

ANNUAL REPORT
2017 年報



高陽科技(中國)有限公司*
HI SUN TECHNOLOGY (CHINA) LIMITED

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

(股份代號 Stock code: 00818)

* For identification purpose only
僅供識別

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

CHEUNG Yuk Fung (*Chairman*)
KUI Man Chun (*Chief Executive Officer*)
XU Wensheng
LI Wenjin
XU Changjun

Independent Non-Executive Directors

TAM Chun Fai
LEUNG Wai Man, Roger
CHANG Kai-Tzung, Richard

COMPANY SECRETARY

HUI Lok Yan
CHAN Yiu Kwong

AUTHORISED REPRESENTATIVES

LI Wenjin
CHAN Yiu Kwong

BERMUDA RESIDENT REPRESENTATIVE

Conyers Corporate Services (Bermuda) Limited

AUDITOR

PricewaterhouseCoopers

LEGAL ADVISERS

As to Hong Kong Law

Woo Kwan Lee & Lo
Reed Smith Richards Butler
Leung & Lau, Solicitors

As to Bermuda Law

Conyers Dill & Pearman

董事會

執行董事

張玉峰 (*主席*)
渠萬春 (*行政總裁*)
徐文生
李文晉
徐昌軍

獨立非執行董事

譚振輝
梁偉民
張楷淳

公司秘書

許諾恩
陳耀光

授權代表

李文晉
陳耀光

百慕達註冊處代表

Conyers Corporate Services (Bermuda) Limited

核數師

羅兵咸永道會計師事務所

法律顧問

香港法律

胡關李羅律師行
禮德齊伯禮律師行
梁寶儀劉正豪律師行

百慕達法律

Conyers Dill & Pearman

Corporate Information 公司資料

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2515, 25th Floor
Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

COMPANY'S WEBSITE

www.hisun.com.hk

STOCK CODE

818

主要往來銀行

中國工商銀行(亞洲)有限公司
恒生銀行有限公司
香港上海滙豐銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港主要營業地點

香港
灣仔
港灣道30號
新鴻基中心
25樓2515室

百慕達股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
Bermuda

股份過戶登記處香港分處

香港
皇后大道東183號
合和中心
22樓

公司網站

www.hisun.com.hk

股份代號

818

Directors and Senior Management 董事及高層管理人員

As at 7 March 2018, the date of the Report of the Directors, the biographical details of the Directors and the senior management of the Company are as follows:

BOARD OF DIRECTORS

Executive Directors

CHEUNG YUK FUNG Chairman

Mr. Cheung, age 71, is the Chairman and an Executive Director of the Company. He graduated from the Faculty of Radio Electronics at Peking University in the People's Republic of China (the "PRC") and worked as a professor at Peking University thereafter. Prior to joining the Group in 2001, Mr. Cheung was a chairman of a company listed in the PRC, namely Founder Technology Group Corporation, and a director of a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), namely Founder Holdings Limited, and has work experience in international trade, finance, asset management and strategic planning. Mr. Cheung was honoured with many awards, including being selected as the young entrepreneur with outstanding contribution to China, and won the first prize of national golden award for enterprise initiators in the 4th National Technology Industrialist Award.

KUI MAN CHUN Chief Executive Officer

Mr. Kui, age 51, is the Chief Executive Officer and an Executive Director of the Company. He graduated from Peking University in the PRC with a master's degree in international relations and has over 26 years of experience in the information technology industry and investment activities. Mr. Kui is also the chairman, chief executive officer and a director of Hi Sun Limited ("HSL"), the Company's substantial shareholder. Prior to joining HSL in 2000, Mr. Kui was the president of an enterprise in the PRC. He joined the Group in 2000.

XU WENSHENG

Mr. Xu, age 49, is an Executive Director of the Company. He graduated from the Dalian University of Technology with a bachelor's degree in computer science and engineering. Mr. Xu is also a director of HSL. Prior to joining the Group in 2003, Mr. Xu was the president of a system integration company and has extensive experience in computer systems integration of the financial industry.

LI WENJIN

Mr. Li, age 54, is an Executive Director of the Company. He graduated from Peking University in the PRC with a master's degree in law. He has over 26 years of experience in investment and administrative affairs. Mr. Li is also a director of HSL. Prior to joining HSL in 1999, he had worked for several companies in the PRC and Hong Kong. He joined the Group in 2000. Mr. Li has also been appointed as an executive director of PAX Global Technology Limited, an associated corporation of the Company and a company listed on the Main Board of the Stock Exchange, since 24 February 2010.

於二零一八年三月七日(即董事會報告日期),本公司董事及高層管理人員之履歷詳情如下:

董事會

執行董事

張玉峰主席

張先生, 71歲, 為本公司主席兼執行董事。彼畢業於中華人民共和國(「中國」)北京大學之無線電系, 並於其後出任北京大學之教授。於二零零一年加入本集團前, 張先生分別為一間於中國上市公司方正科技集團股份有限公司之董事長及一間於香港聯合交易所有限公司(「聯交所」)上市公司方正控股有限公司之董事, 擁有國際貿易、金融、資產管理及策劃籌謀之經驗。張先生曾獲多項殊榮, 包括曾獲選為對中國具傑出貢獻之中青年企業家, 並於第四屆國家科技企業家大獎榮獲企業創辦人金獎等。

渠萬春行政總裁

渠先生, 51歲, 為本公司行政總裁兼執行董事。彼畢業於中國北京大學, 持有國際關係學碩士學位, 在資訊科技業及投資業務方面積逾二十六年豐富經驗。渠先生亦為本公司之主要股東Hi Sun Limited(「HSL」)之主席、行政總裁兼董事。於二零零零年加入HSL前, 渠先生為國內一間企業之董事長。彼於二零零零年加入本集團。

徐文生

徐先生, 49歲, 為本公司執行董事。彼畢業於大連理工大學, 持有電腦科學及工程學士學位。徐先生亦為HSL之董事。於二零零三年加入本集團前, 徐先生為一間系統集成公司之總裁, 於金融業之電腦系統集成方面擁有豐富經驗。

李文晉

李先生, 54歲, 為本公司執行董事。彼畢業於中國北京大學, 持有法律碩士學位, 於投資及行政事務方面積逾二十六年豐富經驗。李先生亦為HSL之董事。於一九九九年加入HSL前, 彼曾任職中港兩地多間公司。彼於二零零零年加入本集團。李先生亦自二零一零年二月二十四日起獲委任為本公司之聯營公司百富環球科技有限公司(於聯交所主板上市)之執行董事。

Directors and Senior Management 董事及高層管理人員

XU CHANGJUN

Mr. Xu, age 51, is an Executive Director of the Company. He graduated from Peking University in the PRC with a master's degree in international economics. Prior to joining the Group in 2001, Mr. Xu had worked for several companies in the PRC and Hong Kong. He has over 26 years of experience in corporate management of enterprises in Hong Kong and the PRC.

Independent Non-Executive Directors

TAM CHUN FAI

Mr. Tam, age 55, is an Independent Non-Executive Director of the Company. He graduated from the Hong Kong Polytechnic University with a bachelor of arts degree in accountancy. Mr. Tam is a member of Hong Kong Institute of Certified Public Accountants and a member of Chartered Financial Analyst and has over 26 years' experience in auditing, corporate advisory services as well as financial management and compliance work. Mr. Tam is currently an executive director of Beijing Enterprises Holdings Limited (a major red chip company) and an independent non-executive director of KWG Property Holding Limited, both of which are listed on the Main Board of the Stock Exchange. He joined the Group in 2004.

LEUNG WAI MAN, ROGER

Mr. Leung, age 61, is an Independent Non-Executive Director of the Company. He obtained a bachelor's degree in law and a postgraduate certificate in laws from the University of Hong Kong. He also obtained a Juris Doctor degree from the University of Western Ontario, Canada. Mr. Leung has been a practicing solicitor in Hong Kong since 1984 and is now a partner of the law firm, Messrs Foo, Leung & Yeung. He was also admitted as a solicitor in England and Wales and as a barrister, solicitor and notary public in Ontario, Canada. Mr. Leung has extensive working experience in law both in Hong Kong and in Canada. He served as a member of the Inland Revenue Board of Review from 1997 to 2005 and has been appointed as a China-appointed Attesting Officer since January 2003. Mr. Leung is currently an independent non-executive director of China Flavors and Fragrances Company Limited, a company listed on the Stock Exchange. He joined the Group in 2004.

CHANG KAI-TZUNG, RICHARD

Mr. Chang, age 63, is an Independent Non-Executive Director of the Company. Mr. Chang graduated from the University of Texas at Austin, United States of America with a bachelor's degree in Statistics and Operations Research. Mr. Chang possesses more than 22 years of experience in electronic payments industry in Southeast Asia, Japan and the Great China. Mr. Chang was the Senior Vice President, Global Clients APCEMEA of VISA Inc. ("VISA") in Singapore. He was previously VISA's Greater China General Manager, Japan General Manager, and senior country manager for Singapore, Thailand, the Philippines and Indochina. He joined the Group in 2009 as a Non- Executive Director and was re-designated as an Independent Non-Executive Director on 26 February 2016.

徐昌軍

徐先生，51歲，為本公司執行董事。彼畢業於中國北京大學，持有國際經濟學碩士學位。於二零零一年加入本集團前，徐先生曾任職中港兩地多間公司。彼於中港兩地企業之企業管理方面積逾二十六年豐富經驗。

獨立非執行董事

譚振輝

譚先生，55歲，為本公司獨立非執行董事。彼畢業於香港理工大學，持有會計文學士學位。譚先生為香港會計師公會會員及特許金融分析師成員。彼於核數、公司顧問服務以及財務管理及守章方面積逾二十六年經驗。譚先生現為北京控股有限公司（一間大紅籌公司）之執行董事及合景泰富地產控股有限公司之獨立非執行董事，該兩間公司均於聯交所主板上市。彼於二零零四年加入本集團。

梁偉民

梁先生，61歲，為本公司獨立非執行董事。彼畢業於香港大學，取得法律學士學位及法學專業證書。彼亦畢業於加拿大University of Western Ontario，取得法律博士學位。自一九八四年開始，梁先生為香港執業律師，現為傅梁楊律師行之合夥人。彼亦為英格蘭及威爾斯認可律師及加拿大安大略省之大律師、律師及公證人。梁先生分別在香港和加拿大擁有豐富法律工作經驗。一九九七年至二零零五年間，彼為稅務上訴委員會成員，並自二零零三年一月起獲委任為中國委託公證人。梁先生現為中國香精香料有限公司之獨立非執行董事，該公司於聯交所上市。彼於二零零四年加入本集團。

張楷淳

張先生，63歲，為本公司獨立非執行董事。張先生畢業於美國德克薩斯大學奧斯汀分校，持有統計及運籌學學士學位。張先生於東南亞、日本及大中華之電子支付行業積逾二十二年經驗。張先生曾出任新加坡VISA Inc. (「VISA」) 全球客戶高級副總裁。彼曾出任VISA於大中華及日本之總經理；以及VISA於新加坡、泰國、菲律賓及印度支那之高級區域經理。彼於二零零九年加入本集團擔任非執行董事，並於二零一六年二月二十六日調任為獨立非執行董事。

Directors and Senior Management 董事及高層管理人員

SENIOR MANAGEMENT

As at the date of the Report of the Directors, Mr. Li Huimin, Mr. Liao Lizhi, Mr. Liang Jing Jing, Mr. Zhao Yue Hui, Mr. Li Li and Ms. Hui Lok Yan were the Company's senior management.

LI HUIMIN

Mr. Li, age 38, is the president of 隨行付支付有限公司 ("VBill"). He graduated from Hubei University of Technology with a bachelor's degree in Electrical Technology. He joined the Group in 2008. He has over 11 years of experience in third-party payment industry management.

LIAO LIZHI

Mr. Liao, age 45, is the general manager of Hunan Hisun Mobile Pay IT Ltd. He graduated from Renmin University of China with a bachelor's degree in Corporate Management and received a master's degree in Business Management from Sichuan University. He joined the Group in 2005. He has over 11 years of experience in the communication industry.

LIANG JING JING

Mr. Liang, age 36, is the president of Beijing Hi Sun Advanced Business Solutions Information Technology Limited. He graduated from Central South University with a bachelor's degree in Telecommunications Engineering and received a master's degree in Engineering Project Management from Shanghai Jiao Tong University. He joined the Group in 2003. He has over 14 years of experience in the information technology industry.

ZHAO YUE HUI

Mr. Zhao, age 53, is the chief executive officer of Hangzhou PAX Electronic Technology Limited. He graduated from Zhejiang University with a bachelor's degree in engineering, and received a master's degree in engineering from Tongji University. He has over 16 years of experience in corporate management. He joined the Group in 2000.

LI LI

Mr. Li, age 42, is the president of Mega Hunt Microelectronics Limited. He graduated from Tsinghua University with a bachelor's degree in engineering and a master's degree in engineering. He also received a degree of Executive Master of Business Administration from China Europe International Business School. He joined the Group in 2010. He has over 20 years of experience in the integrated circuit design industry.

HUI LOK YAN

Ms. Hui, age 39, is the Group Financial Controller and Joint Company Secretary of the Company. She graduated from the Chinese University of Hong Kong with a bachelor's degree in Business Administration. Ms. Hui is currently a certified public accountant of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group in 2007, she was a manager of an international public accountancy firm.

高層管理人員

於董事會報告日期，黎會敏先生、廖理志先生、梁晶晶先生、趙悅輝先生、李立先生及許諾恩女士均為本公司高層管理人員。

黎會敏

黎先生，38歲，為隨行付支付有限公司（「隨行付」）總裁。彼畢業於湖北工業大學，持有電氣技術學士學位。彼於二零零八年加入本集團。彼於第三方支付行業管理方面積逾十一年經驗。

廖理志

廖先生，45歲，為湖南高陽通聯信息技術有限公司總經理。彼畢業於中國人民大學，持有企業管理學士學位，並獲四川大學授予工商管理碩士學位。彼於二零零五年加入本集團。彼於通信行業方面積逾十一年經驗。

梁晶晶

梁先生，36歲，為北京高陽金信信息技術有限公司總裁。彼畢業於中南大學，持有通信工程學士學位，並獲上海交通大學授予項目管理領域工程碩士學位。彼於二零零三年加入本集團。彼於信息技術服務行業方面逾十四年經驗。

趙悅輝

趙先生，53歲，為杭州百富電子技術有限公司行政總裁。彼畢業於浙江大學，持有工學學士學位，並獲授同濟大學工學碩士學位。彼於企業管理方面積逾十六年經驗。彼於二零零零年加入本集團。

李立

李先生，42歲，為兆訊恆達微電子技術（北京）有限公司總裁。彼畢業於清華大學，持有工學學士和工程碩士學位，並獲得中歐國際工商學院高層管理人員工商管理碩士學位。彼於2010年進入本集團。彼於集成電路設計行業方面逾20年經驗。

許諾恩

許女士，39歲，為本公司之集團財務總監兼聯席公司秘書。彼畢業於香港中文大學，持有工商管理學士學位。許女士現為香港會計師公會執業會計師。於二零零七年加入本集團前，彼為一間國際執業會計師行之經理。

Letter from the Board 董事會函件

Dear Shareholders,

During Year 2017, consolidated revenue amounted to HK\$2,910.0 million, as compared to HK\$1,921.2 million in Year 2016. Such increase was mainly contributed by the increase in transaction volume and hence an increase in segmental turnover of our payment processing solutions segment during the year. Segmental EBITDA totalled HK\$491.2 million, 65% up compared to Year 2016. The Group's share of results from an associated company, PAX Global, decreased by 32% as a result of a drop in the net profit of PAX Global as compared to last year. Profit for the year totalled HK\$389.5 million as compared to HK\$312.7 million last year. With regard to our balance sheet, the total assets as at 31 December 2017 amounted to HK\$5,657.5 million, as compared to HK\$5,499.0 million as at 31 December 2016. Among of which short term bank deposit and cash and cash equivalents amounted to HK\$2,557.6 million.

Our payment processing solutions segment keeps its growth momentum in Year 2017. During the year, we have disposed our then subsidiary in Japan and accentuated our focus in the PRC market, leading to a disposal gain of approximately HK\$63.3 million. Segmental turnover amounted to HK\$1,979.9 million, 89% up compared to last year. Segmental operating profit amounted to HK\$260.7 million as compared to HK\$169.7 million in Year 2016. By the year end of 2017, total accumulated number of domestic merchants was exceeding 2.5 million, with a monthly transaction volume of over RMB110 billion in December 2017. During the year, we launched the "smart payment platform", an integration of various payment methods, such as "UnionPay QuickPass (銀聯雲閃付)", "WeChat Pay (微信支付)", "Alipay (支付寶)" and bank cards, and various terminals ranging from traditional POS, MPOS to APP Cashier (APP收銀台), card accepting facilities, easy code-scanning terminals and Smart POS, to provide a comprehensive set of application solutions to industry players. In June 2017, we successfully passed the review of the People's Bank of China, and renewed the licenses for bank card acquiring, internet payment and mobile payment until June 2022. Besides, we obtained the "internet micro-lending license" in September 2017, allowing us to commence lending business for online merchants and individuals. Looking forward, we expect to benefit from the regulatory policy in favor of licensed institutions and enjoy better development opportunities under the business strategy of "Payment + Financial".

各位股東：

於二零一七年，綜合收入達2,910,000,000港元，而二零一六年則為1,921,200,000港元。有關上升主要因支付交易處理解決方案之年內交易量上升，導致其分類營業額亦因而上升所致。分類EBITDA合共為491,200,000港元，較二零一六年增加65%。本集團應佔聯營公司百富環球之業績減少32%，此乃由於百富環球之純利較去年減少。年內溢利合共為389,500,000港元，而去年則為312,700,000港元。就我們之資產負債表而言，於二零一七年十二月三十一日，資產總值為5,657,500,000港元，而於二零一六年十二月三十一日則為5,499,000,000港元。其中短期銀行存款以及現金及現金等價物為2,557,600,000港元。

支付交易處理解決方案分類於二零一七年保持增長勢頭。年內，我們已出售當時於日本之附屬公司並將發展重點集中於中國市場，因而產生出售收益約63,300,000港元。分類營業額為1,979,900,000港元，較去年增加89%。分類經營溢利為260,700,000港元，而二零一六年則為169,700,000港元。於二零一七年底，累計國內商戶總數超過2,500,000戶，而二零一七年十二月月度交易額逾人民幣1,100億元。年內，我們推出集「銀聯雲閃付」、「微信支付」、「支付寶」與銀行卡等各類支付方式，以及從傳統POS、MPOS到APP收銀台、台卡設備、簡易讀碼終端及智慧POS等各種終端形態的「智慧支付平台」，為行業各方參與者提供全系列應用解決方案。二零一七年六月，我們順利通過人民銀行的各項審核，成功獲得銀行卡收單、互聯網支付及移動支付牌照的續展，有效期至二零二二年六月。此外，我們於二零一七年九月份獲批《互聯網小額貸款經營許可證》，即獲得許可開展基於互聯網的商戶及個人的信貸業務。展望未來，預料我們將受益於利好持牌機構的監管政策，在「支付+金融」的業務戰略上獲得更大的發展機遇。

Letter from the Board

董事會函件

Financial solutions segment and platform operation solutions segment were generating stable operating profit to the Group during the year. With regard to our financial solutions segment, on the basis of strengthening our presence in the traditional customer market, we will continue to invest strategically in three aspects, namely: (1) expanding mid-to-small-size customers groups such as city commercial banks.; (2) actively extending to foreign banks and overseas customers groups; and (3) exploring other financial services market on top of banking customers. Meanwhile, our platform operation solutions segment continued to provide high-quality and efficient supporting services, such as product development, business operation and system maintenance, to the E-commerce Base of China Mobile, the IVR Base of China Mobile and the Animation Base of China Mobile. In the future, we target at new opportunities for product innovation and business development in the areas of e-commerce, payment and internet finance.

To promote better efficiency and effectiveness in management, during the year, we have split our “Information security chips and solutions” from the “Electronic power meters and solutions” segment. Driven by the significant growth of the payment market in China, the information security chips business expanded rapidly in Year 2017. Segmental turnover amounted to HK\$177.2 million, 213% up compared to last year, primarily due to drastic increase in the sales of security micro-controller (MCU). Segmental operating profit amounted to HK\$26.4 million as compared to HK\$5.9 million in Year 2016. In Year 2018, we will closely monitor the impact of policy changes of the central bank which target the payment market. Other research projects are progressing smoothly and cost reduction initiatives of various products is rolling out in an orderly manner.

Year 2017 was a challenging year to our electronic power meters and solutions segment. Despite we were not awarded with any tenders in the first tender conducted by the State Grid in Year 2017, we have conducted a throughout self-review and we were awarded with tender in the second tender conducted in Q4 2017. However, the business environment will still be difficult in Year 2018. As the State Grid continues to promote new technological development, especially the DLT698.45 object-oriented interchangeable data exchange protocol. Currently, the development of products related to DLT698.45 protocol is progressing well, which is expected to provide us certain advantages in the tender in Year 2018.

年內，金融解決方案分類及平台運營解決方案分類為本集團帶來穩定經營溢利。就金融解決方案分類而言，在穩固傳統客戶市場的基礎上，我們同步從三方面進行戰略投入：(1)擴大城市商業銀行等中小型客戶群體；(2)積極開拓外資銀行及海外客戶群體；及(3)探索銀行客戶之外的金融服務市場。同時，平台運營解決方案分類繼續為中移動電商基地、中移動IVR基地、中移動動漫基地提供優質高效的產品開發、業務運營、系統運維等支撐服務。未來，我們將探索電商、支付、互聯網金融等領域的新產品創新和業務發展機會。

為提升管理效率及效益，我們已於年內將「信息安全芯片及解決方案」剝離出「電能計量產品及解決方案」分類。受惠於中國支付市場的迅猛發展，信息安全芯片業務在二零一七年迅速擴張。分類營業額為177,200,000港元，較去年增加213%，主要由於安全微控制器（MCU）銷售大幅增加所致。分類經營溢利為26,400,000港元，而二零一六年度則為5,900,000港元。於二零一八年，我們將密切監察央行針對支付市場政策變更的影響。其他各項研發專案進展順利，各產品的成本降低工作亦在有條不紊地開展。

就電能計量產品及解決方案分類而言，二零一七年為充滿挑戰的一年。儘管我們未能於國家電網於二零一七年進行的首次招標活動中標，我們已進行全面的自行檢討並於二零一七年第四季進行的第二次招標活動中標。然而，二零一八年的營商環境仍然艱鉅。國家電網繼續推進新技術的發展，尤其是DLT698.45物件導向的互通性資料交換協議。目前，與DLT698.45協議有關的產品開發進展良好，預期將於二零一八年的招標活動中為我們帶來一定優勢。

Letter from the Board 董事會函件

Combined with our strong financial position, management will remain focused on financial and operation disciplines and take hold of various opportunities for the Group's business growth in Year 2017. On behalf of the Board, we would like to take this opportunity to express our utmost gratitude to our customers, bankers, suppliers, business associates and most valued shareholders for their continuous trust and support to the Group.

On behalf of the Board

Cheung Yuk Fung
Chairman

Hong Kong, 7 March 2018

憑藉我們穩健的財務狀況，管理層將繼續集中於金融及營運方面，並為本集團於二零一七年之業務增長抓緊各種機遇。本人謹此代表董事會衷心感謝各客戶、銀行、供應商、業務夥伴及最尊貴之股東對本集團一直信賴及支持。

代表董事會

主席
張玉峰

香港，二零一八年三月七日

Management Discussion and Analysis 管理層之討論與分析

BUSINESS PERFORMANCE AND BUSINESS OUTLOOK

Review of business performance of the Group during the Reporting Year and the Group's business outlook are disclosed in the section headed "Business Review" of the Report of the Directors in this Annual Report.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2017, the Group reported total assets of HK\$5,657.5 million (2016: HK\$5,499.0 million), which were financed by total liabilities of HK\$1,493.9 million (2016: HK\$1,913.3 million) and equity of HK\$4,163.6 million (2016: HK\$3,585.7 million). The net asset value was HK\$4,163.6 million (2016: HK\$3,585.7 million). Net assets per share amounted to HK\$1.499 as at 31 December 2017 as compared to HK\$1.291 per share as at 31 December 2016.

As at 31 December 2017, the Group had cash and cash equivalents of HK\$2,541.5 million (2016: HK\$2,726.7 million) and short term borrowing of HK\$9.6 million (2016: Nil). The net cash position as at 31 December 2017 was HK\$2,531.9 million as compared to HK\$2,726.7 million as at 31 December 2016. The gearing ratio (defined as total borrowing divided by total capital) was 0.2% (2016: zero). The gearing ratio is considered healthy and suitable for the continuing growth of the Group's business.

CAPITAL STRUCTURE AND DETAILS OF CHARGES

As at 31 December 2017, the Group had bank borrowing of HK\$9.6 million (2016: Nil) and banking facilities of approximately HK\$19.2 million (2016: HK\$17.8 million). The bank borrowing was charged at an interest rate of 4.57% per annum (2016: Nil). As at 31 December 2017, the bank borrowing and banking facilities were secured by the leasehold land and buildings of a subsidiary of the Company, with a net carrying amount of HK\$3.1 million (2016: HK\$2.9 million) and HK\$9.0 million (2016: HK\$9.3 million), respectively.

Approximately HK\$1,820.7 million, HK\$317.9 million, HK\$211.5 million, HK\$188.8 million and HK\$2.6 million of the Group's cash balances were denominated in Renminbi, Hong Kong Dollar, US Dollar, Japanese Yen, and Macanese Pataca ("MOP") respectively as at 31 December 2017.

