 2017 於二零一七年十二月三十一日** *HK$'000 港幣千元*	**Impact on initial application of HKFRS 9 首次應用香港財務報告準則第9號的影響** *HK$'000 港幣千元*	**At 1 January 2018 於二零一八年一月一日** *HK$'000 港幣千元*
Non-current assets	**非流動資產**			
Available-for-sales financial assets	可供出售金融資產	5,950	(5,950)	–
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	–	15,700	15,700
Total assets less current liabilities	**總資產減流動負債**	379,645	9,750	389,395
Net assets	**資產淨額**	379,093	9,750	388,843
Capital and reserves	**資本及儲備**			
Reserves	儲備	301,604	9,750	311,354
Total equity	**總權益**	379,093	9,750	388,843

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments

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

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9 i.e. applying the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) with the cumulative effect of initial application recognised at the date of initial application and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018.

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

(a) Key changes in accounting policies resulting from application of HKFRS 9

Classification and measurement

Trade receivables arising from contracts with customers are initially measured in accordance with HKFRS 15.

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value, including unquoted equity investments measured at cost less impairment under HKAS 39.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港財務報告準則第9號「金融工具」對會計政策之影響及變動

於本年度,本集團已應用香港財務報告準則第9號「金融工具」及其他香港財務報告準則的有關相應修訂。香港財務報告準則第9號引入有關以下各項之新規定:1)金融資產及金融負債的分類及計量,2)金融資產的預期信貸虧損(「預期信貸虧損」)及3)一般對沖會計處理。

本集團已根據香港財務報告準則第9號所載之過渡性條文應用香港財務報告準則第9號,即對於二零一八年一月一日(首次應用日期)尚未終止確認的工具追溯應用分類及計量要求(包括減值),首次應用的累計影響已於首次應用當日確認以及並無對已於二零一八年一月一日終止確認的工具應用相關要求。

因此,若干比較資料未必能與根據香港會計準則第39號「金融工具:確認及計量」編製的比較資料作比較。

(a) 應用香港財務報告準則第9號所導致的主要會計政策變動

分類及計量

客戶合約所產生之應收貿易賬款初始根據香港財務報告準則第15號計量。

屬香港財務報告準則第9號範圍內所有已確認之金融資產其後按攤銷成本或公平值計量,包括根據香港會計準則第39號按成本減去減值計量的無報價股本投資。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments *(continued)*

(a) Key changes in accounting policies resulting from application of HKFRS 9 *(continued)*

Classification and measurement (continued)

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

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

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

In addition, the Group may irrevocably designate a debt investment that meets the FVTOCI criteria if by doing so it eliminates or significantly reduces an accounting mismatch.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)*(續)*

應用香港財務報告準則第9號「金融工具」對會計政策之影響及變動 *(續)*

(a) 應用香港財務報告準則第9號所導致的主要會計政策變動 *(續)*

分類及計量(續)

符合以下條件的債務工具於其後按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量:

- 該金融資產同時以收取合約現金流量及出售金融資產為目的之商業模式下持有;及
- 該金融資產之合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

所有其他金融資產其後按公平值計入損益(「按公平值計入損益」)計量。惟於首次應用╱首次確認金融資產當日,本集團可以不可撤銷地選擇於其他全面收益(「其他全面收益」)呈列股權投資公平值之其後變動,倘該等股權投資並非持作買賣,亦非收購方於香港財務報告準則第3號「業務合併」所應用之業務合併中確認之或然代價。

此外,本集團可以不可撤回地指定符合按公平值計入其他全面收益準則的債務投資,倘若此舉可消除或顯著減少會計錯配。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments *(continued)*

Financial assets at FVTPL

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

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

Impairment under ECL model

The directors of the Company (the "**Directors**") reviewed and assessed the Group's financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date. Changes in classification and measurement on the Group's financial assets and the impacts thereof are detailed in Note 2(b).

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

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

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港財務報告準則第9號「金融工具」對會計政策之影響及變動(續)

按公平值計入損益之金融資產

不符合按攤銷成本或按公平值計入其他全面收益或指定為按公平值計入其他全面收益的計量標準的金融資產按公平值計入損益計量。

於損益表按公平價值處理之金融資產按各報告期末的公平價值計量,任何公平價值收益或虧損於損益中確認。於損益確認之收益或虧損淨額,不包括從金融資產賺取之任何股息或利息,並計入「收益」項目內。

預期信貸虧損模式下的減值

本公司董事根據截至二零一八年一月一日存在的事實及情況,審閱及評估本集團截至當日的金融資產。本集團金融資產的分類及計量變動及其影響詳見附註2(b)。

本集團就根據香港財務報告準則第9號須予減值之金融資產(包括應收貿易賬款、應收貸款及利息、定期存款、銀行結餘、按金及其他應收款)的預期信貸虧損確認虧損撥備。預期信貸虧損金額會於各報告日期被更新以反映信貸風險自初始確認以來的變動。

全期預期信貸虧損指於相關工具之預計年期內所有可能之違約事件而產生的預期信貸虧損。相反,12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期後12個月內因可能發生的違約事件而預期產生的部分全期預期信貸虧損。評估已根據本集團過往信貸虧損經驗,並就債務人特定因素、整體經濟狀況以及對於報告日期之當前狀況及未來狀況預測的評估作出調整。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments *(continued)*

Impairment under ECL model (continued)

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed collectively using a provision matrix with appropriate groupings.

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

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)*(續)*

應用香港財務報告準則第9號「金融工具」對會計政策之影響及變動 *(續)*

預期信貸虧損模式下的減值(續)

本集團一直就應收貿易賬款確認全期預期信貸虧損。該等資產的預期信貸虧損採用合適組別的撥備矩陣進行整體評估。

就所有其他工具而言,本集團計量虧損撥備相等於12個月預期信貸虧損,除非當信貸風險自初始確認以來顯著增加,否則本集團只需確認全期預期信貸虧損。應否確認全期預期信貸虧損乃視乎自初次確認以來,出現違約的可能性或風險有否顯著增加。

信貸風險顯著增加

評估信貸風險自首次確認以來有否顯著增加時,本集團會就金融工具於報告日期發生違約的風險與金融工具於首次確認當日發生違約的風險進行比較。在進行有關評估時,本集團會考慮合理且可靠的定量和定性資料,包括過往經驗及毋須付出不必要的成本或努力即可獲得的前瞻性資料。

就應收貿易賬款而言,本集團採用香港財務報告準則第9號所准許的簡化法,該方法規定預期全期虧損自應收款項初始確認時確認。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments *(continued)*

Measurement and recognition of ECL

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

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

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

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

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港財務報告準則第9號「金融工具」對會計政策之影響及變動(續)

預期信貸虧損的計量及確認

預期信貸虧損的計量的依據為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。評估違約概率及違約損失率的依據是過往數據,並按前瞻性資料調整。

一般而言,預期信貸虧損乃根據合約中應付本集團之合約現金流量總額及本集團預計收取之現金流量總額(以初次確認時釐定之實際利率貼現)之差額估計。

利息收入根據金融資產的賬面值總額計算,惟金融資產為信貸減值的情況除外,於此情況下,利息收入根據金融資產的攤銷成本計算。

於二零一八年一月一日,董事根據香港財務報告準則第9號規定,使用無需付出過多成本或努力即可得的合理可靠資料審核評估本集團現有金融資產應否減值。評估結果及其影響詳情如下文。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments *(continued)*

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

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

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(*續*)

應用香港財務報告準則第9號「金融工具」對會計政策之影響及變動(*續*)

(b) 初始應用香港財務報告準則第9號所引致之影響概要

下表說明於初始應用日期二零一八年一月一日根據香港財務報告準則第9號及香港會計準則第39號受預期信貸虧損規限之金融資產及金融負債以及其他項目之分類及計量(包括減值)。

		Available-for-sale financial assets 可供出售金融資產 *HK$'000* *港幣千元*	Financial assets at FVTPL 按公平值計入損益之金融資產 *HK$'000* *港幣千元*
Closing balance at 31 December 2017 – HKAS 39	**於二零一七年十二月三十一日之期末結餘－香港會計準則第39號**	5,950	–
Effect arising from initial application of HKFRS 9:	**初始應用香港財務報告準則第9號所引致之影響：**		
Reclassification	**重新分類**		
From available-for-sale financial assets	來自可供出售金融資產	(5,950)	5,950
Re-measurement	**重新計量**		
Amounts remeasured through opening accumulated losses	透過期初累計虧損重新計量的金額	–	9,750
Opening balance at 1 January 2018	**於二零一八年一月一日之期初結餘**	–	15,700

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments *(continued)*

(b) Summary of effects arising from initial application of HKFRS 9 *(continued)*

From AFS debt investments to financial assets at FVTPL

Unlisted club debentures with a fair value of HK$15,700,000 were reclassified from available-for-sale financial assets to financial assets at FVTPL, as the investment is held as long-term strategic investments that do not represent solely payments of principal and interest, so they do not meet the HKFRS 9 criteria for classification at amortised cost. Related fair value gains of HK$9,750,000 was recognised in accumulated losses as at 1 January 2018.

Under the transition methods chosen, the Group recognises the cumulative effect of the initial application of HKFRS 9 as an adjustment to the opening balance of equity at 1 January 2018. Comparative information is not restated. The table below summarises the impact on the Group's reserves due to reclassification and remeasurement of financial instruments at the date of initial application:

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)*(續)*

應用香港財務報告準則第9號「金融工具」對會計政策之影響及變動 *(續)*

(b) 初始應用香港財務報告準則第9號所引致之影響概要 *(續)*

從可供出售投資至按公平值計入損益之金融資產

公平值為港幣15,700,000元之未上市會所債券已從可供出售金融資產被重新分類至按公平值計入損益之金融資產,因為該投資是作為長期的戰略投資持有,並不代表僅支付本金和利息,因此該等不符合香港財務報告準則第9號按攤銷成本分類的標準。截至二零一八年一月一日,相關公平值收益港幣9,750,000元已於累計虧損確認。

根據所選擇的過渡方法,本集團將首次應用香港財務報告準則第9號的累計影響確認為對二零一八年一月一日的期初權益結餘所作調整。比較資料未經重列。下表概列於首次應用日期因金融工具重新分類及重新計量而對本集團儲備的影響:

		Accumulated losses 累計虧損 *HK$'000 港幣千元*
As at 31 December 2017	於二零一七年十二月三十一日	(566,010)
Re-measurement from available-for-sales investments to financial assets at FVTPL	由可供出售投資重新計量為透過損益以公平值列賬之金融資產	9,750
As at 1 January 2018	於二零一八年一月一日	(556,260)

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers and the related Amendments

As a result of the changes in the Group's accounting policies, as explained below, HKFRS 15 was generally adopted without restating any other comparative information. The adoption of HKFRS 15 in the current year does not result in any impact on the amounts reported in the consolidated financial information and/or disclosures set out in the consolidated financial information, except that the Group has adopted the following accounting policies on revenues with effect from 1 January 2018.

The Group recognises revenue mainly from following major sources which arise from contracts with customers.

- Sales of telecommunications and other products
- Provision of repair services

Information about the Group's performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in note 3(e) to the audited consolidated financial statement.

HKFRS 15 requires that revenue from contracts with customers be recognised upon the transfer of control over goods or services to the customers. As such, upon adoption, this requirement under HKFRS 15 resulted in immaterial impact to the financial statements as the timing of revenue recognition on sale of goods or services is nearly unchanged. Thus there was no impact on the Group's consolidated statement of financial position as of 1 January 2018.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港財務報告準則第15號來自客戶合約之收益之會計政策影響及變動

如下文所述,由於本集團之會計政策變動,採納香港財務報告準則第15號毋須重述任何其他比較資料。本年度採納香港財務報告準則第15號並不會對綜合財務資料內所呈報金額及/或綜合財務資料所載披露產生任何影響,惟本集團已採納下列有關收益之會計政策,自二零一八年一月一日起生效。

本集團主要從與客戶合約產生的以下主要來源確認收入。

- 銷售電訊及其他產品
- 提供維修服務

有關本集團履約責任及應用香港財務報告準則第15號產生的會計政策之資料於經審核綜合財務報表附註3(e)中披露。

香港財務報告準則第15號要求將對貨物或服務之控制權轉讓予客戶時確認客戶合約收益。因此,一經採納,香港財務報告準則第15號之該項規定將不會對財務報表產生重大影響,乃由於確認貨物或服務銷售收益之時間幾乎無變動。因此,並無對本集團於二零一八年一月一日之綜合財務狀況表產生影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

Impact of application on HKAS 7 (Amendments) Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities. Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note to the financial statements. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note to the financial statements, the application of these amendments has had no impact on the Group's consolidated financial statements.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港會計準則第7號(修訂本)「披露主動性」之影響

本集團已在本年度首次採用該等修訂。該等修訂要求實體向財務報表的使用者提供披露資料,以評估融資活動產生的負債變動(包括現金及非現金變動)。此外,該等修訂亦要求,如金融資產在過往產生現金流量或未來的現金流量計入融資活動的現金流量,則需要披露該等金融資產的變動。具體而言,該等修訂本規定以下變動須予披露:(i)融資現金流量產生之變動;(ii)取得或失去附屬公司或其他業務控制權產生之變動;(iii)外幣匯率變動之影響;(iv)公平值變動;及(v)其他變動。

該等項目期初及期末結餘之對賬載於綜合財務報表附註。根據修訂本之過渡條文,本集團並無披露去年之比較資料。除財務報表附註所載之額外披露外,應用該等修訂本並無對本集團綜合財務報告造成影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

New and revised HKFRSs that have been issued but are not yet effective

HKAS 1 and HKAS 8 (Amendments)	Definition of Material[3]
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement[1]
HKAS 28 (Amendments)	Long-term interests in Associates and Joint Ventures[1]
HKFRS (Amendments)	Annual Improvements to HKFRSs 2015-2017 Cycle[1]
HKFRS 3 (Amendments)	Definition of a business[2]
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation[1]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
HKFRS 16	Leases[1]
HKFRS 17	Insurance Contracts[4]
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments[1]

1 Effective for annual periods beginning on or after 1st January 2019.
2 Effective for business combination and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1st January 2020.
3 Effective for annual periods beginning on or after 1st January 2020.
4 Effective for annual periods beginning on or after 1st January 2021.
5 Effective for annual periods beginning on or after a date to be determined.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)*(續)*

新訂及經修訂香港財務報告準則已發佈但尚未生效

香港會計準則第1號及香港會計準則第8號(修訂本)	重大之定義[3]
香港會計準則第19號(修訂本)	計劃修訂、縮減或結清[1]
香港會計準則第28號(修訂本)	在聯營公司和合資企業中的長期權益[1]
香港財務報告準則(修訂本)	香港財務報告準則年度改進(二零一五年至二零一七年週期)[1]
香港財務報告準則第3號(修訂本)	業務之定義[2]
香港財務報告準則第9號(修訂本)	提早還款特性及負補償[1]
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營或合營企業之間的資產出售或投入[5]
香港財務報告準則第16號	租賃[1]
香港財務報告準則第17號	保險合同[4]
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理之不確定性[1]

1 於二零一九年一月一日或之後開始之年度期間生效。
2 對業務合併及資產收購之收購日期為二零二零年一月一日或之後開始的首個年度期間起生效。
3 於二零二零年一月一日或之後開始之年度期間生效。
4 於二零二一年一月一日或之後開始之年度期間生效。
5 於待定日期或之後開始之年度期間生效。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

New and revised HKFRSs that have been issued but are not yet effective *(continued)*

HKFRS 16 Leases

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

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

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

新訂及經修訂香港財務報告準則已發佈但尚未生效(續)

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號將於生效時取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外,香港財務報告準則第16號規定售後租回交易根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入賬的規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修改的規定。

除短期租賃及低值資產租賃外,經營租賃及融資租賃的差異自承租人會計處理中移除,並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

使用權資產最初按成本計量及其後按成本(除若干豁免外)減累計折舊及累計減值虧損計量,並就任何重新計量之租賃負債作出調整。租賃負債初步按於租賃付款尚未支付當日之現值計量。其後,租賃負債就(其中包括)利息及租賃付款以及租賃修改之影響等作出調整。就現金流量分類而言,本集團目前將前期預付租賃款項呈列為與自用租賃土地有關的投資現金流量,而其他經營租賃款項則呈列為經營現金流量。於應用香港財務報告準則第16號後,有關租賃負債的租賃款項將分配至本金及利息部分,並將由本集團呈列為融資現金流量。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

New and revised HKFRSs that have been issued but are not yet effective *(continued)*

***HKFRS 16 Leases** (continued)*

Furthermore, extensive disclosures are required by HKFRS 16.

At 31 December 2018, the Group has non-cancellable operating lease commitments of approximately HK$5,455,000 as disclosed in note 35 to the consolidated financial statements. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained earnings without restating comparative information.

Except disclosed above, the directors of the Company do not anticipate that the application of other new and revised HKFRSs will have a material impact on the Group's financial performance and financial positions.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

新訂及經修訂香港財務報告準則已發佈但尚未生效(續)

***香港財務報告準則第16號租賃**(續)*

此外,香港財務報告準則第16號要求更詳盡之披露。

如綜合財務報表附註35所披露,於二零一八年十二月三十一日,本集團之不可撤銷經營租賃承擔為港幣5,455,000元。初步評估顯示,此等安排將符合租賃之定義。於應用香港財務報告準則第16號後,本集團將確認所有此等租賃之使用權資產及相應之負債,惟該等符合為低值或短期租賃之租賃除外。

應用新規定可能導致上述計量、呈列及披露發生變動。本集團(作為承租人)擬選擇經修訂追溯法應用香港財務報告準則第16號,並將確認首次應用對期初保留盈利的累計影響,而並無重列比較資料。

除上文披露者外,本集團董事預期應用其他新訂及經修訂香港財務報告準則將不會對本集團之財務表現及財務狀況造成重大影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

(b) Basis of preparation

The measurement basis used in the preparation of the consolidated financial statements is the historical cost convention.