業務表現及業務展望

本集團於報告年度業務表現之回顧及本集團之業務展望於本年報董事會報告「業務回顧」一節披露。

流動資金及財務資源

於二零一七年十二月三十一日，本集團錄得資產總值為5,657,500,000港元（二零一六年：5,499,000,000港元），相應負債總額為1,493,900,000港元（二零一六年：1,913,300,000港元）及權益總額為4,163,600,000港元（二零一六年：3,585,700,000港元）。資產淨值則為4,163,600,000港元（二零一六年：3,585,700,000港元）。於二零一七年十二月三十一日，每股資產淨值為1.499港元，而二零一六年十二月三十一日則為每股1.291港元。

於二零一七年十二月三十一日，本集團有現金及現金等價物2,541,500,000港元（二零一六年：2,726,700,000港元）及短期借款9,600,000港元（二零一六年：無）。於二零一七年十二月三十一日之現金淨額為2,531,900,000港元，而二零一六年十二月三十一日則為2,726,700,000港元。資本負債比率（定義為借款總額除以資本總額）為0.2%（二零一六年：零）。資本負債比率被視為穩健，並適合本集團業務持續發展。

資本架構及抵押詳情

於二零一七年十二月三十一日，本集團有銀行借款9,600,000港元（二零一六年：無）及有銀行信貸約19,200,000港元（二零一六年：17,800,000港元）。銀行借款乃按年利率4.57%計算（二零一六年：無）。於二零一七年十二月三十一日，銀行借款及銀行信貸由本公司一間附屬公司之租賃土地及樓宇（賬面淨值分別為3,100,000港元（二零一六年：2,900,000港元）及9,000,000港元（二零一六年：9,300,000港元）作抵押。

於二零一七年十二月三十一日，本集團之現金結餘分別約1,820,700,000港元、317,900,000港元、211,500,000港元、188,800,000港元及2,600,000港元乃分別以人民幣、港元、美元、日圓及澳門幣（「澳門幣」）列值。

Management Discussion and Analysis 管理層之討論與分析

Approximately HK\$1,977.7 million, HK\$468.6 million, HK\$273.8 million, HK\$0.2 million and HK\$6.4 million of the Group's cash balances were denominated in Renminbi, Hong Kong Dollar, US Dollar, Japanese Yen and MOP respectively as at 31 December 2016.

SIGNIFICANT INVESTMENT

Save as disclosed in this annual report, the Group had no significant investment held as at 31 December 2017.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Save as disclosed in this annual report, the Group did not have any material acquisition or disposal of subsidiaries during the year ended 31 December 2017.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this annual report, there was no specific plan for material investments or capital assets as at 31 December 2017.

EXCHANGE RATES EXPOSURE

The Group derives its revenue, makes purchases and incurs expenses denominated mainly in US Dollars, Renminbi, Hong Kong Dollars and Japanese Yen. Currently, the Group has not entered into any agreements or purchased any instruments to hedge the Group's exchange rate risks. Any material fluctuation in the exchange rates of Hong Kong Dollars, Renminbi or Japanese Yen may have an impact on the operating results of the Group.

於二零一六年十二月三十一日，本集團之現金結餘分別約1,977,700,000港元、468,600,000港元、273,800,000港元、200,000港元及6,400,000港元乃分別以人民幣、港元、美元、日圓及澳門幣列值。

重大投資

除本年報所披露者外，於二零一七年十二月三十一日，本集團並無持有任何重大投資。

重大收購及出售附屬公司

除本年報所披露者外，於截至二零一七年十二月三十一日止年度，本集團並無任何重大收購或出售附屬公司。

重大投資或股本資產之未來計劃

除本年報所披露者外，於二零一七年十二月三十一日，本集團並無就重大投資或股本資產制定任何特定計劃。

匯率風險

本集團產生之收入、所作採購及支付之費用主要以美元、人民幣、港元及日圓列值。目前，本集團並無訂有任何協議或購買任何工具對沖本集團之匯率風險。倘港元、人民幣或日圓之匯率出現任何重大波動，均可能對本集團之經營業績造成影響。

Management Discussion and Analysis 管理層之討論與分析

CONTINGENT LIABILITIES

(A) Performance Guarantee Agreement with a customer

In 2015, the Company entered into a performance guarantee agreement with a customer (the "Performance Guarantee Agreement"). Pursuant to the Performance Guarantee Agreement, the Company agreed to provide the customer with a guarantee in relation to the due and punctual performance of a service project by a subsidiary of the Group with a surety of not more than HK\$60,000,000 and to indemnify the customer against any third-party claim of intellectual property right infringement resulting from the acts of the said subsidiary. As at 31 December 2017, the Company does not recognise any liability in relation to the Performance Guarantee Agreement as the Directors of the Company consider the possibility of reimbursement not probable.

(B) Guarantee Agreement with a subsidiary of the Group

In respect of the increased credit limit of manufacturing orders of semiconductor products to be placed by a subsidiary of the Group ("Subsidiary A") to manufacturer from US\$1,000,000 to US\$6,000,000, the Company, upon request of the manufacturer, had in 2017 entered into a guarantee agreement ("Guarantee Agreement") with Subsidiary A, pursuant to which the Company shall guarantee to repay the due and unsettled debts of Subsidiary A owed to the manufacturer to be incurred in relation to the aforesaid manufacturing orders, should Subsidiary A cease or fail to honour its obligations prescribed thereunder, subject to a surety of not more than US\$6,000,000. As at 31 December 2017, the Company does not recognise any liability in relation to the Guarantee Agreement as the Directors of the Company consider the possibility of reimbursement not probable.

Save as disclosed above, the Group had no material contingent liability as at 31 December 2017 and 2016 respectively.

或然負債

(A) 與一名客戶訂立表現擔保協議

於二零一五年，本公司與一名客戶訂立表現擔保協議（「表現擔保協議」）。根據表現擔保協議，本公司同意就本集團一間附屬公司恰當及如期表現向客戶提供擔保，擔保金額不超過60,000,000港元，並同意就因上述附屬公司侵犯第三方知識產權的行為引致的索償向該客戶作出彌償。於二零一七年十二月三十一日，本公司並無確認任何有關表現擔保協議的負債，原因乃本公司董事認為提出索償之可能性不高。

(B) 與本集團一間附屬公司訂立擔保協議

本集團一間附屬公司（「附屬公司A」）向製造商將予下達之半導體產品製造訂單的信用限額由1,000,000美元增至6,000,000美元，應製造商要求，本公司於二零一七年已與附屬公司A訂立擔保協議（「擔保協議」），據此，倘附屬公司A停止或未能履行擔保協議項下之責任，本公司將保證償還附屬公司A因上述製造訂單所引致而結欠製造商的到期及未償還債務，保證金不超過6,000,000美元。於二零一七年十二月三十一日，本公司並未確認任何有關擔保協議的負債，原因乃本公司董事認為提出索償之可能性不高。

除上文披露者外，於二零一七年及二零一六年十二月三十一日，本集團並無任何重大或然負債。

Management Discussion and Analysis 管理層之討論與分析

EMPLOYEES

僱員

The total number of employees of the Group as at 31 December 2017 was 2,226. The breakdown of employees by division is as follows:

本集團於二零一七年十二月三十一日之僱員總數為2,226人。僱員按部門細分如下：

Payment processing solutions	支付交易處理解決方案	713
Financial solutions	金融解決方案	291
Electronic power meters and solutions	電能計量產品及解決方案	283
Information security chips and solutions	信息安全芯片及解決方案	86
Platform operation solutions	平台運營解決方案	806
Others	其他	10
Corporate office	總部	37
		2,226

The Group ensures that its employees' remuneration packages are comprehensive and competitive. Employees are remunerated with fixed monthly income plus annual performance related bonuses. The Group also operates certain share option schemes for the purpose of attracting, retaining and motivating the employees. The Group also sponsors selected employees to attend external training courses that suit the needs of the Group's businesses.

本集團確保其僱員薪酬待遇全面且具有競爭力。僱員之薪酬包括每月固定薪金，另加與表現掛鈎之年度花紅。本集團亦設有若干購股權計劃，旨在吸引、留聘及激勵僱員。本集團亦資助獲挑選之僱員參與符合本集團業務所需之外界培訓課程。

Disclaimer:

免責聲明：

Non-GAAP measures

非公認會計原則指標

Certain non-GAAP (generally accepted accounting principles) measures, such as EBITDA, are used for assessing the Group's performance. These non-GAAP measures are not expressly permitted measures under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group's current financial performance. Additionally, as the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in our financial reporting.

若干非公認會計原則指標乃用於評估本集團之表現，例如EBITDA。該等非公認會計原則指標並非香港公認會計原則明確認可之指標，故未必可與其他公司之同類指標作比較。因此，該等非公認會計原則指標不應視作經營收入（作為本集團經營表現指標）之替補或經營活動現金流量（作為衡量流動資金）之替補。提供非公認會計原則指標純粹為加強對本集團現時財務表現之整體理解。此外，由於本集團以往曾向投資者報告若干採用非公認會計原則計算之業績，因此本集團認為包括非公認會計原則指標可令本集團之財務報表提供一致性。

Report of the Directors 董事會報告

The Directors submit their report together with the audited financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holdings. The principal activities of the Group are provision of payment processing solutions, provision of financial solutions, sales of electronic power meters and solutions, sales of information security chips and solutions and provision of platform operation solutions.

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

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated income statement on page 76.

The Directors do not recommend the payment of a dividend (2016: Nil).

RECORD DATE FOR DETERMINING ELIGIBILITY TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING

Record date (being the last date for registration of any share transfer given there will be no book closure) for determining the entitlement of the shareholders of the Company to attend and vote at the annual general meeting ("Annual General Meeting") to be held on Friday, 20 April, 2018 will be Friday, 13 April, 2018. All transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 13 April, 2018.

RESERVES

Details of the movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity and in notes 26 and 36 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

董事會謹此提呈彼等之報告及截至二零一七年十二月三十一日止年度之經審核財務報表。

主要業務及地區業務分析

本公司之主要業務為投資控股。本集團之主要業務包括提供支付交易處理解決方案、提供金融解決方案、提供銷售電能計量產品及解決方案、提供銷售信息安全芯片及解決方案及提供平台運營解決方案。

本集團於本年度之表現按業務及地區劃分之分析載於綜合財務報表附註6。

業績及股息

本集團截至二零一七年十二月三十一日止年度之業績載於第76頁之綜合收益表。

董事並不建議派付任何股息(二零一六年:無)。

確定有權出席股東週年大會並於會上投票的記錄日期

為確定本公司股東出席將於二零一八年四月二十日(星期五)舉行之股東週年大會(「股東週年大會」)並於會上投票的權利的記錄日期(鑒於將不會暫停辦理股份過戶登記,即指進行任何股份過戶登記的截止日期)為二零一八年四月十三日(星期五)。本公司股東必須於二零一八年四月十三日(星期五)下午四時三十分前,將所有本公司股份過戶文件連同有關股票送交本公司香港股份過戶登記處卓佳登捷時有限公司進行登記,地址為香港皇后大道東183號合和中心22樓。

儲備

年內本集團及本公司之儲備變動詳情載於綜合權益變動表及綜合財務報表附註26及36。

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於綜合財務報表附註14。

Report of the Directors 董事會報告

SHARE CAPITAL AND SHARE OPTIONS

Share Option Scheme of the Company

The Company operates a share option scheme 2011 (the "Scheme") for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme (the "Participants") include any full-time employees, executive and non-executive Directors of the Company or any subsidiary or associated companies. The Scheme became effective on 29 April 2011 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years from that date. Further details of the Scheme can be found in the circular of the Company dated 28 March 2011.

The total number of shares of the Company (the "Shares") which may be issued upon exercise of all options to be granted under the Scheme, and any other share option schemes of the Company in issue, shall not in aggregate exceed 10% of the relevant class of securities of the Company in issue as at the date of approval of the Scheme unless the Company obtains a fresh approval from its Shareholders.

The maximum number of Shares which may be issued and to be issued upon exercise of all exercised and/or outstanding options granted to each Participant shall not in aggregate exceed 1% of the relevant class of securities of the Company in issue in any 12-month period. Any further grant of options in excess of the aforesaid 1% limit shall be subject to the approval of the Shareholders of the Company with such Participant and his/her associates abstaining from voting.

As at the date of this report, 267,342,983 Shares were available for issue under the Scheme, representing 9.63% of the total number of Shares in issue.

The exercise period of the options granted is determinable by the Directors, and such period shall commence on the date of the offer of the options (the "Offer Date") and expire on the last day of such period which must not exceed 10 years.

There is no minimum period for which an option must be held before it can be exercised and no performance target needs to be achieved by the grantee before the option can be exercised.

A share option shall be deemed to have been accepted and to have taken effect when the duplicate letter comprising acceptance of the option duly signed by the Participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company.

股本及購股權

本公司之購股權計劃

本公司設立二零一一年購股權計劃(「該計劃」)旨在吸引、留聘及激勵有潛質之僱員，以助推動、日後發展及擴充本集團業務。該計劃之合資格參與者(「參與者」)包括本公司或其任何附屬公司或聯營公司任何全職僱員以及執行及非執行董事。該計劃於二零一一年四月二十九日生效，除另行取消或修訂外，將由該日起計10年期間仍然有效及生效。該計劃之進一步詳情可參閱本公司日期為二零一一年三月二十八日之通函。

除非本公司獲股東重新批准，否則因行使根據該計劃及本公司任何其他購股權計劃將予授出之全部購股權後可予發行之本公司股份(「股份」)總數合共不得超過於批准該計劃日期之本公司已發行相關類別證券之10%。

因行使已授予各參與者之所有已行使及/或尚未行使購股權而可予發行及將予發行之最高股份數目合共不得超過於任何十二個月期間本公司已發行相關類別證券之1%。進一步授出之任何購股權如超越上述1%限額，須待本公司股東批准方可作實，而該等參與者及其聯繫人士須放棄投票。

於本報告日期，267,342,983股股份(相當於已發行股份總數的9.63%)根據該計劃可供發行。

已授出購股權之行使期由董事釐定，而該期間應由授予購股權之日(「授予日期」)起至該期間之最後一日屆滿，該期間不得超過10年。

概無設有行使前須持有購股權之最短期限規定，且承授人於行使購股權前毋須達致任何表現目標。

參與者於正式簽署有關接納購股權之複印函件，並向本公司匯款1.00港元支付授予代價及經本公司收悉後，有關購股權應被視為已獲接納及生效。

Report of the Directors 董事會報告

The exercise price of an option shall be determined at the discretion of the Board and shall be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a day on which the Stock Exchange is open for the business of dealing in securities ("Trading Day"); (ii) a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Trading Days immediately preceding the Offer Date; and (iii) the nominal value of a Share.

No share option of the Company was granted or exercised during the year ended 31 December 2017. As at 31 December 2017, and up to the date of this report, there was no issued and outstanding share option under the Scheme which has not been exercised or lapsed.

Share Option Scheme of VBill

Subsequent to the reporting period and as disclosed in the announcement of the Company on 15 January 2018, the directors and shareholders of VBill passed resolutions to adopt the share option scheme for VBill ("VBill Share Option Scheme"), which complies with Chapter 17 of the Listing Rules. The adoption of the VBill Share Option Scheme was approved by the Shareholders at the special general meeting ("SGM") of the Company held on 5 February 2018 and became effective on 5 February 2018. Please refer to the circular of the Company dated 19 January 2018 and the announcement of the Company dated 5 February 2018 for further details. Unless otherwise amended or terminated, the VBill Share Option Scheme will be effective for a period of 5 years from the date of grant of options (i.e. 5 February 2018). The purpose of the VBill Share Option Scheme is to enable VBill to grant options of equity interest of VBill ("VBill Options") to selected participants as incentives or rewards for their contribution or potential contribution to VBill and its subsidiaries ("VBill Group"). Eligible participants of the VBill Share Option Scheme include any directors, supervisors, general managers and other employees of any member of VBill Group. Further details of the VBill Share Option Scheme can be found in the circular of the Company dated 19 January 2018.

As at the date of approval of the VBill Share Option Scheme, the total registered capital of VBill ("VBill Registered Capital") was RMB199,900,000. The total VBill Registered Capital which may be contributed by grantees upon the exercise of all options to be granted under the VBill Share Option Scheme and other share option schemes of VBill shall not in aggregate exceed RMB19,990,000, being 10% of the VBill Registered Capital as at the date of approval of the VBill Share Option Scheme unless otherwise approved by the Shareholders for refreshing the 10% limit.

購股權行使價應由董事會酌情釐定，最低行使價應為下列之最高者：(i) 授予日期當日（須為聯交所開放買賣證券之日（「交易日」））聯交所每日報價表所列股份收市價；(ii) 緊接授予日期前五個交易日聯交所每日報價表所列股份收市價之平均數；及(iii) 股份面值。

本公司並無於截至二零一七年十二月三十一日止年度授出或行使購股權。於二零一七年十二月三十一日及截至本報告日期，亦無根據該計劃發行而尚未行使之購股權仍未行使或失效。

隨行付之購股權計劃

於報告期間後及本公司日期為二零一八年一月十五日之公佈所披露，隨行付之董事及股東通過採納隨行付購股權計劃（「隨行付購股權計劃」）之決議案，符合上市規則第17章。股東於本公司於二零一八年二月五日舉行之股東特別大會上批准採納隨行付購股權計劃，並已於二零一八年二月五日生效。進一步詳情，請參閱本公司日期為二零一八年一月十九日之通函及本公司日期為二零一八年二月五日之公佈。除非另行修訂或終止，否則隨行付購股權計劃之有效期將為授出購股權日期（即二零一八年二月五日）起計五年。隨行付購股權計劃旨在確保隨行付可向選定參與者授出隨行付股權之購股權（「隨行付購股權」），作為彼等對隨行付及其附屬公司（「隨行付集團」）所作貢獻或可能作出貢獻之獎勵或回報。隨行付購股權計劃之合資格參與者包括隨行付集團任何成員公司之任何董事、監事、總經理及其他僱員。有關隨行付購股權計劃之進一步詳情，請參閱本公司日期為二零一八年一月十九日之通函。

於隨行付購股權計劃之批准日期，隨行付之註冊股本（「隨行付註冊股本」）總額為人民幣199,900,000元。承授人因行使根據隨行付購股權計劃及隨行付之其他購股權計劃而可能注入之隨行付註冊股本總額合共不得超過人民幣19,990,000元，即於隨行付購股權計劃批准日期隨行付註冊股本之10%，除非股東另行批准更新10%限額則作別論。

Report of the Directors 董事會報告

The total VBill Registered Capital contributed and to be contributed upon exercise of the VBill Options granted to each participant of the VBill Share Option Scheme (including both exercised and outstanding VBill Options) in any 12-month period shall not exceed 1% of the VBill Registered Capital, unless otherwise approved by the Shareholders with such participant and his close associates (or his associates if such participant is a connected person) abstaining from voting.

The exercise period of the VBill Options granted is to be determined by the board of directors of VBill, commencing on the date of the grant and expiring within 5 years therefrom.

There is no minimum period for which a VBill Option must be held nor any performance targets to be achieved by a grantee before a VBill Option can be exercised subject to VBill's board of directors' discretion, on a case-by-case basis or generally, to impose such conditions, such as minimum performance targets and other terms as they consider appropriate.

A VBill Option shall take effect when the grantee returns the letter of acceptance and VBill receives from the grantee a total remittance of RMB1.00 as consideration for the grant.

The subscription price payable by any grantee shall be a price to be determined by the board of directors of VBill in its absolute discretion at the time of the grant of the VBill Option with reference to factors which may include the business performance, value of VBill Group and individual performance of the grantee, but in any event, the subscription price shall not be less than the net asset value of the interests of VBill subject to the VBill Option calculated from the latest audited accounts of VBill.

The subscription price of VBill Options granted in respect of VBill after the Company has resolved to seek a separate listing of VBill on the Stock Exchange, the Growth Enterprise Market of the Stock Exchange or an overseas stock exchange and up to the listing date of VBill must be not lower than the new issue price (if any). In particular, any VBill Options granted during the period commencing six months before the lodgement of Form A1 (or its equivalent for listing on the Growth Enterprise Market of the Stock Exchange or the overseas stock exchange) up to the listing date of VBill are subject to this requirement.

Grant of VBill Options after the reporting period

On 15 January 2018, the directors and shareholders of VBill passed resolutions to approve the grant of VBill Options to Mr. Shen Zheng ("Mr. Shen"), Mr. Li Huimin ("Mr. Li") and Mr. Guo Yi ("Mr. Guo"). The grant of VBill Options to Mr. Shen, Mr. Li and Mr. Guo was approved by the Shareholders at the SGM.

在任何十二個月期間，因授予各隨行付購股權計劃參與者之隨行付購股權（包括已行使及尚未行使之隨行付購股權）獲行使而已注入及將予注入之隨行付註冊股本總額，不得超過隨行付註冊股本之1%，除非經股東另行批准，而該參與者及其緊密聯繫人（或倘該參與者為關連人士則其聯繫人）須放棄投票。

所授出隨行付購股權之行使期將由隨行付之董事會釐定，行使期於授出日期開始，並於其後五年內屆滿。

隨行付購股權可予行使前並無任何最短持有期限，且於隨行付購股權可予行使之前承授人亦無須達到任何表現目標，惟可由隨行付之董事會按個別基準酌情或整體施加有關條件，如最低表現目標及認為適當之其他條款。

於承授人交回接納函件及隨行付接獲承授人作為授出代價的人民幣1.00元之匯款總額時，隨行付購股權將會生效。

任何承授人應付之認購價為隨行付之董事會於授出隨行付購股權時參考隨行付集團之業務表現、價值及承授人之個人表現等因素全權酌情釐定之價格，惟於任何情況下，認購價均不得低於按隨行付最近期經審核賬目所計算受隨行付購股權規限之隨行付權益之資產淨值。

於本公司議決尋求隨行付於聯交所、聯交所創業板或海外證券交易所另行上市後直至隨行付上市日期，就隨行付授出的隨行付購股權之認購價不得低於新發行價（如有）。尤其是，於遞交A1表格（或於聯交所創業板或海外證券交易所上市之相關文件）前六月開始直至隨行付上市日期期間內授出之任何隨行付購股權須遵守該規定。

於報告期間後授出隨行付購股權

於二零一八年一月十五日，隨行付之董事及股東通過批准向申政先生（「申先生」）、黎會敏先生（「黎先生」）及郭誼先生（「郭先生」）授出隨行付購股權之決議案。股東於股東特別大會上批准向申先生、黎先生及郭先生授出隨行付購股權。

Report of the Directors 董事會報告

Mr. Shen is a director and the chairman of the board of VBill and a director of certain members of the VBill Group. Mr. Li is the chief executive officer of VBill and the supervisor of a member of the VBill Group. Mr. Guo is the senior vice president of VBill. Each of Mr. Shen and Mr. Li is a connected person of the Company at subsidiary level. None of Mr. Shen, Mr. Li and Mr. Guo is a director, chief executive or substantial shareholder of the Company or an associate of any of them.

The subscription price of the VBill Options granted was RMB12.51 for every RMB1.0 in the VBill Registered Capital. The amount of enlarged VBill Registered Capital subject to the VBill Options were RMB13,629,500 for Mr. Shen, RMB6,814,750 for Mr. Li and RMB6,814,750 for Mr. Guo. Assuming all the three grantees exercise their VBill Options in full, Mr. Shen, Mr. Li and Mr. Guo will be interested in approximately 6%, 3% and 3% respectively of the enlarged VBill Registered Capital, which would exceed the individual limit of 1% as prescribed under the VBill Share Option Scheme. The grantees may exercise their VBill Options within three years from the date on which the VBill Share Option Scheme took effect (i.e. 5 February 2018). As at the date of this report, no VBill Options has been exercised and VBill Options in the amount of RMB27,259,000 of the enlarged VBill Registered Capital remained outstanding, representing 12% of the enlarged VBill Registered Capital.

As at the date of this report, none of the VBill Options has been cancelled or lapsed.

DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company's reserves available for distribution to shareholders as calculated under the Companies Act 1981 of Bermuda (as amended) amounted to HK\$115,979,000 (2016: HK\$77,820,000). The Company's share premium account, in the amount of HK\$1,290,857,000 (2016: HK\$1,290,857,000) may be distributed in the form of fully paid bonus shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders.

FIVE YEARS 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 188.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares during the year ended 31 December 2017.