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

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

3. 主要會計政策概要

(a) 合規聲明

綜合財務報告乃根據所有適用之香港財務報告準則(「香港財務報告準則」)(即香港會計師公會(「香港會計師公會」)所頒佈,所有個別適用之香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)、香港公認會計原則及香港公司條例之披露規定而編製。該等綜合財務報告亦遵守聯交所證券上市規則(「上市規則」)之適用披露條文。

(b) 編製基準

編製綜合財務報告時使用歷史成本法作為計算基準。

歷史成本一般按換取貨品及服務所付代價之公平價值計算。

公平價值是指市場參與者之間在計量日進行之有秩序交易中出售一項資產可收取或轉讓一項負債須支付之價格,不論該價格是否可使用其他估值技術直接觀察或估計。於估算資產或負債之公平價值時,本集團考慮市場參與者在計量日為該資產或負債進行定價時將會考慮之該等特徵。在該等綜合財務報告中作計量及/或披露用途之公平價值均按此基準釐定,惟香港財務報告準則第2號範圍內以股份為基礎之付款交易、香港會計準則第17號範圍內之租賃交易,以及與公平價值類似但並非公平價值之計量(例如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值)除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Basis of preparation *(continued)*

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

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

(c) Basic of consolidation

The principal accounting policies are set out below.

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

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

3. 主要會計政策概要*(續)*

(b) 編製基準*(續)*

此外，就財務呈報而言，公平價值計量根據公平價值計量之輸入數據可觀察程度及輸入數據對整體計量公平價值之重要性分類為第一級、第二級或第三級，其載述如下：

- 第一級輸入數據是實體於計量日可以取得相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據是除第一級內包括之報價外可直接或間接觀察之資產或負債之輸入數據；及
- 第三級輸入數據是資產或負債之不可觀察輸入數據。

(c) 綜合賬目基準

主要會計政策載列如下。

綜合財務報告包括本公司以及由本公司及其附屬公司所控制實體（包括結構實體）的財務報告。本公司在下列情況下被視為取得控制權：

- 可對投資對象行使權力；
- 藉參與投資對象的業務而可或有權獲得可變回報；及
- 有能力使用權力影響其回報。

倘有事實及情況顯示上述三項控制權因素中有一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Basic of consolidation *(continued)*

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

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

3. 主要會計政策概要*(續)*

(c) 綜合賬目基準*(續)*

一間附屬公司之綜合入賬於本集團取得有關附屬公司之控制權時開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售之一間附屬公司之收入及開支，自本集團取得控制權之日起計入綜合損益及其他全面收益表至本集團失去控制有關附屬公司之日為止。

損益及各項其他全面收益項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額乃歸於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

必要時，附屬公司的財務報告會作出調整，使其與本集團的會計政策一致。

集團內公司間的所有交易、結餘、收入及支出均在綜合賬目時全數抵銷。

本集團於現有附屬公司擁有權之權益變動

本集團於附屬公司擁有權之權益變動並無導致本集團失去該附屬公司之控制權時，會按權益交易入賬。本集團的權益及非控股權益的賬面值經調整以反映彼等於附屬公司的有關權益變動。非控股權益的調整金額與已付或已收代價的公平價值之任何差額直接於權益中確認並歸屬於本公司的擁有人。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Basic of consolidation *(continued)*

***Changes in the Group's ownership interests in existing subsidiaries** (continued)*

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (the "CODM"), who is responsible for allocating resources and assessing performance of the operating segments.

Unallocated costs represent corporate expenses. Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment assets consist primarily of property, plant and equipment, inventories, receivables, other assets, operating cash and exclude mainly available-for-sale financial assets and tax recoverable. Segment liabilities comprise operating liabilities and exclude items such as tax payable, deferred tax and certain corporate provisions.

Geographical information is not presented as the majority of the Group's revenue is attributed to customers in Hong Kong and the majority of assets are located in Hong Kong.

3. 主要會計政策概要*(續)*

(c) 綜合賬目基準*(續)*

***本集團於現有附屬公司擁有權之權益變動**(續)*

倘本集團失去一間附屬公司之控制權，則其終止確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計交易差額；及確認(i)所收代價之公平價值、(ii)所保留任何投資之公平價值及(iii)損益賬中任何因此產生之盈餘或虧損。先前於其他全面收入內確認之本集團應佔部分重新分類為損益或保留溢利(如適用)，倘本集團已直接出售相關資產及負債則須以同一基準確認。

(d) 分部申報

經營分部按向主要營運決策者(「主要營運決策者」，負責分配資源及評估經營分部表現)提供之內部呈報一致之方式呈報。

未分配成本指公司支出。分部資產及負債包括分部直接應佔以及可按合理基準分配至該分部之項目。分部資產主要包括物業、廠房及設備、存貨、應收款項、其他資產及營運現金，及主要不包括可供出售金融資產及可收回稅項。分部負債包括營運負債，及不包括應付稅項、遞延稅項及若干公司撥備等項目。

由於本集團大部分收益來自香港客戶及大部分資產位於香港，故並無呈列地區資料。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Revenue and other income

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

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

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

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

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

3. 主要會計政策概要*(續)*

(e) 收益及其他收入

來自客戶合約之收益(於根據附註2之過渡條文應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關之貨品或服務之「控制權」移交客戶之時。

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

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

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生讓本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益於客戶獲得個別商品或服務控制權的時間點確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Revenue and other income *(continued)*

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in Note 2) (continued)

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. A contract asset and a contract liability relating to a contract are accounted for an presented on a net basis.

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

(i) Sale of goods

Revenue is recognised from the trading of telecommunications and other products when the control of the goods are considered to have been transferred to the customer.

In the comparative period, revenue from sales of goods was recognised when the customer has accepted the related risks and rewards of ownership.

(ii) Service income

Revenue from repair services are recognised when the services are rendered.

3. 主要會計政策概要*(續)*

(e) 收益及其他收入*(續)*

來自客戶合約之收益(於根據附註2之過渡條文應用香港財務報告準則第15號後)(續)

合約資產指本集團就換取本集團已向客戶轉讓的商品或服務而收取代價的權利(尚未成為無條件),根據香港財務報告準則第9號評估減值。相反,應收款項指本集團收取代價的無條件權利,即代價到期付款前僅需時間推移。

合約負債指本集團因已自客戶收取代價(或已到期收取代價),而須向客戶轉讓商品或服務之責任。與一項合約有關之合約資產及合約負債按淨額基準列賬。

就包含一項以上履約責任之合約而言,本集團按照相對獨立售價基準將交易價分配至各履約責任。

(i) 銷售貨物

當貨物的控制權被視為已轉移予客戶時,確認電訊及其他產品貿易收入。

於比較期間,當客戶已接受所有權的相關風險和報酬時,確認貨物銷售收入。

(ii) 服務收入

維修服務收入於提供服務時確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Revenue and other income *(continued)*

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in Note 2) (continued)

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

(iv) Dividends income from equity instruments

Dividend income from unlisted equity investments is recognised when the shareholder's right to receive payment is established.

Dividend income from listed equity investments is recognised when the share price of the investment goes ex-dividend.

(v) Sale of financial assets at fair value through profit or loss

Sale of financial assets are recognised on trade date basis.

3. 主要會計政策概要*(續)*

(e) 收益及其他收入*(續)*

來自客戶合約之收益(於根據附註2之過渡條文應用香港財務報告準則第15號後)(續)

(iii) 利息收入

利息收入使用實際利率法計算確認。就以非攤銷成本計量的無信用減值的金融資產而言,實際利率適用於資產的賬面總額。就信貸減值金融資產而言,實際利率適用於資產的攤銷成本(即扣除虧損撥備的總賬面值)。

(iv) 股本工具之股息收入

非上市股本投資的股息收入於股東收取付款的權利確立時確認。

上市股本投資的股息收入於投資的股價除息時確認。

(v) 出售透過損益以公平價值列賬之金融資產

出售金融資產於交易日期確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(f) Revenue recognition (prior to 1 January 2018)

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

i. Revenue from the sales of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and trade discounts;

ii. Service income is recognised when services are rendered;

iii. Sales of financial assets are recognised on a trade date basis;

iv. interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

v. Dividend income from financial assets at fair value through profit or loss is recognised when the Group's right to receive payment is established.

(g) Property, plant and equipment

Property, plant and equipment are stated at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

3. 主要會計政策概要*(續)*

(f) 收益確認(於二零一八年一月一日前)

收益於當經濟利益有可能流入本集團及當收益能可靠地按以下基準計算時確認入賬:

i. 銷貨收益於擁有權之風險及回報轉移時確認,通常與貨品付運予客戶及擁有權轉讓同時發生;銷售貨品收入乃按已收或應收代價之公平價值扣除退貨及減免以及貿易折扣計量;

ii. 服務收入在提供服務時確認入賬;

iii. 出售金融資產按交易日基準確認入賬;

iv. 利息收入,按應計基準使用實際利率法,將金融工具預期可使用年期內的估計未來現金收入貼現至金融資產賬面淨值計算。

v. 透過損益以公平價值列賬之金融資產之股息收入於本集團收取款項之權利確立時確認。

(g) 物業、廠房及設備

物業、廠房及設備乃按成本減隨後累計折舊及隨後累計減值虧損(如有)入賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) Property, plant and equipment *(continued)*

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Depreciation is recognised so as to write off the cost of property, plant and equipment, using the straight-line method, over their estimated useful lives. The principal annual rates are as follows:

Building 樓宇	over the lease term 按租約期
Computers and equipment 電腦及設備	20 - 30%
Furniture and fixtures 傢俬及裝置	20%
Leasehold improvements 租賃物業裝修	20 – 100%
Motor Vehicle 汽車	30%

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

(h) Leasing

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

3. 主要會計政策概要*(續)*

(g) 物業、廠房及設備*(續)*

資產之成本包括其購買價及使該資產達至現時運作狀況及地點作預定用途之任何直接應計成本。物業、廠房及設備投入運作後所產生之開支(如維修及保養)一般在此費用產生期間於損益中扣除。當該開支可清楚顯示能從使用該物業、廠房及設備中增加未來經濟利益,則該開支會撥作資本化,作為該資產之額外成本。

折舊乃以撇銷物業、廠房及設備之成本,依直線法按其估計可使用年限計算,採用之主要年率如下:

物業、廠房及設備項目於出售時或於預期不會從持續使用該資產中獲得未來經濟利益時終止確認。出售或報廢物業、廠房及設備而引致之任何收益或虧損,乃按有關資產之出售所得款項與賬面值之差額釐定,並於損益中確認。

(h) 租賃

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人的租賃,均歸類為融資租賃。所有其他租賃則分類作經營租賃。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Leasing *(continued)*

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(i) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3. 主要會計政策概要*(續)*

(h) 租賃*(續)*

本集團作為承租人

經營租賃付款按直線法於租期內確認為支出，惟另一種系統基準更能代表租賃資產的經濟利益所消耗的時間模式除外。

(i) 外幣

於編製各個別集團實體的財務報告時，倘交易之貨幣為該實體的功能貨幣以外(外幣)，則按交易日期的現行匯率換算確認。於報告期末，以外幣列值的貨幣項目按該日的現行匯率重新換算。按公平價值(以外幣計值)列帳之非貨幣項目按公平價值獲釐定當日之通行匯率重新換算。以外幣按歷史成本計量之非貨幣項目不會重新換算。

貨幣項目的匯兑差額乃於其產生期間內於損益確認，惟應收或應付一項海外業務的貨幣項目匯兑差額，既無計劃結算，發生結算的可能性亦不大(因此其構成海外業務投資淨額的一部分)，並初步於其他全面收益確認及於償還貨幣項目時由權益重新分類至損益除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Foreign currencies *(continued)*

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange difference reserve (attributed to non-controlling interests as appropriate).

(j) Borrowings

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

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

(k) Employee benefits

Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

3. 主要會計政策概要*(續)*

(i) 外幣*(續)*

為呈列綜合財務報告，本集團海外業務的資產及負債乃按於各報告期末的現行匯率換算為本集團的呈列貨幣(即港幣)。收入及支出乃按期內的平均匯率進行換算，除非於該期間內匯率出現大幅波動則另作別論，於該情況下，則採用交易當日的匯率。所產生的匯兑差額(如有)乃於其他全面收益確認，並累計於權益的匯兑差額儲備項下(於適當時撥作非控股權益)。

(j) 銀行借貸

借貸初步按公平價值減應計交易成本確認。於初步確認後，借貸按攤銷成本列賬，而初步確認金額與贖回價值兩者間之任何差額則於借貸期內採用實際利率法連同任何應付利息及費用於損益中確認。

所有借貸成本於期內產生時在損益中確認。

(k) 僱員福利

僱員可享有之假期

僱員可享有之年假乃於應計予僱員時確認。截至報告期末由僱員提供服務而產生之年假估計負債已作撥備。僱員可享有之病假及產假或侍產假直至放假時方予以確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(k) Employee benefits *(continued)*

Retirement benefit obligations

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by an independent trustee. All contributions to the MPF Scheme are charged to profit or loss as incurred and reduced by contributions forfeited by those employees who leave the MPF Scheme prior to vesting fully in contributions.

The Group also undertakes mandatory pension schemes covering retirement benefits for its Taiwan employees as required by relevant legislations and regulations in Taiwan.

The employees of the Group's subsidiary which operate in mainland China are required to participate in a central pension scheme operated by the local municipal government. The contributions are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

(l) Taxation

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

Current tax

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

3. 主要會計政策概要*(續)*

(k) 僱員福利*(續)*

退休福利責任

本集團根據香港強制性公積金計劃條例為香港僱傭條例管轄之僱員參加強制性公積金計劃(「強積金計劃」)。強積金計劃是由獨立受託人管理之界定供款退休計劃。所有該計劃之供款乃於產生時在損益中扣除，而該等僱員於悉數歸屬供款前離開該計劃之沒收供款將會用作扣減此供款。

本集團亦按台灣有關之條例及規定，為其台灣僱員承擔強制性退休計劃以保障退休福利。

本集團於中國內地營運之附屬公司之僱員須參加由當地市政府運作之中央退休金計劃。供款於根據中央退休金計劃之規則應付時自綜合損益表扣除。

(l) 稅項

所得稅支出指即期應付稅項與遞延稅項的總和。

即期稅項

即期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報告之溢利不同，乃由於前者不包括在其他年度應課稅或可扣稅收入或開支項目，並且不包括從未課稅及可扣稅之項目。本集團本期稅項負債是以報告期末之已制訂或實際採用之稅率計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Taxation *(continued)*

Deferred tax

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

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

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

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

3. 主要會計政策概要*(續)*

(l) 稅項*(續)*

遞延稅項

遞延稅項乃就綜合財務報告的資產及負債賬面值與用作計算應課稅溢利的相應稅基之間的暫時差額。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產一般於可能有應課稅溢利以動用所有可扣減暫時差額時就該等可扣稅暫時差額確認。倘暫時差額因商譽或初步確認(除業務合併外)因一項不影響應課稅溢利或會計溢利的交易的其他資產及負債而產生,則不予確認有關遞延稅項資產及負債。

遞延稅項負債就與附屬公司的投資相關的應課稅暫時差額予以確認,惟倘本集團可控制其撥回及暫時差額於可見將來有可能不會撥回則除外。因與有關投資及權益相關的可扣減暫時差額而產生的遞延稅項資產僅於可能產生足夠應課稅溢利以運用暫時差額的利益,並預期可於可見將來撥回時確認。

遞延稅項資產的賬面值於各報告期間結束時作檢討,並於不可能有足夠應課稅溢利以收回全部或部分資產時作調減。

遞延稅項資產及負債以變現資產或清償負債期間預期的適用稅率計算,根據於報告期間結束時已實施或實質上已實施的稅率(及稅法)計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Taxation *(continued)*

***Deferred tax** (continued)*

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. In general, costs are assigned to individual items on a weighted average basis. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation.

(n) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is recognised in the profit or loss.

3. 主要會計政策概要*(續)*

(l) 稅項*(續)*

遞延稅項(續)

遞延稅項負債和資產的計量反映本集團預期在報告期間結束時將來能收回或支付有關資產和負債賬面金額的稅務影響。

本年度即期及遞延稅項

即期及遞延稅項於損益確認，惟當其與在其他全面收入中確認或直接在權益中確認的項目相關，則即期及遞延稅項亦分別於其他全面收入或直接於權益中確認。

(m) 存貨

存貨按成本及可變現淨值兩者中之較低值列賬。一般而言，個別項目成本乃按加權平均基準計算。可變現淨值乃存貨在正常業務情況下之賣價扣除變現費用。

(n) 應收貿易賬款及其他應收款項

應收貿易賬款及其他應收款項首先按公平價值入賬，其後採用實際利率法按已攤銷成本扣除減值撥備計量。在有客觀證據證明本集團將無法按應收款項之原訂條款收回全部款項時，須就應收貿易賬款及其他應收款項作出減值撥備。撥備金額為有關資產之賬面值與估計未來現金流量按實際利率貼現之現值兩者間之差額。撥備金額在損益中確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(o) Loan receivables

Loan receivables are secured corporate loan granted to customers in the ordinary course of business. If collection of loan receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Loan receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(p) Interest receivables

Interest receivables are interest derived from secured corporate loan granted to customers in the ordinary course of business.