申先生為隨行付之董事兼董事會主席以及隨行付集團若干成員公司之董事。黎先生為隨行付之行政總裁及隨行付集團一間成員公司之監事。郭先生為隨行付之高級副總裁。申先生及黎先生均為本公司在附屬公司層面之關連人士。申先生、黎先生及郭先生均非本公司董事、主要行政人員或主要股東或任何彼等的聯繫人。

隨行付註冊股本中每人民幣1.0元的已授出隨行付購股權認購價為人民幣12.51元。申先生、黎先生及郭先生就隨行付購股權涉及之經擴大隨行付註冊股本金額分別為人民幣13,629,500元、人民幣6,814,750元及人民幣6,814,750元。假設全部三名承授人悉數行使彼等之隨行付購股權，申先生、黎先生及郭先生將於經擴大隨行付註冊股本中分別擁有約6%、3%及3%權益，將超出隨行付購股權計劃所規定之1%個人限額。隨行付購股權計劃生效日期（即二零一八年二月五日）起三年內，承授人可行使彼等之隨行付購股權。於本報告日期，概無隨行付購股權獲行使，而涉及經擴大隨行付註冊股本中人民幣27,259,000元之隨行付購股權尚未行使，相當於經擴大隨行付註冊股本的12%。

於本報告日期，概無隨行付購股權已註銷或失效。

可供分派儲備

根據百慕達一九八一年公司法（經修訂）計算，本公司於二零一七年十二月三十一日有為數115,979,000港元（二零一六年：77,820,000港元）之儲備可供分派予股東。本公司可以繳足紅股方式分派股份溢價賬中為數1,290,857,000港元（二零一六年：1,290,857,000港元）之款項。

優先認股權

本公司之公司細則或百慕達法例並無有關優先認股權之條文規定，強制本公司須向現有股東按比例發售新股份。

五年財務概要

本集團於過去五個財政年度之業績及資產與負債概要載於第188頁。

購買、出售或贖回證券

於截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何股份。

Report of the Directors

董事會報告

BUSINESS REVIEW

CONDENSED SEGMENT RESULTS ANALYSIS

業務回顧

簡明分類業績分析

		Note 附註	Turnover 營業額		EBITDA EBITDA	
			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated)* (重列)*	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated)* (重列)*
Payment processing solutions	支付交易處理解決方案	1	1,979,939	1,050,313	432,375	253,239
Financial solutions	金融解決方案	2	295,328	351,407	23,942	26,473
Electronic power meters and solutions	電能計量產品及解決方案	3	250,960	258,239	1,692	16,374
Information security chips and solutions	信息安全芯片及解決方案	4	177,224	56,539	26,867	6,370
Platform operation solutions	平台運營解決方案	5	209,683	210,766	7,259	8,055
Others	其他		-	-	(948)	(13,438)
Segmental results	分類業績		2,913,134	1,927,264	491,187	297,073
Less: Inter-segment turnover	減: 分類間營業額		(3,156)	(6,027)	-	-
Total	合計		2,909,978	1,921,237	491,187	297,073
Depreciation	折舊				(179,040)	(92,589)
Amortisation	攤銷				(8,950)	(10,504)
Segmental operating profit	分類經營溢利				303,197	193,980
Unallocated other income	未分配其他收入				5,161	4,900
Unallocated corporate expenses	未分配企業開支				(71,443)	(66,557)
Gain on disposal of subsidiaries	出售附屬公司之收益				63,262	-
Operating profit	經營溢利				300,177	132,323

* Note 4

* 附註4

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收益表

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入	A	2,909,978	1,921,237
Cost of sales	銷售成本	B	(2,165,949)	(1,328,542)
Gross profit	毛利		744,029	592,695
Other income	其他收入	A	46,721	46,205
Other gains/(losses), net	其他收益/(虧損)淨額	A	21,139	(1,120)
Selling expenses	銷售開支	B	(113,394)	(101,631)
Administrative expenses	行政費用	B	(461,580)	(403,826)
Gain on disposal of subsidiaries	出售附屬公司之收益	C	63,262	-
Operating profit	經營溢利		300,177	132,323
Finance costs	融資成本		(9)	-
Share of result of an investment accounted for using the equity method	應佔以權益法入賬之一項投資業績	D	134,531	198,992
Gain on dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項投資權益攤薄收益	D	113	826
Profit before income tax	除所得稅前溢利		434,812	332,141
Income tax expense	所得稅開支		(45,298)	(19,485)
Profit for the year	年內溢利		389,514	312,656
Profit attributable to:	應佔溢利:			
- Owners of the Company	- 本公司擁有人		346,144	283,964
- Non-controlling interests	- 非控股權益		43,370	28,692
			389,514	312,656
Earnings per share for profit attributable to the owners of the Company:	本公司擁有人應佔溢利之每股盈利:		HK\$ per share 每股港元	HK\$ per share 每股港元
Basic	基本		0.125	0.102
Diluted	攤薄		0.124	0.100

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CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

	Note 附註	As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
ASSETS			
Investment properties, property, plant and equipment and leasehold land	E	540,904	301,383
Intangible assets	F	1,985	10,466
Investments accounted for using the equity method	G	1,823,245	1,663,250
Available-for-sale financial assets	H	178,385	106,113
Financial assets at fair value through profit or loss	I	96,187	76,880
Inventories	J	95,407	74,972
Trade and bills receivables	K	278,319	243,534
Other receivables, prepayments and deposits	K	69,095	41,474
Amounts due from investments accounted for using the equity method	L	16,289	13,258
Short-term bank deposits		16,153	18,388
Cash and cash equivalents		2,541,482	2,726,733
Assets of disposal group classified as held-for-sale	N	-	222,590
Total assets		5,657,451	5,499,041
EQUITY			
Capital and reserves attributable to the owners of the Company			
Share capital		6,942	6,942
Reserves		4,052,400	3,524,274
Non-controlling interests		4,059,342	3,531,216
Total equity		104,203	54,451
LIABILITIES			
Deferred income tax liabilities		163	205
Trade and bills payables	M	239,199	266,270
Payables for payment processing solutions business	M	292,587	808,650
Other payables and accruals	M	848,409	625,417
Amounts due to investments accounted for using the equity method	L	57,755	81,468
Current tax liabilities		46,197	34,884
Borrowing		9,596	-
Liabilities of disposal group classified as held-for-sale	N	-	96,480
Total liabilities		1,493,906	1,913,374
Total equity and liabilities		5,657,451	5,499,041
Net assets per share		HK\$ per share 每股港元 1.499	HK\$ per share 每股港元 1.291

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明綜合現金流量表

	Note 附註	For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net cash (used in)/generated from operating activities		(153,447)	908,831
Net cash used in investing activities		(273,374)	(291,445)
Net cash generated from financing activities		12,808	3,879
Net (decrease)/increase in cash and cash equivalents		(414,013)	621,265
Cash and cash equivalents at beginning of the year		2,804,978	2,292,287
Exchange gain/(loss) on cash and cash equivalents		150,517	(108,574)
Cash and cash equivalents at end of the year		2,541,482	2,804,978
Analysis of cash and cash equivalents:			
Cash and cash equivalents		2,541,482	2,726,733
Cash and cash equivalents included in disposal group classified as held-for-sale	N	-	78,245
		2,541,482	2,804,978

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FINANCIAL REVIEW

During the year ended 31 December 2017 ("YEAR 2017"), the consolidated turnover of Hi Sun Technology (China) Limited (the "Company") and its subsidiaries (the "Group") amounted to HK\$2,910.0 million, representing an increase of 51% when compared with the year ended 31 December 2016 ("YEAR 2016"). Profit for the year totalled HK\$389.5 million as compared to HK\$312.7 million in YEAR 2016.

With regard to the balance sheet, the total assets as at 31 December 2017 amounted to HK\$5,657.5 million, when compared with HK\$5,499.0 million as at 31 December 2016. As at 31 December 2017, net current assets amounted to HK\$1,522.7 million, when compared with HK\$1,424.3 million as at 31 December 2016.

SEGMENT PERFORMANCE REVIEW

(1) Payment processing solutions

Key performance indicators

Turnover*	營業額*
EBITDA	EBITDA
Operating profit	經營溢利

* Turnover from external customers

Segmental turnover amounted to HK\$1,979.9 million, as compared to HK\$1,050.3 million in YEAR 2016. Segmental operating profit amounted to HK\$260.7 million, as compared to HK\$169.7 million in YEAR 2016. The increase in segmental operating profit was mainly due to increased scale of transaction operations. By end of YEAR 2017, there were over 2,500,000 accumulated domestic merchants and the monthly transaction volume in December 2017 exceeded RMB110 billion.

財務回顧

於截至二零一七年十二月三十一日止年度(「二零一七年度」),高陽科技(中國)有限公司(「本公司」)及其附屬公司(「本集團」)之綜合營業額為2,910,000,000港元,較截至二零一六年十二月三十一日止年度(「二零一六年度」)增加51%。年內溢利合共為389,500,000港元,而於二零一六年度則為溢利312,700,000港元。

就資產負債表而言,於二零一七年十二月三十一日,資產總值為5,657,500,000港元,而於二零一六年十二月三十一日則為5,499,000,000港元。於二零一七年十二月三十一日,流動資產淨值為1,522,700,000港元,而於二零一六年十二月三十一日則為1,424,300,000港元。

分類表現分析

(1) 支付交易處理解決方案

主要表現指標

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	Change 變動 +/-
1,979,939	1,050,313	+89%
432,375	253,239	+71%
260,657	169,652	+54%

* 來自外部客戶之營業額

分類營業額為1,979,900,000港元,而二零一六年度則為1,050,300,000港元。分類經營溢利為260,700,000港元,二零一六年度則為169,700,000港元。分類經營溢利上升主要由於交易經營規模增長。至二零一七年度底,累計國內商戶數超過2,500,000戶,二零一七年十二月月度交易額逾人民幣1,100億元。

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(2) Financial solutions

Key performance indicators

Turnover*	營業額*
EBITDA	EBITDA
Operating profit	經營溢利

* Turnover from external customers

During the current year, segmental turnover amounted to HK\$295.3 million, as compared to HK\$348.1 million in YEAR 2016. Segmental operating profit totaled HK\$14.9 million, as compared to HK\$14.8 million in YEAR 2016. Effect of decrease in segmental turnover was mitigated by decline in amortisation of intangible asset during the year.

(3) Electronic power meters and solutions

Key performance indicators

Turnover*	營業額*
EBITDA	EBITDA
Operating (loss)/profit	經營(虧損)/溢利

* Turnover from external customers

Segmental turnover amounted to HK\$251.0 million, representing a 3% drop as compared to YEAR 2016. Decrease in turnover was mainly due to decline in shipment level as compared to YEAR 2016. During YEAR 2017, the State Grid invited two tender exercises for electronic power meters and data collection devices contracts and we were only awarded contracts for the second tender exercise. Shrinkage of successful tender volume and size has led to a challenging operating environment in YEAR 2017 and is expected to continue to impact YEAR 2018. Segmental operating loss amounted to HK\$1.7 million, as compared to a segmental operating profit of HK\$12.7 million in YEAR 2016.

(2) 金融解決方案

主要表現指標

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	Change 變動 +/-
295,328	348,079	-15%
23,942	26,473	-10%
14,862	14,757	+1%

* 來自外部客戶之營業額

本年度內，分類營業額為295,300,000港元，而二零一六年度則為348,100,000港元。分類經營溢利合共為14,900,000港元，而二零一六年度為14,800,000港元。分類營業額減少之影響已因年內無形資產攤銷下降而有所減輕。

(3) 電能計量產品及解決方案

主要表現指標

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated) (重列)	Change 變動 +/-
250,960	258,239	-3%
1,692	16,374	-90%
(1,688)	12,688	N/A/不適用

* 來自外部客戶之營業額

分類營業額為251,000,000港元，較二零一六年度下降3%。營業額下降乃主要由於出貨量較二零一六年度減少所致。於二零一七年度，國家電網就電能計量產品及資訊採集設備合約進行兩次招標活動，我們僅於第二次招標活動中獲得合約。成功中標數量縮減導致二零一七年度的經營環境挑戰重重，預期將持續對二零一八年度造成影響。分類經營虧損達1,700,000港元，而二零一六年度錄得分類經營溢利12,700,000港元。

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(4) Information security chips and solutions

Key performance indicators

Turnover*	營業額*
EBITDA	EBITDA
Operating profit	經營溢利

* Turnover from external customers

To promote better efficiency and effectiveness in management, during the year, we have split our “Information security chips and solutions” from the “Electronic power meters and solutions” segment. During the year, segmental turnover amounted to HK\$177.2 million as compared to HK\$56.5 million in YEAR 2016, increased by more than 213%. Sales of mag-stripe card security decoder chips was stable while that of security micro-controller (MCU) increased drastically. Segmental operating profit amounted to HK\$26.4 million, as compared to HK\$5.9 million in YEAR 2016.

(5) Platform operation solutions

Key performance indicators

Turnover*	營業額*
EBITDA	EBITDA
Operating profit	經營溢利

* Turnover from external customers

In YEAR 2017, we continued to provide high-quality and efficient supporting services, such as product development, business operation and system maintenance, to the E-commerce Base of China Mobile, the IVR Base of China Mobile and the Animation Base of China Mobile. During the year, segmental turnover amounted to HK\$206.5 million as compared to HK\$208.1 million in YEAR 2016. Segmental operating profit amounted to HK\$4.0 million, as compared to HK\$4.7 million in YEAR 2016.

(4) 信息安全芯片及解決方案

主要表現指標

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated) (重列)	Change 變動 +/(–)
177,224	56,539	+213%
26,867	6,370	+322%
26,390	5,871	+349%

* 來自外部客戶之營業額

為提升管理效率及效益，我們已於年內將「信息安全芯片及解決方案」剝離出「電能計量產品及解決方案」分類。於年內，分類營業額為177,200,000港元，而二零一六年度則為56,500,000港元，漲幅超過213%。磁條卡加密解碼芯片的銷售額保持穩定，而安全微控制器的銷售額則大幅上升。分類經營溢利為26,400,000港元，而二零一六年度則為5,900,000港元。

(5) 平台運營解決方案

主要表現指標

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	Change 變動 +/(–)
206,527	208,067	-1%
7,259	8,055	-10%
4,043	4,732	-15%

* 來自外部客戶之營業額

於二零一七年度，我們繼續向中移動電商基地、中移動IVR基地及中移動動漫基地提供高質素及高效支持服務，如產品開發、業務營運及系統維護。年內，分類營業額為206,500,000港元，而二零一六年度則為208,100,000港元。分類經營溢利合共為4,000,000港元，而二零一六年度為4,700,000港元。

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OVERALL FINANCIAL RESULTS AND POSITION

(A) Revenue, other revenue and other gains/(losses), net

The consolidated turnover amounted to HK\$2,910.0 million, representing an increase of 51% from YEAR 2016. Such increase was mainly contributed by increase in segmental turnover of our payment processing solutions segment. Please refer to Notes (1) to (5) above.

Other revenue mainly represented interest income and subsidy income. Increase in other gains was mainly due to increase in fair value gain on a financial asset at fair value through profit and loss during the year.

(B) Cost of sales and operating expenses

Increase in cost of sales was primarily due to increase in turnover of the payment solutions segment.

Increase in operating expenses during the current period was primarily attributable to (i) increase in employee benefit expenses mainly due to the increase in headcounts and average salary; and (ii) increase in R&D expenses while partially offset by a net foreign exchange gain as compared to a net foreign exchange loss in prior year.

(C) Gain on disposal of subsidiaries

Amount represented the gain on the disposal of Merchant Support Co., Ltd. ("MS"), a then wholly owned subsidiary of the Company, completed in June 2017 (please also refer to the announcement of the Company dated 18 May 2017 for further details).

(D) Share of result of and gain on dilution of an interest in an investment accounted for using the equity method

The Group's share of profit of PAX Global Technology Limited ("PAX Global"), an associated company, the shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") decreased in line with the decrease in profit of PAX Global. Gain on dilution of interest in an associated company of HK\$0.1 million (Year 2016: HK\$0.8 million) was due to the effect of exercise of share options of PAX Global by some of its employees during the year. As an ordinary shareholder of Cloopen Group Holding Limited ("Cloopen"), an associated company of the Group, the Group's share of loss exceeded its interest in the ordinary shares of Cloopen, there was no overall financial impact on the consolidated income statement from the investment for the current year.

整體財務業績及狀況

(A) 收入、其他收入及其他收益／（虧損）淨額

綜合營業額為2,910,000,000港元，較二零一六年度增加51%。有關增加主要由於支付交易處理解決方案分類之分類營業額增加。請參閱上文附註(1)至(5)。

其他收入主要指利息收入及補貼收入。其他收益增加乃主要由於年度按公平值計入損益之金融資產的公平值收益增加所致。

(B) 銷售成本及經營開支

銷售成本增加主要由於支付交易處理解決方案分類之營業額增加所致。

本期間經營開支增加乃主要由於(i)僱員福利開支增加（主要由於總人數及平均工資增加所致）；(ii)研發開支增加，惟部分被外匯收益淨額（而上年則為外匯虧損淨額）所抵銷。

(C) 出售附屬公司之收益

該筆款項指出售本公司當時一間全資附屬公司 Merchant Support Co., Ltd. (「MS」)之收益，該出售事項已於二零一七年六月完成（有關進一步詳情，請同時參閱本公司日期為二零一七年五月十八日之公佈）。

(D) 應佔以權益法入賬之一筆投資業績及權益攤薄收益

本集團應佔聯營公司百富環球科技有限公司之溢利（「百富環球」，其股份於香港聯合交易所有限公司（「聯交所」）上市）與百富環球溢利較少相一致。於一間聯營公司之權益攤薄之收益為100,000港元（二零一六年度：800,000港元）乃由於百富環球若干僱員於年內行使購股權所致。本集團作為Cloopen Group Holding Limited（「Cloopen」）之普通股股東（為本集團一間聯營公司），本集團應佔虧損超過其於Cloopen普通股之權益。因此，該項投資於本年度對綜合收益表並無整體財務影響。

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(E) Investment properties, property, plant and equipment and leasehold land

Balance mainly represents fixed assets of payment processing solutions and electronic power meters and solutions segments.

(F) Intangible assets

Decrease in balance was due to amortisation charged during the year.

(G) Investments accounted for using the equity method

Balance mainly represents the Group's interest in PAX Global. As at 31 December 2017, the fair value of the Group's 33.1% effective interest in PAX Global was HK\$1,274.0 million and the fair value of the investment was lower than its carrying value. An impairment test is performed to determine the recoverable amount of the investment. The recoverable amount calculated based on value-in-use exceeded the carrying value as at 31 December 2017.

The Group's effective interest in the ordinary shares of Cloopen, calculated based on all issued and outstanding ordinary shares of Cloopen which are held by the Group, was 50.5%. As at 31 December 2017, the Group's share of loss of Cloopen exceeded its interest in the ordinary shares of Cloopen, and there was no overall financial impact on the consolidated income statement from the investment for the current period. As at 31 December 2017, the carrying amount of the Group's interest in the ordinary shares of Cloopen was zero. Meanwhile, the fair value of the Group's interest in the ordinary shares of Cloopen was approximately HK\$339.5 million.

(H) Available-for-sale financial assets

As at 31 December 2017, the available-for-sale financial assets included equity securities which are unlisted investments outside Hong Kong. As at 31 December 2017, the balance included interest in a venture capital fund of HK\$162.9 million and interest in an unlisted equity investment in the Peoples's Republic of China ("PRC") of HK\$15.5 million.

(I) Financial assets at fair value through profit and loss

Balance represents the fair value of the Group's interest in the Convertible Series C Preferred Shares of Cloopen of HK\$93.5 million and fair value of trading securities listed in Hong Kong of HK\$2.7 million.

(E) 投資物業、物業、廠房及設備以及租賃土地

結餘主要指支付交易處理解決方案、電能計量產品及解決方案分類之固定資產。

(F) 無形資產

結餘減少乃由於年內攤銷支出所致。

(G) 以權益法入賬之投資

結餘主要指本集團於百富環球之權益。於二零一七年十二月三十一日，本集團於百富環球之33.1%實際權益之公平值為1,274,000,000港元，而投資公平值低於其賬面值。已進行減值測試，以釐定投資之可收回金額。於二零一七年十二月三十一日，基於使用價值計算之可收回金額超過其賬面值。

按本集團所持Cloopen全部已發行及發行在外普通股計算，本集團於Cloopen之實際普通股權益為50.5%。於二零一七年十二月三十一日，本集團應佔Cloopen虧損超逾其於Cloopen普通股之權益，該項投資於本期間對綜合收益表並無整體財務影響。於二零一七年十二月三十一日，本集團於Cloopen普通股之權益賬面值為零。同時，本集團於Cloopen之普通股之權益公平值約為339,500,000港元。

(H) 可供出售金融資產

於二零一七年十二月三十一日，可供出售金融資產包括屬於香港境外非上市投資之股本證券。於二零一七年十二月三十一日，結餘包括於創投基金之權益162,900,000港元及中華人民共和國（「中國」）非上市股本投資之權益15,500,000港元。

(I) 按公平值計入損益之金融資產

結餘乃本集團於Cloopen C系列可換股優先股之權益的公平值93,500,000港元及香港上市交易證券2,700,000港元。

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(J) Inventories

Amount mainly represents inventories of electronic power meters and solutions segment and information security chips and solutions segment. During the year, HK\$0.8 million was recorded for provision on inventories with respect to slow-moving and obsolete stocks.

(K) Trade and bills receivables and other receivables, prepayments and deposits

(I) 存貨

金額主要指電能計量產品及解決方案分類及信息安全芯片及解決方案分類的存貨。年內，錄得800,000港元用作滯銷及過期庫存之存貨撥備。

(K) 應收賬款及應收票據及其他應收款項、預付款項及按金

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables (Note (i) (a))	應收賬款 (附註(i)(a))	270,240	247,647
Bills receivables (Note (i) (b))	應收票據 (附註(i)(b))	13,902	1,284
Less: provision for impairment of receivables	減：應收款項減值撥備	(5,823)	(5,397)
		278,319	243,534
Other receivables, prepayments and deposits (Note (ii))	其他應收款項、預付款項及按金 (附註(ii))	69,095	41,474
Total	合計	347,414	285,008

Note (i):

- (a) The Group's credit terms to trade debtors normally range from 0 to 180 days. The ageing analysis of the trade receivables primarily based on invoice date was as follows:

Current to 90 days	即期至90日
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 365 days	365日以上

- Increase in trade receivables aged between current to 90 days was mainly due to increase in outstanding balances from the financial solutions segment.
- Increase in trade receivables aged between 91-180 days was mainly due to increase in outstanding balances from the electronic power meters and solutions segment.

- (b) Bills receivables belonged to the electronic power meters and solutions segment.

附註(i):

- (a) 本集團一般給予貿易債務人之信貸期由0至180日不等。主要根據發票日期之應收賬款賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current to 90 days	188,974	170,730
91 to 180 days	27,060	18,925
181 to 365 days	19,564	23,981
Over 365 days	34,642	34,011
	270,240	247,647

- 賬齡介乎即期至90日間應收賬款增加主要由於金融解決方案分類未償還結餘增加。
- 賬齡介乎91日至180日之應收賬款增加主要由於電能計量產品及解決方案分類之未償還結餘增加。

- (b) 應收票據歸屬於電能計量產品及解決方案分類。

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Note (ii):

The increase in balance was mainly due to prepayment to suppliers of information security chips and solutions segment.

(L) Amounts due from/to investments accounted for using the equity method

The amounts due from/to investments accounted for using the equity method represent payables from/to PAX Global and Cloopen and its subsidiaries as at 31 December 2017. Amounts due from/to investments accounted for using the equity method are unsecured, interest-free and repayable on demand.

(M) Trade and bills payables, payables for payment processing solutions business and other payables and accruals

附註(ii):

結餘增加主要由於信息安全芯片及解決方案分類預付供應商款項所致。

(L) 應收／應付以權益法入賬之投資之款項

應收／應付以權益法入賬之投資之款項指於二零一七年十二月三十一日應收／應付百富環球以及 Cloopen 及其附屬公司之款項。應收／應付以權益法入賬之投資之款項為無抵押、免息及按要求償還。

(M) 應付賬款及應付票據、支付交易處理解決方案業務之應付款項及其他應付款項及應計款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables (<i>Note (i) (a)</i>)	應付賬款 (<i>附註(i)(a)</i>)	218,178	230,566
Bills payables (<i>Note (i) (b)</i>)	應付票據 (<i>附註(i)(b)</i>)	21,021	35,704
Payables for payment processing solutions business (<i>Note (ii)</i>)	支付交易處理解決方案業務之應付款項 (<i>附註(ii)</i>)	292,587	808,650
Other payables and accruals (<i>Note (iii)</i>)	其他應付款項及應計款項 (<i>附註(iii)</i>)	848,409	625,417
Total	合計	1,380,195	1,700,337

Note (i):

(a) The credit period granted by the suppliers ranges from 0 to 180 days. The ageing analysis of the trade payables primarily based on invoice date was as follows:

Current to 90 days	即期至90日
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 365 days	365日以上

(b) Bills payables belong to the electronic power meters and solutions segment.

附註(i):

(a) 獲供應商授予之信貸期由0至180日不等。主要根據發票日期之應付賬款帳齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current to 90 days	141,038	177,059
91 to 180 days	33,096	33,503
181 to 365 days	30,344	8,162
Over 365 days	13,700	11,842
	218,178	230,566

(b) 應付票據歸屬於電能計量產品及解決方案分類。

– Decline in trade payables aged between current to 90 days was mainly due to decrease in outstanding balances from the financial solutions segment and the electronic power meters and solutions segment; partially net-off by an increase in outstanding balances from the payment processing solutions segment.

– Increase in trade payables aged between 181 to 365 days was mainly due to outstanding balances from the electronic power meters and solutions segment.

– 賬齡介乎即期至90日之應付賬款減少主要由於金融解決方案分類及電能計量產品及解決方案分類之未償還結餘減少，惟部分被支付交易處理解決方案分類之未償還結餘增加所抵銷。

– 賬齡介乎181至365日之間之應付賬款之增加主要由於電能計量產品及解決方案分類未償還結餘。

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Note (ii):

This balance represents payables to merchants for the payment processing solutions business. The amounts are generally due for settlement with these customers within 30 days. The decrease in balance was mainly due to increase in volume of early settlement financial services transactions.

Note (iii):

附註(ii):

有關結餘指就支付交易處理解決方案業務應付商戶之款項。有關金額一般於30日內與該等客戶進行結算。結餘減少乃主要由於早期結算金融服務交易量增加。

附註(iii):

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accrued staff costs and pension obligations*	應計員工成本及退休金供款*	219,370	162,675
Deposits and receipt in advance**	按金及預先收取款項**	445,287	332,501
Accrued subcontracting cost	應計分包成本	114,631	93,166
Others***	其他***	69,121	37,075
		848,409	625,417

* The increase in accrued staff costs and pension obligations was mainly due to the increase in year end bonus as compared to last year.

** The increase in deposits and receipt in advance was mainly due to increase in deposits and guarantees received from merchants and agents under the payment processing solutions business.

*** The increase was mainly due to other accrued handling fees payable by the payment processing solution segment.

* 應計員工成本及退休金供款增加主要由於年終花紅較去年有所增加所致。

** 按金及預先收取款項增加主要由於支付交易處理解決方案業務向商戶及代理所收取之按金及保證金增加所致。

*** 該增加乃主要由於支付交易處理解決方案分類應付其他手續費所致。

(N) Assets and liabilities of disposal group classified as held-for-sale

During YEAR 2016, the Company, MS and an independent third party entered into a memorandum of understanding for the possible sale of the Group's entire interests in MS (the "Disposal"). As a result, the major classes of assets and liabilities (not including the booked amounts of the working capital provided by the Company to MS) of MS and its subsidiary were classified as held-for sale as at 31 December 2016. The Disposal was completed in June 2017. Please also refer to Note (C) above.

(N) 分類為持作出售之出售組別的資產及負債

於二零一六年度，本公司、MS及一名獨立第三方就可能出售本集團於MS之所有權益而訂立諒解備忘錄（「出售事項」）。因此，於二零一六年十二月三十一日，MS及其附屬公司之資產及負債（不包括本公司向MS提供之營運資本的賬面值）的主要類別乃分類為持作出售。出售事項已於二零一七年六月完成。有關詳情請參閱上文附註(C)。

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KEY INVESTING AND FINANCING ACTIVITIES

(A) Purchase of E-payment terminal products from Pax Global Group

In connection with the business of provision of payment processing solutions, the Group from time to time purchases E-payment Terminal products from PAX Global and its subsidiaries (collectively the "PAX Global Group").

During the 12-month period preceding 31 March 2017 ("Relevant Period"), the Group purchased from PAX Global Group E-payment Terminal products in an aggregate amount of approximately HK\$187.5 million (inclusive of tax payable by the Group).

The Group provides E-payment Terminal products to its merchant customers and in return receives a fee. The E-payment Terminal products the Group purchased from PAX Global Group during the Relevant Period have been recorded as fixed assets while the relevant depreciation charges have been recorded as cost of sales in the financial statements of the Group.

During the Relevant Period, relevant members of the Group and PAX Global Group have from time to time entered into individual agreements in respect of the relevant sales and purchases of E-payment Terminal products.

The prices payable for the E-payment Terminal products were agreed between the Group and PAX Global Group at arm's length by reference to the prevailing market prices of products with similar specifications at the relevant time. The Group generally settles the purchase cost with PAX Global Group every six months. Reference is made to the announcement of the Company dated 31 March 2017 in relation to the purchases.