Interest receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(q) Financial instruments

(upon application of HKFRS 9)

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

3. 主要會計政策概要*(續)*

(o) 應收貸款

應收貸款為於日常營業過程中向客戶授出之有抵押企業貸款。倘預期於一年或以內收回應收貸款，則分類為流動資產。倘非如此，則列作非流動資產。

應收貸款首先按公平價值入賬，其後採用實際利率法按已攤銷成本扣除減值撥備計量。

(p) 應收利息

應收利息為於日常營業過程中向客戶授出之有抵押企業貸款產生之利息。

應收利息首先按公平價值入賬，其後採用實際利率法按已攤銷成本扣除減值撥備計量。

(q) 金融工具

(於應用香港財務報告準則第9號後)

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時確認。所有常規方式買賣的金融資產均於交易日予以確認及取消確認。常規方式買賣指要求與法規或市場慣例規定的時間內交付資產的金融資產買賣。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

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

Interest and dividend income which are derived from the financial assets and shareholders' rights are presented as other revenue and other income.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產及金融負債初步以公平價值計量，惟客戶合約產生之貿易應收賬款(自二零一八年一月一日起初步按香港財務報告準則第15號計量)除外。收購或發行金融資產及金融負債(透過損益以公平價值列賬之金融資產除外)直接應佔之交易成本於初步確認時計入或自金融資產或金融負債之公平價值扣除(倘適用)。收購透過損益以公平價值列賬之金融資產直接應佔之交易成本即時於損益確認。

實際利率法為計算金融資產或金融負債之攤銷成本以及分配相關期間之利息收入及利息開支之方法。實際利率乃於初步確認時按金融資產或金融負債之預期可使用年期或較短期間(倘適用)內準確貼現估計未來現金收入及款項(包括構成實際利率不可或缺部分之所有已付或已收費用及點數、交易成本及其他溢價或貼現)至賬面淨額之利率。

金融資產及股東權益產生之利息及股息收入列作其他收益及其他收入。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets

Classification and subsequent measurement of financial assets

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

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

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

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

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產

金融資產之分類及其後計量

符合以下條件之金融資產其後按攤銷成本計量：

- 該金融資產同時以收取合約現金流量及出售金融資產為目的之商業模式下持有；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

符合下列條件之金融資產其後按公平價值計入其他全面收益計量：

- 該金融資產同時以收取合約現金流量及出售金融資產為目的之商業模式下持有；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

所有其他金融資產其後按公平價值計入損益計量。惟於首次應用／首次確認金融資產當日，本集團可以不可撤銷地選擇於其他全面收益呈列股權投資公平值之其後變動，倘該等股權投資並非持作買賣，亦非收購方於香港財務報告準則第3號*業務合併*所應用之業務合併中確認之或然代價。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

A financial asset is classified as held for trading if:

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

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

倘符合下列條件，則金融資產乃分類為持作買賣：

- 其乃主要獲收購以於短期內出售；或
- 於初步確認時，其為本集團共同管理之可識別金融工具組合之一部分，並具有短期套利之近期實際模式；或
- 其屬並非指定及作為對沖工具生效之衍生工具。

此外，本集團可不可撤回地指定一項須按攤銷成本或按公平價值計入其他全面收益計量之金融資產以按公平價值計入損益計量，惟有關行為可消除或大幅減少會計錯配。

攤銷成本及利息收入

其後按攤銷成本計量的金融資產乃使用實際利息法予以確認。利息收入乃透過對一項金融資產賬面總值應用實際利率計算，惟其後出現信用減值之金融資產除外(見下文)。就其後出現信用減值之金融資產而言，自下一報告期起，利息收入乃透過對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具之信用風險好轉，使金融資產不再出現信用減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃透過對金融資產賬面總值應用實際利率予以確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

Financial assets at FVTPL

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other revenue and other income" line item.

Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, deposit paid, other receivables, loan and interest receivables, pledged time deposits and cash and bank balances). The amount of ECL is updated at each reporting period to reflect changes in credit risk since initial recognition.

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

按公平價值計入損益之金融資產

不符合按攤銷成本或按公平價值計入其他全面收益或指定為按公平價值計入其他全面收益之金融資產按公平價值計入損益計量。

按公平價值計入損益之之金融資產按各報告期末之公平價值計量，而任何公平價值收益或虧損於損益確認。於損益確認之收益或虧損淨額不包括從金融資產賺取之任何股息或利息，並計入「其他收益及收入」項目內。

金融資產減值

本集團根據香港財務報告準則第9號須予減值之金融資產(包括貿易應收賬款、已付按金、其他應收款項、應收貸款及利息、已抵押定期存款及現金及現金結餘)的預期信貸虧損確認虧損撥備。預期信貸虧損金額會於各報告日期被更新以反映信貸風險自初始確認以來的變動。

全期預期信貸虧損指於相關工具之預計年期內所有可能之違約事件而產生的預期信貸虧損。相反，12個月預期信貸虧損指於報告日期後12個月內因可能發生的違約事件而預期產生的部分全期預期信貸虧損。評估已根據本集團過往信貸虧損經驗，並就債務人特定因素、整體經濟狀況以及對於報告日期之當前狀況及未來狀況預測的評估作出調整。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets *(continued)*

Impairment of financial assets (continued)

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

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產 *(續)*

金融資產減值(續)

就所有其他工具而言，本集團計量虧損撥備相等於12個月預期信貸虧損，除非當信貸風險自初始確認以來顯著增加，否則本集團只需確認全期預期信貸虧損。應否確認全期預期信貸虧損乃視乎自初次確認以來，出現違約的可能性或風險有否顯著增加。

信貸風險顯著增加

評估信貸風險自首次確認以來有否顯著增加時，本集團會就金融工具於報告日期發生違約的風險與金融工具於首次確認當日發生違約的風險進行比較。在進行有關評估時，本集團會考慮合理且可靠的定量和定性資料，包括過往經驗及毋須付出不必要的成本或努力即可獲得的前瞻性資料。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets *(continued)*

Impairment of financial assets (continued)

Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產 *(續)*

金融資產減值(續)

信貸風險顯著增加(續)

特別是,於評估信貸風險是否顯著增加時,會考慮以下資料:

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化;
- 外部市場信貸風險指標的顯著惡化,如信貸利差大幅增加,債務人的信貸違約掉期價格;
- 預計會導致債務人履行債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變動;
- 債務人經營業績的實際或預期顯著惡化;
- 債務人的監管、經濟或技術環境有實際或預期的顯著不利變動,導致債務人履行債務責任的能力顯著下降。

不論上述評估結果如何,本集團認為,當合約付款逾期超過30日,則自初始確認以來信用風險已顯著增加,除非本集團有合理且可靠之資料證明。

本集團定期監控用以識別信用風險有否顯著增加的標準之效益,且修訂標準(如適當)確保標準能在金額逾期前識別信用風險顯著增加。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets *(continued)*

Impairment of financial assets (continued)

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

(e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產 *(續)*

金融資產減值(續)

違約定義

就內部信貸風險管理而言,本集團認為,違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論上文為何,本集團認為,已於金融資產逾期超過90日後發生違約,惟本集團有合理及具理據資料顯示更加滯後的違約標準更為恰當。

信用減值金融資產

金融資產在一項或以上違約事件(對該金融資產估計未來現金流量構成不利影響)發生時維持信貸減值。金融資產維持信貸減值的證據包括有關下列事件的可觀察數據:

(a) 發行人或借款人的重大財務困難;

(b) 違反合約(如違約或逾期事件);

(c) 借款人的貸款人因有關借款人財務困難的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠;

(d) 借款人很可能破產或進行其他財務重組;或

(e) 因財政困難而導致該金融資產失去活躍市場。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets *(continued)*

Impairment of financial assets (continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產 *(續)*

金融資產減值(續)

撇銷政策

於資料顯示對手方陷入嚴重財務困難，且並無實際收回款項可能(例如對手方被清盤或進入破產程序)，本集團會撇銷金融資產。經考慮法律意見(倘適當)後，已撇銷金融資產可能仍可於本集團之收回程序下被強制執行。任何其後收回款項於損益確認。

預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損率(即違約時之虧損大小)及違約風險敞口之函數。違約概率及違約虧損率乃按上述經前瞻性資料調整之過往數據進行評估。預期信貸虧損之估計為無偏概率加權平均金額，以各自發生違約的風險為權重確定。

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

倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按以下基準歸類：

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(upon application of HKFRS 9) (continued)

Financial assets *(continued)*

Impairment of financial assets (continued)

Measurement and recognition of ECL (continued)

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

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

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於應用香港財務報告準則第9號後)(續)

金融資產 *(續)*

金融資產減值(續)

預期信貸虧損之計量及確認(續)

- 金融工具性質(即本集團應收客戶的貿易應收賬款及其他應收款項各自作為單獨組別評估。關聯方貸款按個別基準評估預期信貸虧損);
- 逾期情況;
- 債務人的性質、規模及行業;及
- 外部信貸評級(倘有)。

歸類由管理層定期檢討,以確保各組別之組成項目繼續具有相似之信貸風險特性。

利息收入乃按金融資產之總賬面值計算,惟金融資產已出現信貸減值除外,在該情況下,利息收入乃按金融資產之攤銷成本計算。

本集團透過調整所有金融工具之賬面值於損益確認該等金融工具之減值收益或虧損,惟貿易應收賬款乃透過虧損撥備賬確認相應調整除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018)

Classification and subsequent measurement of financial assets

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), available-for-sale ("AFS") financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)

金融資產之分類及其後計量

當一集團實體成為工具合約條款之一方時，會確認金融資產及金融負債。

金融資產及金融負債首先以公平價值進行計量。購買或發行金融資產及金融負債(透過損益以公平價值列賬之金融資產及金融負債除外)之直接應佔交易成本於初步確認時計入或扣自各金融資產或金融負債(如適用)之公平價值。購買透過損益以公平價值列賬之金融資產或金融負債之直接應佔交易成本即時於損益中確認。

金融資產

金融資產歸類為以下具體類別，透過損益以公平價值列賬(「透過損益以公平價值列賬」)之金融資產、可供出售(「可供出售」)金融資產及貸款及應收款項。分類視乎金融資產之性質及目的而定，乃於初步確認時釐定。所有以常規方式購買或出售之金融資產，均按交易日基準進行確認及終止確認。以常規方式購買或出售之金融資產要求在相關市場之規則或慣例設定之時間內交付資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

Effective interest method

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

Interest income is recognised on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

實際利率法

實際利率法乃計算金融資產之攤銷成本及在相關期間內分配利息收入的一種方法。實際利率乃按債務工具之預計年期或適用之較短期間，準確貼現估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收利率差價費用、交易成本及其他溢價或折讓)至於初步確認時之賬面淨值之利率。

除該等分類為透過損益以公平價值列賬之金融資產，金融資產之利息收入乃按實際利率基準確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

Financial assets at FVTPL

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

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

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

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

透過損益以公平價值列賬之金融資產

當金融資產為持有作買賣或其獲指定為透過損益以公平價值列賬時，金融資產歸類為透過損益以公平價值列賬。倘出現下列情況，金融資產被歸類為持作買賣：

- 購入金融資產主要作短期出售用途；或
- 於初步確認時，其構成本集團合併管理之金融工具之確定組合之一部份及具有最近實際短期獲利模式；或
- 其為未被指定及可有效作為對沖工具之衍生工具。

金融資產(持作買賣之金融資產除外)可於初始確認後指定透過損益以公平價值列賬，惟：

- 所指定必須用以抵銷或大幅減少可能出現計量或確認不一致之情況；或
- 金融資產構成一組金融資產或金融負債或兩者之一部分，金融資產根據本集團之既定風險管理或投資策略及內部按有關基準提供之有關分組之資料管理，且其表現按公平價值評估；或
- 其構成載有一種或以上嵌入式衍生工具之合約，而香港會計準則第39號「金融工具：確認及計量」准許整份合併合約獲指定為透過損益以公平價值列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

Financial assets at FVTPL (continued)

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial assets.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method and dividends on AFS equity investments are recognised in profit or loss. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

透過損益以公平價值列賬之金融資產(續)

透過損益以公平價值列賬之金融資產按公平價值列賬，因重新計量產生之任何收益或虧損於損益內確認。於損益內確認之收益或虧損淨額包括就金融資產賺取之任何股息或利息。

可供出售金融資產

可供出售金融資產為指定屬於可供出售或並無歸類為(a)貸款及應收款項、(b)持至到期投資或(c)透過損益以公平價值列賬之金融資產之非衍生工具。

本集團所持有之被分類為可供出售金融資產及於活躍市場上交易之權益及債務證券於各報告期末按公平價值計量。與採用實際利率法計算之利息收入有關之可供出售貨幣金融資產之賬面值之變動及可供出售權益投資之股息均於損益中確認。可供出售金融資產賬面值之其他變動乃於其他全面收益中確認，並累計於投資重估儲備項下。當金融資產被出售或被釐定出現減值時，先前累計於投資重估儲備中之累計收益或虧損乃重新分類至損益。

可供出售權益投資於活躍市場缺乏市場報價而且難以可靠計算公平價值，及掛鈎之衍生工具並須通過交付無市場報價的權益投資作結算，其計量於報告期末以成本扣除任何已確認減值虧損列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

Loans and receivables

Loans and receivables (including loan and interest receivables, trade receivables, deposits and other receivables, pledged time deposits and cash and bank balances) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

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

Impairment of financial assets

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

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

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

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

貸款及應收款項

貸款及應收款項(包括應收貸款及利息、應收貿易賬款、按金及其他應收款項及現金、已抵押定期存款及現金及銀行結餘)為固定或可釐定款項的非衍生金融資產,且並無在活躍市場上報價。貸款及應收款項使用實際利率法按攤銷成本減任何減值計量。

利息收入使用實際利率法確認,惟於確認利息屬無關重要之短期應收款項除外。

金融資產減值

金融資產(按公平價值計入損益的金融資產除外)於各報告期末被評估減值跡象。倘有客觀證據證明,初步確認金融資產後,因發生一件或多件事件使投資的估計未來現金流量受影響,則金融資產被視為已減值。

就可供出售權益投資而言,倘證券之公平價值大幅或持續下降至低於其成本,則該下降視為減值之客觀證據。

所有其他金融資產之減值客觀證據可包括:

- 發行人或對手方出現嚴重財政困難;或
- 違反合約,如逾期支付或拖欠利息或本金;或
- 借款人有可能面臨破產或進行財務重組;或
- 該金融資產之活躍市場因財政困難而消失。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

Impairment of financial assets (continued)

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

金融資產減值(續)

就若干類別之金融資產(如應收貿易賬款)而言,獲評估為不會個別減值之資產將進而整體作減值評估。應收款項組合出現減值之客觀證據可包括本集團過往收款經驗、組合內延誤還款之次數超過平均信貸期增加、以及拖欠應收款項與國家或地方經濟狀況出現明顯變動有關。

對於按攤銷成本列賬之金融資產而言,確認減值虧損之金額為資產之賬面值與以金融資產原來實際利率折現估計未來現金流量現值間之差額。

以成本列賬的金融資產而言,計量減值虧損之金額為資產賬面值及以類似金融資產現時市場回報率折讓後的估計未來現金流量之差額。此減值虧損不可於以後期間撥回。

金融資產之賬面值直接透過所有金融資產之減值虧損減少,惟應收貿易賬款除外,其賬面值透過使用撥備賬減少。撥備賬賬面值之變動於損益內確認。倘應收貿易賬款被認為不可收回,則於撥備賬撇銷。之後收回過往已撇銷的數額計入撥備賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

Impairment of financial assets (continued)

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity instruments

Classification as debt or equity

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

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

金融資產 *(續)*

金融資產之分類及其後計量(續)

金融資產減值(續)

當可供出售金融資產被視為已減值時，過往於其他全面收益內確認的累計收益或虧損則重新分類至期內損益內。

對於按攤銷成本計量之金融資產而言，倘減值虧損之金額於以後期間減少，而該減少可客觀地與確認減值後出現之事件有關，則過往已確認之減值虧損會透過損益撥回，惟於撥回減值日，資產之賬面值不可超過假設並無確認減值之攤銷成本。

就可供出售權益投資項目而言，過往於損益確認之減值虧損不會透過損益撥回。減值虧損後公平價值之任何增加會於其他全面收益確認，並累計於投資重估儲備項下。就可供出售債務投資項目而言，倘投資之公平價值增加客觀地與確認減值虧損後出現之事件有關，則減值虧損會於其後透過損益撥回。

金融負債及權益工具

分類為債務或權益

集團實體發行的債務及權益工具乃根據所訂立的合約安排的實質內容以及金融負債及權益工具的定義而分類為金融負債或權益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Financial liabilities and equity instruments *(continued)*

Equity instruments

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

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

Other financial liabilities

Other financial liabilities (including trade payables, accrued charges and other payables, loan from the immediate holding company, loan from the ultimate holding company and bank borrowings) are subsequently measured at amortised cost using the effective interest method.

Effective interest method

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

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at FVTPL.