(B) Disposal of the Merchant Support Co., Ltd and its subsidiary

On 18 May 2017, the Company entered into a deed of sale and purchase with MS, MS's subsidiary and UnionPay Merchant Services International Holdings Limited ("UnionPay"), pursuant to which the Company conditionally agreed to sell and UnionPay conditionally agreed to acquire the entire issued shares of MS, at the aggregate consideration of JPY950,000,000 (equivalent to approximately HK\$66,500,000) (subject to adjustment). The Disposal was completed on 27 June 2017. Further details of the Disposal are set out in the announcement of the Company dated 18 May 2017.

主要投資及融資活動

(A) 向百富環球集團購買電子支付終端產品

就提供支付交易處理解決方案之業務而言，本集團不時向百富環球及其附屬公司（統稱「百富環球集團」）購買電子支付終端產品。

於二零一七年三月三十一日前十二個月期間（「有關期間」），本集團已向百富環球集團購買電子支付終端產品，總金額約為187,500,000港元（包括本集團之應付稅項）。

本集團向其商家客戶提供電子支付終端產品，繼而徵收費用。本集團於有關期間向百富環球集團購買之電子支付終端產品以固定資產入賬，而相關折舊開支則於本集團之財務報表以銷售成本入賬。

於有關期間，本集團及百富環球集團之相關成員公司已不時訂立個別協議，內容有關電子支付終端產品之相關買賣。

就電子支付終端產品應付之價格由本集團與百富環球集團經參考於相關時間具類似規格產品之通用市價後按公平原則協定。本集團一般每六個月向百富環球集團結算購買成本。茲提述本公司日期為二零一七年三月三十一日有關購買之公佈。

(B) 出售Merchant Support Co., Ltd及其附屬公司

於二零一七年五月十八日，本公司與MS、MS之附屬公司及銀聯商務國際控股有限公司（「銀聯」）訂立買賣契據，據此，本公司已有條件同意出售而銀聯已有條件同意收購MS之全部已發行股份，總代價為950,000,000日圓（相當於約66,500,000港元）（可予調整）。該出售事項已於二零一七年六月二十七日完成。該出售事項之進一步詳情載於本公司日期為二零一七年五月十八日之公佈。

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INFORMATION ON THE CONTRACTUAL ARRANGEMENTS

The Group has been operating certain businesses which adopted contract based arrangements and/or structures (“Contractual Arrangements”) for the purpose of enabling the Group, as a foreign investor, to control and benefit from the PRC operating companies (“OPCO”) in the foreign restricted businesses in the PRC.

Set out below are the details of the Contractual Arrangements which are material to the Group.

1. 重慶結行移動商務有限公司 (“Just-In Mobile”) and its subsidiaries: 隨行付支付有限公司 (“VBill”)

1.1 Particulars of OPCO and its registered owners

Just-In Mobile is a limited liability company established in the PRC on 4 June 2002.

The registered shareholders of Just-In Mobile are Mr. Zhou Jianhong (60%) and Mr. Na Wei (40%). Since 28 May 2010, a contractual arrangement has been made between Just-In Mobile, the registered shareholders of Just-In Mobile and 結行信息技術(上海)有限公司 (“JIM Shanghai”), which allows JIM Shanghai to exercise control and enjoy economic benefit generated from Just-In Mobile.

JIM Shanghai is a wholly-owned subsidiary of JIM Holdings International Company Limited (“JIM Holdings”) which was acquired by the Company on 19 March 2010 and has become a wholly-owned subsidiary of the Company since then.

1.2 Description of OPCO’s business

Just-In Mobile and its subsidiaries are principally engaged in the value-added telecommunication business (增值電信業務) with major focus on payment related solutions and services, the provision of payment processing solution in the PRC.

有關合約安排之資料

本集團已有若干業務採用合約制安排及／或架構(「合約安排」)營運，旨在讓本集團以外國投資者身份控制於中國經營外商限制業務之中國營運公司(「中國營運公司」)並從中獲益。

下文載列對本集團而言屬重大之合約安排之詳情。

1. 重慶結行移動商務有限公司(「重慶結行」)及其附屬公司: 隨行付支付有限公司(「隨行付」)

1.1 中國營運公司及其註冊擁有人之詳情

重慶結行為一間於二零零二年六月四日在中國成立之有限責任公司。

重慶結行之登記股東為周劍鴻先生(60%)及那偉先生(40%)。自二零一零年五月二十八日起，重慶結行、其登記股東及結行信息技術(上海)有限公司(「結行上海」)一直作出合約安排，使結行上海可控制及享有重慶結行產生之經濟利益。

結行上海為結行控股國際有限公司(「結行控股」)之全資附屬公司，而結行控股於二零一零年三月十九日被本公司收購，並自此成為本公司之全資附屬公司。

1.2 中國營運公司之業務情況

重慶結行及其附屬公司主要於中國從事增值電信業務，並主要專注於與支付相關之解決方案及服務，提供支付交易處理解決方案。

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Contractual Arrangement was adopted by the Company in the above businesses as value-added telecommunication business (增值電信業務) has been restrictive to foreign direct investment under the PRC law (being that foreign shareholding must not exceed 50%).

1.3 Summary of the major terms of the underlying contracts of the Contractual Arrangements

Management Consulting and Services Agreement

Just-In Mobile and JIM Shanghai entered into the Management Consulting and Services Agreement, pursuant to which Just-In Mobile agreed to engage JIM Shanghai as its exclusive management consultant and service provider. Accordingly, JIM Shanghai shall provide services to Just-In Mobile on (i) R & D of the computer software with new and high technology; (ii) R & D of the computer software by other customers' requirement; (iii) maintenance of the computer software and technical support; (iv) R & D and maintenance of the network technique; (v) technical training; and (vi) provision of staff. Pursuant to the Management Consulting and Services Agreement, Just-In Mobile would pay JIM Shanghai a consulting fee that equals to 95% of Just-In Mobile's business income relating to the services provided above after deducting its operating cost. The consulting fee should be paid monthly or yearly as requested by JIM Shanghai. The Management Consulting and Services Agreement shall be effective from the date of signing for a term of thirty (30) years.

Cooperative Framework Agreement

JIM Shanghai, Just-In Mobile, Mr. Zhou and Mr. Na entered into the Cooperative Framework Agreement, pursuant to which JIM Shanghai has agreed to provide various services, including management consulting services, to Just-In Mobile. The Cooperative Framework Agreement shall be effective from the date of signing for a term of thirty (30) years, unless terminated by JIM Shanghai. Mr. Zhou and Mr. Na have also undertaken that in the event JIM Shanghai has to pay any consideration to them under the Share Option Agreement, they must return any consideration received thereunder to JIM Shanghai.

本公司於上述業務中採取合約協議，原因乃根據中國法律（即外商持股不得超過50%），增值電信業務限制外商直接投資。

1.3 合約安排之相關合約主要條款摘要

管理諮詢及服務協議

重慶結行與結行上海訂立管理諮詢及服務協議，據此，重慶結行同意委聘結行上海作為其獨家管理顧問及服務供應商。因此，結行上海須向重慶結行提供以下服務：(i)研發高科技電腦軟件；(ii)按其他客戶要求研發電腦軟件；(iii)保養電腦軟件及技術支援；(iv)研發及保養網絡技術；(v)技術培訓；及(vi)提供員工。根據管理諮詢及服務協議，重慶結行將向結行上海支付相等於重慶結行經扣除其營運開支就上述所提供服務之業務收入95%之諮詢費。諮詢費須應結行上海要求按月或按年支付。管理諮詢及服務協議自簽訂日期起生效，為期三十(30)年。

合作框架協議

結行上海、重慶結行、周先生與那先生訂立合作框架協議，據此，結行上海同意向重慶結行提供各種服務，包括管理諮詢服務。合作框架協議自簽訂日期起生效，為期三十(30)年，除非結行上海予以終止。周先生及那先生亦已承諾，倘結行上海根據購股權協議須向彼等支付任何代價，彼等必須向結行上海交還據此收取之任何代價。

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Proxy Agreement

The registered shareholders of Just-In Mobile (namely Mr. Zhou and Mr. Na) and JIM Shanghai entered into the Proxy Agreement, pursuant to which Mr. Zhou and Mr. Na agreed to authorise persons designated by JIM Shanghai to exercise all of their rights and powers as shareholders of Just-In Mobile. Persons designated by JIM Shanghai will act on their behalf on all matters pertaining to Just-In Mobile and, to the extent permissible under applicable PRC laws and the Articles of Association of Just-In Mobile, exercise all of their respective rights as shareholders of Just-In Mobile, including but not limited to the following rights: (i) rights to attend shareholders' meetings; (ii) rights to exercise voting rights in all shareholders' meeting; (iii) rights to sign on minutes or resolutions of shareholders' meetings or other legal documents and (iv) rights to file documents with the relevant companies registry. The Proxy Agreement shall be effective from the date of signing for a term of ten (10) years, unless extended by the parties.

Share Option Agreement

JIM Shanghai, Mr. Zhou, Mr. Na and Just-In Mobile entered into the Share Option Agreement, pursuant to which Mr. Zhou and Mr. Na granted to JIM Shanghai and/or any other party designated by JIM Shanghai irrevocable options to purchase their equity interests in Just-In Mobile, entirely or partially, at an aggregate consideration for the entire equity interests which equals to the total share capital of Just-In Mobile or the value of the equity and/or assets of Just-In Mobile, whichever is lower. However, the consideration shall not be less than the minimum purchase price permitted by PRC laws and regulations. The Share Option Agreement shall be effective for an indefinite term from the date of the agreement, until it is terminated (i) upon transfer of the entire equity interests of Just-In Mobile to JIM Shanghai and/or any other party designated by JIM Shanghai according to the Share Option Agreement; (ii) due to restraint under the PRC laws that transfer of the equity of Just-In Mobile in accordance with the Share Option Agreement is impossible; and (iii) upon JIM Shanghai exercising the pledge under the Equity Pledge Agreement which results that the whole equity interests in Just-In Mobile are no longer held by Mr. Zhou and Mr. Na in full. Mr. Zhou and Mr. Na have also undertaken that in the event JIM Shanghai has to pay any consideration to them under the Share Option Agreement, they must return to JIM Shanghai any consideration they receive.

代表委任協議

重慶結行登記股東（即周先生及那先生）與結行上海訂立代表委任協議，據此，周先生及那先生同意授權由結行上海指定之人士行使彼等作為重慶結行股東之一切權利及權力。由結行上海指定之人士將代表彼等執行有關重慶結行之所有事宜，並在中國適用法律及重慶結行組織章程細則允許之範圍內，行使彼等各自作為重慶結行股東之一切權利，包括但不限於以下權利：(i)出席股東大會之權利；(ii)於所有股東大會上行使投票權之權利；(iii)簽署股東大會之會議記錄或決議案或其他法律文件之權利；及(iv)向相關公司註冊處提交文件之權利。代表委任協議自簽訂日期起生效，為期十(10)年，除非訂約各方予以延長。

購股權協議

結行上海、周先生、那先生與重慶結行訂立購股權協議，據此，周先生及那先生授予結行上海及／或由結行上海指定之任何其他人士不可撤回購股權，以購買彼等於重慶結行之全部或部分股權，全部股權之總代價相等於重慶結行股本總額或重慶結行權益及／或資產之價值（以較低者為準）。然而，代價須不少於中國法律及法規准許之最低購買價。購股權協議自協議日期起生效，無固定年期，直至其基於下列原因終止：(i)根據購股權協議，向結行上海及／或由結行上海指定之任何其他人士轉讓重慶結行全部股權後；(ii)基於受中國法律限制，重慶結行之股權無法按照購股權協議予以轉讓；及(iii)結行上海根據股權質押協議進行質押，致使重慶結行之全部股權不再由周先生及那先生全數持有後。周先生及那先生亦已承諾，倘結行上海根據購股權協議須向彼等支付任何代價，彼等必須向結行上海交還彼等所收取之任何代價。

Report of the Directors 董事會報告

Equity Pledge Agreement

Mr. Zhou, Mr. Na and JIM Shanghai entered into the Equity Pledge Agreement, pursuant to which Mr. Zhou and Mr. Na agreed to pledge all of their respective equity interests (together with their derivative interests) in Just-In Mobile to JIM Shanghai to secure their payment obligations under the Loan Agreement and Just-In Mobile's obligations under the Cooperative Framework Agreement. Pursuant to the Equity Pledge Agreement, if there is any breach of obligations on the part of Mr. Zhou, Mr. Na and/or Just-In Mobile as prescribed under the Equity Pledge Agreement, JIM Shanghai shall be entitled to exercise its right of pledge against the said equity interests. In addition, pursuant to the Equity Pledge Agreement, each of Mr. Zhou and Mr. Na undertook to JIM Shanghai, among other things, not to transfer, dispose of their respective equity interests in Just-In Mobile or to create any encumbrance thereon without JIM Shanghai's prior written consent. The Equity Pledge Agreement shall be effective from the date of the agreement, until two (2) years after completion of all the obligations on the part of Just-In Mobile under the Cooperative Framework Agreement.

Loan Agreements

Each of Mr. Zhou and Mr. Na entered into a Loan Agreement with JIM Shanghai, pursuant to which JIM Shanghai agreed to lend RMB4,200,000 and RMB2,800,000 to Mr. Zhou and Mr. Na respectively in order to satisfy the funding needs of Just-In Mobile. Both of the two loans under the two Loan Agreements are for a term of ten (10) years from the date of signing and can be extended by mutual consent.

Dispute resolutions

Pursuant to the Contractual Arrangements, any dispute arising from the interpretation and implementation of the Contractual Arrangements between the parties should first be resolved through negotiation, failing which any party may submit the said dispute to the China International Economic and Trade Arbitration Commission in Shanghai for arbitration in accordance with its arbitration rules. Arbitrators may award remedies over the shares or land assets of OPCO, grant order for the conduct of business or order the winding up of OPCO. The results of the arbitration shall be final and binding on all relevant parties.

股權質押協議

周先生、那先生與結行上海訂立股權質押協議。據此，周先生及那先生同意質押彼等各自於重慶結行之所有股權（連同彼等之衍生權益）予結行上海，以擔保彼等於貸款協議項下之付款責任以及重慶結行於合作框架協議項下之責任。根據股權質押協議，倘周先生、那先生及／或重慶結行違反股權質押協議所訂之責任，結行上海可就上述股權行使其質押權利。此外，根據股權質押協議，周先生及那先生各自向結行上海承諾，（其中包括）概不會在未經結行上海事先書面同意之情況下，轉讓、出售彼等各自於重慶結行之股權或就此設立任何產權負擔。股權質押協議自協議日期起生效，直至重慶結行完成合作框架協議項下之所有責任後兩(2)年為止。

貸款協議

周先生及那先生各自與結行上海訂立貸款協議。據此，結行上海同意向周先生及那先生分別借出人民幣4,200,000元及人民幣2,800,000元，以償付重慶結行之資金需求。兩項貸款協議項下兩筆貸款均自簽訂日期起為期十(10)年，並可在雙方互相同意下延長。

糾紛處理

根據合約安排，倘訂約各方對合約安排之詮釋及執行出現任何糾紛，應首先透過磋商解決，倘仍未能解決，則任何一方可將上述爭議提交在上海之中國國際經濟貿易仲裁委員會，以根據該會之仲裁規則作出仲裁。仲裁人可判賠償中國營運公司之股份或土地資產、頒令進行業務或命令中國營運公司清盤。仲裁結果屬最終決定，對所有相關訂約方均具約束力。

Report of the Directors 董事會報告

1.4 Revenue and assets subject to the Contractual Arrangements

The consolidated total revenue of the JIM Group for the year ended 31 December 2017 was HK\$2,175.2 million. The consolidated total assets and net assets of the JIM Group as at 31 December 2017 amounted to HK\$2,147.7 million and HK\$469.4 million respectively.

2. Risks relating to the Contractual Arrangements

The Group relies on the Contractual Arrangements to control and obtain the economic benefits from Just-In Mobile, i.e. the OPCO, which may not be as effective in providing operational control as direct ownership. In addition, if the PRC government would regard the agreements under the Contractual Arrangements to establish the structure for addressing the aforesaid foreign ownership restriction for foreign investment in the value-added telecommunication business in the PRC as not in compliance with applicable PRC laws and regulations, or future changes in policies, rules regulations and interpretation thereof, the Group could be subject to severe consequences, including the nullification of the Contractual Arrangements and the relinquishment of the Group's interest therein. The Company will closely monitor the relevant PRC laws and regulations relevant to the Contractual Arrangements and will take all necessary actions to protect the Company's interests in the OPCO.

3. Material change

On 22 January 2016, JIM Shanghai, Just-In Mobile, Mr. Zhou and Mr. Na entered into a new set of underlying contracts of the Contractual Arrangements with a view to aligning the contents with the latest requirements of the Stock Exchange. The Directors confirm that there is no major changes to the terms of the underlying contracts.

4. Unwinding of Contractual Arrangements

As at the date of this report, there is no unwinding of any of the Contractual Arrangements or failure to unwind when the restrictions that led to the adoption of the Contractual Arrangement are removed.

1.4 受合約安排規限之收入及資產

結行集團截至二零一七年十二月三十一日止年度之綜合總收入為2,175,200,000港元。結行集團於二零一七年十二月三十一日之綜合資產總值及資產淨額分別為2,147,700,000港元及469,400,000港元。

2. 與合約安排有關之風險

本集團依靠合約安排控制及獲取重慶結行（即中國營運公司）之經濟利益，在提供營運控制上未必如直接擁有權般有效。此外，倘中國政府認為合約安排項下之協議（旨在建立架構，以處理於中國營運增值電信業務之上述外資擁有權限制）並不符合適用中國法律及法規，或倘有關政策、規則、法規及詮釋日後有所變更，本集團可能會面臨嚴重後果，包括合約安排成為無效及須放棄本集團於當中之權益。本公司將密切監察與合約安排有關之相關中國法律及法規，並將採取一切必要行動保障本公司於中國營運公司之利益。

3. 重大變動

於二零一六年一月二十二日，結行上海、重慶結行、周先生及那先生訂立合約安排之一組新相關合約，旨在按照聯交所之最新要求調整內容。董事確認，相關合約條款並無重大變動。

4. 解除合約安排

截至本報告日期，並無解除任何合約安排，亦無於撤銷導致採納合約安排之限制時無法解除任何合約安排。

Report of the Directors 董事會報告

BUSINESS OUTLOOK

Payment processing solutions

By the end of 2017, the overall transaction size continued to grow steadily, with the accumulated number of active domestic merchants reaching 2.5 million and the annual transaction volume exceeded 1,100 billion. The internet payment business has commenced in the second half of the year and annual transaction size has exceeded RMB13 billion. During the year, we launched the “smart payment platform”, an integration of various payment methods, such as “UnionPay QuickPass”, “WeChat Pay”, “Alipay” and bank cards, and various terminals ranging from traditional POS, MPOS to APP Cashier, card accepting facilities, easy code-scanning terminals and Smart POS, to provide a comprehensive set of application solutions to industry players. In June 2017, we successfully passed the review of the People’s Bank of China, and renewed the licenses for bank card acquiring, internet payment and mobile payment until June 2022. While we were advancing the early settlement services based on merchants, we obtained the “internet micro-lending license” in September 2017, allowing us to commence lending business for online merchants and individuals. With our prudent operational strategy, extensive experience in technology and risk management in recent years, we have received numerous honors such as “The Best Comprehensive Third Party Financial Institution of the Year” by various associations, institutions and media. Since the beginning of the year, regulatory authorities such as the central bank and China Banking Regulatory Commission have published a series of announcements, which stated that license was required for operating financial businesses such as payment and lending. They also struck at illegal operations including operating without license or authorisation. We will benefit from the regulatory policy in favor of licensed institutions and enjoy better development opportunities under the business strategy of “Payment + Financial”.

業務展望

支付交易處理解決方案

截至二零一七年底，總體交易規模繼續保持穩健增長，累計國內活躍商戶總數已達到250萬戶，全年交易額累計超過11,000億人民幣。其中，互聯網支付業務下半年開始對外提供服務，全年交易規模累計已逾130億人民幣。年內發佈了集「銀聯雲閃付」、「微信支付」、「支付寶」與銀行卡等各類支付方式，以及從傳統POS、MPOS到APP收銀台、台卡設備、簡易讀掃碼終端、智慧POS等各種終端形態的「智慧支付平台」，為行業各方參與者提供全系列應用解決方案。二零一七年六月我們順利通過人民銀行的各項審核，成功獲得銀行卡收單、互聯網支付及移動支付牌照的續展，有效期至二零二二年六月。在持續推進基於商戶端的早期結算業務的同時，我們於二零一七年九月份獲批《互聯網小額貸款經營許可證》，即獲得許可開展基於互聯網的商戶及個人的信貸業務。憑藉近來穩健的經營理念，技術及風控能力的深厚積累，相繼獲得「年度卓越綜合第三方金融機構」等各協會、機構及媒體頒發的多項榮譽。今年以來，央行、銀監會等監管部門連續發文，強化支付、信貸等金融業務均需持牌經營之理念，打擊無證、二清等非法經營行為。我們必將受益於利好持牌機構的監管政策，在「支付+金融」的業務戰略上獲得更大的發展機遇。

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Financial solutions

During the year of 2017, with regard to the traditional customer market, such as large state-owned banks, joint stock commercial banks and their overseas sub-branches, we have put into operation the core system construction project for China Everbright Bank (Luxembourg) and the operating system project for retail and other core businesses of China Minsheng Bank, Hong Kong branch. On the basis of strengthening our presence in the traditional customer market, we invested strategically in the three aspects simultaneously: (1) expanded mid- to small-size customers groups such as city commercial banks. During the year, we have completed the construction of the core system for the Bank of Suzhou, won the tender for the core system renovation project for Dongguan Rural Commercial Bank Co., Ltd., and entered into human resource outsourcing cooperation framework agreements with Sichuan Rural Credit Union, Fujian Rural Credit Union and CITIC aiBank Corporation Limited; (2) actively extended to foreign banks and overseas customers groups and achieved significant progress. During the year, we have put into operation the core system project for Dah Sing Bank (China) Limited and won the tender for the core system construction project for Nanyang Commercial Bank (China) Limited, as well as the system construction projects for Goopal International Limited, Well Link Bank and China Guangfa Bank Co., Ltd. (Macau Branch). In particular, we have launched the system for the Well Link Bank project during the period; (3) explored the financial services market other than banking customers. We secured our first deal in the insurance market during the period, and entered into IT service contracts with Taikang Life Insurance Co., Ltd. and Minsheng Life Insurance Co., Ltd.

Electronic power meters and solutions

In the second half of 2017, the State Grid conducted the second tender under which we were awarded contracts. However, the business environment will remain challenging in 2018. In 2018, it is expected the total tender volume and size of electronic power meters and data collection devices of the State Grid will approximate to that in 2017. As the State Grid continues to promote new technological development, in particular the DLT698.45 object-oriented interchangeable data exchange protocol, relevant products have been put into testing and are expected to be listed on the tender catalogue for the tender in 2018. In recent years, we have been closely monitoring the latest technological development of the State Grid. Currently, the development of our DLT698.45 protocol related products is progressing well, which is expected to provide us certain advantages in the tender in 2018.

金融解決方案

二零一七年，在大型國有銀行、股份制商業銀行及其海外分支機構等傳統客戶市場，期內我們完成中國光大銀行（盧森堡）（「China Everbright Bank (Luxembourg)」）核心系統建設專案的投產及中國民生銀行（「China Minsheng Bank」）香港分行零售核心等業務系統專案的投產。在穩固傳統客戶市場的基礎上，我們同步從三方面進行戰略投入：（1）擴大城市商業銀行等中小型客戶群體。年內，完成蘇州銀行（「Bank of Suzhou」）核心業務系統建設，中標東莞農村商業銀行（「Dongguan Rural Commercial Bank Co., Ltd.」）核心系統改造專案，並與四川省農村信用社聯合社（「Sichuan Rural Credit Union」）、福建省農村信用社聯合社（「Fujian Rural Credit Union」）、中信百信銀行股份有限公司（「CITIC aiBank Corporation Limited」）簽訂人力外包合作框架協議。（2）積極開拓外資銀行及其他海外客戶群體並取得明顯進展。年內，完成大新銀行（中國）有限公司（「Dah Sing Bank (China) Limited」）核心系統專案投產，中標南洋商業銀行（中國）有限公司（「Nanyang Commercial Bank (China) Limited」）核心系統建設專案，並中標果仁寶國際有限公司（「Goopal International Limited」）、立橋銀行股份有限公司（「Well Link Bank」）、廣發銀行股份有限公司澳門分行（「China Guangfa Bank Co., Ltd. (Macau Branch)」）等系統建設專案，其中立橋銀行股份有限公司專案於期內完成系統投產。（3）探索銀行客戶之外的金融服務市場，期內在保險市場取得零的突破，與泰康人壽保險有限責任公司（「Taikang Life Insurance Co. Ltd.」）、民生人壽保險股份有限公司（「Minsheng Life Insurance Co., Ltd.」）等簽訂IT服務合同。

電能計量產品及解決方案

二零一七年下半年，國家電網進行了第二次招標，我們重新入圍，然而二零一八年經營形勢仍然並不樂觀。二零一八年，我們預計國家電網電錶及用電資訊採集設備招標總量將與二零一七年相當，市場形勢依然嚴峻。國家電網繼續推進新技術的發展，尤其是DLT698.45面向對象的互操作性交換協議，相關產品已經開始接受檢測，我們預計，在二零一八年的招標中，將會有相關產品進入招標的目錄。近年來，公司一直在緊密跟蹤國網新技術的發展，目前，DLT698.45協議的相關產品研發工作進展順利，預期在二零一八年的招標中，會取得一定優勢。

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Information security chips and solutions

Driven by the significant growth of the payment market in China, the information security chips business expanded rapidly in the second half of 2017 and the annual sales increased to approximately 3 times as compared with that for 2016. Sales of mag-stripe card security decoder chips was stable while that of security micro-controller (MCU) increased drastically. It is expected that, in 2018, the payment market condition will resemble that of 2017. Nonetheless, the growth may slow down due to the central bank policies targeting the payment market. Other research projects are progressing smoothly and cost reduction initiatives of various products are rolling out in an orderly manner.