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

金融負債及權益工具(續)

權益工具

權益工具指能證明實體在減除其所有負債後的資產中的剩餘權益的任何合約。本集團發行之權益工具按已收所得款項，扣除直接發行成本予以確認。

購回本公司本身權益工具直接於權益內確認及扣除。於購買、出售、發行或註銷本公司本身權益工具時，不會於損益中確認收益或虧損。

其他金融負債

其他金融負債(包括應付貿易賬款、應計費用及其他應付款項、直接控股公司貸款、最終控股公司貸款及銀行借貸)隨後採用實際利率法按已攤銷成本計量。

實際利率法

實際利率法乃計算金融負債之攤銷成本及在相關期間內分配利息收入的一種方法。實際利率乃按金融負債之預計年期或適用之較短期間，準確貼現估計未來現金付款(包括構成實際利率不可或缺部分之一切已付或已收利率差價費用、交易成本及其他溢價或折價)至於初步確認時之賬面淨值之利率。

利息開支以實際利率基準確認，惟透過損益按公平價值歸類之金融負債除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Financial instruments *(continued)*

(before application of HKFRS 9 on 1 January 2018) (continued)

Derecognition

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

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

(r) Impairment of tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

3. 主要會計政策概要*(續)*

(q) 金融工具*(續)*

(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

終止確認

只有當收取資產現金流量之合約權利屆滿時，或將其金融資產及該等資產擁有權之絕大部分風險及回報轉移予另一實體時，本集團方會終止確認金融資產。倘本集團並未轉移亦未保留擁有權之絕大部分風險及回報，並繼續控制已轉移資產，則本集團繼續按持續參與之幅度將資產確認入賬並確認相關負債。倘本集團仍保留已轉移金融資產擁有權之絕大部分風險及回報，本集團將繼續確認該金融資產以及確認已收所得款項之有抵押借貸。

全面終止確認金融資產時，資產賬面值與已收取及應收代價以及已於其他全面收益確認及於權益累計之累計收益或虧損總額間之差額乃於損益確認。

本集團於及僅於其責任獲解除、取消或到期時終止確認金融負債。終止確認之金融負債之賬面值與已付或應付代價之差額於損益內確認。

(r) 有形資產減值

於各報告期末，本集團審閱有關有限可使用年期之有形資產之賬面值，以釐定是否有任何跡象顯示資產出現減值虧損。倘若存在任何有關跡象則估計該資產之可收回金額以釐定減值虧損(如有)之程度。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Impairment of tangible assets *(continued)*

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

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(s) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(t) Provisions

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

3. 主要會計政策概要*(續)*

(r) 有形資產減值*(續)*

可收回金額乃公平價值減銷售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量會使用稅前貼現率貼現至其現值，該貼現率反映貨幣時間價值之當前市場評價及估計未來現金流量尚未經調整之資產的特有風險。

倘若估計資產(或現金產生單位)之可收回金額乃少於其賬面值，則該資產(或現金產生單位)之賬面值削減至其可收回金額。減值虧損即時於損益確認。

倘若減值虧損日後得以撥回，則有關資產(或現金產生單位)之賬面值增至其經修訂之估計可收回金額，惟該資產(或現金產生單位)所增加賬面值不得超逾過往年度如未有就該資產(或現金產生單位)確認減值虧損所應釐定之賬面值。減值虧損撥回即時於損益確認。

(s) 現金及現金等價物

現金及現金等價物包括手頭現金、銀行活期存款及原定到期日為三個月或以下之其他短期高流動性投資。

(t) 撥備

倘本集團因過去事件導致現有法律或推定責任，而本集團很可能須履行責任，且能夠可靠估計責任的數額時，則會確認撥備。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(t) Provisions *(continued)*

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

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

(u) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

3. 主要會計政策概要*(續)*

(t) 撥備*(續)*

已確認為撥備之款項乃於報告期末就履行現有責任所需代價之最佳估計，已考慮有關責任之風險及不明確因素。倘撥備按預計履行現有責任之現金流量計量，則其賬面值為該等現金流量之現值(如貨幣時間價值的影響重大)。

倘預期可自協力廠商收回結算撥備所需之部分或全部經濟利益，且幾乎肯定能收回償付金額及能可靠地計量應收款項，則確認該應收款項為資產。

(u) 或然負債及或然資產

或然負債指因已發生之過往事件而可能引起之責任，而其存在與否取決於某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否發生。或然負債亦可能是因已發生之事件引致之現有責任，但由於可能不需要流出經濟資源，或未能可靠地衡量責任金額而未有入賬。或然負債不會被確認，但會在綜合財務報告附註內披露。假若流出資源之可能性改變而導致可能出現資源流出，此等或然負債將被確認為撥備。

或然資產指因已發生之過往事件而可能產生之資產，而其存在與否取決於某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否發生。或然資產不會被確認，但會於可能收到經濟利益時在綜合財務報告附註內披露。若實質確定有收到經濟利益，資產會被確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(v) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

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

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

3. 主要會計政策概要*(續)*

(v) 有關連人士

(a) 倘屬以下人士，則該人士或該人士的近親家庭成員與本集團有關連：

(i) 可控制或共同控制本集團；

(ii) 對本集團有重大影響；或

(iii) 為本集團或本集團母公司之主要管理人員之成員。

(b) 倘符合下列任何條件，即實體與本集團有關連：

(i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。

(ii) 一間實體為另一實體之聯營公司或合營公司（或另一實體為成員公司之集團成員公司之聯營公司或合營公司）。

(iii) 兩間實體均為同一協力廠商之合營公司。

(iv) 一間實體為協力廠商實體之合營公司，而另一實體為同一協力廠商實體之聯營公司。

(v) 實體為本集團或與本集團有關連之實體就僱員利益而設之離職後福利計劃。倘本集團本身便是該計劃，提供資助的僱主亦與本集團有關連。

(vi) 該實體受上文(a)項所識別人士控制或共同控制。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(v) Related parties *(continued)*

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

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is apart, provides key management personnel services to the Group or to the parent of the Group.

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

A transaction is considered to be a related party transaction when there is a transfer of resources and obligations between related parties.

3. 主要會計政策概要*(續)*

(v) 有關連人士*(續)*

(b) 倘符合下列任何條件，即實體與本集團有關連：*(續)*

(vii) 於上文(a)(i)項所識別對實體有重大影響之人士，或為實體(或實體之母公司)之主要管理人員之成員；及

(viii) 該實體或其所屬集團內任何成員公司為本集團或本集團母公司提供主要管理人員服務。

某一人士之近親家庭成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家庭成員。

當有關連人士轉讓資源及責任時，交易被視為有關連人士交易。

4. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's major financial instruments include AFS financial assets, loan and interest receivables, trade receivables, deposits and other receivables, financial assets at FVTPL, pledged time deposits, cash and bank balances, trade payables, accrued charges and other payables, loan from the immediate holding company, loan from the ultimate holding company and bank borrowings. Details of these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

4. 金融工具

金融風險管理目標及政策

本集團之主要金融工具包括可供出售金融資產、應收貸款及利息、應收貿易賬款、按金及其他應收款項、透過損益以公平價值列賬之金融資產、已抵押定期存款、現金及銀行結餘、應付貿易賬款、應計費用及其他應付款項、直接控股公司貸款、最終控股公司貸款及銀行借貸。該等金融工具之詳情及如何降低該等風險之政策於下文載列。管理層管理及監察該等風險，以確保已及時及有效地採取適當措施。

4. FINANCIAL INSTRUMENTS *(continued)*

Financial risk management objectives and policies *(continued)*

4. 金融工具*(續)*

金融風險管理目標及政策*(續)*

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Financial assets	**金融資產**		
Loans and receivables (including cash and bank balances)	貸款及應收款項(包括現金及銀行結餘)	–	101,408
AFS financial assets	可供出售金融資產	–	5,950
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	71,195	–
Financial assets at FVTPL	透過損益以公平價值列賬之金融資產	16,390	240
Financial liabilities	**金融負債**		
Amortised costs	已攤銷成本	101,259	53,215

Financial risk factors

The Group is exposed to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk, which result from both its operating and investing activities. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no major hedging activities are undertaken by management.

金融風險因素

本集團面對多種不同之金融風險:市場風險(包括外匯風險、現金流量及公平價值利率風險及價格風險)、信貸風險及流動資金風險,均來自其經營及投資業務。本集團之整體風險管理計劃專注於金融市場之不可預測性,並尋求盡量減低對本集團財務表現之潛在不利影響。

管理層定期管理本集團之金融風險。由於本集團之財務結構及現時的營運操作簡單,故管理層並無進行任何重大對沖活動。

4. FINANCIAL INSTRUMENTS *(continued)*

Financial risk factors *(continued)*

(a) Market risk

Foreign exchange risk

The Group operates mainly in Hong Kong and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to United States Dollars, Singapore Dollars and Renminbi. Foreign exchange risk arises from the foreign currency denomination of commercial transactions, assets and liabilities. The Group has no significant direct exposure to foreign currencies as most of the commercial transactions, assets and liabilities are denominated in a currency same as the functional currency of each entity of the Group.

Cash flow and fair value interest rate risk

The Group considers that there is no significant fair value interest rate risk as the Group does not have fixed rate borrowings.

The Group is mainly exposed to cash flow interest rate risk in relation to variable rate bank balances and a variable rate bank borrowing carrying prevailing interest rates at Hong Kong Interbank Offered Rate (HIBOR).

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

In the opinion of the Directors, the reasonably possible change in interest rates for bank balances and the variable rate bank borrowing is insignificant. No sensitivity analysis is presented.

Price risk

The Group's equity investments classified as financial assets at FVTPL which is measured at fair value at the end of each reporting period and expose the Group to price risk.

4. 金融工具*(續)*

金融風險因素*(續)*

(a) 市場風險

外匯風險

本集團主要與於香港營運，且面臨來自不同貨幣敞口（主要與美元、新加坡元及人民幣有關）之外匯風險。外匯風險來自以外幣計值之商業交易、資產及負債。由於大多數商業交易、資產及負債均以與本集團各實體功能貨幣相同之貨幣計值，故本集團並無直接面臨重大外幣風險。

現金流量及公平價值利率風險

由於本集團並無以固定利率計息之貸款，故本集團認為並無重大公平價值利率風險。

本集團承受之現金流利率風險主要與以浮動利率計息之銀行結餘以及按香港同業拆息以現行利率計息之浮動利率銀行借貸有關。

本集團現時並無任何利率對沖政策。然而，管理層監控利率風險，並將於需要時考慮對沖重大利率風險。

董事認為，銀行結餘及浮動利率銀行借貸之利率之合理可能變動並不重大，因此概無呈列敏感度分析。

價格風險

本集團之股票投資分類為透過損益以公平價值列賬之金融資產，其於各報告期末按公平價值計量並令本集團承受價格風險。

4. FINANCIAL INSTRUMENTS *(continued)*

Financial risk factors *(continued)*

(a) Market risk (continued)

Price risk (continued)

The Group's equity price risk is mainly concentrated on listed equity securities which quoted on the Stock Exchange. The management will monitor the price movements and take appropriate actions when it is required.

No sensitivity analysis is presented as the Group's financial results are not significantly affected by equity investment price risk.

(b) Credit risk

The credit risk of the Group mainly arises from bank balances, pledged time deposits, loan and interest receivables, trade receivables, deposit and other receivables. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

In respect of cash deposited at banks, the credit risk is considered to be low as the counterparties are reputable banks. The existing counterparties do not have defaults in the past. Therefore, expected credit loss rate of cash at bank is assessed to be close to zero and no provision was made as of 31 December 2018.

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit loss. It considers available reasonable and supportive forward-looking information.

4. 金融工具*(續)*

金融風險因素*(續)*

(a) 市場風險(續)

價格風險(續)

本集團之股票價格風險主要集中於於聯交所報價之上市股本證券。管理層將監控價格波動及於需要時採取適當措施。

由於本集團之財務業績受股票投資價格風險影響不大，故概無呈列敏感度分析。

(b) 信貸風險

本集團之信貸風險主要來自銀行結餘、已抵押定期存款、應收貸款及利息、貿易應收賬款、按金及其他應收款項。該等結餘之賬面值為本集團就金融資產承擔之最大信貸風險。

就存放於銀行的現金，由於對手方為信譽良好的銀行，故信貸風險被視為較低。現有對手方於過往並無違約。因此，銀行現金的預期信貸虧損被評估近乎為零，及於二零一八年十二月三十一並無計提撥備。

本集團應用香港財務報告準則第9號訂明的簡化方法就預期信貸虧損計提撥備，該規定允許對所有貿易應收賬款採用全期預期信貸虧損。為計量預期信貸虧損，貿易應收賬款已按共有信貸風險特徵分類。本集團已進行過往分析及識別影響信貸風險及預期信貸虧損之主要經濟變量。本集團考慮所得合理及有理據支持之前瞻性資料。

4. FINANCIAL INSTRUMENTS *(continued)*

Financial risk factors *(continued)*

(b) Credit risk (continued)

As at 31 December 2018, trade receivables that are individually significant have been separately assessed for impairment. The Group makes periodic assessments on the recoverability of the receivables based on the background and reputation of the customers, historical settlement records and past experience.

The Group's concentration of credit risk by geographical location is mainly in Hong Kong.

The Group also has concentration of credit risk by customers of approximately 68% (2017: 48%) and 91% (2017: 91%) of total trade receivables was due from the Group's largest customer and the two largest customers respectively.

The Group performs ongoing credit evaluation of its customers' financial condition and requires no collateral from its customers. The impairment loss in trade receivables is based upon a review of the expected collectability of all trade receivables.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

4. 金融工具(續)

金融風險因素(續)

(b) 信貸風險(續)

於二零一八年十二月三十一日,個別屬重大之應收貿易賬款已單獨進行減值評估。本集團根據客戶之背景及信譽、過往結算記錄及過往經驗定期評估應收款項之可收回性。

本集團按地區劃分之信貸集中風險主要位於香港。

本集團亦有按客戶劃分之信貸集中風險,因為應收貿易賬款總額之約68%(二零一七年:48%)及91%(二零一七年:91%)分別來自本集團之最大客戶及兩大客戶。

本集團對其客戶之財務狀況進行持續之信貸評估,並無向其客戶要求抵押品。應收貿易賬款之減值虧損乃根據所有應收貿易賬款之預期可收回情況之評估而作出。

本集團以使用撥備矩陣計算之全期預期信貸虧損計量貿易應收賬款之虧損撥備。由於本集團之過往信貸虧損經驗並非表明不同客戶分部之虧損模式具有明顯差異,故並無進一步區分本集團不同客戶群按逾期狀況之虧損撥備。

4. FINANCIAL INSTRUMENTS *(continued)*

Financial risk factors *(continued)*

(b) Credit risk (continued)

In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2017: incurred loss model) on trade balances individually or based on provision matrix. In this regard, the directors consider that the Group's credit risk is significantly reduced. There is no adjustment for the provision of expected credit loss on the initial application of HKFRS9.

The Directors considered the credit risk of the Group's loan and interest receivables and deposit and other receivables is relatively low as they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(c) Liquidity risk

The Group manages its liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient cash and cash equivalent to meet the Group's liquidity requirements in the short and long term. In addition, the management of the Group continuously monitors forecast and actual cash flows and matches the maturity profiles of financial assets and liabilities.

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities. The tables below have been drawn up based on the contractual maturities of the undiscounted financial liabilities including interest that will accrue to those liabilities except when the Group is entitled and intends to repay the liability before its maturity.