Platform operation solutions

In 2018, we will continue to provide high-quality and efficient supporting services, such as product development, business operation and system maintenance to the E-commerce Base of China Mobile, the IVR Base of China Mobile and the Animation Base of China Mobile. The contract value of the operational supporting services contracts signed and executed in 2017 remained roughly stable as compared to last year. We will be focusing on the field of communication operators while pursuing stable income. In particular, the business development of E-commerce Base of China Mobile will largely emphasise on bundling of “和包” users, expanding high-quality offline merchants and promoting user engagement. The base also launched innovative products such as the “和包” red pockets. Given the continuous investment of China Mobile and its rapid business development, the annual transaction volume of “和包” business hit a record high of over RMB2 trillion in 2017. The growth of “和包” business, along with the strong demand of the E-commerce Base for our product development, business operation and system maintenance services, will guarantee the long-term sustainability of the operational supporting services business. At the same time, we are actively exploring new opportunities for product innovation and business development in the areas of e-commerce, payment and internet finance.

Principal Risk and Uncertainty

A considerable portion of the Group's revenue was derived from a small number of customers in China. Failure to maintain good relationships with these customers could materially and adversely affect our financial results.

Our business operates in an industry that is subject to changes in market conditions, technological advancements, developing industry standards and changing customers' needs and preferences for our new products and/or services. If we are unable to respond to these changes promptly or unable to continually enhance our existing products and launch market new products in a timely manner, our business performance may be adversely affected. Also, any unauthorised use of our intellectual property by third parties could harm our business and competitive position.

信息安全芯片及解決方案

受惠於中國市場支付市場的迅猛發展，信息安全芯片業務在二零一七年下半年迅速擴張，全年銷售額比較二零一六年增長接近3倍，其中磁條加密解碼晶片銷售平穩，安全微控制器(MCU)取得迅速增長。預計二零一八年支付市場情況跟二零一七年類似，但不排除受到央行針對支付市場的政策影響，增長放緩。其他各項研發專案進展順利，各產品的成本降低工作也都在有條不紊的開展。

平台運營解決方案

二零一八年，我們繼續為中移動電商基地、中移動IVR基地、中移動動漫基地提供高優質高效的產品開發、業務運營、系統運維等支撐服務。二零一七年簽署和執行的的運營支撐合約，合同金額與去年基本持平。我們將長期聚焦通信運營商領域，並力爭支撐收入保持平穩。其中，中移動電商基地的業務發展重點是大力發展和包用戶端綁卡用戶、拓展線下優質商戶以及促進使用者活躍，基地還推出和包紅包等創新產品。隨著中移動的持續投入以及業務的高速發展，二零一七年和包支付的交易額已經創新高，全年將達到2萬億以上。伴隨和包業務的大發展，電商基地對我公司的產品開發、業務運營、運維等需求旺盛，保證運營支撐服務業務長期的可持續性的發展。同時，我們正積極探索電商、支付、互聯網金融等領域的新的產品創新和業務發展機會。

主要風險及不明朗因素

本集團大部分收入來自少數中國客戶。無法與這些客戶保持良好關係或會對我們之財務業績構成重大不利影響。

我們營運業務所在行業受市場狀況變化、技術改進、行業標準演變及客戶對我們新產品及/或服務之需求或偏好變化左右。倘我們未能迅速應對這些轉變，或未能不斷改善我們現有產品及適時推廣新產品，我們的業務表現或會受到負面影響。此外，第三方未經授權使用我們之知識產權可損害我們之業務及競爭地位。

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The industries in which we operate in the PRC are subject to extensive industry standards and government regulations, failing compliance of which may adversely affect, our operation and sales. Regarding our payment processing solutions business in the PRC, we are currently operating under three main payment licenses, namely national bank card acceptance, online payment and mobile payment licenses, which will expire in June 2022. Any failure to renew these licenses could disrupt our business operations and our sales may be materially and adversely affected.

The Group has been operating certain lines of businesses which adopted contract-based arrangements and/or structures (“Contractual Arrangements”) for the purpose of enabling the Group, as foreign investor, to control and benefit from the PRC operating companies (“OPCO”) in the foreign restricted businesses in the PRC. However, such arrangements may not be as effective in providing operational control as direct ownership. In addition, there can be no assurance that the PRC government authority would continue to regard these Contractual Arrangements as being in compliance with the applicable PRC laws and regulations, or that the legal requirements or policies that may be adopted in the future would not affect the Contractual Arrangements and the relevant business operations. Details of the Contractual Arrangements are set out in section headed “Information on the Contractual Arrangements” in the Report of the Directors on page 30.

Also, volatility in the securities market may affect the Company’s shares investments. The Company is also subject to market risks, such as currency fluctuations, volatility of interest rates, credit risks, and liquidity risks in the normal course of the Group’s business. Particulars of financial risk management of the Company are set out in note 3 to the consolidated financial statements.

SOCIAL RESPONSIBILITIES AND SERVICES AND ENVIRONMENTAL POLICY

The Group is committed to the long-term sustainability of its businesses and the communities with which it engages. We pursue this business approach by managing our business prudently and executing management decisions with due care and attention.

COMPLIANCE WITH LAWS AND REGULATIONS

There has been no violation, breach of or incompliance with applicable laws and regulations such as the Hong Kong Companies Ordinance (Cap. 622), the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and other applicable local laws and regulations in various jurisdictions in which the Group operates that had a significant impact on the Company.

我們於中國營運之行業須遵從眾多行業標準及政府法規。倘我們未能遵從，我們之營運及銷售或會受到不利影響。有關我們於中國之支付交易處理解決方案業務，我們現時以三項主要支付特許權經營，即國家銀行卡接納、線上支付及移動付款特許權，而彼等將於二零二二年六月到期。未能重續該等特許權或會擾亂我們之業務營運並對銷售構成重大不利影響。

本集團已有若干業務採用合約制安排及／或架構（「合約安排」）營運，旨在讓本集團以外國投資者身份控制於中國經營外商限制業務之中國營運公司（「中國營運公司」）並從中獲益。然而，該等安排之效力在營運控制上未必如直接擁有此等業務般有效。此外，無法保證中國政府機關會繼續將該等合約安排視為符合中國法律、法規，亦不保證日後可能採用之法律規定或政策不會影響合約安排及相關業務營運。有關合約安排之詳情載於第30頁之董事會報告「有關合約安排之資料」一節。

此外，證券市場波動或會影響本公司之股票投資。本公司於本集團日常業務過程亦受市場風險（如貨幣波動利率波動）、信貸風險及流動資金風險所影響。本公司之財務風險管理詳情載於綜合財務報表附註3。

社會責任與服務及環境政策

本集團致力維持其業務及所在社區之長期可持續發展。本集團審慎管理業務，並盡責專注地執行管理決策，以推動此業務模式。

遵守法律及法規

本集團並無違反、觸犯或不遵守適用法律及法規，如香港公司條例（第622章）、聯交所證券上市規則（「上市規則」）以及於本集團經營所在司法管轄區適用而對本公司構成重大影響的其他當地法例及法規。

Report of the Directors 董事會報告

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Remuneration packages are generally structured with reference to prevailing market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors.

Apart from salary payments, there are other staff benefits including mandatory provident fund, medical insurance and performance related discretionary bonus. Share options may also be granted to eligible employees of the Group as incentives or rewards.

Relationship is the fundamental of business. The Group fully understands this principle and thus maintains close relationship with the customers to fulfil their immediate and long-term need. Due to the nature of the business, the Group did not have any major supplier that has significant influence on its operations.

However, the Group strives to maintain fair and co-operative relationship with the suppliers.

DIRECTORS

The Directors during the year ended 31 December 2017 and up to the date of this report are:

Executive Directors:

CHEUNG Yuk Fung
KUI Man Chun
XU Wensheng
LI Wenjin
XU Changjun

Independent Non-Executive Directors:

TAM Chun Fai
LEUNG Wai Man, Roger
CHANG Kai-Tzung, Richard

In accordance with the Company's Bye-laws the number nearest to not less than one-third of the Directors are subject to retirement by rotation and re-election at the Annual General Meeting, provided that every Director shall be subject to retirement by rotation at least once every 3 years.

與僱員、客戶及供應商之關係

薪酬待遇一般參考現行市場條款及個人資歷制定。薪金及工資通常會每年根據表現評估及其他相關因素檢討。

除薪金外，本集團另設有其他員工福利，包括強積金、醫療保險及與表現掛鈎之酌情花紅。本集團亦可能會向合資格僱員授出購股權作為激勵或獎勵。

關係乃生意之根本，本集團深悉此原則，故會與客戶保持密切關係以滿足其當下及長期之需要。基於業務之性質，本集團並無任何對其營運有重大影響之主要供應商。

然而，本集團致力與供應商維持公平及合作之關係。

董事

於截至二零一七年十二月三十一日止年度內及直至本報告日期之董事為：

執行董事：

張玉峰
渠萬春
徐文生
李文晉
徐昌軍

獨立非執行董事：

譚振輝
梁偉民
張楷淳

根據本公司之公司細則，最接近不少於三分之一數目的董事須於股東週年大會上輪值告退並可重選連任，惟各名董事須至少每三年輪值告退一次。

Report of the Directors 董事會報告

Mr. Li Wenjin, an Executive Director, Mr. Tam Chun Fai and Mr. Chang Kai-Tzung, Richard, both being Independent Non-Executive Directors, will retire from office by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election in accordance with the Company's Bye-laws.

As Mr. Chang Kai-Tzung, Richard, being appointed as a Non-Executive Director in November 2009 and re-designated as an Independent Non-Executive Director in February 2016, would have served the Company for more than 9 years during the term of his further appointment in 2018, his further appointment shall be subject to a separate resolution to be approved by Shareholders in accordance with the CG Code.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming Annual General Meeting has an unexpired service contract with the Group which is not determinable by the Group within 1 year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company, its fellow subsidiaries or its holding company or the Group was a party and in which a Director or an entity connected with a Director (with meetings as ascribed to it under the Listing Rules) had a material interest, whether directly or indirectly, were entered into or subsisted during or at the end of the year.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and the senior management are set out on pages 4 to 6.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors and officers of the Group is currently in force and was in force throughout the financial year.

Throughout the year, the Company has maintained appropriate directors and officers liability insurance cover providing indemnity against liabilities, including liability in respect of legal actions against the Directors and officers of the Group, thereby sustained or incurred arising from or incidental to execution of duties of his/her offices, subject to terms and conditions set out in the policy.

根據公司細則，執行董事李文晉先生、獨立非執行董事譚振輝先生及張楷淳先生亦將於股東週年大會上輪值退任，並符合資格並將願意重選連任。

張楷淳先生於二零零九年十一月起獲委任非執行董事，並於二零一六年二月獲調任為獨立非執行董事，於二零一八年彼獲繼續委任之任期內，彼將於本公司任職超過九年，彼獲繼續委任將須根據企業管治守則由股東批准以獨立決議案批准後方可作實。

董事之服務合約

擬於應屆股東週年大會重選連任之董事概無與本集團訂有於1年內不可在不支付賠償（法定賠償除外）之情況下終止之未屆滿服務合約。

董事於合約之權益

除披露外，本公司、其同系附屬公司或其控股公司或本集團概無於年內或本年度末訂有任何董事或其關連實體（定義見上市規則）於當中直接或間接擁有任何重大權益且與本集團業務有關之重大交易、安排或合約。

董事及高層管理人員之履歷詳情

董事及高層管理人員之履歷詳情載於第4至6頁。

獲准許之彌償條文

為董事或本集團人員訂立之獲准許彌償條文於整個財政年度一直生效且現時正在生效。

在整個年度內，本公司已購買適當之董事及人員責任保險，其包括為責任提供彌償（包括有關針對董事及本集團高級職員的法律行動，致使因彼等履行職務而蒙受或產生或導致或附帶之責任）（惟須視乎保單所載條款及條件而定）。

Report of the Directors 董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the interests and short positions of each Director and Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (Cap. 571) ("SFO")), as recorded in the register maintained by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules ("Model Code") were as follows:

Ordinary shares of HK\$0.0025 each in the Company

Name of Director 董事姓名	Personal interest 個人權益	Number of shares held 所持股份數目		Approximate percentage of shareholding** 股權之概約 百分比**
		Corporate interest 公司權益	Total 總數	
Kui Man Chun 渠萬春	28,650,000(L)*	617,083,636(L)* (note (i)) (附註(i))	645,733,636	23.25%
Xu Wensheng 徐文生	4,566,000(L)*	–	4,566,000	0.16%
Li Wenjin 李文晉	6,400,000(L)*	–	6,400,000	0.23%
Xu Changjun 徐昌軍	16,563,000(L)*	–	16,563,000	0.60%

Note:

(i) These shares are held by Mr. Kui Man Chun through Hi Sun Limited, a company which Mr. Kui Man Chun hold a 99.16% interest, and Rich Global Limited, a wholly-owned subsidiary of Hi Sun Limited.

* The Letter "L" denotes a long position in shares.

** The percentage is calculated based on the total number of issued shares of the Company as at 31 December 2017, which was 2,776,833,835 ordinary shares.

Save as disclosed above, as at 31 December 2017, none of the Directors, the Chief Executive of the Company nor their associates (as defined in the Listing Rules) had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及行政總裁於股份、相關股份及債券之權益及淡倉

於二零一七年十二月三十一日，各董事及行政總裁於本公司及其相聯法團（定義見證券及期貨條例（第571章）（「證券及期貨條例」））之股份、相關股份及債券中擁有已記入本公司根據證券及期貨條例第352條存置之登記冊或根據上市規則附錄10所載之上市發行人董事進行證券交易之標準守則（「標準守則」）已以其他方式知會本公司及聯交所之權益及淡倉如下：

本公司每股面值0.0025港元之普通股

Name of Director 董事姓名	Personal interest 個人權益	Number of shares held 所持股份數目		Approximate percentage of shareholding** 股權之概約 百分比**
		Corporate interest 公司權益	Total 總數	
Kui Man Chun 渠萬春	28,650,000(L)*	617,083,636(L)* (note (i)) (附註(i))	645,733,636	23.25%
Xu Wensheng 徐文生	4,566,000(L)*	–	4,566,000	0.16%
Li Wenjin 李文晉	6,400,000(L)*	–	6,400,000	0.23%
Xu Changjun 徐昌軍	16,563,000(L)*	–	16,563,000	0.60%

附註：

(i) 該等股份由渠萬春先生透過Hi Sun Limited（渠萬春先生持有99.16%權益之公司）及Hi Sun Limited之全資附屬公司Rich Global Limited持有。

* 「L」表示股份中的好倉。

** 百分比乃根據本公司於二零一七年十二月三十一日之已發行股份總數2,776,833,835股普通股計算。

除上文所披露者外，於二零一七年十二月三十一日，各董事、本公司行政總裁或彼等之聯繫人士（定義見上市規則）概無於本公司或其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有已記入本公司根據證券及期貨條例第352條存置之登記冊或根據標準守則已以其他方式知會本公司及聯交所之權益或淡倉。

Report of the Directors 董事會報告

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

As at 31 December 2017, the interests and short positions of substantial shareholders (other than a Director, or the Chief Executive) in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company under Section 336 of the SFO were as follows:

Ordinary share of HK\$0.0025 each in the Company

Name of shareholder 股東名稱/姓名	Personal interest 個人權益	Corporate interest 公司權益	Number of ordinary shares 普通股數目	Approximate percentage of shareholding** 股權之概約百分比**
Rich Global Limited ("RGL")***	–	617,083,636(L)*	617,083,636(L)*	22.22%
Hi Sun Limited ("HSL")*** (Note 1) (附註1)	–	617,083,636(L)*	617,083,636(L)*	22.22%
Mr. Kui Man Chun (Note 2) 渠萬春先生 (附註2)	28,650,000(L)*	617,083,636(L)*	645,733,636(L)*	23.25%
Ever Union Capital Limited ("Ever Union") Mr. Che Fung (Note 3) 車峰先生 (附註3)	–	334,314,000(L)*	334,314,000(L)*	12.04%

Notes:

- 1 Representing HSL's interests in the Company's share capital by virtue of its control of 100% shareholding in RGL.
 - 2 Representing Mr. Kui Man Chun's (i) deemed interests in the Company's share capital by virtue of his control of 99.16% shareholding of HSL; and (ii) personal interests in the Company's share capital as disclosed in the preceding section.
 - 3 Representing Mr. Che Fung's interests in the Company's share capital by virtue of his control of 100% shareholding in Ever Union, which holds beneficial interests in 334,314,000 ordinary shares of the Company.
- * The Letter "L" denotes a long position in Shares.
- ** The percentage is calculated based on the total number of issued shares of the Company as at 31 December 2017, which was 2,776,833,835 ordinary shares.
- *** Mr. Kui Man Chun and Mr. Li Wenjin were directors of RGL and Mr. Kui Man Chun, Mr. Li Wenjin and Mr. Xu Wensheng were directors of HSL which were deemed or taken to have interests or short positions in the Shares or underlying shares of the Company which are required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

主要股東於股份及相關股份之權益及淡倉

於二零一七年十二月三十一日，主要股東（董事或行政總裁除外）於本公司及其相聯法團擁有根據證券及期貨條例第336條須記錄於本公司所存置登記冊上之股份、相關股份及債券的權益及淡倉如下：

本公司每股面值0.0025港元之普通股

Name of shareholder 股東名稱/姓名	Personal interest 個人權益	Corporate interest 公司權益	Number of ordinary shares 普通股數目	Approximate percentage of shareholding** 股權之概約百分比**
Rich Global Limited ("RGL")***	–	617,083,636(L)*	617,083,636(L)*	22.22%
Hi Sun Limited ("HSL")*** (Note 1) (附註1)	–	617,083,636(L)*	617,083,636(L)*	22.22%
Mr. Kui Man Chun (Note 2) 渠萬春先生 (附註2)	28,650,000(L)*	617,083,636(L)*	645,733,636(L)*	23.25%
Ever Union Capital Limited ("Ever Union") Mr. Che Fung (Note 3) 車峰先生 (附註3)	–	334,314,000(L)*	334,314,000(L)*	12.04%

附註：

- 1 代表HSL因控制RGL之100%股權而於本公司股本中擁有之權益。
 - 2 代表渠萬春先生(i)因控制HSL之99.16%股權而被視為於本公司股本中擁有權益；及(ii)如上一節所披露，於本公司股本中擁有之個人權益。
 - 3 代表車峰先生因控制Ever Union之100%股權而於本公司股本中擁有之權益。Ever Union擁有本公司334,314,000股普通股之實際權益。
- * 「L」表示股份之好倉。
- ** 百分比乃根據本公司於二零一七年十二月三十一日之已發行股份總數2,776,833,835股普通股計算。
- *** 渠萬春先生及李文晉先生均為RGL董事，渠萬春先生、李文晉先生及徐文生先生則均為HSL董事，而其於本公司股份或相關股份中，被視作或當作擁有須根據證券及期貨條例第XV部第2及3分部規定披露之權益或淡倉。

Report of the Directors 董事會報告

Save as disclosed above, as at 31 December 2017, the Company had not been notified by any persons, other than a Director or the Chief Executive of the Company, who had any interests or short positions in any Shares or underlying shares of the Company and its associated which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of the Part XV of the SFO, or which were as recorded in the register required to be kept by the Company under section 336 of the SFO.

CONNECTED TRANSACTIONS

Related party transactions which constitute connected transactions or continuing connected transactions of the Company under Chapter 14A of the Listing Rules are outlined below. The Group has complied with all the requirements in accordance with Chapter 14A of the Listing Rules in respect of such transactions.

(a) Framework agreement with Ronglian Yitong

On 9 May 2016, the Company entered into a framework agreement (the "Framework Agreement") with Beijing Ronglian Yitong Information Technology Co. Ltd. ("Ronglian Yitong"), pursuant to which the Group agreed to engage Ronglian Yitong and Ronglian Yitong agreed to provide or procure the provision of, on a non-exclusive basis, technical and support services in relation to platform operation and such other technical support services that may be agreed between the Group and Ronglian Yitong and its subsidiaries from time to time and/or their respective members for a term commencing from the date of the Framework Agreement to 31 December 2018.

Mr. Zhang Hui (the "Mr Zhang"), who is a director of two of the subsidiaries of the Company and hence a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules, is one of the registered shareholders of Ronglian Yitong holding 45.8% shareholding in Ronglian Yitong. Therefore, Ronglian Yitong, being an associate of Mr. Zhang, is a connected person of the Company under the Listing Rules. The transactions contemplated under the Framework Agreement having been approved by the Board constitute continuing connected transactions of the Company (the "Continuing Connected Transactions").

Since Ronglian Yitong is a connected person of the Company by virtue of being an associate of Mr. Zhang and the Independent Non-Executive Directors have confirmed that the terms of the Continuing Connected Transactions are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Company and Shareholders as a whole, the Continuing Connected Transactions are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules and are only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

除上文所披露者外，於二零一七年十二月三十一日，除董事或本公司行政總裁以外，本公司並不知悉任何人士於本公司及其聯繫人任何股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或根據證券及期貨條例第336條須記錄於本公司所存置登記冊上之任何權益或淡倉。

關連交易

構成本公司於上市規則第14A章項下關連交易或持續關連交易概述如下。本集團已根據上市規則第14A章就有關交易遵守全部規定。

(a) 與容聯易通訂立框架協議

於二零一六年五月九日，本公司與北京容聯易通信息技術有限公司（「容聯易通」）訂立框架協議（「框架協議」）。據此，本集團同意聘請容聯易通，而容聯易通同意以非獨家形式提供或促使提供有關平台運營之技術及支援服務以及本集團與容聯易通及其不時附屬公司及／或彼等各自成員公司所協定之其他技術支援服務，期限自框架協議日期起至二零一八年十二月三十一日止。

張輝先生（「張先生」），為本公司兩間附屬公司之董事及因而成為上市規則第14A章項下本公司附屬公司層面之關連人士）為容聯易通之登記股東之一，持有容聯易通45.8%股權。因此，容聯易通（為張先生之聯繫人士）根據上市規則為本公司關連人士。經董事會批准之框架協議項下擬進行之交易構成本公司之持續關連交易（「持續關連交易」）。

由於容聯易通作為張先生之聯繫人，為本公司之關連人士，獨立非執行董事已確認持續關連交易之條款屬公平合理，並按一般商業條款或更優厚之條款於本集團一般及正常業務過程中訂立，且符合本公司及股東的整體利益，故持續關連交易根據上市規則第14A.101條可獲豁免遵守通函、獨立財務意見及股東批准規定，並僅須遵守上市規則第14A章項下之申報及公佈規定。

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The cap on the total contract value for the Continuing Connected Transactions under the Framework Agreement for each of the three years ending 31 December 2016, 2017 and 2018 are RMB60,000,000, RMB66,000,000 and RMB69,000,000 respectively and the actual total transaction amount for the year ended 31 December 2017 was RMB50,244,327.

Please also refer to an announcement (“CCT Announcement”) of the Company dated 9 May 2016 and note 34 to the condensed consolidated financial statements in relation to the Continuing Connected Transactions.

During the year, the Board and the finance department of the Company have followed through and collected data on the Continuing Connected Transactions by adopting the following procedures which have been reviewed by the audit committee of the Board:

- (1) periodic checks on the pricing terms to ensure they are compliant with the Framework Agreement; and
- (2) periodic reports on the total transaction amounts to ensure the annual caps were not exceeded.

The Independent Non-Executive Directors (“INEDs”) have reviewed the above internal control measures taken by the management and are of the view that such internal control measures are adequate and effective to ensure that the Continuing Connected Transactions entered into during the year were compliant with the pricing policies stipulated under the Framework Agreement. The INEDs have further opined that the Continuing Connected Transactions were entered into:

- (i) on normal commercial terms or better;
- (ii) in the ordinary and usual course of business of the Group; and
- (iii) according to the relevant agreement governing them on terms that were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company’s auditor was engaged to report on the Group’s continuing connected transactions for the year ended 31 December 2017 in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagement Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The Board confirms that the auditor has issued a letter containing its findings and conclusions in respect of the Continuing Connected Transactions in accordance with Rule 14A.56 of the Listing Rules and a copy of this letter has been provided to the Stock Exchange.

截至二零一六年、二零一七年及二零一八年十二月三十一日止三個年度各年，框架協議項下持續關連交易之合約總價值上限分別為人民幣60,000,000元、人民幣66,000,000元及人民幣69,000,000元，而截至二零一七年十二月三十一日止年度之實際交易金額總價值為人民幣50,244,327元。

請同時參閱本公司日期為二零一六年五月九日有關持續關連交易之公佈（「持續關連交易公佈」）及簡明綜合財務報表附註34。

年內，董事會及本公司財務部已透過採納下列已獲董事會審核委員會審閱之程序跟進及收集有關持續關連交易數據：

- (1) 定期檢查定價條款以確保符合框架協議；及
- (2) 定期匯報交易總額，以確保並無超過年度上限。

獨立非執行董事（「獨立非執行董事」）已審閱上述由管理層採取之內部監控措施，並認為該等內部監控措施對確保於年內訂立之持續關連交易遵守框架協議中訂明之定價政策而言屬足夠及有效。獨立非執行董事進一步認為所訂立之持續關連交易為：

- (i) 按一般商業條款或更有利的條款訂立；
- (ii) 於本集團一般日常業務過程中訂立；及
- (iii) 根據有關交易的相關協議進行，而有關協議的條款屬公平合理，且符合本公司及股東整體利益。

本公司核數師已獲委聘就本集團截至二零一七年十二月三十一日止年度的持續關連交易作出報告，有關報告乃按照《香港核證委聘準則》第3000號（經修訂）「審核或審閱過往財務資料以外之核證委聘」及根據香港會計師公會發出的《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」進行。董事會確認核數師已根據上市規則第14A.56條的規定，就持續關連交易發出函件，當中載列其發現及結論，而本公司已向聯交所提供有關函件。

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(b) Deemed Disposal – Grant of VBill Options under the VBill Share Option Scheme

As disclosed in the announcement of the Company dated 15 January 2018, VBill conditionally agreed to grant VBill Options pursuant to the VBill Share Option Scheme to the three grantees to subscribe for up to approximately 12% of the enlarged VBill Registered Capital at the exercise price of RMB12.51 for every RMB1.0 in the enlarged VBill Registered Capital exercisable for a period of 3 years from date when the VBill Share Option Scheme became unconditional. Mr. Shen (one of the grantees) is a director and the chairman of the board of VBill and a director of certain members of the VBill Group and Mr. Li (one of the grantees) is the chief executive officer of VBill and the supervisor of a member of the VBill Group. Hence, each of Mr. Shen and Mr. Li is a connected person of the Company at subsidiary level. Assuming that all the grantees exercise the options in full, the grantees will, in aggregate, own approximately 12% of the enlarged VBill Registered Capital and the Group's interest in the VBill will be diluted from approximately 80.04% to approximately 70.44%, the grant of the VBill Options therefore constituted a connected transaction and a deemed disposal under Chapter 14A of the Listing Rules ("Deemed Disposal").

Since the exercise of the VBill Options is not at the Company's discretion, the Deemed Disposal will be classified as if the VBill Options had been exercised at the time of the grant. As certain of the applicable percentage ratios of the Deemed Disposal are above 5% but all applicable percentage ratios are less than 25% and the total consideration to be paid by the three grantees is above HK\$10,000,000, the Deemed Disposal constituted a discloseable transaction for the Company which is only subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

As Mr. Shen and Mr. Li are connected persons of the Company at subsidiary level and the transaction contemplated by the Deemed Disposal is on normal commercial terms or better, the Deemed Disposal constitutes a connected transaction of the Company which is only subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules, as (i) the Board of the Company has approved the transaction contemplated by the Deemed Disposal and (ii) the independent non-executive Directors have confirmed that the transaction contemplated by the Deemed Disposal is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

Save as disclosed above and please refer to the section titled "Share Option Scheme of VBill" in this annual report.

(b) 視作出售事項－根據隨行付購股權計劃授出隨行付購股權

誠如本公司日期為二零一八年一月十五日之公佈所披露，隨行付有條件同意根據隨行付購股權計劃向三名承授人授出隨行付購股權，以按經擴大隨行付註冊股本中每人民幣1.0元的行使價人民幣12.51元，認購經擴大隨行付註冊股本最多約12%，該等購股權可於隨行付購股權計劃成為無條件之日起計三年期間內行使。申先生（承授人之一）為隨行付之董事兼董事會主席以及隨行付集團若干成員公司之董事，而黎先生（承授人之一）為隨行付之行政總裁及隨行付集團一間成員公司之監事。因此，申先生及黎先生均為本公司在附屬公司層面之關連人士。假設所有承授人悉數行使購股權，承授人將合共擁有經擴大隨行付註冊股本的約12%，而本集團於隨行付的權益將由約80.04%攤薄至約70.44%，根據上市規則第14A章，授出隨行付購股權將構成一項關連交易及視作出售事項（「視作出售事項」）。

由於隨行付購股權並非按本公司酌情行使，故視作出售事項將分類為猶如隨行付購股權於授出時已獲行使。由於視作出售事項之若干適用百分比率超過5%但所有適用百分比率均低於25%，且三名承授人將予支付之總代價超過10,000,000港元，故視作出售事項構成本公司之一項須予披露交易，且僅須遵守上市規則第14章項下之通知及公佈規定。

由於申先生及黎先生為本公司在附屬公司層面之關連人士及視作出售事項擬進行之交易按一般或更佳商業條款進行，故視作出售事項構成本公司之一項關連交易，且僅須遵守上市規則第14A章下之申報及公佈規定，惟豁免遵守通函、獨立財務意見及股東批准規定，此乃由於(i)本公司董事會已批准視作出售事項擬進行之交易及(ii)獨立非執行董事已確認，視作出售事項擬進行之交易按一般或更佳商業條款進行，並符合本公司及股東之整體利益。

除上文所披露者外，請參閱本年報「隨行付之購股權計劃」一節。

Report of the Directors 董事會報告

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2017.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, total cost of purchase of electronic funds transfer point-of-sale (“EFT-POS”) terminals from PAX Global Technology Limited (“PAX Global”) amounted to approximately HK\$135.8 million, and was regarded as capital in nature. The Company held 33.1% interest in PAX Global and Mr. Li Wenjin, an Executive Director of the Company and also an Executive Director of PAX Global, was interested in 2,890,000 shares issued by PAX Global (the underlying shares of which represented approximately 0.26% of the issued share capital of PAX Global) as at 31 December 2017.

The aggregate amount of purchases attributable to the 5 largest suppliers of items which are not of capital nature was less than 30% of the total purchases of the Group for the year.

The percentages of sales for the year attributable to the Group’s major customers are as follows:

Sales	
– the largest customer	6%
– five largest customers combined	15%

Save as disclosed, none of the Directors, their close associates or any shareholder (which to the knowledge of the Directors own more than 5% of the Company’s share capital) had interests in the major customers or suppliers noted above.

管理合約

於截至二零一七年十二月三十一日止年度內，概無訂立或存在任何與本公司全部或任何重大業務部分相關之管理及行政合約。

主要客戶及供應商

年內，向本公司最大供應商百富環球科技有限公司（「百富環球」）購入電子支付銷售點（「電子支付銷售點」）終端機之總成本約為135,800,000港元，被視為屬資本性質。於二零一七年十二月三十一日，本公司於百富環球持有33.1%權益，而本公司執行董事兼百富環球執行董事李文晉先生擁有百富環球已發行之2,890,000股股份之權益（其相關股份佔百富環球已發行股本約0.26%）。

年內，非資本性質項目之五大供應商應佔採購總額少於本集團採購總額之30%。

年內，本集團主要客戶應佔銷售百分比如下：

銷售	
– 最大客戶	6%
– 五大客戶合計	15%

除所披露者外，董事、彼等之緊密聯繫人士或據董事所知擁有本公司股本超過5%之股東，概無於上述主要客戶或供應商中擁有任何權益。

Report of the Directors 董事會報告

SUBSEQUENT EVENTS

Subscription for Series D Preferred Shares of Cloopen

As disclosed in the announcement of the Company dated 28 February 2018, on 28 February 2018, Main Access Limited (“Main Access”), a wholly-owned subsidiary of the Company, as one of the subscribers, entered into a share subscription agreement (the “Series D Subscription Agreement”) with (i) Cloopen Group Holding Limited (“Cloopen”), an investment of the Company accounted for using the equity method, two subsidiaries of Cloopen, namely Cloopen Limited and Anxun Guantong (Beijing) Technology Co., Ltd. (“Anxun”), Beijing Ronglian Yitong Information Technology Co. Ltd. (“Ronglian”) (a company which Anxun exercises control and enjoys economic benefits through contractual arrangements, together the “Cloopen Group”); (ii) the founding shareholders, namely Mr. SUN Changxun and Mr. LI Xiaoguang and their respective investment holding companies, namely Cloopen Co., Ltd. and Slivo Co., Ltd.; and (iii) other subscribers. Pursuant to the Series D Subscription Agreement, Main Access has conditionally agreed to subscribe for 2,434,015 series D preferred shares of Cloopen at the consideration of US\$5 million. Upon completion of the Series D Subscription Agreement, Cloopen will have issued an aggregate of 12,462,157 series D preferred shares, representing approximately 6.02% of the enlarged issued share capital of Cloopen, to all the subscribers of the series D preferred shares, including Main Access (assuming 21,119,408 ordinary shares of Cloopen which have been reserved for issuance to officers, directors, employees or consultants of Cloopen pursuant to its employee share option plan (the “ESOP shares”) are allotted and issued), and Cloopen Group will have raised US\$25.6 million (before deducting expenses) in this series of preference shares issue pursuant to the Series D Subscription Agreement. As at the date of the announcement dated 28 February 2018 and the date of this report and immediately before completion of the Series D Subscription Agreement, the Group is interested in approximately 27.34% equity interest in Cloopen (assuming all the ESOP shares and convertible preferred shares are allotted and issued). Completion of the Series D Subscription Agreement will take place no later than 3 business days after all conditions precedent specified thereunder are satisfied or waived. Immediately subsequent to completion of the Series D Subscription Agreement, the Group’s equity interests in Cloopen will be approximately 26.87% (assuming all the ESOP Shares and convertible preferred shares are allotted and issued).

Immediately after completion of the Series D Subscription Agreement, the Cloopen Group will remain to be an investment of the Company accounted for using the equity method.

期後事項

認購Cloopen D系列優先股

誠如本公司日期為二零一八年二月二十八日之公佈所披露，於二零一八年二月二十八日，本公司全資附屬公司Main Access Limited (「Main Access」) (作為認購方之一)與(i)本公司以權益法入賬之一項投資Cloopen Group Holding Limited (「Cloopen」)、Cloopen兩間附屬公司(即雲通訊(香港)有限公司及安迅冠通(北京)科技有限公司(「安迅」)、北京容聯易通信息技術有限公司(「容聯」)(一間透過合約安排由安迅行使控制權並享有經濟利益之公司，統稱「Cloopen集團」)；(ii)創辦股東(即孫昌勳先生及李曉光先生以及彼等各自之投資控股公司，即Cloopen Co., Ltd. 及Slivo Co., Ltd.)；及(iii)其他認購方訂立股份認購協議(「D系列認購協議」)。根據D系列認購協議，Main Access已有條件同意認購2,434,015股Cloopen D系列優先股，代價為5,000,000美元。D系列認購協議完成時，Cloopen將已向D系列優先股之所有認購者，包括Main Access(假設根據Cloopen僱員購股權計劃(「僱員購股權計劃」)預留以發行予其高級職員、董事、僱員或顧問的Cloopen 21,119,408股普通股獲配發及發行)發行合共12,462,157股D系列優先股，相當於Cloopen經擴大已發行股本約6.02%，而Cloopen集團將已根據D系列認購協議於此一連串優先股發行中籌得25,600,000美元(於扣除開支前)。於日期為二零一八年二月二十八日的公告日期及本報告日期及緊接D系列認購協議完成前，本集團於Cloopen之股本權益中擁有約27.34%權益(假設所有僱員購股權計劃及可轉換優先股已獲配發及發行)。D系列認購協議將於其項下所訂明的全部先決條件獲達成或豁免後不遲於三個營業日完成。緊隨D系列認購協議後，本集團於Cloopen集團擁有之股本權益將約為26.87%(假設所有僱員購股權計劃股份及可換股優先股配發及發行)。

緊隨D系列認購協議完成後，Cloopen集團將仍為本公司以權益法入賬之一項投資。

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SHARE OPTION SCHEME OF VBILL

As disclosed in the section titled “Share Option Scheme of VBill” in this annual report, the Company has adopted the VBill Share Option Scheme which became effective for a period of 5 years from 5 February 2018 and VBill Options in the amount of RMB27,259,000 representing 12% of the enlarged VBill Registered Capital have been granted to three specified participants, including connected persons of the Company at subsidiary level, as incentives or rewards for their contribution or potential contribution to the VBill Group, as approved by the Shareholders at the special general meeting of the Company held on 5 February 2018.

Further details of the VBill Share Option Scheme can be found in the aforesaid section, the announcement and circular of the Company dated 15 January 2018 and 19 January 2018 respectively.

Save as disclosed above and in the section titled “Connected Transactions”, no material event has taken place subsequent to the year ended 31 December 2017.

PENSION SCHEME

The subsidiaries operating in Hong Kong are required to participate, and participate as required, in a defined contribution retirement scheme (“MPF Scheme”) set up in accordance with the Hong Kong Mandatory Provident Fund Schemes Ordinance (Cap. 485) under which employer and employees are each required to make regular mandatory contributions calculated at 5% of the employee’s relevant income (“Mandatory Contributions”) to the MPF Scheme, subject to the minimum and maximum relevant income levels as prescribed by law. Employees may also make voluntary contributions additional to the Mandatory Contributions.

Any Mandatory Contributions paid for and in respect of an employee are fully and immediately vested in the employee once paid to the trustee of the MPF Scheme and any investment return derived from the investment of the Mandatory Contributions is also fully and immediately vested in the employee. The employees are entitled to 100% of the accrued benefits derived from the employer’s Mandatory Contributions upon retirement at the age of 65 years old, death or total incapacity, subject to other applicable provisions of law.

隨行付購股權計劃

誠如本年報「隨行付之購股權計劃」一節所披露，本公司已採納隨行付購股權計劃，其自二零一八年二月五日起有效期為五年，經股東在本公司於二零一八年二月五日舉行的股東特別大會上批准，為數人民幣27,259,000元的隨行付購股權（相當於隨行付經擴大註冊資本的12%）已授予三名指定參與者（包括本公司附屬公司層面的關連人士），作為彼等對隨行付集團貢獻或潛在貢獻的激勵或獎勵。

隨行付購股權計劃的進一步詳情可分別參閱上述章節、本公司日期為二零一八年一月十五日的公告及二零一八年一月十九日的通函。

除上文及「關連交易」一節所披露者外，截至二零一七年十二月三十一日止年度後並無發生重大事項。

退休金計劃

於香港營運之附屬公司須參加根據香港強制性公積金計劃條例（第485章）成立之定額供款退休計劃（「強積金計劃」），據此，僱主及僱員須按彼等有關收入的5%計算向強積金計劃作出的定期強制性供款（「強制性供款」），相關收入水平的上下限按法律釐定。僱員亦可於強制性供款外作出自願供款。

就及為僱員支付的任何強制性供款於向強積金計劃受託人付款後，悉數及即時歸屬於僱員，而強制性供款投資產生的任何投資回報亦悉數及即時歸屬於僱員。僱員於65歲退休、身故或完全喪失工作能力時，有權取得僱員強制性供款產生的全部累計福利，惟須受限於其他適用法律條文。

Report of the Directors 董事會報告

In addition, pursuant to the government regulations in the People's Republic of China (the "PRC"), the Group is required to contribute to certain retirement benefit schemes in favour of the employees in the PRC an amount equal to approximately 7% to 20% of their respective yearly wages. The local municipal government undertakes to assume the retirement benefits obligations of those workers of the Group.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is interested in any business, apart from the Group's business, which competed or was likely to compete, either directly or indirectly with the Group's business.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirmed that the Company has maintained at all times the sufficient public float as required under the Listing Rules during the year.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who has remained as the Company's auditor for each of the preceeding three year and will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

Cheung Yuk Fung
Chairman

Hong Kong, 7 March 2018

此外，根據中華人民共和國（「中國」）政府法規規定，本集團須按中國僱員該年度薪金約7%至20%，以中國僱員為受益人向若干退休福利計劃作出供款。當地市政府對本集團該類僱員作出退休福利責任保證。

董事於競爭業務之權益

概無任何董事於任何與本集團直接或間接競爭或可能競爭之業務（本集團業務除外）中擁有任何權益。

足夠公眾持股量

根據本公司現有公開資料及就董事所知，董事確認，本公司於年內及截至本報告日期所有時間維持上市規則規定之足夠公眾持股量。

核數師

羅兵咸永道會計師事務所已審核財務報表，而羅兵咸永道會計師事務所於過去三年前各年一直為本公司核數師，並即將任滿告退，惟符合資格且願意於本公司應屆股東週年大會獲續聘連任。

代表董事會

主席
張玉峰

香港，二零一八年三月七日

Corporate Governance Report 企業管治報告

The Board is pleased to present this Corporate Governance Report for the year ended 31 December 2017.

The Company wishes to highlight the importance of its Board in ensuring effective leadership and control of the Company, transparency and accountability of all operations and that its business is conducted in accordance with applicable laws, rules and regulations.

The Company also recognises the importance of good corporate governance to the Group's healthy growth and has devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the Group's needs.

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles (the "Principles") and code provisions (the "Code Provisions") in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules.

In formulating and implementing its corporate governance practices and standards, the Company has applied the Principles and complied with all applicable Code Provisions for the year ended 31 December 2017.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted trading guidelines regulating directors' and senior management's transactions concerning securities of the Company, on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry had been made to all the directors of the Company and the directors have confirmed that they have complied with the required standard as set out in Model Code and the Group's trading guidelines through the year and up to the date of this Report.

董事會欣然於本集團截至二零一七年十二月三十一日止年度之企業管治報告。

本公司謹此表明，董事會確保本公司有效領導及監控，所有營運之透明度及問責性之重要性，而其業務乃根據適用法律、規則及任何法規進行。

本公司亦明瞭良好企業管治對本集團穩健發展之重要性，並已努力確立及制定符合本集團需要之企業管治常規。

企業管治常規

本公司之企業管治常規乃按照上市規則附錄14所載企業管治守則（「企業管治守則」）中的原則（「原則」）及守則條文（「守則條文」）訂立。

制定及實施企業管治常規及準則時，本公司已於截至二零一七年十二月三十一日止年度已應用該等原則並一直遵守全部適用守則條文。

董事之證券交易

本集團已採納規管董事及高層管理人員對本公司有關證券進行交易的交易指引，其條款乃不遜於上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」）內所載之規定準則。

經向本公司全體董事作出具體查詢後，董事已確認彼等於年內及直至本報告日期一直遵守標準守則及本集團之交易指引。

Corporate Governance Report 企業管治報告

The key corporate governance principles and practices of the Company are summarised as follows:

THE BOARD

Responsibilities

The overall management of the Company's business is vested in the Board, which assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors make decisions objectively in the best interests of the Company.

The Board reserves power for decisions concerning all major matters which include, inter alia, the approval and monitoring of all policy matters, overall strategies and budgeting, internal control and risk management systems, material transactions (in particular those which may involve conflict of interests of Director(s) or substantial shareholder(s)), appointment of Directors and other significant financial and operational matters.

All Directors are provided with full and timely access to Board papers and relevant information, as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable laws, rules and regulations are followed.

To assist the Directors in performing their duties, each Director may seek independent professional advice in appropriate circumstances to assist in the performance of directors duties at the Company's expense, upon making a timely request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the senior management. Clear directions as to the senior management's powers, the scope of delegations and relevant arrangements are periodically reviewed to ensure they remain appropriate to the Company's needs. Reporting to and prior approval of the Board are necessary before the senior management enters into any material transactions and assuming significant commitments on behalf of the Company.

The Board has the full support of the senior management to discharge its responsibilities.

Composition

The Board have a balance of skills and experience appropriate to the requirements of the business of the Company.

The Board currently comprises 8 members, consisting of 5 Executive Directors and 3 Independent Non-Executive Directors. The balanced composition of executive and independent non-executive members upholds the effective exercise of independent judgement.

本公司主要企業管治原則及常規概述如下：

董事會

職責

本公司業務整體管理賦予董事會負責，董事會承擔領導及監控本公司之責任，並透過指導及監管事務，集體負責促進本公司之成就。全體董事均客觀就本公司最佳利益作出決定。

董事會保留就全部重要事項作出決策之權力，其中包括批准及監控所有政策、整體策略及預算、內部監控及風險管理制度、重大交易（特別是或涉及董事或主要股東利益衝突者）、委任董事及其他重大財務與營運事宜。

全體董事可全面及時獲得董事會文件及相關資料以及獲取公司秘書之意見及服務，以確保董事會程序以及所有適用法例、規則及規例獲得遵守。

為協助董事履行彼等的職務，各董事可於合適情況下及時向董事會提出要求，徵求獨立專業意見，以協助履行董事職責，而費用由本公司承擔。

本公司日常管理、行政及營運授權予高層管理人員負責。有關高級管理層的權力、所指派工作之範圍及相關安排之清晰指示會進行定期檢討，以確保彼等可繼續配合本公司之需要。高級管理層於訂立任何重大交易前及代表本公司作出重大承諾前必須向董事會匯報及取得事先批准。

董事會履行職責時可獲得高層管理人員全面支援。

組成

董事會已在技術和經驗方面取得平衡，適合本公司業務所需。

董事會現由八名成員組成，包括五名執行董事及三名獨立非執行董事。執行成員及獨立非執行成員的平衡組成可保持獨立判斷的有效行使。

Corporate Governance Report 企業管治報告

The Board comprises the following Directors:

Executive Directors:

Cheung Yuk Fung (*Chairman*)
Kui Man Chun (*Chief Executive Officer*)
Xu Wensheng
Li Wenjin
Xu Changjun

Independent Non-Executive Directors:

Tam Chun Fai
Leung Wai Man, Roger
Chang Kai-Tzung, Richard

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time and an updated list of all directors identifying their role and function is maintained on the Company's and the Stock Exchange's websites.

The biographical information of the Directors and their relationship among the members of the Board, if any, are provided in the "Directors and Senior Management" section of this annual report.

Appointment, Re-election and Removal of Directors

The Company has established formal and transparent procedures for the appointment and succession planning of Directors.

The Independent Non-Executive Directors are appointed for a fixed contract term subject to re-election in accordance with the Company's Bye-laws and the CG code.

All Directors are appointed for specific tenures subject to retirement by rotation at least once every three years and subject to re-election.

Further appointment of any Independent Non-Executive Director having served for more than 9 years should be subject to a separate resolution to be approved by the shareholders.

Training for Directors

Newly appointed Directors receive induction on the occasion of his/her appointment, so as to ensure that he/she has an appropriate understanding of the business and operations of the Company and is fully aware of his/her responsibilities under applicable laws, rules and regulations, and the Group's governance and internal control policies. The Company also arranges and funds suitable training, placing an appropriate emphasis on the roles, functions and duties of a listed company director.

董事會由以下董事組成：

執行董事：

張玉峰 (*主席*)
渠萬春 (*行政總裁*)
徐文生
李文晉
徐昌軍

獨立非執行董事：

譚振輝
梁偉民
張楷淳

上列董事(按類別劃分)亦於本公司根據上市規則不時發出之所有企業通訊披露,而列有所有董事及彼等的角色及職能的已更新名單已上載於本公司及聯交所網頁。

董事之履歷資料及彼等與董事會成員之關係(如有)在本年報「董事及高層管理人員」一節已有披露。

董事委任、重選及罷免

本公司已訂立正式且具透明度之董事委任及繼任規劃程序。

獨立非執行董事按固定任期委任,並須根據本公司之公司細則及企業管治守則重選連任。

全體董事均通過委任產生,特定任期將最少於每三年輪席告退一次時屆滿,並可重選連任。

若繼續委任任何任職超過九年的獨立非執行董事,應經股東以獨立決議案批准。

董事培訓

新委任董事於獲委任時獲得就職介紹,確保彼等恰當了解本公司業務及運作並完全知悉其於適用法律、法規及規定以及本集團的管治及內容監控政策下之職責。本公司亦將安排適合培訓並撥款,適當地強調上市公司董事之角色、職能與職責。

Corporate Governance Report 企業管治報告

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company has arranged and funded in-house trainings for the Directors in the form of seminar and provision of training materials. A summary of training received by the Directors during the relevant period according to the records provided by the Directors is as follows:

本公司鼓勵全體董事參與持續專業發展，以增進及重溫彼等之知識及技能。本公司已透過舉行研討會及向董事提供培訓資料，為董事安排內部培訓，而費用由本公司支付。根據董事提供之記錄，董事於相關期間接受之培訓概要如下：

Training on corporate governance, regulatory development and other relevant topics 企業管治、監管發展及其他相關主題培訓

Name of Directors	董事姓名	
Executive Directors:	執行董事：	
Cheung Yuk Fung	張玉峰	√
Kui Man Chun	渠萬春	√
Xu Wensheng	徐文生	√
Li Wenjin	李文晉	√
Xu Changjun	徐昌軍	√
Independent Non-Executive Directors:	獨立非執行董事：	
Tam Chun Fai	譚振輝	√
Leung Wai Man, Roger	梁偉民	√
Chang Kai-Tzung, Richard	張楷淳	√

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy. The Company seeks to achieve board diversity through the consideration of a number of factors in the Board members' selection process, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

During the reporting period, the Company has a solid slate of Directors with diverse perspectives and varied educational background and expertise made-up, from extensive knowledge of the information technology industry and electronic payment industry, experience in international trade, finance and corporate management, to professional qualifications in the legal and accounting fields. Each Director has accumulated experience in his respective field of expertise for at least 20 years, all of whom share and acquire the talent and competence to drive the industry so as to bring sustainable growth to the Company.

董事會成員多元化政策

董事會已採納董事會成員多元化政策。本公司透過於董事會成員甄選過程中考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期，務求達致董事會成員多元化。所有董事會成員委任乃基於用人唯才，而為有效達致董事會成員多元化，將考慮候選人之客觀條件。

於報告期間，本公司擁有具備多元視野及不同教育背景和專業知識之董事，彼等擁有資訊科技行業及電子支付行業之廣泛知識；國際貿易、金融及企業管理經驗；以至於法律及會計範疇之專業資格。董事均於各自專業範疇累積至少20年經驗，並分享及獲得才能及能力以推動行業向前，為本公司帶來持續增長。

Corporate Governance Report 企業管治報告

Board Meetings and Directors' Attendance

Four Regular Board meetings were held during the year for reviewing and approving the financial and operating performance and respectively the final results for the year ended 31 December 2016, quarterly results for the three months ended 31 March 2017, interim results for the six months ended 30 June 2017 and quarterly results for the nine months ended 30 September 2017, and considering and approving the overall strategies and policies of the Company.

The individual attendance record of each Director at the four regular quarterly Board meetings (not including other ad hoc meetings of the Board held from time to time and any other meeting(s) of members of the Board in compliance with the CG Code), meetings of the Audit Committee meetings, Nomination Committee meeting, Remuneration Committee meeting, Risk Management Committee and general meeting during the year ended 31 December 2017 is set out below:

Name of Directors	董事姓名	Attendance/Number of meetings 會議出席/舉行次數					
		Audit Committee Meetings 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Risk Management Committee Meetings 風險管理委員會會議	Regular Board Meetings 常規董事會會議	Annual General Meeting 股東週年大會
Cheung Yuk Fung	張玉峰	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4	1/1
Kui Man Chun	渠萬春	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4	1/1
Xu Wensheng	徐文生	N/A 不適用	N/A 不適用	N/A 不適用	2/2	3/4	1/1
Li Wenjin	李文晉	N/A 不適用	1/1	1/1	2/2	4/4	1/1
Xu Changjun	徐昌軍	N/A 不適用	N/A 不適用	N/A 不適用	2/2	4/4	1/1
Chang Kai-Tzung, Richard	張楷淳	2/2	N/A 不適用	N/A 不適用	N/A 不適用	4/4	1/1
Tam Chun Fai	譚振輝	2/2	1/1	1/1	N/A 不適用	4/4	1/1
Leung Wai Man, Roger	梁偉民	2/2	1/1	1/1	N/A 不適用	4/4	1/1

Note: Ms. Hui Lok Yan, the Group Financial Controller, Joint Company Secretary and member of Risk Management Committee of the Company attended two Risk Management Committee meetings during the year ended 31 December 2017.

Practices and Conduct of Meetings

Annual meeting schedules and agendas are made available to the Directors in advance.