4. 金融工具(續)

金融風險因素(續)

(b) 信貸風險(續)

為盡量降低信貸風險,管理層已委派一支團隊負責制訂信貸限額、信貸審批及其他監控程序,以確保採取跟進行動收回逾期債務。此外,於應用香港財務報告準則第9號後,本集團個別或按撥備矩陣就貿易債務按預期信貸虧損模式(二零一七年:已產生虧損模式)計提減值虧損。就此而言,董事認為本集團的信貸風險大幅降低。就於初步應用香港財務報告準則第9號時,概無就預期信貸虧損撥備作出調整。

董事認為,由於應收貸款及利息以及按金及其他應收款項之違約風險較低,且發行人具備雄厚實力於短期內履行其合約現金流量責任,故本集團應收貸款及利息以及按金及其他應收款項之信貸風險較低。

(c) 流動資金風險

本集團管理流動資金風險之方式包括定期監控其目前及預期流動資金需求,確保有充足之現金及現金等價物,以滿足本集團之短期及長期流動資金需求。此外,本集團之管理層繼續監察預期及實際現金流量,並對金融資產及負債之到期情況進行配對。

下表詳列本集團非衍生金融負債之剩餘合約到期情況。下表根據未折讓金融負債,包括該等負債而累計之利息(本集團有權及擬於到期前償還之負債除外)之合約到期情況而編製。

4. FINANCIAL INSTRUMENTS *(continued)*

Financial risk factors *(continued)*

(c) Liquidity risk (continued)

At 31 December 2018

4. 金融工具*(續)*

金融風險因素*(續)*

(c) 流動資金風險(續)

於二零一八年十二月三十一日

		Weighted average effective interest rate 加權平均實際利率	Within 1 year 1年內 *HK$'000* *港幣千元*	Between 1 and 5 years 1年至5年內 *HK$'000* *港幣千元*	Over 5 years 超過5年 *HK$'000* *港幣千元*	Total contractual undiscounted cash flow 合約未折讓現金流量總額 *HK$'000* *港幣千元*	Total carrying amount 總賬面值 *HK$'000* *港幣千元*
Non-derivative financial liabilities	**非衍生金融負債**						
Trade payables	應付貿易賬款	–	10,540	–	–	10,540	10,540
Accrued charges and other payables	應計費用及其他應付款項	–	52,663	–	–	52,663	52,663
Loan from the ultimate holding company	最終控股公司貸款	–	3,556	–	–	3,556	3,556
Bank borrowings	銀行借貸	4.37%	34,546	–	–	34,546	34,500
			101,305	–	–	101,305	101,259

4. FINANCIAL INSTRUMENTS *(continued)*

Financial risk factors *(continued)*

(c) Liquidity risk (continued)

At 31 December 2017

4. 金融工具*(續)*

金融風險因素*(續)*

(c) 流動資金風險(續)

於二零一七年十二月三十一日

		Weighted average effective interest rate 加權平均實際利率	Within 1 year 1年內 *HK$'000 港幣千元*	Between 1 and 5 years 1年至5年內 *HK$'000 港幣千元*	Over 5 years 超過5年 *HK$'000 港幣千元*	Total contractual undiscounted cash flow 合約未折讓現金流量總額 *HK$'000 港幣千元*	Total carrying amount 總賬面值 *HK$'000 港幣千元*
Non-derivative financial liabilities	**非衍生金融負債**						
Trade payables	應付貿易賬款	–	1,209	–	–	1,209	1,209
Accrued charges and other payables	應計費用及其他應付款項	–	43,904	–	–	43,904	43,904
Loan from the ultimate holding company	最終控股公司貸款	–	3,602	–	–	3,602	3,602
Bank borrowings	銀行借貸	3.38%	4,507	–	–	4,507	4,500
			53,222	–	–	53,222	53,215

Fair value of financial instruments

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

金融工具之公平價值

按經常性基準以公平價值計量之本集團之金融資產之公平價值

本集團部份金融資產於各報告期末按公平價值計量。下表提供有關根據公平價值計量之輸入數據之可觀察程度如何釐定該等金融資產之公平價值(特別是所使用之估值技術及輸入數據),以及根據公平價值計量所劃分之公平價值層級(第1級至第3級)之資料。

4. FINANCIAL INSTRUMENTS *(continued)*

Fair value of financial instruments *(continued)*

Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(continued)*

4. 金融工具*(續)*

金融工具之公平價值*(續)*

按經常性基準以公平價值計量之本集團之金融資產之公平價值 *(續)*

		Fair value at 31 December 2018 於二零一八年十二月三十一日之公平價值 HK$'000 港幣千元	Fair value at 31 December 2017 於二零一七年十二月三十一日之公平價值 HK$'000 港幣千元	Valuation Fair value hierarchy 公平價值層級	techniques and key inputs 估值技術及主要輸入數據
Financial assets	**金融資產**				
Financial assets at FVTPL	透過損益以公平價值列賬之金融資產				
– Listed equity securities	–上市股本證券	1,840	240	Level 1 第1級	Quoted bid prices in active markets 活躍市場所報買入價
– Unlisted club debentures presented as financial assets at FVTPL	–列作透過損益以公平價值列賬之金融資產之未上市會所債券	14,550	–	Level 2	Market comparison 市場比較

There were no transfers between Level 1, 2 and 3 in the current and prior period/year.

於本期間／年度及過往期間／年度第1級、第2級及第3級之間並無轉撥。

Except the above financial assets that are measured at fair value on a recurring basis, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values at the end of the reporting period.

除上述按經常性基準以公平價值計量之金融資產外，董事認為，於報告期末簡明綜合財務報告中確認之金融資產及金融負債賬面值與其公平價值相若。

4. FINANCIAL INSTRUMENTS *(continued)*

Capital risk management

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

The capital structure of the Group consists of debts (which include variable rate bank borrowings, loan from the immediate holding company and loan from the ultimate holding company), cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The Directors review the capital structure on a continuous basis. As part of this review, the Directors consider the cost of capital and the risks associated with capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, issuance of new share as well as the addition of new borrowings.

4. 金融工具*(續)*

資本風險管理

本集團管理其資本以確保本集團之實體有能力進行持續經營，並透過完善平衡其債務與權益為權益擁有人帶來最大回報。本集團之整體策略自過往年度起維持不變。

本集團之資本架構由債務(包括浮動利率銀行借貸、直接控股公司貸款及最終控股公司貸款)、現金及現金等價物及本公司擁有人應佔權益(包括已發行股本及儲備)組成。董事按持續基準檢討資本架構。作為是項檢討之一部分，董事考慮資本成本及與資本有關之風險。根據董事之建議，本集團將透過支付股息、發行新股份及新增借貸平衡其整體資本架構。

4. FINANCIAL INSTRUMENTS *(continued)*

Capital risk management *(continued)*

The Group monitors its capital on the basis of the gearing ratio of borrowings over total assets. The Group aims to maintain the gearing ratio at a reasonable level.

4. 金融工具（續）

資本風險管理（續）

本集團以借貸除以總資產之資產負債比率為基準來監控其資本。本集團致力將資產負債比率維持在合理水準。

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Total borrowings *(note)*	總借貸（附註）	**38,056**	8,102
Total assets	總資產	**460,348**	432,860
Gearing ratios	資產負債比率	**8.3%**	1.9%

Note:

Total borrowings include bank borrowings, loan from the immediate holding company and loan from the ultimate holding company.

附註：

總借貸包括銀行借貸、直接控股公司貸款及最終控股公司貸款。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

5. 關鍵會計估計及判斷

於應用附註3所述之本集團會計政策時，董事須對未能從其他來源輕易獲得之資產及負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及其他被視為相關之因素作出。實際結果有別於該等估計。

本集團持續評估該等估計及相關假設。會計估計之修訂於估計獲修訂期間（如只影響該期間），或如該修訂影響當前及未來期間，則於修訂期間及未來期間確認。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) Provision of ECL for trade receivables

The Group uses provision matrix to calculate ECL for the trade. The provision rates are based on internal credit ratings as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables with significant balances and credit impaired are assessed for ECL individually.

The provision of ECL is sensitive to changes in estimates. The information about the ECL on the Group's trade receivables are disclosed in Notes 4.

5. 關鍵會計估計及判斷*(續)*

應用會計政策作出之重要判斷

除涉及估計(見下文)外,以下為本公司董事於應用本集團會計政策時作出之重要判斷,該等重要判斷對綜合財務報表內確認之金額產生最重大影響。

(a) 貿易應收賬款及合約資產之預期信貸虧損撥備

本集團使用撥備矩陣計算貿易之預期信貸虧損。撥備率基於內部信貸評級計算,作為具有類似虧損模式的多個債務人的組別。經計及無須付出不必要成本或努力即可得的合理且可靠的前瞻性資料,撥備矩陣乃基於本集團的過往違約率計算。於各報告日期,重新評估過往觀察違約率,並考慮前瞻性資料的變動。此外,具有重大結餘及信用減值的貿易應收賬款將單獨評估預期信貸虧損。

預期信貸虧損撥備對估計變動較為敏感。有關本集團貿易應收賬款之預期信貸虧損之資料於附註4披露。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

(b) Useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, and technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid. The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

(c) Allowance for slow-moving inventories

Inventories are stated at the lower of cost and net realisable value. Assessment of net realisable value is based primarily on the latest invoice prices and current market conditions. The Group also carries out review of inventories on a product-by-product basis at the end of each reporting period and makes allowance for slow-moving items.

5. 關鍵會計估計及判斷*(續)*

(b) 物業、廠房及設備之可使用年限

本集團估計物業、廠房及設備之可使用年限，從而釐定所須列賬之折舊支出。本集團於購入資產時，根據以往經驗、資產之預期使用量、損耗程度，以及技術會否因市場需求或資產的產能有變而變成過時，估計其可使用年限。本集團亦會於每年作出檢討，以判斷對資產可使用年限所作出之假設是否仍然有效。本集團每年就資產進行測試，以釐定資產有否出現任何減值。資產之可收回金額或現金產生單位乃根據使用價值計算（須運用假設及估計）釐定。

(c) 滯銷存貨撥備

存貨按成本及可變現淨值兩者中之較低值列賬。可變現淨值主要根據最近期發票價格及現行市況估計。本集團於各報告期末檢討每種產品之存貨，並就滯銷產品作出撥備。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

(d) Determining whether the acquisition of subsidiary constituted a business combination

Management determines whether the acquisition of subsidiary constituted acquisition of assets and liabilities or business combination by assessing if there is business acquired. The three elements of business are input, process and output. Management exercises judgements to determine if these elements were acquired in the Acquisition. If the acquired subsidiary did not contain these elements, management will account for the acquisition of subsidiary as acquisition of assets and liabilities.

5. 關鍵會計估計及判斷*(續)*

(d) 釐定收購附屬公司是否構成一項業務合併

管理層透過評估是否存在收購業務而釐定收購附屬公司是否構成收購資產及負債或業務合併。業務之三項要素為輸入、生產過程及輸出。管理層於收購中會作出判斷以釐定是否購入該等要素。倘收購附屬公司並未包含該等要素，則管理層將收購附屬公司入賬列作收購資產及負債。

6. SEGMENT INFORMATION

The Group's operating segments based on information reported to the chief operating decision maker (the "**CODM**") for the purpose of resource allocation and performance assessment are as follows:

(i) Trading of telecommunications and other products

(ii) Provision of repair services for telecommunications products

(iii) Investments in financial assets

(iv) Money lending business

6. 分部資料

下列為本集團經營分部，乃基於就資源分配及表現評估而向主要營運決策者(「**主要營運決策者**」)報告之資料得出：

(i) 電訊及其他產品貿易

(ii) 提供電訊產品維修服務

(iii) 金融資產投資

(iv) 放債業務

6. SEGMENT INFORMATION *(continued)*

Information regarding the Group's reportable segments for the year ended 31 December 2018 and the fifteen months ended 31 December 2017 is presented as follows:

6. 分部資料 *(續)*

有關截至二零一八年十二月三十一日止年度及截至二零一七年十二月三十一日止十五個月本集團須予報告分部之資料呈列如下：

(a) Segment revenue and results

(a) 分部收益及業績

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度				
		Trading of Telecommunications and other products 電訊及其他產品貿易 *HK$'000 港幣千元*	Provision of repair services for telecommunications products 提供電訊產品維修服務 *HK$'000 港幣千元*	Investments in financial assets 金融資產投資 *HK$'000 港幣千元*	Money lending business 放債業務 *HK$'000 港幣千元*	Consolidated 綜合 *HK$'000 港幣千元*
Revenue	收益	43,409	64,678	385	1,240	109,712
Segment results	分部業績	(4,500)	(11,134)	(864)	1,209	(15,289)
Other losses	其他虧損					(1,150)
Bank interest income	銀行利息收入					112
Finance costs	財務成本					(251)
Unallocated expenses	未分配支出					(27,263)
Loss before taxation	除稅前虧損					(43,841)
Taxation	稅項					4
Loss for the year	年內虧損					(43,837)

6. SEGMENT INFORMATION *(continued)*

(a) Segment revenue and results *(continued)*

6. 分部資料*(續)*

(a) 分部收益及業績*(續)*

		For the fifteen months ended 31 December 2017 截至二零一七年十二月三十一日止十五個月				
		Trading of Telecommunications and other products 電訊及其他產品貿易 *HK$'000 港幣千元*	Provision of repair services for telecommunications products 提供電訊產品維修服務 *HK$'000 港幣千元*	Investments in financial assets 金融資產投資 *HK$'000 港幣千元*	Money lending business 放債業務 *HK$'000 港幣千元*	Consolidated 綜合 *HK$'000 港幣千元*
Revenue	收益	18,392	97,431	36	167	116,026
Segment results	分部業績	896	(10,395)	41	(9)	(9,467)
Bank interest income	銀行利息收入					136
Finance costs	財務成本					(178)
Unallocated expenses	未分配支出					(36,344)
Loss before taxation	除税前虧損					(45,853)
Taxation	税項					(39)
Loss for the period	期內虧損					(45,892)

Revenue reported above represents revenue generated from external customers. There are no intersegment sales for the year ended 31 December 2018 (fifteen months ended 31 December 2017: HK$Nil).

Segment result represents the result generated from each segment without allocation of central administrative costs including directors' salaries, staff costs, legal and professional fees and taxation. This is the measure reported to the CODM for the purpose of resources allocation and assessment of segment performance.

上述呈報之收益指對外客戶產生之收益。截至二零一八年十二月三十一日止年度並無分部間之銷售(截至二零一七年十二月三十一日止十五個月:港幣零元)。

分部業績指自各分部產生之業績,惟並無分配中央行政成本,包括董事薪金、員工成本、法律及專業費用及税項。此乃就分配分部資源及評估分部表現而向主要營運決策者呈報之基準。

6. SEGMENT INFORMATION *(continued)* 6. 分部資料(續)

(b) Segment assets and liabilities (b) 分部資產及負債

		As at 31 December 2018 於二零一八年十二月三十一日				
		Trading of Telecommunications and other products 電訊及其他產品貿易 HK$'000 港幣千元	Provision of repair services for telecommunications products 提供電訊產品維修服務 HK$'000 港幣千元	Investments in financial assets 金融資產投資 HK$'000 港幣千元	Money lending business 放債業務 HK$'000 港幣千元	Consolidated 綜合 HK$'000 港幣千元
Segment assets	分部資產	52,904	10,850	3,135	13,404	80,293
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產					14,550
Unallocated corporate assets	未分配公司資產					365,505
Consolidated total assets	綜合資產總額					460,348
Segment liabilities	分部負債	(9,879)	(8,763)	-	(20)	(18,662)
Unallocated corporate liabilities	未分配公司負債					(83,201)
Consolidated total liabilities	綜合負債總額					(101,863)

6. SEGMENT INFORMATION *(continued)*

(b) Segment assets and liabilities *(continued)*

6. 分部資料*(續)*

(b) 分部資產及負債*(續)*

		As at 31 December 2017 於二零一七年十二月三十一日				
		Trading of Telecommunications and other products 電訊及其他產品貿易 *HK$'000 港幣千元*	Provision of repair services for telecommunications products 提供電訊產品維修服務 *HK$'000 港幣千元*	Investments in financial assets 金融資產投資 *HK$'000 港幣千元*	Money lending business 放債業務 *HK$'000 港幣千元*	Consolidated 綜合 *HK$'000 港幣千元*
Segment assets	分部資產	11,628	12,477	3,374	10,234	37,713
Available-for-sale financial assets	可供出售金融資產					5,950
Unallocated corporate assets	未分配公司資產					389,197
Consolidated total assets	綜合資產總額					432,860
Segment liabilities	分部負債	(618)	(8,479)	–	(20)	(9,117)
Unallocated corporate liabilities	未分配公司負債					(44,650)
Consolidated total liabilities	綜合負債總額					(53,767)

For the purpose of monitoring segment performance and allocating resources between segments:

i) All assets are allocated to reportable segments other than available-for-sale financial assets, financial assets at fair value through profit or loss under non-current assets, tax recoverable and unallocated corporate assets; and

ii) All liabilities are allocated to reportable segments other than deferred tax liabilities and unallocated corporate liabilities.

就監控分部表現及分配分部之間的資源而言：

i) 所有資產分配至呈報分部，惟可供出售金融資產，非流動資產項下的以透過損益以公平值列賬之金融資產，可收回稅項及未分配公司資產除外；及

ii) 所有負債分配至呈報分部，惟遞延稅項負債及未分配公司負債除外。

6. SEGMENT INFORMATION *(continued)*

(c) Other segment information

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度					
		Trading of Telecommunications and other products 電訊及其他產品貿易 HK$'000 港幣千元	Provision of repair services for telecommunications products 提供電訊產品維修服務 HK$'000 港幣千元	Investments in financial assets 金融資產投資 HK$'000 港幣千元	Money lending business 放債業務 HK$'000 港幣千元	Unallocated 未分配 HK$'000 港幣千元	Consolidated 綜合 HK$'000 港幣千元
Capital expenditure*	資本開支*	-	154	63	-	686	903
Depreciation	折舊	52	435	-	-	10,323	10,810
Loss on written off or property, plant and equipment	撇銷物業、廠房及設備之虧損	-	6	-	-	-	6

		For the fifteen months ended 31 December 2017 截至二零一七年十二月三十一日止十五個月					
		Trading of Telecommunications and other products 電訊及其他產品貿易 HK$'000 港幣千元	Provision of repair services for telecommunications products 提供電訊產品維修服務 HK$'000 港幣千元	Investments in financial assets 金融資產投資 HK$'000 港幣千元	Money lending business 放債業務 HK$'000 港幣千元	Unallocated 未分配 HK$'000 港幣千元	Consolidated 綜合 HK$'000 港幣千元
Capital expenditure*	資本開支*	11	317	-	-	327,437	327,765
Depreciation	折舊	67	734	-	-	7,424	8,225
Loss on written off or property, plant and equipment	撇銷物業、廠房及設備之虧損	-	10	-	-	111	121

* Capital expenditure consists of additions to property, plant and equipment and assets from the acquisition of subsidiary.

* 資本開支包括添置物業、廠房及設備以及收購附屬公司之資產。

(d) Geographical segments

During the year ended 31 December 2018, all (fifteen months ended 31 December 2017: 91%) of the Group's revenue and more than 99% (fifteen months ended 31 December 2017: more than 99%) of the Group's total assets were derived from and located in Hong Kong. Therefore, no geographical segment for the year/period is presented.