董事會會議及董事出席情況

年內曾舉行四次常規董事會會議，以審閱及批准財務及營運表現、分別批准截至二零一六年十二月三十一日止年度之全年業績、截至二零一七年三月三十一日止三個月之季度業績、截至二零一七年六月三十日止六個月之中期業績及截至二零一七年九月三十日止九個月之季度業績、以及考慮及批准本公司整體策略及政策。

各董事於截至二零一七年十二月三十一日止年度出席四次常規季度董事會會議（不包括其他不時舉行之不定期董事會會議及根據企業管治守則之任何其他董事會成員會議）、審核委員會會議、提名委員會會議、薪酬委員會會議、風險管理委員會會議及股東大會之個別記錄載列如下：

附註：許諾恩女士為本公司之集團財務總監兼聯席公司秘書以及風險管理委員會成員，彼於截至二零一七年十二月三十一日止年度出席了兩次風險管理委員會會議。

會議常規及程序

週年會議時間表及會議議程均會預先向董事提供。

Corporate Governance Report 企業管治報告

Notices of regular Board meetings are served to all Directors at least 14 days before the intended date of meetings. Reasonable notice is, as permitted by the Company's Bye-laws under relevant circumstances or otherwise agreed, given for other Board and committee meetings.

The Company Secretary, as delegated by the Chairman, has been responsible for preparing the agenda of board meetings, taking into account any matters the Directors may propose to include, ensuring that all Directors are given opportunity to include matters in the agenda and approving the agenda. In order to enable the Directors to make informed decision, agenda and accompanying board papers together with all appropriate, complete and reliable information are sent to all Directors at least 3 days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and/or financial position of the Company. The Board and the individual Directors also have separate and independent access to the senior management to make further enquires or when they require further information in addition to those volunteered by the senior management.

The Company Secretary and senior management attend all regular Board meetings and when necessary, other Board and committee meetings to advise on business developments, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Company.

The Company Secretary is responsible for preparing and keeping the minutes of all Board meetings and committee meetings. The minutes records sufficient details of matters considered, decisions reached, concerns raised and any, dissenting views expressed. Draft and final versions of minutes are circulated to the Directors for comment and record within a reasonable time after each meeting and the final version is open for the Directors' inspection.

According to current Board practice, any material transaction, which involves conflicting interests of a substantial shareholder or Director are dealt with at a duly convened physical Board meeting, at which independent non-executive Directors having no material interest in the transaction should be present. Any Directors or any of their close associates (as defined in the Listing Rules) having material interests in the transactions shall abstain from voting and not to be counted in the quorum at meetings for approving such transactions in which such Directors.

常規董事會會議通告最少於擬定會議日期十四天前發給全體董事。就其他董事會及委員會會議而言，則一般會根據本公司細則於相關情況許可下或以其他方式協定者給予合理通知。

由主席授權之公司秘書一直負責編製董事會會議之議程，當中考慮董事可能建議包括之任何事項，以確保所有董事均獲機會於議程中加入事項及批准議程。為使董事得以進行知情的決定，議程及所附董事會文件連同所有合適、完整及可靠資料，最少於各董事會會議或委員會會議三天前交予全體董事，致令董事知悉本公司最新發展及／或財務狀況。董事會及獨立董事亦可於需要時另行及獨立地接觸高級管理層以作進一步諮詢或取得高級管理層自願提供的資料以外的進一步資料。

公司秘書及高級管理層出席所有常規董事會會議及於有需要時出席其他董事會會議及委員會會議，就業務發展、財務及會計事宜、法定守章、企業管治及本公司其他重大事宜提供意見。

公司秘書負責於所有董事會會議及委員會會議編製會議記錄並加以存管。會議記錄記錄所考慮事項之足夠詳情、所達致決定、所提出問題及反對意見（如有）。會議記錄草擬本及最終版本會於各會議後合理時間內交予董事傳閱及提供意見並進行記錄，而最終會議記錄可供董事查閱。

根據現行董事會常規，任何涉及主要股東或董事利益衝突之重大交易，須經由正式召開之董事會會議處理，而並無於交易中擁有重大權益的獨立非執行董事須出席該會議。就批准有關董事擁有權益之交易之會議上，於交易中擁有重大權益的任何董事或彼等任何緊密聯繫人（定義見上市規則）須放棄投票，且不得計入會議法定人數。

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CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of Chairman and Chief Executive are clearly defined and not performed by the same individual to ensure a balanced power and authority and no concentration of power. During the year, Mr. Cheung Yuk Fung acted as the Chairman, and Mr. Kui Man Chun acted as the Chief Executive Officer.

The Chairman provides leadership and is responsible for the effective functioning of the Board in accordance with good corporate governance practice and established corporate governance procedures. With the support of the Company Secretary and the senior management, the Chairman is also responsible for ensuring that the Directors receive, in a timely manner, adequate information, which must be accurate, clear, complete and reliable and appropriate briefing on issues arising at Board meetings, and that all key and appropriate issues are discussed by the Board in a timely manner.

The Chairman also encourages the Directors to fully and actively participate in the Board's affairs, taking the lead to act in the best interests of the Company. The Chairman also promotes a culture to facilitate effective contributions and encourage the Directors to express dissenting views and concerns and allow sufficient discussion of issues before decisions are made.

The role of the Chief Executive focuses on implementing objectives, policies and strategies approved and delegated by the Board. He is in charge of the Company's day-to-day management and operations. The Chief Executive is also responsible for developing strategic plans and formulating the organisational structure, monitoring control systems and internal control procedures and processes for the Board's approval.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-Executive Directors possess a wide range of business and financial expertise, experiences and, through participation in board meetings, offer independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standard of conducts. Through taking the lead where potential conflicts on interests arise, serving on the Board committees, examining the Company's performance in achieving corporate goals and objectives and monitoring performance reporting, the Independent Non-Executive Directors have become an integral part of the healthy growth of the Company.

主席及行政總裁

主席及行政總裁之角色及職責已清晰界定，不應由同一人擔任，以確保權力及授權平衡，避免權力集中。於本年度，張玉峰先生擔任主席，而渠萬春先生則擔任行政總裁。

主席領導及對董事會根據良好企業管治常規之有效運作負責及制定企業管治程序。在公司秘書及高層管理人員之支援下，主席亦負責確保董事適時獲得充分資料，其必須準確、清晰、完備及可靠，並獲適當簡介董事會會議事宜，而所有主要及合適事務均由董事會適時討論。

主席亦鼓勵董事全心及主動參與董事會事務，並領導本公司最佳利益為依歸行動。主席應提倡討論文化並鼓勵董事表達不同意見，並關注及準許在作出決定前有足夠的討論。

行政總裁之職務集中於推行董事會批准及授權之目標、政策及策略。彼負責本公司日常管理及營運。行政總裁亦負責拓展策略計劃以及制定組織架構、監控制度及內部監控程序及董事會審批程序。

獨立非執行董事

獨立非執行董事擁有廣泛的業務及財務專業及經驗，並透過參與董事會會議，可為策略、政策、表現、可信度、資源、主要委任及操守準則提供獨立判斷。在出現潛在利益衝突時透過領導董事委員會檢測本公司的表現，以達到企業目標及宗旨並監察業績報告。獨立非執行董事已成為本公司健康增長的一個組成部分。

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During the year, the Independent Non-Executive Directors have also attended the annual general meeting(s) of the Company, details of which are set out in page 54, enabling them to develop a balanced understanding of the views of the shareholders.

During the year, the Board at all times met the requirements of Rule 3.10(1), Rule 3.10(2) and Rule 3.10A of the Listing Rules relating to the appointment of at least three Independent Non-Executive Directors, representing more than one-third of the Board and with at least one Independent Non-Executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

Confirmation of independence of Independent Non-Executive Directors

In respect of the reporting period, the Company has received from each of the three Independent Non-Executive Directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger and Mr. Chang Kai-Tzung, Richard, written annual confirmations of their respective independence pursuant to the requirements of Rule 3.13 of the Listing Rules and the Company considers all the Independent Non-Executive Directors to be independent.

BOARD COMMITTEES

The Board has established 4 committees, namely, the Nomination Committee, Remuneration Committee, Audit Committee and Risk Management Committee, for overseeing particular aspects of the Company's affairs. All Board committees are established with defined written terms of reference, setting out its authority and duties, requiring them to report back to the Board on their decisions or recommendations (unless otherwise restricted by legal or regulatory requirements). To provide transparency, the terms of reference of the Board committees are posted on the Company's and the Stock Exchange's websites and hard copies of which are available to Shareholders upon request.

The majority of the members of each Board committee are Independent Non-Executive Directors except the Risk Management Committee and the list of the chairman and members of each Board committee as at the date of this report is set out below:

Audit Committee

Tam Chun Fai (*Chairman*)⁺
Leung Wai Man, Roger⁺
Chang Kai-Tzung, Richard⁺

年內，獨立非執行董事亦已出席本公司的股東週年大會（其詳情載於第54頁），讓彼等得以更公平地了解股東的意見。

年內，董事會一直遵守上市規則第3.10(1)、3.10(2)及3.10A條有關委任最少三名獨立非執行董事（佔董事會三分之一以上）而其中最少一名獨立非執行董事須具備合適專業資歷或會計或相關財務管理專業知識之規定。

確認獨立非執行董事之獨立身份

就有關報告期間，本公司已接獲三名獨立非執行董事（即譚振輝先生、梁偉民先生及張楷淳先生）根據上市規則第3.13條規定所作出確認彼等各自獨立身份之年度確認書，本公司認為全體獨立非執行董事屬獨立人士。

董事會委員會

董事會下設四個委員會：提名委員會、薪酬委員會、審核委員會及風險管理委員會，以掌管本公司特定事務。所有董事會委員會均設有明確書面職權範圍，其載列職權及職責，要求彼等向董事會匯報其決定或建議（受法定或監管規定限制者除外）。為提高透明度，董事會委員會職權範圍於本公司及聯交所網站刊載，而其印刷副本亦可供股東索取。

各董事會委員會大部分成員，除風險管理委員會外均為獨立非執行董事，而於本報告日期，各董事會委員會主席及成員名單如下：

審核委員會

譚振輝 (*主席*)⁺
梁偉民⁺
張楷淳⁺

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Nomination Committee

Leung Wai Man, Roger (*Chairman*)⁺
Tam Chun Fai[△]
Li Wenjin[△]

Remuneration Committee

Tam Chun Fai (*Chairman*)[△]
Leung Wai Man, Roger⁺
Li Wenjin[△]

Risk Management Committee

Xu Changjun (*Chairman*)[△]
Xu Wensheng[△]
Li Wenjin[△]
Hui Lok Yan*

⁺ Independent Non-Executive Director

[△] Executive Director

* Ms. Hui Lok Yan, the Group Financial Controller and Joint Company Secretary of the Company.

The Board committees are provided with sufficient resources to perform their duties and, upon reasonable and timely request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

Audit Committee

The Audit Committee comprises three Independent Non-Executive Directors (including one Independent Non-Executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

During the Reporting Year, the main duties of the Audit Committee include the followings:

- (a) to review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant or external auditor before submission to the Board;
- (b) to review the Company's relationship with the external auditor by reference to the work they performed, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor;

提名委員會

梁偉民 (*主席*)⁺
譚振輝[△]
李文晉[△]

薪酬委員會

譚振輝 (*主席*)⁺
梁偉民⁺
李文晉[△]

風險管理委員會

徐昌軍 (*主席*)[△]
徐文生[△]
李文晉[△]
許諾恩*

⁺ 獨立非執行董事

[△] 執行董事

* 許諾恩女士為本公司之集團財務總監兼聯席公司秘書。

董事會委員會獲提供充足資源履行職責及可於適當情況下，合理且及時要求徵求獨立專業意見，費用由本公司承擔。

審核委員會

審核委員會由三名獨立非執行董事組成，當中包括一名具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事。審核委員會全體成員均非本公司現任外聘核數師之前合夥人。

於報告年度，審核委員會之主要職責包括如下：

- (a) 審閱財務報表及報告，並於提交董事會前，考慮合資格會計師或外聘核數師提出之任何重大或不尋常項目；
- (b) 參考外聘核數師所進行工作、費用及聘用條款，檢討本公司與其關係，並就委任、續聘及罷免外聘核數師向董事會提出意見；

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- (c) to review the adequacy and effectiveness of the Company's financial reporting system, internal control system, risk management system and associated procedures; and
- (d) to cooperate with Risk Management Committee to ensure Risk Management Committee has access to information necessary to fulfil their duties and responsibilities with respect to risk assessment and risk management.
- (c) 審閱本公司財務報告制度、內部監控制度、風險管理制度及相關程序是否充分及具備效益；及
- (d) 與風險管理委員會合作，確保風險管理委員會獲取必要信息，以履行有關風險評估與風險管理之責任和義務。

The written terms of reference which describing the authority and duties of the Audit Committee was prepared and adopted with reference to the CG Code and "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants.

已參照企業管治守則及香港會計師公會頒佈的「成立審核委員會之指引」編製及採納載有審核委員會權力及職責的書面職權範圍。

The Audit Committee held two meetings during the year ended 31 December 2017 to review the financial results and reports, financial reporting and compliance procedures, internal control and risk management systems, effectiveness of internal audit function of the Group, the auditor's independence and objectivity. The Audit Committee has also met with the Company's auditor twice during the year and recommended the re-appointment of PricewaterhouseCoopers as the Company's auditor and approved their remuneration and terms of engagement. The Board confirms that it has taken no different view from the Audit Committee in relation to the recommended re-appointment.

審核委員會於截至二零一七年十二月三十一日止年度曾舉行兩次會議，審閱本集團財務業績及報告、財務報告及守章程序、內部監控及風險管理制度、內部審核職能的有效程度、核數師的獨立性及客觀性。審核委員會亦已每年與本公司核數師會面兩次，並建議重新委任羅兵咸永道會計師事務所擔任本集團的核數師並批准其薪酬及委聘年期。董事會已確認其就建議重新委任事宜與審核委員會並無分歧。

As at the end of 2017 and the date of this report, there are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

於二零一七年末及於本報告日期，概無有關或會對本公司持續經營能力產生重大疑問之事件或情況之重大不明朗因素。

The Company's annual results for the year ended 31 December 2017 has been reviewed by the Audit Committee.

本公司截至二零一七年十二月三十一日止年度之全年業績已經由審核委員會審閱。

Nomination Committee

The principal duties of the Nomination Committee, as provided under the terms of reference adopted in compliance with the requirements under the CG Code, include reviewing the structure, size and composition of the Board, developing and formulating relevant procedures for nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors and assessment of the independence of the Independent Non-Executive Directors.

提名委員會

如遵守企業管治守則規定而採納之職權範圍所列，提名委員會之主要職責包括審閱董事會之架構、規模及組成、制定有關董事提名及委任程序以及就董事委任及繼任規劃向董事會提出意見，並評估獨立非執行董事之獨立身分。

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The Nomination Committee carries out the process of selecting and recommending candidates for directorships by making reference to the balance of expertise, skills, experience, professional knowledge, personal integrity and time commitments of such individuals, business requirements of the Group and other relevant statutory requirements and regulations. External recruitment agency may also be engaged to carry out the recruitment and selection process when necessary. The Nomination Committee held one meeting during the year ended 31 December 2017.

As Mr. Chang Kai-Tzung, Richard, being appointed as a Non-Executive Director in November 2009 and re-designated as an Independent Non-Executive Director in February 2016, would have served the Company for more than 9 years during the term of his further appointment in 2018, he will voluntarily retire at the forthcoming 2018 annual general meeting and, being eligible, will offer himself for re-election. His further appointment shall be subject to a separate resolution to be approved by Shareholders in accordance with the CG Code.

Mr. Li Wenjin, an Executive Director, and Mr. Tam Chun Fai, an Independent Non-Executive Director, will also retire at the Annual General Meeting and, being eligible, offer themselves for re-election.

The Nomination Committee has recommended the re-appointment of the said Directors standing for re-election to the Board, following which the Board, after due consideration, has recommended their re-appointment for the Shareholders' approval at the forthcoming Annual General meeting.

The Company's circular dated 19 March 2018 contains detailed information of the Directors standing for re-election.

Remuneration Committee

The primary objectives and duties of the Remuneration Committee were set out in its terms of reference adopted in compliance with the requirements under the CG Code, which include making recommendations to the Board on the remuneration policy and structure and remuneration packages of the Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration, whose remuneration will be determined with reference to the performance of the individual and the Company as well as market practice and conditions.

提名委員會負責就均衡專業知識、技能、經驗、專業知識、個人誠信及投入時間以及就本集團業務需要及其他相關法定規則及規例，甄選及推薦候任董事人選，有需要時亦或會委任外界招聘代理進行招聘及甄選程序。提名委員會於截至二零一七年十二月三十一日止年度曾舉行一次會議。

根據本公司之公司細則，執行董事李文晉先生及獨立非執行董事譚振輝先生及張楷淳先生將於即將舉行之二零一八年股東週年大會告退，惟符合資格並將願意重選連任。張楷淳先生於二零零九年十一月獲委任非執行董事，並於二零一六年二月獲調任為獨立非執行董事，於二零一八年彼獲繼續委任之任期內，彼將於本公司任職超過九年，彼將於應屆二零一八年股東週年大會上自願退任，並符合資格並將願意重選連任。彼獲繼續委任將須根據企業管治守則由股東批准以獨立決議案批准後方可作實。

執行董事李文晉先生及獨立非執行董事譚振輝先生亦將於股東週年大會上退任，並符合資格並將願意重選連任。

提名委員會已建議重新委任上述董事參與董事會重選連任，而董事會在經過考慮後已推薦彼等的重新委任並於應屆股東週年大會讓股東予以批准。

本公司日期為二零一八年三月十九日之通函載有重選連任董事詳細資料。

薪酬委員會

如遵守企業管治守則規定而採納之職權範圍所載，薪酬委員會主要宗旨及職責包括就董事及高層管理人員薪酬政策及結構與薪酬待遇向董事會提出推薦意見。薪酬委員會亦負責就該等薪酬政策及結構制定具透明度之程序，確保並無董事或彼任何聯繫人士參與釐定本身薪酬，而薪酬將參考個人及本公司表現以及市場常規及情況後釐定。

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The Remuneration Committee normally meets to review the remuneration policy and structure and determination of the annual remuneration packages of the Directors and the senior management and other related matters. The Human Resources Department is responsible for collection and administration of the human resources data and making recommendations on remuneration policy and structure and remuneration packages to the Remuneration Committee for consideration. The Remuneration Committee shall consult the Chairman and/or the Board about these recommendations. The Remuneration Committee held one meeting during the year ended 31 December 2017 to review and recommend the remuneration packages of the Directors and senior management of the company, to establish a formal and transparent procedure for developing policy for the remuneration of the Directors, assessing performance of the Executive Directors and approving the terms of their respective service contracts.

The remuneration payable to the senior management by band for the year ended 31 December 2017 is set out below:

Remuneration band	薪酬組別	Number of individuals 人數
HK\$0 – HK\$1,000,000	0港元至1,000,000港元	1
HK\$1,000,001 – HK\$2,000,000	1,000,001港元至2,000,000港元	2
HK\$2,000,001 – HK\$3,000,000	2,000,001港元至3,000,000港元	3

Further particulars regarding Directors' emoluments and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in note 9 and note 37 to the consolidate financial statements.

Risk Management Committee

The Risk Management Committee comprises a minimum of four members and shall have at least three Directors.

The main duties of the Risk Management Committee include the followings:

- (a) to review the Group's risk management and internal control systems (including financial, operational and compliance controls) and internal audit function, to ensure that effective and adequate risk management and internal control systems are established and maintained and that sufficient resources are in place for the Group's internal audit function;

薪酬委員會一般就審閱薪酬政策及結構以及釐定董事及高層管理人員年度薪酬待遇與其他相關事務舉行會議。人力資源部門負責收集及管理人力資源數據，並就薪酬政策及結構與薪酬待遇向薪酬委員會提出意見以供其考慮。薪酬委員會須就此等意見諮詢主席及／或董事會。薪酬委員會於截至二零一七年十二月三十一日止年度曾舉行一次會議，以就董事及本公司高級管理層之薪酬待遇進行檢討及提供建議、就董事薪酬待遇之發展政策設立正式及具透明度之程序、評估執行董事之表現以及批准彼等各自之服務合約之條款。

於截至二零一七年十二月三十一日止年度按薪酬組別劃分之高層管理人員之應付薪酬載列如下：

根據上市規則附錄16須予披露有關董事酬金及五名最高薪僱員之進一步詳情載於綜合財務報表附註9及附註37。

風險管理委員會

風險管理委員會由至少四名成員組成，並至少須有三名董事。

風險管理委員會之主要職責包括下列項目如下：

- (a) 檢討本集團風險管理及內部監控制度（包括財務、營運及合規監控）和內部審核功能，確保採取及維持有效和足夠之風險管理及內部監控制度，並確保本集團內部審核功能有足夠資源運作；

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- (b) to consider the effectiveness of the Group's decision making processes in crisis and emergency situations and to maintain the Group's risk management standards; and
- (c) on an annual basis report to the Board on the effectiveness of the risk management systems and internal control systems (including financial, operational and compliance controls) for the Group and adequacy of resources of its internal audit functions.

The Risk Managements Committee held two meetings during the year ended 31 December 2017.

Corporate Governance Function

The Board is responsible for performing the corporate governance duties of the Company, including (i) to develop and review the Group's policies and practices on corporate governance; (ii) to review and monitor the training and continuous professional development of the Directors and the senior management; (iii) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements; (iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employee and Directors and (v) to review the Group's compliance with the CG Code and disclosure in this Corporate Governance Report.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board and the Directors

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and complying with other financial disclosures required under the Listing Rules and other regulatory requirements.

The Directors also acknowledge their responsibilities for preparing the financial statements of the Company for the year ended 31 December 2017.

Auditor's Statement

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 67 to 75.

- (b) 考慮本集團在危機及緊急情形下之決策過程是否具備效益和維持本集團之風險管理準則；及
- (c) 每年向董事會報告本集團之風險管理及內部監控制度（包括財務、營運及合規監控）是否具備效益及內部審核功能是否有足夠資源運作。

風險管理委員會於截至二零一七年十二月三十一日止年度舉行兩次會議。

企業管治功能

董事會負責履行本公司企業管治職務，包括(i)發展及審閱本集團企業管治政策及常規；(ii)審閱及監督董事及高層管理人員之培訓及持續專業發展；(iii)檢討及監察發行人在遵守法律及監管規定方面政策及常規；(iv)制定、檢討及監察僱員及董事操守準則及合規手冊（如有）及(v)檢討本集團遵守企業管治守則之情況及本企業管治報告披露之資料。

有關財務報表之責任

董事會及董事

董事會須負責提呈年報及中期報告之均衡、清晰及易於理解之評估、上市規則與其他監管規定所規定之內幕消息公佈及符合其他財務披露資料。

董事亦明瞭彼等編製本公司截至二零一七年十二月三十一日止年度財務報表之責任。

核數師聲明

本公司外聘核數師有關彼等申報財務報表責任之聲明載於第67至75頁「獨立核數師報告」。

Corporate Governance Report 企業管治報告

Senior Management

The senior management have provided the Board with sufficient explanation and necessary information enabling the Board to make an informed assessment of financial and other information put before the Board for approval.

Monthly updates have also been provided by the senior management to all members of the Board to enable proper discharge of duties by the Board a whole or each member individually by giving them balanced and understandable assessment of the Company's performance, position and prospectus in sufficient details.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has developed the Group's internal control, risk assessment and management systems and has overall responsibility for reviewing and maintaining an adequate and effective risk management and internal control systems to safeguard the interests of the Shareholders and the assets of the Group. It evaluates the effectiveness of the systems at least annually to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting internal audit and financial reporting functions.

Risk Management and Internal Control Systems

The Company's risk management and internal control systems are designed to manage and mitigate risks, rather than eliminate risks, and can only provide reasonable and not absolute assurance against material misstatement or loss. We have adopted a bottom-up approach for identification, assessment and mitigation of risk at all business unit levels and across functional areas.

Main Features of Risk Management and Internal Control Systems

The key elements of the Company's risk management and internal control systems include the establishment of a risk register to keep track of and record identified risks, the assessment and evaluation of risks, the development and continuous updating of responsive procedures, and the ongoing testing of internal control procedures to ensure their effectiveness.

An ongoing risk management approach is adopted by the Company for identifying and assessing the key inherent risks that affect the achievements of its objectives. A risk matrix is adopted to determine risk rating (L = low risk, M = medium risk, H = high risk) after evaluation of the risk by the likelihood and the impact of the risk event. The risk ratings reflect the level of managements, attention and risk treatment effort required.

高級管理層

高級管理層已向董事會提供足夠闡釋及所須資料以於上呈至董事會作批准前讓董事會對財務及其他資料進行知情評估。

為使董事會可作為整體或由個別成員獨立地適當履行職務，高級管理層亦已按月向所有董事會成員提供更新資料並向彼等提供對本公司表現、狀況及前景之平衡及可理解之評估之足夠詳情。

風險管理及內部監控

董事會已制定本集團之內部監控及風險評估及管理制度，並對檢討及維持足夠及有效之風險管理及內部監控制度負有全面責任，以保障股東利益及本集團資產。其最少每年評估制度的有效性確保本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是足夠的。

風險管理及內部監控制度

本公司的風險管理及內部監控制度旨為管理及減低風險而非完全排除風險，且僅可提供合理保證及非絕對保證不會出現重大錯誤陳述或損失。我們已採用自下而上的方法以辨識、評估及在最大程度減低所有業務單位層面及在各功能範疇的風險。

風險管理及內部監控制度主要特點

本公司的風險管理及內部監控制度主要元素包括設立風險記錄冊以追蹤及記錄所辨識的風險、評估及評測風險、發展及繼續更新應對程序，以及持續測試內部監控程序以確保其有效性。

本公司已採納一個持續進行的風險管理方法以辨識及評估影響其達到目標的主要固有風險。本公司已於評估風險出現的可能性及風險事項的影響後採納一個風險模型以釐定風險評級 (L = 低風險；M = 中度風險；H = 高風險)。風險評級反映管理層所需注意及處理風險力度水平。

Corporate Governance Report 企業管治報告

Process used to identify, evaluate and manage significant risks

During the process of risk assessment, each risk owner of departments and major subsidiaries is required to capture and identify the key inherent risks that affect the achievement of its objectives. Each inherent risk is evaluated according to the risk matrix. After taking into consideration the risk response, such as control measures in place to mitigate the risk, the residual risk of each inherent risk is evaluated again. The risk register with the risk responses and residual risks is reported to the Risk Management Committee. The Risk Management Committee, evaluates the effectiveness of the systems and report to the Board. The highest category of residual risks is subject to the Board's oversight.