(d) 地區分部

於截至二零一八年十二月三十一日止年度，本集團所有（截至二零一七年十二月三十一日止十五個月：91%）的收益及本集團超過99%（截至二零一七年十二月三十一日止十五個月：超過99%）的總資產均來自及位於香港。因此，並無呈列各年度／期內之地區分部業績。

6. SEGMENT INFORMATION *(continued)*

(e) Information about major customers

Revenue from customers over 10% of the Group's total revenue is as follows:

6. 分部資料(續)

(e) 有關主要客戶之資料

來自佔本集團總收益逾10%之客戶之收益如下:

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Customer A	客戶A	**37,070**	60,865

7. REVENUE

7. 收益

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Revenue from contracts with customers:	來自客戶合約收入:		
Recognised at a point in time	*於時間點確認*		
Sales of telecommunications and other products	銷售電訊及其他產品	**43,409**	18,392
Provision of repair services for telecommunications products	提供電訊產品的維修服務	**64,678**	97,431
		108,087	115,823
Revenue from other sources:	其他來源收入:		
Interest income from loan financing	貸款融資之利息收入	**1,240**	167
Realised gain from financial assets at fair value through profit or loss, net – listed securities held for trading	透過損益以公平值列賬之金融資產已變現收益淨額 – 持作買賣之上市證券	**385**	36
		1,625	203
		109,712	116,026

7. REVENUE *(continued)*

All revenue from contracts with customers are for period of one year or less, as permitted by practical expedient under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

7. 收益(續)

根據香港財務報告準則第15號的適用權益法所准許，來自客戶合約之所有收益均為期一年或以下，分配至該等未達成合約的交易價格並未披露。

8. OTHER REVENUE

8. 其他收益

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Dividend income	股息收入	87	5
Bank interest income	銀行利息收入	112	136
Rental income	租金收入	1,099	–
Sundry income	雜項收入	2,430	1,240
		3,728	1,381

9. OTHER LOSSES

9. 其他虧損

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Change in the fair value of financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產之公平值變動		
– Unrealised loss on fair value change on listed securities held for trading	–持作買賣的上市證券之公平值變動之未變現虧損	1,252	–
– Fair value change of unlisted club debentures	–未上市會所債券之公平值變動	1,150	–
		2,402	–

10. FINANCE COSTS

10. 財務成本

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Interest expenses on bank borrowings wholly repayable within five years	須於五年內悉數償還之銀行借貸利息支出	**251**	178

11. LOSS BEFORE TAXATION

11. 除税前虧損

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Auditors' remuneration:	核數師酬金:		
Auditors of the Company	本公司核數師	**1,427**	2,076
Other auditor	其他核數師	**410**	458
Cost of trading inventories sold	已售貿易存貨成本	**37,777**	14,051
Employee benefit expenses *(Note 31)*	僱員福利支出*(附註31)*	**35,568**	44,248
Retirement benefit cost *(Note 31)*	退休福利成本*(附註31)*	**1,388**	1,763
Depreciation	折舊	**10,810**	8,225
Bad debts written off*	呆壞賬撇銷*	**101**	362
Loss on written off of property, plant and equipment*	撇銷物業 廠房及設備之虧損*	**6**	121
Allowance for inventories	存貨撥備	**17**	48
Reversal of allowance for inventories	撥回存貨撥備	**(70)**	(20)
Written off of inventories	存貨撇銷	**–**	47
Operating lease rental in respect of rental premises	有關租賃物業之經營租賃	**5,769**	6,709

* Items included in other operating expenses.

* 計入其他經營支出之項目。

12. TAXATION

12. 稅項

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Current tax:	即期稅項:		
Hong Kong Profits Tax:	香港利得稅:		
– Current year	－本年度	–	–
– Over provision in prior years	－過往年度超額撥備	(56)	–
Deferred tax *(Note 29)*	遞延稅項*(附註29)*	52	39
		(4)	39

Note:

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25% and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Hong Kong Profits Tax is calculated at 16.5% (fifteen months ended 31 December 2017: 16.5%) on the estimated assessable profits for the year/period. No provision of Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong during both year/period. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The tax (credit)/charge for the year/period are reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

附註：

於二零一八年三月二十一日，香港立法會通過了引入兩級制利得稅制度的2017年稅務（修訂）（第7號）條例草案（「草案」）。該草案於二零一八年三月二十八日簽署成為法律，並於次日於憲報刊登。根據兩級制利得稅制度，合資格集團實體的首2百萬港元利潤將按8.25%的稅率徵稅，而超過2百萬港元的利潤則須按16.5%的稅率徵稅。不符合兩級制利得稅制度的集團實體溢利將繼續按16.5%的固定稅率徵稅。

香港利得稅乃以年度／期內估計之應課稅溢利按16.5%（截至二零一七年十二月三十一日止十五個月：16.5%）之稅率計算。由於本集團於年度／期內均無於香港產生應課稅溢利，故概無作出香港利得稅撥備。於其他司法權區產生之稅項乃按相關司法權區現行之稅率計算。

本年度／期間稅項（抵免）／開支與綜合損益表及其他全面收益表之除稅前虧損對賬如下：

12. TAXATION *(continued)*

Note: (continued)

12. 稅項*(續)*

附註：(續)

		Year ended 31 December 2018 二零一八年十二月三十一日止年度 HK$'000 港幣千元	%	Fifteen Months ended 31 December 2017 二零一七年十二月三十一日止十五個月 HK$'000 港幣千元	%
Loss before taxation	除税前虧損	**(43,841)**		(45,853)	
Tax at statutory tax rate	按法定税率計算之税項	**(7,234)**	**(16.5)**	(7,566)	(16.5)
Tax effect of expenses that are not deductible in determining taxation profit	於釐定應課税溢利不應課税開支之税務影響	**1,296**	**3.0**	1,173	2.6
Tax effect of income that is not taxable in determining taxable profit	於釐定應課税溢利不應課税收入之税務影響	**(1,684)**	**(3.8)**	(777)	(1.7)
Unrecognised tax losses	未確認税項虧損	**5,981**	**13.6**	5,979	13.0
Unrecognised deductible temporary differences	未確認可扣税之暫時差異	**1,637**	**3.7**	1,230	2.7
Tax (credit)/charge and effective tax rate for the year/period	本年度／期間税項（抵免）／開支及實際税率	**(4)**	**–**	39	0.1

At 31 December 2018, the Group has cumulative tax losses of approximately HK$315,762,000 (fifteen months ended 31 December 2017: HK$279,515,000) available for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of the estimated tax losses of HK$315,762,000 (fifteen months ended 31 December 2017: HK$279,515,000) due to uncertainty of future profit streams.

於二零一八年十二月三十一日，本集團約有港幣315,762,000元（截至二零一七年十二月三十一日止十五個月：港幣279,515,000元）累計税項虧損可供抵銷日後應課税溢利。由於未能預計日後之溢利，故並無就港幣315,762,000元（截至二零一七年十二月三十一日止十五個月：港幣279,515,000元）之估計税項虧損確認遞延税項資產。

13. DIVIDENDS

The Directors do not recommend the payment of any dividend for the year ended 31 December 2018 (fifteen months ended 31 December 2017: HK$Nil).

13. 股息

董事不建議派發截至二零一八年十二月三十一日止年度之任何股息（截至二零一七年十二月三十一日止十五個月：港幣零元）。

14. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to owners of the Company of approximately HK$43,690,000 (fifteen months ended 31 December 2017: HK$45,892,000) and the weighted average number of 7,748,960,899 ordinary shares for the year ended 31 December 2018 (fifteen months ended 31 December 2017: 6,713,483,343).

The diluted loss per share for the year ended 31 December 2018 and for the fifteen months ended 31 December 2017 were the same as basic loss per share as there were no potential dilutive ordinary shares outstanding during the year/period.

14. 每股虧損

截至二零一八年十二月三十一日止年度，每股基本虧損乃根據本公司擁有人應佔虧損約港幣43,690,000元（截至二零一七年十二月三十一日止十五個月：港幣45,892,000元）及加權平均數7,748,960,899股普通股（截至二零一七年十二月三十一日止十五個月：6,713,483,343股）計算。

由於截至二零一八年十二月三十一日止年度及二零一七年十二月三十一日止十五個月無潛在尚未發行攤薄普通股，故年度／期內之每股攤薄虧損與每股基本虧損相同。

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings 樓宇	Leasehold improvements 租賃物業裝修	Furniture and fixtures 傢俬及裝置	Computers and equipment 電腦及設備	Motor vehicle 汽車	Total 合計
		HK$'000 *港幣千元*	*HK$'000* *港幣千元*	*HK$'000* *港幣千元*	*HK$'000* *港幣千元*	*HK$'000* *港幣千元*	*HK$'000* *港幣千元*
Cost:	成本：						
At 1 October 2016	於二零一六年十月一日	–	2,991	1,025	6,151	745	10,912
Additions	添置	324,249	3,000	135	381	–	327,765
Written off	撇銷	–	(186)	(89)	(1,825)	–	(2,100)
Exchange alignment	匯兑調整	–	–	–	1	–	1
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	324,249	5,805	1,071	4,708	745	336,578
Additions	添置	–	436	187	280	–	903
Written off	撇銷	–	–	(14)	(161)	–	(175)
Exchange alignment	匯兑調整	–	13	1	–	–	14
At 31 December 2018	於二零一八年十二月三十一日	**324,249**	**6,254**	**1,245**	**4,827**	**745**	**337,320**

15. PROPERTY, PLANT AND EQUIPMENT (continued)

15. 物業、廠房及設備(續)

		Buildings 樓宇 HK$'000 港幣千元	Leasehold improvements 租賃物業裝修 HK$'000 港幣千元	Furniture and fixtures 傢俬及裝置 HK$'000 港幣千元	Computers and equipment 電腦及設備 HK$'000 港幣千元	Motor vehicle 汽車 HK$'000 港幣千元	Total 合計 HK$'000 港幣千元
Accumulated depreciation and impairment losses:	**累計折舊及減值虧損:**						
At 1 October 2016	於二零一六年十月一日	–	1,582	788	5,149	50	7,569
Charge for the period	本期間折舊	6,514	892	113	520	186	8,225
Eliminated on written off	撇銷時對銷	–	(77)	(86)	(1,816)	–	(1,979)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	6,514	2,397	815	3,853	236	13,815
Charge for the period	本期間折舊	9,068	1,044	119	430	149	10,810
Eliminated on written off	撇銷時對銷	–	–	(11)	(158)	–	(169)
Exchange alignment	匯兑調整	–	1	–	–	–	1
At 31 December 2018	**於二零一八年十二月三十一日**	**15,582**	**3,442**	**923**	**4,125**	**385**	**24,457**
Carrying amounts:	賬面值:						
At 31 December 2018	**於二零一八年十二月三十一日**	**308,667**	**2,812**	**322**	**702**	**360**	**312,863**
At 31 December 2017	於二零一七年十二月三十一日	317,735	3,408	256	855	509	322,763

At 31 December 2018, the Group's buildings are situated in Hong Kong and are held under medium term lease.

於二零一八年十二月三十一日，本集團的樓宇位於香港，且按中期租約持有。

Buildings with carrying amount of approximately HK$308,667,000 as at 31 December 2018 are pledged as collaterals for the Group's bank borrowing. Please refer to note 27 for details.

於二零一八年十二月三十一日，賬面金額約為港幣308,667,000元之樓宇已質押作為本集團銀行借款之抵押品。詳情請參閱附註27。

16. PARTICULARS OF SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2018 and 2017 are as follows:

16. 附屬公司情況

於二零一八年及二零一七年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operation 註冊成立／經營地點	Particulars of fully paid up capital 繳足股本之詳情	Percentage of equity attributable to the Company 本公司應佔股權百分比 At 31 December 2018 於二零一八年十二月三十一日 %	 At 31 December 2017 於二零一七年十二月三十一日 %	Principal activities 主要業務
Indirectly held 間接持有					
Ample Vision Holdings Limited 鉅視控股有限公司	British Virgin Islands/ Hong Kong 英屬處女群島／香港	US$1 Ordinary 普通股1美元	100	100	General trading 一般貿易
Linktech Hong Kong Limited	Hong Kong 香港	HK$2 Ordinary 普通股港幣2元	100	100	Provision of repair services 提供維修服務
World Way Limited	Hong Kong 香港	HK$1 Ordinary 普通股港幣1元	100	100	General trading 一般貿易
Ever Asia Development Limited	Hong Kong 香港	HK$1 Ordinary 普通股港幣1元	100	100	Money lending business 放債業務
Eagle Faith Investments Limited	Hong Kong 香港	HK$1 Ordinary 普通股港幣1元	100	100	Property holding 物業持有
Vitis Invest Limited	Hong Kong 香港	HK$1 Ordinary 普通股港幣1元	55	–	Trading of wine 酒類貿易

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

董事認為，上表所列本公司之附屬公司乃主要影響本集團業績或資產之附屬公司。董事認為，提供其他附屬公司詳情將為冗贅。

The financial statements of the above subsidiaries are coterminous with those of the Group except for Ample Vision Holdings Limited and Linktech Hong Kong Limited which have a financial year ended 30 September 2018. The Group's financial statements have taken account the results of Ample Vision Holdings Limited and Linktech Hong Kong Limited between 1 January 2018 and 31 December 2018.

上述附屬公司的財務報表與本集團的財務報表一致，惟鉅視控股有限公司及Linktech Hong Kong Limited除外，彼等的財政年結日均為二零一八年九月三十日。本集團財務報表已計及鉅視控股有限公司及Linktech Hong Kong Limited於二零一八年一月一日至二零一八年十二月三十一日的業績。

16. PARTICULARS OF SUBSIDIARIES *(continued)*

(a) Detail of non-wholly owned subsidiaries that have material non-controlling interests

16. 附屬公司情況*(續)*

(a) 擁有重大非控股權益之非全資附屬公司之詳情

Name of Company 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營運地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有之所有權權益及投票權比例 2018 二零一八年	Loss allocated to non-controlling interests 分配至非控股權益之虧損 2018 二零一八年	Accumulated controlling non-controlling interests 累計控股非控股權益
		HK$'000 *港幣千元*	*HK$'000* *港幣千元*	
Vitis Invest Limited	Hong Kong 香港	45%	147	13,353

16. PARTICULARS OF SUBSIDIARIES *(continued)*

(a) Detail of non-wholly owned subsidiaries that have material non-controlling interests *(continued)*

Vitis Invest Limited and its subsidiary

16. 附屬公司情況（續）

(a) 擁有重大非控股權益之非全資附屬公司之詳情（續）

Vitis Invest Limited及其附屬公司

		At 31 December 2018 於二零一八年十二月三十一日 *HK$'000* *港幣千元*
Current assets	流動資產	**37,923**
Current liabilities	流動負債	**(9,538)**
Equity attributable to	應佔權益	
Owners of the Company	本公司擁有人	**15,032**
Non-controlling interests	非控股權益	**13,353**
Turnover	營業額	**22,143**
Other income	其他收入	**1,508**
Expenses	開支	**(25,266)**
Loss for the year	年內虧損	**(1,615)**
Total comprehensive loss attributable to:	應佔全面虧損總額：	
Owners of the Company	本公司擁有人	**(1,468)**
Non-controlling interest	非控股權益	**(147)**
Total comprehensive loss for the year	年內全面虧損總額	**(1,615)**
Net cash outflow from operating activities	經營活動產生之現金流量淨額	**(30,097)**
Net cash inflow from financing activities	融資活動產生之現金流量淨額	**30,382**
Net cash inflow	現金流量淨額	**285**

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

17. 可供出售金融資產

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Available-for-sale financial assets comprise of	可供出售金融資產，包括		
Unlisted debt securities:	**非上市債務證券:**		
Club debentures *(note)*	會所債券（*附註*）	–	5,950

Note:

Available-for-sale financial assets were reclassified to financial assets measured at FVPL (Note 18) upon the initial application of HKFRS 9 at 1 January 2018.

The club debentures are stated at cost less impairment loss at 31 December 2017. During the fifteen months ended 31 December 2017, the Group identified no impairment loss related to the club debentures.

附註：

於二零一八年一月一日首次應用香港財務報告準則第9號後，可供出售金融資產被重新分類至按公平值計入損益計量之金融資產（附註18）。

會所債券於各二零一七年十二月三十一日以成本扣除減值虧損列賬。截至二零一七年十二月三十一日止十五個月，本集團並無確認與會所債券有關之減值虧損。

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

18. 透過損益以公平價值列賬之金融資產

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Held-for-trading:	持作買賣：		
– Listed equity securities in Hong Kong	– 香港上市股本證券	**1,840**	240
– Unlisted club debentures	– 未上市會所債券	**14,550**	–
		16,390	240

All financial assets at fair value through profit or loss are stated at fair values. Fair values of the listed investments are determined with reference to the quoted market bid prices available on the Stock Exchange.

所有按公平價值計入損益之金融資產按公平價值列賬。上市投資之公平價值乃經參考聯交所所報市場買入價釐定。

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

Upon the initial application of HKFRS 9 at 1 January 2018, unlisted club debenture at fair value of HK$15,700,000 was reclassified to financial assets at FVTPL.

18. 透過損益以公平價值列賬之金融資產 *（續）*

於二零一八年一月一日首次應用香港財務報告準則第9號後，公平值為港幣15,700,000元之非上市會所債券重新分類為透過損益以公平價值列賬之金融資產。

19. LOAN AND INTEREST RECEIVABLES

The maturity profile of the loan and interest receivables at the end of the reporting period, analysed by the maturity date, is as follows:

19. 應收貸款及利息

於報告期末按到期日期分析之貸款及應收利息之到期情況如下：

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Loan receivables:	應收貸款:		
Within one year	一年內	13,000	–
Two to five years	二至五年	–	10,000
		13,000	10,000
Interest receivables:	應收利息:		
Within one year	一年內	43	–
Two to five years	二至五年	–	167
		43	167
		43	167
Carrying amount analysed for reporting purpose:	為報告所分析之賬面值如下:		
Current assets	流動資產	13,043	–
Non-current assets	非流動資產	–	10,167
		13,043	10,167

19. LOAN AND INTEREST RECEIVABLES *(continued)*

Note:

No impairment loss was recognised during the year ended 31 December 2018 (fifteen months ended 31 December 2017: HK$ Nil).

The Group's loan receivable which arises from the money lending business of providing corporate loan in Hong Kong is denominated in Hong Kong dollars.

The loan receivable is secured by collaterals provided by a customer, bears interest and repayable with fixed terms agreed with that customer.

Before approving any loans to new borrowers, the Group assesses the potential borrower's credit quality and defines credit limits individually. The Group has policy for allowance of doubtful debts which is based on the evaluation of collectability and aging analysis of accounts and on management's judgment, including the current creditworthiness, collaterals and the past collection history of each customer.

Details of assessment of expected credit loss was disclosed in Note 4(b).

19. 應收貸款及利息*(續)*

附註:

於截至二零一八年十二月三十一日止年度並無確認減值虧損(截至二零一七年十二月三十一日止十五個月:港幣零元)。

本集團源自於香港提供公司貸款之放債業務之應收貸款以港幣計值。

應收貸款以一位客戶提供之抵押品作抵押,計息及須按與該客戶協定之固定期限內償還。

向新借款人批出任何貸款前,本集團評估潛在借款人之信貸質素,並界定個別信貸限額。本集團設有呆賬撥備政策,該政策基於賬目之可收回性及賬齡分析評估以及管理層判斷,包括現時信用可靠程度、抵押品及各名客戶過往收款記錄。

預期信貸虧損評估之詳情於附註4(b)披露。

20. INVENTORIES

20. 存貨

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Finished goods	成品	**34,585**	1,211
Less: Allowance for slow-moving inventories	減:滯銷存貨撥備	**(19)**	(80)
		34,566	1,131

The reversal of write-down of inventories arose due to the increase in estimated net realisable value of certain goods as a result of sales of slow-moving inventories recognised during the period.

由於期內確認銷售滯銷存貨,若干貨品之估計可變現淨值增加,導致存貨撇銷撥回。

21. TRADE RECEIVABLES

At the end of the reporting periods, the aging analysis of the trade receivables, based on the invoice date, is as follows:

21. 應收貿易賬款

於報告期末，基於發票日期之應收貿易賬款之賬齡分析如下：

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Current	即期	4,270	3,736
One to three months overdue	逾期一至三個月	5,822	272
More than three months, but less than twelve months overdue	逾期三個月以上但十二個月以內	499	92
Over twelve months overdue	逾期十二個月以上	139,303	139,319
		149,894	143,419
Less: Impairment loss recognised	減：已確認減值虧損	(139,290)	(139,305)
		10,604	4,114

Notes:

(a) The credit terms granted to the Group's customers vary and are generally the results of negotiations between the Group and individual customers.

(b) Included in the trade receivables balances are debtors with an aggregate carrying amount of approximately HK$6,334,000 (31 December 2017: HK$378,000) which are overdue at the reporting date for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

(c) Details of assessment for expected credit loss was disclosed in note 4(b).

附註：

(a) 給予本集團客戶之賒賬期各有不同，一般乃本集團與個別客戶磋商之結果。

(b) 貿易應收賬款結餘包括於報告期已逾期之賬面值約為港幣6,334,000元（二零一七年十二月三十一日：港幣378,000元），惟本集團並未就該等金額作出減值虧損撥備，原因為信貸質素尚未出現重大變動以及該等金額仍被視為可予收回。本集團並未就該等結餘持有任何抵押品。

(c) 預期信貸虧損評估之詳情於附註4(b)披露。

21. TRADE RECEIVABLES *(continued)*

Notes: (continued)

(b) The aging analysis of the trade receivables which are overdue but not impaired is as follows:

21. 應收貿易賬款*(續)*

附註：(續)

(b) 已逾期惟未減值之應收貿易賬款之賬齡分析如下：

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
One to three months overdue	逾期一至三個月	5,822	272
More than three months, but less than twelve months overdue	逾期三個月以上但十二個月以內	499	92
Over twelve months overdue	逾期十二個月以上	13	14
		6,334	378

(c) The movement of the allowance for impairment loss of trade receivables is as follows:

(c) 應收貿易賬款之減值虧損之撥備變動如下：

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
At the beginning of the year/period	於年初／期初	139,305	139,270
Exchange difference	匯兑差額	(15)	35
At the end of the year/period	於年末／期末	139,290	139,305

(d) The aging analysis of the Group's trade receivables which are impaired is as follows:

(d) 本集團已減值之應收貿易賬款之賬齡分析如下：

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Over twelve months overdue	逾期十二個月以上	139,290	139,305

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

22. 預付款項、按金及其他應收款項

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Prepayments	預付款項	3,461	1,242
Deposits	按金	5,731	5,634
Other receivables	其他應收款項	2,459	2,898
		11,651	9,774

23. PLEDGED TIME DEPOSITS

The balances, which were carried at the prevailing market interest rate at 0.94% p.a. represent deposits pledged to a bank to secure short-term bank borrowings (Note 27) granted to the Group, and therefore classified as current assets. The pledged deposits will be released upon expiry or termination or upon the settlement of relevant bank borrowings. At 31 December 2018, all the pledged time deposits were denominated in Hong Kong Dollars.

23. 已抵押定期存款

按現行市場年利率0.94%計息之結餘指作為存款抵押予銀行以獲取授予本集團之短期銀行借貸(附註27),因此被分類為流動資產。已抵押存款將於有關銀行借貸屆滿或終止或已償還時解除。於二零一八年十二月三十一日,所有已抵押定期存款均以港幣計值。

24. CASH AND BANK BALANCES

24. 現金及銀行結餘

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Cash at bank and in hand	銀行存款及現金	**34,199**	73,511

Notes:

(a) Cash at bank earns interest at floating rates based on daily bank deposit rates.

(b) The Group's bank balances are denominated in the following currencies:

附註：

(a) 存放於銀行之現金乃根據每日銀行存款利率之浮動息率賺取利息。

(b) 本集團銀行結餘以下列貨幣計值：

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Hong Kong Dollars	港幣	**32,692**	69,298
Renminbi	人民幣	**462**	2,653
Singapore Dollars	新加坡元	**389**	903
United States Dollars	美元	**48**	572
Euro	歐羅	**553**	50
Others	其他	**55**	35
		34,199	73,511

24. CASH AND BANK BALANCES *(continued)* 24. 現金及銀行結餘（續）

Notes: (continued) *附註：（續）*

(c) Reconciliation of liabilities arising from financing activities: (c) 融資活動產生之負債對賬：

		Bank borrowings 銀行借貸 HK$'000 港幣千元 (Note 27) (附註27)	Loan from the immediate holding companies 直接控股公司貸款 HK$'000 港幣千元	Loan from the ultimate holding company 最終控股公司貸款 HK$'000 港幣千元 (Note 28) (附註28)	Total 合計 HK$'000 港幣千元
At 1 October 2016	於二零一六年十月一日	4,500	50,000	–	54,500
Change in financing cash flows:	融資現金流量變動:				
Increase in bank borrowings	銀行借貸增加	31,500	–	–	31,500
Repayment of bank borrowings	償還銀行借貸	(31,500)	–	–	(31,500)
Increase in loan from the immediate holding company	直接控股公司之貸款增加	–	286,200	–	286,200
Repayment of loan from the immediate holding company	償還直接控股公司之貸款	–	(336,200)	–	(336,200)
Increase in loan from the ultimate holding company	最終控股公司之貸款增加	–	–	3,602	3,602
Total changes in financing cash flows	融資現金流量總變動	–	(50,000)	3,602	(46,398)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	4,500	–	3,602	8,102
Change in financing cash flows:	融資現金流量變動:				
Increase in bank borrowings	銀行借貸增加	57,000	–	–	57,000
Repayment of bank borrowings	償還銀行借貸	(27,000)	–	–	(27,000)
Total changes in financing cash flow	融資現金流量總變動	30,000	–	–	30,000
Exchange adjustments	匯兑調整	–	–	(46)	(46)
At 31 December 2018	於二零一八年十二月三十一日	**34,500**	**–**	**3,556**	**38,056**

25. TRADE PAYABLES

At the end of the reporting periods, the aging analysis of the trade payables, based on the invoice date, is as follows:

25. 應付貿易賬款

於報告期末，基於發票日期之應付貿易賬款之賬齡分析如下：

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Current and within one month	即期及一個月內	**3,843**	861
Overdue for one to three months	逾期一至三個月	**3,491**	337
Overdue for over three months	逾期三個月以上	**3,206**	11
		10,540	1,209

26. ACCRUED CHARGES AND OTHER PAYABLES

26. 應計費用及其他應付款項

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Accrued charges	應計費用	**620**	929
Other payables *(note)*	其他應付款項（*附註*）	**52,043**	42,975
		52,663	43,904

Note:

At 31 December 2018, other payables comprised an amount due to a former director, Mr. Sy Ethan, Timothy, of approximately HK$40,247,000 (31 December 2017: HK$30,372,000). The amount is interest-free, unsecured and repayable on demand.

附註：

於二零一八年十二月三十一日，其他應付款項包括應付前任董事施懿庭先生款項約港幣40,247,000元（二零一七年十二月三十一日：港幣30,372,000元）。該金額為免息、無抵押及須於要求時償還。

27. BANK BORROWINGS

27. 銀行借貸

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Carrying amounts of secured bank borrowings repayable:	應償還有抵押銀行借貸之賬面值:		
– Within one year	一一年內	**34,500**	4,500

Note:

Bank borrowings of approximately HK$4,500,000 (31 December 2017: HK$4,500,000) are secured by the pledged time deposits (Note 23), carried interest rates at HIBOR plus 2.5% per annum and denominated in Hong Kong Dollars.

Bank borrowings of approximately HK$30,000,000 (31 December 2017: Nil) are secured by building (Note 15), carried interest rates at HIBOR plus 2% per annum and denominated in Hong Kong Dollars.

附註:

銀行借貸約港幣4,500,000元(二零一七年十二月三十一日:港幣4,500,000元)以定期存款作抵押(附註23),並以香港同業拆息加2.5%之年利率計息及以港幣計值。

銀行借貸約港幣30,000,000元(二零一七年十二月三十一日:無)以樓宇作抵押(附註15),並以香港同業拆息加2%之年利率計息及以港幣計值。

28. LOAN FROM THE ULTIMATE HOLDING COMPANY

At 31 December 2018, the loan from the ultimate holding company of approximately HK$3,556,000 (31 December 2017: HK$3,602,000) represents the loan from the ultimate holding company to the Company and is unsecured, non-interest bearing and repayable within one year.

28. 最終控股公司貸款

於二零一八年十二月三十一日,最終控股公司貸款約港幣3,556,000元(二零一七年十二月三十一日:港幣3,602,000元)指最終控股公司向本公司提供之貸款,且屬無抵押、免息及須於一年內償還。

29. DEFERRED TAXATION 29. 遞延稅項

		Accelerated tax Depreciation 加速稅項折舊 HK$'000 港幣千元
At 1 October 2016	於二零一六年十月一日	–
Acquisition of assets through acquisition of subsidiary *(Note 33)*	藉收購附屬公司收購資產（*附註33*）	513
Charge to the statement of profit or loss and other comprehensive income for the period *(Note 12)*	於期內計入損益及其他全面收益表（*附註12*）	39
At 31 December 2017 and 1 January 2018	**於二零一七年十二月三十一日及二零一八年一月一日**	**552**
Charge to the statement of profit or loss and other comprehensive income for the year *(Note 12)*	於年內計入損益及其他全面收益表（*附註12*）	52
At 31 December 2018	**於二零一八年十二月三十一日**	**604**

30. SHARE CAPITAL 30. 股本

		Number of Share 股份數目	Share capital 股本 HK$'000 港幣千元
Ordinary shares of HK$0.01 each	每股面值港幣0.01元之普通股		
Issued and fully paid:	**已發行及繳足：**		
At 1 October 2016	於二零一六年十月一日	5,165,973,933	51,659
Right issue *(note)*	供股（*附註*）	2,582,986,966	25,830
At 31 December 2017, 1 January 2018 and 31 December 2018	**於二零一七年十二月三十一日、二零一八年一月一日及二零一八年十二月三十一日**	**7,748,960,899**	**77,489**

30. SHARE CAPITAL *(continued)*

Note:

On 11 May 2017, the Company completed the rights issue. A total number of 2,582,986,966 rights shares were issued on the basis of one rights share for every two existing shares held on the record date at the subscription price of HK$0.170 per rights share with proceeds of approximately HK$439,108,000 (before deducting professional fees and other relevant expenses) received (the "Rights Issue").

30. 股本*(續)*

附註：

於二零一七年五月十一日，本公司完成供股。合共發行2,582,986,966股供股股份。按於記錄日期每持有兩股現有股份獲發一股供股股份之基準，以每股供股股份港幣0.170元之認購價籌集所得款項約為港幣439,108,000元（扣除專業費用及其他相關費用前）（「供股」）。

31. EMPLOYEE BENEFIT EXPENSES

(a) Staff cost

The total staff cost of the Group during the year/period (including directors and senior management emoluments) is as follows:

31. 僱員福利支出

(a) 員工成本

於年／期內，本集團之員工成本總額（包括董事及高級管理人員之酬金）如下：

		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 截至二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Salaries and allowances	薪金及津貼	**35,207**	43,893
Staff welfare	僱員福利	**361**	355
Contributions to retirement fund	退休金供款	**1,388**	1,763
		36,956	46,011

31. EMPLOYEE BENEFIT EXPENSES *(continued)*

(b) Directors and senior management emoluments

The emoluments of the Directors are as follows:

31. 僱員福利支出*(續)*

(b) 董事及高級管理人員之酬金

董事酬金如下：

Name of Directors 董事姓名		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度			
		Fees 袍金	Salaries and allowances 薪金及津貼	Contributions to retirement fund 退休金供款	Total 合計
		HK$'000 港幣千元	*HK$'000 港幣千元*	*HK$'000 港幣千元*	*HK$'000 港幣千元*
Executive directors	*執行董事*				
Mr. HUANG Zhen Qian	黃振謙先生	–	1,380	18	1,398
Mr. SO Haw, Herman	蘇灝先生	–	1,380	18	1,398
Non-executive Director	*非執行董事*				
Mr. DU Jun	杜軍先生	–	–	–	–
Mr. LI Xiang Yu	李向禹先生	–	–	–	–
Mr. CUI Ming Hong	崔明宏先生	–	–	–	–
Mr. YANG Li Ming (i)	楊立明先生(i)	–	–	–	–
Ms. BAI Wei (ii)	柏薇女士(ii)	–	–	–	–
Independent non-executive Directors	*獨立非執行董事*				
Mr. WONG Chun Man	王俊文先生	360	–	–	360
Mr. TSE Yung Hoi	謝湧海先生	360	–	–	360
Mr. NG Man Kung	吳文拱先生	360	–	–	360
		1,080	2,760	36	3,876

31. EMPLOYEE BENEFIT EXPENSES *(continued)*

(b) Directors and senior management emoluments *(continued)*

31. 僱員福利支出*(續)*

(b) 董事及高級管理人員之酬金*(續)*

Fifteen months ended 31 December 2017
截至二零一七年十二月三十一日止十五個月

Name of Directors 董事姓名		Fees 袍金 *HK$'000 港幣千元*	Salaries and allowances 薪金及津貼 *HK$'000 港幣千元*	Contributions to retirement fund 退休金供款 *HK$'000 港幣千元*	Total 合計 *HK$'000 港幣千元*
Executive directors	*執行董事*				
Mr. HUANG Zhen Qian	黃振謙先生	–	1,725	23	1,748
Mr. SO Haw, Herman	蘇灝先生	–	1,725	23	1,748
Non-executive Director	*非執行董事*				
Mr. DU Jun	杜軍先生	–	–	–	–
Mr. LI Xiang Yu	李向禹先生	–	–	–	–
Mr. CUI Ming Hong	崔明宏先生	–	–	–	–
Mr. YANG Li Ming (i)	楊立明先生(i)	–	–	–	–
Independent non-executive Directors	*獨立非執行董事*				
Mr. WONG Chun Man	王俊文先生	450	–	–	450
Mr. TSE Yung Hoi	謝湧海先生	450	–	–	450
Mr. NG Man Kung	吳文拱先生	450	–	–	450
		1,350	3,450	46	4,846

Note:

(i) Mr. YANG Li Ming resigned as non-executive director with effect from 23 August 2018.

(ii) Ms. BAI Wei was appointed as non-executive director with effect from 23 August 2018.

附註：

(i) 楊立明先生辭任非執行董事，自二零一八年八月二十三日起生效。

(ii) 柏薇女士獲委任為非執行董事，自二零一八年八月二十三日起生效。

31. EMPLOYEE BENEFIT EXPENSES *(continued)*

(c) Five highest paid individuals

The five individuals with the highest emoluments in the Group for the year ended 31 December 2018 included two (fifteen months ended 31 December 2017: two) Directors whose emoluments are set out in Note 31(b). The aggregate of the emoluments payable in respect of the three (fifteen months ended 31 December 2017: three) highest paid individuals who are neither a director nor chief executive of the Company during the year/period are as follows:

31. 僱員福利支出*(續)*

(c) 五名最高薪酬人士

截至二零一八年十二月三十一日止年度，本集團五名最高薪酬人士包括兩名(截至二零一七年十二月三十一日止十五個月：兩名)董事，其薪酬載於附註31(b)。於年度／期內應付予該三名(截至二零一七年十二月三十一日止十五個月：三名)最高薪酬人士(並非本公司董事或主要行政人員)之薪酬總額如下：

		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 截至二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Salaries and allowances	薪金及津貼	**2,086**	2,573
Contributions to retirement fund	退休金供款	**61**	93
		2,147	2,666

31. EMPLOYEE BENEFIT EXPENSES *(continued)*

(c) Five highest paid individuals *(continued)*

31. 僱員福利支出*(續)*

(c) 五名最高薪酬人士*(續)*

		Number of individual 人數	
		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度	Fifteen months ended 31 December 2017 截至二零一七年十二月三十一日止十五個月
		HK$'000 港幣千元	*HK$'000 港幣千元*
Emolument bands:	薪酬組別:		
HK$Nil to HK$1,000,000	港幣零元至港幣1,000,000元	3	2
HK$1,000,001 to HK$1,500,000	港幣1,000,001元至港幣1,500,000元	–	1
		3	3

32. SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 6 March 2015 pursuant to which employees and directors of the Group and other eligible persons who have made contribution to the Group were given opportunity to obtain equity holdings in the Company.

A summary of the Scheme is set out as follows:

(a) Purpose of the Scheme

The purpose of the Scheme is to enable the Company to grant share options to selected participants as incentives or rewards for their contribution to the Group.

(b) Participants of the Scheme

Eligible participants include full time employees and directors of the Company or its subsidiaries; advisers, consultants, suppliers and agents to the Company or its subsidiaries and such other persons who, at the sole determination of the board of directors, have contributed to the Group.

(c) Total number of shares available for issue under the Scheme and percentage of issued share capital at the date of this annual report

No share option had been granted under the Scheme and no share is available for issue under the Scheme at the date of this annual report.

(d) Maximum entitlement of each participant under the Scheme

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in any 12-month period must not exceed 1% of the shares in issue unless the same is approved by shareholders in general meeting.

32 購股權計劃

於二零一五年三月六日，本公司採納一項購股權計劃(「計劃」)，本集團各僱員及董事以及曾對本集團作出貢獻之其他合資格人士均獲得機會取得本公司股權。

計劃之概要載列如下：

(a) 計劃之目的

計劃之目的在於使本公司授出購股權予特定參與者，作為彼等對本集團所作貢獻之獎勵或回報。

(b) 計劃之參與者

合資格參與者包括本公司或其附屬公司之全職僱員及董事；本公司或其附屬公司之顧問、諮詢顧問、供應商及代理以及董事會全權決定曾對本集團作出貢獻之其他人士。

(c) 根據計劃可供發行之股份總數及佔本年報日期已發行股本之百分比

於本年報日期並無根據計劃授出購股權，亦無股份根據計劃可供發行。

(d) 根據計劃各參與者之最高配額

於任何12個月期間行使授予各參與者之購股權(包括已行使、已註銷及尚未行使之購股權)時已發行及將發行之股份總數不得超過已發行股份1%，惟股東在股東大會上批准有關配額除外。

32. SHARE OPTION SCHEME *(continued)*

(e) The period within which the shares must be taken up under an option

At any time during a period to be notified by the board of directors, which period not to exceed 10 years commencing on the date on which the option is accepted and expiring on a day not later than the last day of the 10-year period.

(f) The minimum period for which an option must be held before it can be exercised

None, unless otherwise determined by the board of directors and specified in the offer letter of an option.

(g) The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid

HK$1.00 is to be paid as consideration for the grant of option within 30 days from the date of offer.

(h) The basis of determining the exercise price

The exercise price shall be determined by the board of directors but shall not be less than the highest of:

(i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer;

(ii) the average closing price of the shares as stated in the daily quotations sheet of the Stock Exchange for the 5 business days immediately preceding the date of offer; and

(iii) the nominal value of a share.

(i) The remaining life of the Scheme

The Scheme shall be valid and effective for a period of 10 years commencing on the adoption date on 6 March 2015.

No share option has been granted under the Scheme since its adoption.

32 購股權計劃 *(續)*

(e) 根據購股權須認購股份之期限

董事會通知之期間內任何時間，惟有關期間不得超過接納購股權日期起計10年，並最遲於該10年期間最後一日屆滿。

(f) 購股權於可行使前須持有之最短期限

無，除非董事會另行釐定以及購股權要約函件內另行訂明。

(g) 於申請或接納購股權時應付款項及必須或可能付款或催繳或須就此等目的償還貸款之期限

授出購股權當日起計30日內須支付港幣1.00元作為代價。

(h) 釐定行使價之基準

行使價須由董事會釐定，惟不得低於下列最高者：

(i) 股份於授出當日在聯交所每日報價表所列之收市價；

(ii) 股份於緊接授出當日前5個營業日在聯交所每日報價表所列之平均收市價；及

(iii) 一股股份之面值。

(i) 計劃剩餘年期

計劃於二零一五年三月六日採納當日起計10年內有效。

自計劃採納以來，並無根據計劃授出購股權。

33. ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

During the fifteen months ended 31 December 2017, the Group acquired a property located in Hong Kong and its related assets and liabilities for a total cash consideration of approximately HK$323,898,000. The Acquisition was completed by way of acquisition of the entire equity interest in Eagle Faith. Details of the Acquisition were disclosed in the Company's announcements dated 26 January 2017 and 17 February 2017, and circular dated 3 March 2017.

Under HKFRS 3 "Business Combination", the Acquisition was accounted for as an acquisition of assets and liabilities as Eagle Faith being acquired by the Group does not constitute a business. The Group identified and recognised the individual identifiable assets acquired and liabilities assumed. The cost of the Acquisition was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition. Such a transaction does not give rise to goodwill.

Details of the net assets acquired in respect of the Acquisition are summarised below:

33. 透過收購附屬公司收購資產

截至二零一七年十二月三十一日止十五個月，本集團收購一項位於香港之物業及相關資產及負債，總現金代價約為港幣323,898,000元。收購事項乃透過收購鷹信之全部股權完成。收購事項之詳情於本公司日期為二零一七年一月二十六日及二零一七年二月十七日之公告以及日期為二零一七年三月三日之通函披露。

根據香港財務報告準則第三條，收購事項被視為收購資產及負債，因本集團收購之鷹信並不構成一項業務。本集團已識別及確認獨立可識別之已收購資產及已承擔負債。收購事項成本已分配至獨立可識別資產及負債，基準為於收購事項日期之相對公平價值。該交易並無產生商譽。

有關收購事項所收購之資產淨額詳情如下：

		HK$'000 *港幣千元*
Property, plant and equipment	物業 廠房及設備	**324,249**
Deposits and prepayments	按金及預付款項	**92**
Tax prepayment	預付稅款	**80**
Accrued charges	應計費用	**(10)**
Shareholder loan	股東貸款	**(137,627)**
Deferred tax liabilities	遞延稅項負債	**(513)**
		186,271
Assignment of shareholder loan	轉讓股東貸款	**137,627**
		323,898
Net cash outflow arising from the Acquisition:	收購事項產生之現金流出淨額:	
Total cash consideration paid	已付現金代價總額	**318,000**
Transaction cost	交易成本	**5,898**
		323,898

34. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following material related party transactions during the year:

Balances

Details of the balances with related parties at the end of the reporting period are set out in Note 28.

Key management personnel compensation

Compensation for key management personnel, including amount paid to the Directors, as disclosed in Note 31(b), is as follows:

34. 主要關連人士交易

除於綜合財務報告另有披露者外，本集團於年內有以下主要關連人士交易：

結餘

於報告年末與有關連人士之結餘詳情載於附註28。

主要管理人員酬金

按附註31(b)所披露，主要管理人員酬金（包括支付予董事之款項）如下：

		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度 HK$'000 港幣千元	Fifteen months ended 31 December 2017 截至二零一七年十二月三十一日止十五個月 HK$'000 港幣千元
Salaries and allowances	薪金及津貼	4,716	5,940
Contributions to retirement fund	退休金供款	90	68
		4,806	6,008

35. OPERATING LEASE COMMITMENTS

The Group as lessee

The Group leases certain of its properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three (2017: one to three) years.

At the end of reporting periods, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

35. 經營租賃承擔

本集團作為承租人

本集團根據經營租賃安排租賃若干物業。而物業之租賃年期經磋商後釐定為一年至三年(二零一七年:一年至三年)不等。

於報告期末,本集團根據下列期間到期之不可撤銷經營租賃而於未來之最低租賃款項之總額如下:

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Within one year	一年內	3,212	3,477
In the second to fifth years, inclusive	第二年至第五年(首尾兩年包括在內)	2,243	2,582
		5,455	6,059

36. STATEMENT OF FINANCIAL POSITION 36. 財務狀況表

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Non-current assets	**非流動資產**		
Interest in subsidiaries	附屬公司權益	**10,749**	10,749
Available-for-sale financial assets	可供出售金融資產	**–**	5,300
Financial assets at fair value through profit or loss	透過損益以公平價值列賬之金融資產	**13,800**	–
Deposits for acquisition of subsidiaries	收購附屬公司之按金	**21,873**	–
		46,422	16,049
Current assets	**流動資產**		
Prepayments, deposits and other receivables	預付款項 按金及其他應收款項	**745**	640
Amounts due from subsidiaries	應收附屬公司款項	**336,781**	355,018
Financial asset at fair value through profit or loss	透過損益以公平價值列賬之金融資產	**1,840**	–
Cash and bank balances	現金及銀行結餘	**24,178**	54,182
		363,544	409,840
Current liabilities	**流動負債**		
Accrued charges and other payables	應計費用及其他應付款項	**6,532**	6,760
Loan from the ultimate holding company	最終控股公司貸款	**3,556**	3,602
Bank borrowings	銀行借貸	**30,000**	–
Amount due to subsidiaries	應付附屬公司款項	**5,844**	–
		45,932	10,362

36. STATEMENT OF FINANCIAL POSITION (continued)

36. 財務狀況表(續)

		At 31 December 2018 於二零一八年十二月三十一日 HK$'000 港幣千元	At 31 December 2017 於二零一七年十二月三十一日 HK$'000 港幣千元
Net current assets	**流動資產淨額**	**317,612**	399,478
Total assets less current liabilities	**總資產減流動負債**	**364,034**	415,527
Net assets	**資產淨額**	**364,034**	415,527
Equity	**權益**		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔資本及儲備		
Share capital	股本	**77,489**	77,489
Reserves *(note)*	儲備(*附註*)	**286,545**	338,038
Total equity	**總權益**	**364,034**	415,527

The statements of financial position of the Company was approved and authorised for issue by the board of directors of the Company on 26 March 2019 and are signed on its behalf by:

本公司財務狀況表經本公司董事會於二零一九年三月二十六日批准及授權刊發,並由下列董事代表簽署:

HUANG Zhen Qian
黃振謙
Executive Director
執行董事

SO Haw Herman
蘇灝
Executive Director
執行董事

36. STATEMENT OF FINANCIAL POSITION (continued)

36. 財務狀況表(續)

Note:

附註:

The reserves of the Company as at 31 December 2018 and 2017 are as follows:

於二零一八年及二零一七年十二月三十一日本公司之儲備如下:

		Share premium 股份溢價 HK$'000 港幣千元	Capital redemption reserve 資本贖回儲備 HK$'000 港幣千元	Accumulated losses 累計虧損 HK$'000 港幣千元	Total 合計 HK$'000 港幣千元
At 1 October 2016	於二零一六年十月一日	648,897	160	(701,821)	(52,764)
Loss for the period	期內虧損	–	–	(10,291)	(10,291)
Rights issue	供股	413,278	–	–	413,278
Share issuance expenses	股份發行開支	(12,185)	–	–	(12,185)
At 31 December 2017 as originally presented	於二零一七年十二月三十一日（按原始呈列）	1,049,990	160	(712,112)	338,038
Change in accounting policy	會計政策變更	–	–	8,500	8,500
At 1 January 2018 as restated	於二零一八年一月一日（經重列）	1,049,990	160	(703,612)	346,538
Loss for the year	年內虧損	–	–	(59,993)	(59,993)
At 31 December 2018	**於二零一八年十二月三十一日**	**1,049,990**	**160**	**(763,605)**	**286,545**

At 31 December 2018, the Company has a distributable reserve, of approximately HK$286,385,000 (2017: HK$337,878,000), represented by share premium exceed accumulated losses of the Company. Under the Companies Law (2014 Revision) of the Cayman Islands, share premium of the Company is distributable to the members, subject to a solvency test.

於二零一八年十二月三十一日，本公司之可分派儲備約為港幣286,385,000元（二零一七年：港幣337,878,000元），其指股份溢價超出本公司累計虧損部分。根據開曼群島公司法（二零一四年修訂），本公司股份溢價可經償債能力測試後分派予股東。

37. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 13 February 2018, Exquisite Honor Holdings Limited, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement for the acquisition of Yicko Securities Limited for a consideration of HK$420,000,000, to be satisfied as to HK$120,000,000 in cash and as to HK$300,000,000 by the Company issuing convertible bonds with an initial conversion price of HK$0.26 per conversion share. The completion of the acquisition took place on 28 February 2019.

Up to the date on the approval of these consolidated financial statements, the Directors are still assessing the fair values of Yicko Securities Limited's assets and liabilities to be recognised at the date of the Acquisition. The fair value assessment of goodwill and intangible assets, if any, of Yicko Securities Limited had not been finalized and thus, the recognition of Yicko Securities Limited's assets and liabilities may subject to change upon finalisation of the valuation. The Directors expect the valuation will be finalised in 2019.

37. 報告期末後事項

於二零一八年二月十三日，本公司全資附屬公司Exquisite Honor Holdings Limited就收購益高證券有限公司訂立買賣協議，代價為港幣420,000,000元，120,000,000港元以現金支付及300,000,000港元由本公司發行初步轉換價每股轉換股份0.26港元之可換股債券支付。收購已於二零一九年二月二十八日完成。

截至批准該等綜合財務報表日期，董事仍在評估益高證券有限公司於收購日期確認之資產及負債之公平值。益高證券有限公司的商譽及無形資產（如有）的公允價值評估尚未最終確定，因此，益高證券有限公司資產及負債的確認可能會於估值完成後作出變動。董事預期估值將於二零一九年完成。

38. COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods, comparative information is not restated. Further details of the changes in the accounting policies are disclosed in Note 2.

38. 比較數字

本集團於二零一八年一月一日根據過渡法首次應用香港財務報告準則第15號及香港財務報告準則第9號，比較資料未予重列。會計政策變動之進一步詳情於附註2披露。

39. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Directors on 26 March 2019.

39. 授權刊發綜合財務報告

董事會已於二零一九年三月二十六日批准及授權刊發綜合財務報告。

Five-Year Financial Summary
五年財務摘要

RESULTS 業績

		Year ended 31 December 2018 HK$'000 截至二零一八年十二月三十一日止年度 港幣千元	Fifteen months ended 31 December 2017 HK$'000 截至二零一七年十二月三十一日止十五個月 港幣千元	Year ended 30 September 截至九月三十日止年度 2016 HK$'000 二零一六年 港幣千元	2015 HK$'000 二零一五年 港幣千元	2014 HK$'000 二零一四年 港幣千元
Results	**業績**					
Revenue	收益	**109,712**	116,026	103,401	86,695	89,785
Loss before taxation	除税前虧損	**(43,841)**	(45,853)	(25,299)	(23,365)	(15,972)
Taxation	税項	**4**	(39)	–	20	(20)
Loss for the year/period attributable to:	以下應佔年／期內虧損：					
Owners of the Company	本公司擁有人	**(43,690)**	(45,892)	(25,299)	(23,345)	(15,992)
Non-controlling interests	非控股權益	**(147)**	–	–	–	–
Dividends	股息	**–**	–	–	–	–

		At 31 December 於十二月三十一日 2018 HK$'000 二零一八年 港幣千元	2017 HK$'000 二零一七年 港幣千元	At 30 September 於九月三十日 2016 HK$'000 二零一六年 港幣千元	2015 HK$'000 二零一五年 港幣千元	2014 HK$'000 二零一四年 港幣千元
Assets and liabilities	**分部資產及負債**					
Property, plant and equipment	物業、廠房及設備	**312,863**	322,763	3,343	2,918	2,675
Financial assets at fair value through profit or loss	透過損益以公平價值列賬之金融資產	**14,550**	–	–	–	–
Deposit for acquisition of subsidiaries	收購附屬公司之按金	**21,873**	–	–	–	–
Available-for-sale financial assets	可供出售金融資產	**–**	5,950	5,950	5,950	5,950
Loan and interest receivables	應收貸款及利息	**–**	10,167	–	–	–
Deferred tax liabilities	遞延税項負債	**(604)**	(552)	–	–	–
Net current assets/(liabilities)	流動資產／(負債)淨額	**9,803**	40,765	(11,364)	14,227	32,006
		358,485	379,093	(2,071)	23,095	40,631
Equity attributable to owners of the Company	本公司擁有人應佔權益	**345,132**	379,093	(2,071)	23,095	40,631
Non-controlling interests	非控股權益	**13,353**	–	–	–	–

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國安國際有限公司

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