Process used to review the effectiveness of the Risk Management and Internal Control Systems and to resolve material internal control defects

The Internal Control Department of the Company (the "Internal Control Department") has performed ongoing review of the effectiveness of the Group's risk management and internal control systems throughout the year (during which an external independent consulting firm was engaged to offer assistance for the period from 1 April 2016 and 31 March 2017), according to the scope of review covering the Group's material controls in financial, operational and compliance aspects agreed and approved by the Risk Management Committee and in compliance with the requirements under Code Provision C.2 of the CG Code.

The Internal Control Department reported to the Risk Management Committee and the Risk Management Committee was satisfied that there had been no major deficiency noted in the areas of the Group's risk management and internal controls systems, following the implementation of recommendations against the internal control defects revealed. The Audit Committee cooperates with the Risk Management Committee to ensure the Risk Management Committee has access to information necessary to fulfil their duties and responsibilities with respect to risk assessment and risk management. Accordingly, the Audit Committee and the Board considered the risk management and internal control systems to be effective had have been implemented with adequate resources during the year.

用以辨認、評估及管理重大風險的程序

於風險評估的程序中，各面對風險的部門及主要附屬公司須及時捕捉及辨識影響其達到目標的主要固有風險。各固有風險乃根據風險模型進行評估。經考慮風險的應對方法後（如採取監控措施以減低風險）將再次評估各固有風險的剩餘風險。風險記錄冊連同風險應對方法及剩餘風險將會向風險管理委員會予以匯報。風險管理委員會（代表董事會）評估制度的有效程度及向董事會匯報。剩餘風險的最高級別須受董事會監管。

用以檢討風險管理及內部監控制度有效性及解決嚴重的內部監控缺失的程序

根據風險管理委員會協定及批准的檢討範圍（包括本集團於財務、營運及合規方面的重大監控措施）及按企業管治守則內守則條文C.2條項下規定，本公司之內部監控部門（「內部監控部門」）已持續檢討年內本集團風險管理及內部監控系統之成效（於二零一六年四月一日至二零一七年三月三十一日期間已委聘外部獨立顧問公司提供協助）。

內部監控部門向風險管理委員會匯報，而風險管理委員會信納於實施針對所發現的內部監控缺陷的建議後，本集團的風險管理及內部監控制度範圍並無出現重大缺失。審核委員會與風險管理委員會合作確保風險管理委員會獲取必要信息，以履行有關風險評估與風險管理之責任和義務。因此，審核委員會及董事會認為風險管理及內部監控制度屬有效且於年內已以足夠資源實施。

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Procedures and internal controls for the handling and dissemination of inside information

The Board has already established a policy on the procedures and internal controls for the handling and dissemination of inside information. The policy stipulates the obligations of the Group, in respect of the restriction on disseminating non-public information, handling of rumours, unintentional selective disclosure, exemption and waiver to the disclosure of inside information, and also compliance and reporting procedures. Senior management must take all reasonable measures to ensure that proper safeguards exist to prevent a breach of any disclosure requirement from time to time, any promptly bring any possible leakage or divulgence of inside information to the attention of the Chief Financial Officer, or his delegates, who will notify the Board timely and accordingly for taking the appropriate action promptly. For any material violation of this policy, the Board will decide, or designate appropriate persons to decide the course of actions for rectifying the problem and avoiding recurrence.

AUDITOR'S REMUNERATION

The remuneration paid to the external auditor of the Company in respect of audit and non-audit services for the year ended 31 December 2017 amounted to approximately HK\$3,750,000.

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

(a) Procedures for requisitioning a special general meeting

Shareholder(s)' holding, as at the date of deposit of the requisition for a special general meeting, not less than one-tenth of the paid up capital of the Company carrying the right to vote at general meetings of the Company may, by written requisition to the Board or the Company Secretary(ies) signed and deposited in accordance with the Bye-laws of the Company and the Bermuda Companies Act 1981, require the Directors to call a special general meeting for the transaction of business specified in the requisition.

處理及發佈內幕消息的程序及內部監控措施

董事會已就處理及發佈內幕消息的程序及內部監控措施制定政策。該政策規定本集團有關散播非公開信息的限制、處理謠言、無意選擇性披露、豁免披露內幕消息方面的責任，以及合規及報告程序。高級管理層均須採取一切合理措施，確保本公司不時設有恰當的防範措施，以防違反任何披露規定。彼等必須迅速提請財務總監注意內幕消息的任何潛在洩漏，財務總監或其授權人士將及時通知董事會迅速採取適當的行動。如嚴重違反本政策，董事會將決定或指派適當人士以決定糾正問題的行動方針，並避免再次發生。

核數師酬金

本公司就截至二零一七年十二月三十一日止年度之核數及非核數服務而向外聘核數師支付之酬金約為3,750,000港元。

股東權利及投資者關係

(a) 要求召開股東特別大會之程序

於提出召開股東特別大會呈請日期持有可於本公司股東大會上行使表決權之本公司繳足股本不少於十分之一之股東，可根據本公司之公司細則及百慕達一九八一年公司法，向董事會或公司秘書提出經簽署之書面呈請，要求董事召開股東特別大會，以處理該呈請所列明之事項。

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(b) Procedures for putting forward proposals at general meetings

Shareholder(s) holding not less than one-twentieth of the paid-up capital of the Company carrying the right to vote at general meetings of the Company or not less than 100 Shareholders may, at their expense, provide a written request to the attention of the Company Secretary(ies) signed and deposited in accordance with the Bermuda Companies Act 1981 to put forward proposals at general meeting.

(c) Communication with shareholders and investors

General Meetings

General meetings of the Company provide a direct forum of communication between Shareholders and the Board. At the annual general meeting held on 25 April 2017 (the "2017 Annual General Meeting"), the Directors were made available to answer questions in accordance with the requirements under the CG Code. The Company's external auditor also attended the 2017 Annual General Meeting to answer any questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies applied and their independence.

Notices of the 2017 Annual General Meeting was sent in accordance with the requirements under the CG Code. Separate issues were proposed as separate resolution for approval by the shareholders at the general meetings, to avoid "bundling" resolutions and shareholders were provided of explanation of the detailed procedures for voting by poll and given sufficient changes to raise questions in relation thereto.

CONSTITUTIONAL DOCUMENTS

There has been no change in the Company's constitutional documents during the year.

(b) 於股東大會上提呈建議之程序

持有可於本公司股東大會上行使表決權之本公司繳入股本不少於二十分之一之股東或不少於100名股東，可根據百慕達一九八一年公司法，提出經簽署交公司秘書之書面要求，以於股東大會上提呈建議，費用由彼等承擔。

(c) 與股東及投資者溝通

股東大會

本公司股東大會為股東與董事會提供直接溝通渠道。於二零一七年四月二十五日舉行之股東週年大會（「二零一七年股東週年大會」）上，董事可按照企業管治守則之規定回答提問。本公司的外聘核數師亦已出席二零一七年股東週年大會以回應有關審核操守、核數師報告的編製及其內容、應用之會計政策以及彼等獨立性之任何問題。

二零一七年股東週年大會的通告已根據企業管理守則項下規定寄出。各事項已分別以決議案形式提呈予股東於股東週年大會上予以批准以避免「捆綁式」決議案，而股東已獲提供以投票方式表決之詳細程序之解釋，亦已獲提供足夠機會提出相關問題。

章程文件

年內，本公司的章程文件並無變動。

Independent Auditor's Report 獨立核數師報告

To the Shareholders of Hi Sun Technology (China) Limited
(incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of Hi Sun Technology (China) Limited (the "Company") and its subsidiaries (the "Group") set out on pages 76 to 187, which comprise:

- the consolidated balance sheet as at 31 December 2017;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

致高陽科技(中國)有限公司股東
(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

高陽科技(中國)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第76至187頁的綜合財務報表,包括:

- 於二零一七年十二月三十一日的綜合資產負債表;
- 截至該日止年度的綜合收益表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括主要會計政策概要。

我們的意見

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零一七年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。

Independent Auditor's Report 獨立核數師報告

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Impairment of receivables
- Impairment of inventories
- Fair values of the unlisted financial instruments

Key Audit Matter

Impairment of receivables

Refer to Note 4 (critical accounting estimates and judgements) and Note 22 (trade and bills receivables and other receivables, prepayments and deposits) to the consolidated financial statements for the related disclosures.

As at 31 December 2017, gross trade receivables of the Group amounted to HK\$270.2 million, which accounted for approximately 5% of the Group's total assets. The provision for impairment of trade receivables amounted to HK\$5.8 million, majority of which was attributable to customers of the electronic power meters and solutions segment.

Management performed periodic credit monitoring, which included the review of customers' credit worthiness, collection of outstanding balances and individual credit terms. If there is indicator that the receivables are impaired, management would make specific provision against individual balances with reference to the recoverable amount.

We focused on this area due to the magnitude of the receivables and the estimation and judgement involved in the determination of the recoverable amounts of trade receivables.

How our audit addressed the Key Audit Matter

Our audit procedures in relation to management's assessment on recoverability of trade receivables included:

- Understood and validated the credit control procedures performed by management, including its procedures on periodic review on aged receivables and assessment on recoverability of these receivables;

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 應收款項減值
- 存貨減值
- 非上市金融工具公平值

關鍵審計事項

應收款項減值

有關相關事項的披露，請參閱綜合財務報表附註4(關鍵會計估計及判斷)及附註22(應收賬款及應收票據及其他應收款項、預付款項及按金)。

於二零一七年十二月三十一日，貴集團的應收賬款總額約為270,200,000港元，佔貴集團總資產約5%。應收賬款的減值撥備約為5,800,000港元，當中大部份源自電能計量產品及解決方案分類的客戶。

管理層定期進行信用監督，包括審查客戶的信用值、賬款的收回情況和個別客戶的信貸期。如有跡象顯示應收款項存在減值的可能，管理層將參照可收回金額對個別結餘作出特定撥備。

我們關注此範疇是鑑於應收賬款的重大數額，以及在釐定應收賬款可收回金額時涉及估計和判斷。

我們的審計如何處理關鍵審計事項

我們對有關管理層評估應收賬款可收回性之審計程序包括：

- 理解和驗證管理層執行的信用監控程序，包括其對定期審閱逾期應收款項及評估該等應收款項可收回性的程序；

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- Tested on a sample basis, the accuracy of ageing profile on trade receivables by checking to the underlying sales invoices; and
- Tested subsequent settlement of trade receivables balances. Where settlement had not been received subsequent to the year end for those unprovided aged receivables beyond the credit period as at year end, we obtained management's assessment on the recoverability of these debts and corroborated explanations with historical settlement pattern and underlying correspondence with the relevant customers.

Based upon the above, we found that the estimation and judgement made by management in respect of the collectability of receivables were supportable by the available evidence.

Key Audit Matter

Impairment of inventories

Refer to Note 4 (critical accounting estimates and judgements) and Note 21 (inventories) to the consolidated financial statements for the related disclosures.

The Group held inventories of HK\$95.4 million as at 31 December 2017. Inventories are carried at the lower of cost and net realisable value ("NRV"). The cost of inventories may not be recoverable if those inventories are aged and damaged, if they have become obsolete, or if their selling prices have declined. The provision for inventories amounted to HK\$37.7 million, majority of which was attributable to inventories of the electronic power meters and solutions segment.

Management determines the lower of cost and NRV of inventories by considering the ageing profile, inventory obsolescence and estimated selling price of individual inventory items.

Management calculates the NRV at each period end based on the estimated selling price less selling expenses, which requires significant judgements and assumptions to be made to determine the estimated selling price of individual product, including historical experience of selling products of similar nature and expectation of future sales based on current market conditions.

Management consistently applies a provisioning methodology for slow moving inventories based on inventory ageing and makes specific provision for long aged inventories. Management also conducted periodic review on inventory obsolescence, including performance of periodic inventory counts and review of holding period for individual inventory items.

– 透過檢查相關銷售發票，以抽樣方式測試應收賬款賬齡之準確性；及

– 測試應收賬款結餘於結算日後的償付情況。對於在年結日已超出其信貸期的未撥備逾期應收款項在年末後仍未有付款，我們取得了管理層對該等應收賬款可回收性所作的評估，並透過相關客戶過往的償付模式和有關的往來信函佐證其解釋。

基於上述各項，我們發現管理層就應收款項可收回性所作的估計及判斷有可得的證據支持。

關鍵審計事項

存貨減值

有關相關事項的披露，請參閱綜合財務報表附註4(關鍵會計估計及判斷)及附註21(存貨)。

貴集團於二零一七年十二月三十一日持有存貨約95,400,000港元。存貨乃按成本與可變現淨值(「可變現淨值」)之較低者列賬。倘存貨已經陳舊、損壞、過時或售價下跌，則可能無法收回存貨成本。存貨撥備約為37,700,000港元，當中大部份源自電能計量產品及解決方案分類的存貨。

管理層釐定存貨成本及可變現淨值之較低者時，會考慮個別存貨的庫齡、存貨是否過時和個別存貨的預測售價。

管理層以其預測售價減去出售開支來計算各期末的可變現淨值，在釐定個別產品之預測售價時須作出重大判斷及假設，包括考慮以往出售類似性質產品的經驗以及按現有市況對未來銷售作出之預測。

管理層按存貨年期對滯銷存貨貫徹地應用撥備方法，並就長期陳舊存貨作出特定撥備。管理層亦會就存貨是否過時進行定期審查，包括定期進行存貨盤點及審閱個別存貨項目的持有期。

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We focused on this area due to the estimation of provision for inventories involves significant judgement and various uncertainties as a result of changing technology, customer demand and competitors actions.

How our audit addressed the Key Audit Matter

Our audit procedures in relation to management's assessment on NRV and obsolescence of inventories included:

- Understood and validated the control procedures performed by management, including its procedures in estimating the NRV of the inventories and conducting periodic review on inventory obsolescence;
- Observed client's inventory counts to identify whether there is any damaged or obsolete inventory;
- Tested on a sample basis, the accuracy of the ageing profile of individual inventory items by checking to the underlying procurement correspondence and invoices;
- Tested on a sample basis, the subsequent usage of significant inventory items, obtained through the usage report subsequent to the year end as basis to identify inventory obsolescence. Where there are no subsequent usage of the respective items after the year end, we discussed with management its assessment on estimated future utilisation, corroborating explanations with the inventory ageing, sales orders and marketability of the relevant finished goods by using our industry knowledge and external market analysis, as appropriate; and
- Tested on a sample basis, the NRV of selected inventory items, by comparing the selling price subsequent to the year end, against the carrying values of these individual finished goods. Where there are no subsequent sales of the respective finished goods after the year end, we discussed with management as to the realisable value of the products, corroborating explanations with the inventory ageing, sales orders, historical margins, and current market conditions by using our industry knowledge and external market analysis, as appropriate.

Based on the procedures described, we found the estimations of management in relation to the provision for inventories were supportable by available evidence.

我們關注此範疇是鑑於對存貨的撥備估計涉及重大判斷，以及技術日新月異、客戶需求及競爭者之行為導致多種不明朗因素。

我們的審計如何處理關鍵審計事項

我們對有關管理層評估存貨之可變現淨值及其是否過時執行的審計程序包括：

- 理解和驗證管理層執行的監控程序，包括其估計存貨可變現淨值及定期覆核存貨過時的程序；
- 對存貨進行監盤，以識別出有否有任何損壞或過時存貨；
- 透過檢查相關採購資料及發票，以抽樣方式測試個別存貨項目庫齡之準確性；
- 以抽樣方式測試重要存貨於年末後之使用情況，透過取得年末後的使用報告，識別出過時存貨。倘相關存貨於年末後並無用量，我們會與管理層討論其對估計存貨未來使用率作出之評估，透過我們對行業的認識和外部市場分析（如適用），佐證有關存貨庫齡、銷售訂單及相關製成品營銷能力的解釋；及
- 以抽樣方式測試選定存貨項目之可變現淨值，在測試中將個別製成品於年末後的售價與其賬面值作一比較。對於年末後並無出售的相關製成品，我們已與管理層討論該產品的可變現值，並透過我們對行業的認識和外部市場分析（如適用），佐證有關存貨年期、銷售訂單、過往毛利率及現行市況的解釋。

根據所述程序，我們發現管理層有關存貨撥備之估計有可得的證據支持。

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Key Audit Matter

Fair values of the unlisted financial instruments

Refer to Note 3.3 (fair value estimation), Note 4 (critical accounting estimates and judgements), Note 17 (available-for-sale financial assets) and Note 18 (financial assets at fair value through profit or loss) to the consolidated financial statements for related disclosure.

As at 31 December 2017, the Group held interest in (i) an unlisted investment fund of HK\$162.8 million and (ii) certain unlisted convertible preference shares of HK\$93.5 million; which have been classified as available-for-sale financial asset and financial asset at fair value through profit or loss respectively.

These unlisted financial instruments are stated at their fair values, classified under level three in the fair value hierarchy.

The fair value of the unlisted investment fund was determined by applying a portfolio discount to the audited net asset value of the unlisted investment fund as at 31 December 2017, which had already taken into account the fair values of the fund's underlying investments. The discount rate was determined based upon the relative shareholding and rights of the Group and the marketability of the investment.

The Group engaged an independent external valuer in determining the fair value of the unlisted financial asset at fair value through profit or loss by using discounted cash flow method. The key assumptions used in the valuation include pre-tax discount rate, compound annual growth rate and terminal growth rate.

We focused on this area because the carrying amounts of these financial instruments are significant to the consolidated financial statements and selection of valuation methodologies and determination of key valuation assumptions requires the use of significant judgement and estimates.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's determination of the fair value of these financial instruments included:

For the unlisted investment fund:

- We tested the accuracy of the net asset value of the unlisted investment fund by checking to its audited financial statements; and

關鍵審計事項

非上市金融工具公平值

有關相關事項的披露，請參閱綜合財務報表附註3.3(公平值估計)、附註4(關鍵會計估計及判斷)、附註17(可供出售金融資產)及附註18(按公平值計入損益之金融資產)。

於二零一七年十二月三十一日，貴集團持有(i)非上市投資基金162,800,000港元；及(ii)若干非上市可換股優先股93,500,000港元；分別分類為可供出售金融資產及按公平值計入損益之金融資產。

該等非上市金融工具按其公平值列賬，已分類為公平值等級項下之第三級。

釐定非上市投資基金之公平值的基準，為對非上市投資基金於二零一七年十二月三十一日之經審計資產淨值再使用投資組合折讓率，當中已考慮到基金中相關投資項目之公平值。投資組合折讓率乃按貴集團相對的股權和權利以及投資的可變現能力而釐定。

貴集團已委聘獨立的外聘評估師，利用折現現金流量法釐定按公平值計入損益之非上市金融資產的公平值。估值所用之主要假設包括稅前折讓率、複合年增長率及最終增長率。

我們關注此範疇是鑑於該等金融工具之賬面值對綜合財務報表而言屬重大，而估值方法的選擇及主要估值假設的釐定均須運用重大判斷和估計。

我們的審計如何處理關鍵審計事項

我們對管理層釐定該等金融工具之公平值所執行的程序包括：

就非上市投資基金而言：

- 我們藉檢查其經審計財務報表，測試非上市投資基金資產淨值之準確性；及

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- We also involved our internal valuation expert in our discussion with the management to understand the rationale for applying the portfolio discount, reviewed relevant agreements or documents to understand the key terms of the subject interest and assessed the appropriateness of portfolio discount by referencing to relevant research studies and market practices on various discounts commonly considered in valuations. For the unlisted convertible preference shares:
 - We assessed the competency, capability and objectivity of the independent external valuer by considering its qualifications, relevant experience and relationship with the Group;
 - We also involved our internal valuation expert in our discussion with the external valuer to understand the rationale, and assess the appropriateness and the consistency, of the methodologies used and the key assumptions and estimates applied;
 - We also assessed the reasonableness of the input data used by evaluating:
 - the pre-tax discount rate by considering the weighted average cost of capital and the risk profile of the investee; and
 - the appropriateness of the compound annual growth rate and the terminal growth rate based on market research, historical performance and the business plan of the investee.
 - We also compared the fair value of the unlisted convertible preference shares with recent transaction price.
- 我們連同我們的內部評估專家就應用投資組合折讓之理據，與管理層進行討論，審閱相關的協議或文件以了解有關權益的關鍵條款和藉參考相關的調查研究及就進行估值一般會考慮的多個不同折讓的市場慣例，評估投資組合折讓率是否恰當。就非上市可換股優先股而言：
 - 我們藉評估獨立外聘估值師之資格、相關經驗及與貴集團關係，評定其是否合資格、有能力及是否客觀；
 - 我們亦連同我們的內部評估專家就估值所用方式及所應用關鍵假設和預測與外聘估值師進行討論，包括了解上述事項應用的理據，並評估其是否恰當及是否貫徹採用；
 - 我們亦會評估下列各項輸入數據是否合理：
 - 考慮加權平均資本成本及獲投資方之風險狀況，評定稅前折讓率是否恰當；及
 - 根據市場研究、獲投資方之過往表現及業務計劃，評定複合年增長率及最終增長率是否恰當。
 - 我們亦會將非上市可換股優先股公平值與近期交易價作比較。

Based on the procedures described, we found the methodologies used and key assumptions applied in the valuations to be reasonable and supportable by available evidence.

根據所述程序，我們發現估值所用方式及應用之關鍵假設屬合理，且有可得的證據支持。

OTHER INFORMATION

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

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

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

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

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

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with 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.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda 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.

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會須負責監督貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）按照百慕達一九八一年《公司法》第90條報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
 - 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
 - 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
 - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
 - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
 - 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

Independent Auditor's Report 獨立核數師報告

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.

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Tak Wai, Daniel.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是陳德威。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 7 March 2018

羅兵咸永道會計師事務所
執業會計師

香港，二零一八年三月七日

Consolidated Income Statement

綜合收益表

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
	Note 附註		
Revenue	5, 6	2,909,978	1,921,237
Cost of sales	7	(2,165,949)	(1,328,542)
Gross profit		744,029	592,695
Other income	5	46,721	46,205
Other gains/(losses), net	5	21,139	(1,120)
Selling expenses	7	(113,394)	(101,631)
Administrative expenses	7	(461,580)	(403,826)
Gain on disposal of subsidiaries	33	63,262	-
Operating profit		300,177	132,323
Finance costs		(9)	-
Share of result of an investment accounted for using the equity method	20	134,531	198,992
Gain on dilution of interest in an investment accounted for using the equity method	20	113	826
Profit before income tax		434,812	332,141
Income tax expense	10	(45,298)	(19,485)
Profit for the year		389,514	312,656
Profit attributable to:			
- Owners of the Company		346,144	283,964
- Non-controlling interests		43,370	28,692
		389,514	312,656
		HK\$ per share 每股港元	HK\$ per share 每股港元
Earnings per share for profit attributable to the owners of the Company:			
Basic	12	0.125	0.102
Diluted	12	0.124	0.100

The notes on pages 83 to 187 are an integral part of these consolidated financial statements.

第83至187頁之附註乃綜合財務報表之其中部分。

Consolidated Statement of Comprehensive Income 綜合全面收益表

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year	年內溢利	389,514	312,656
Other comprehensive income/(loss), net of tax	其他全面收益／(虧損) (扣除稅項)		
<i>Items that have been reclassified or may be subsequently reclassified to profit or loss</i>	<i>已重新分類或其後可能重新分類至損益之項目</i>		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	78,739	(47,920)
Share of other comprehensive income/(loss) of an investment accounted for using the equity method	應佔以權益法入賬之一筆投資之其他全面收益／(虧損)		
– exchange differences arising on translation of the financial statements of foreign subsidiaries	– 換算海外附屬公司財務報表產生之匯兌差額	56,207	(41,132)
– change in values of available-for-sale financial assets	– 可供出售金融資產之價值變動	(2,028)	–
Release of reserves upon dilution of interest in an investment accounted for using equity method	攤薄以權益法入賬之投資權益後釋出之儲備		
– exchange differences arising on translation of the financial statements of foreign subsidiaries	– 換算海外附屬公司財務報表產生之匯兌差額	315	116
Change in values of available-for-sale financial assets	可供出售金融資產之價值變動	61,635	22,755
Release of reserves upon disposal of subsidiaries	出售附屬公司後釋出之儲備	(1,699)	–
Release of reserves upon deregistration of a subsidiary	取消註冊一間附屬公司釋出之儲備	(4,782)	–
<i>Items that will not be subsequently reclassified to profit or loss</i>	<i>其後將不會重新分類至損益之項目</i>		
Share of other comprehensive loss of an investment accounted for using the equity method	應佔以權益法入賬之一筆投資之其他全面虧損		
– remeasurement of post-employment benefit obligation	– 重新計算離職後福利責任	(23)	–
Total comprehensive income for the year, net of tax	年內全面收益總額(扣除稅項)	577,878	246,475
Attributable to:	應佔:		
– Owners of the Company	– 本公司擁有人	528,126	221,140
– Non-controlling interests	– 非控股權益	49,752	25,335
		577,878	246,475

The notes on pages 83 to 187 are an integral part of these consolidated financial statements.

第83至187頁之附註乃綜合財務報表之其中部分。

Consolidated Balance Sheet

綜合資產負債表

		As at 31 December	
		於十二月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
ASSETS			
			資產
Non-current assets			非流動資產
Investment properties	13	1,906	2,054
Property, plant and equipment	14	507,024	267,114
Leasehold land	15	31,974	32,215
Intangible assets	16	1,985	10,466
Investments accounted for using the equity method	20	1,823,245	1,663,250
Available-for-sale financial assets	17	178,385	106,113
Financial asset at fair value through profit or loss	18	93,485	76,880
Long-term deposits and prepayments	22	3,028	3,434
Total non-current assets		2,641,032	2,161,526
			流動資產
Current assets			
Inventories	21	95,407	74,972
Trade and bills receivables	22	278,319	243,534
Other receivables, prepayments and deposits	22	66,067	38,040
Financial asset at fair value through profit or loss	18	2,702	-
Amounts due from investments accounted for using the equity method	34	16,289	13,258
Short-term bank deposits	23	16,153	18,388
Cash and cash equivalents	24	2,541,482	2,726,733
		3,016,419	3,114,925
Assets of disposal group classified as held-for-sale	33	-	222,590
Total current assets		3,016,419	3,337,515
Total assets		5,657,451	5,499,041
EQUITY			權益
Capital and reserves attributable to the owners of the Company			本公司擁有人應佔股本及儲備
Share capital	25	6,942	6,942
Reserves	26	4,052,400	3,524,274
		4,059,342	3,531,216
Non-controlling interests		104,203	54,451
Total equity		4,163,545	3,585,667

The notes on pages 83 to 187 are an integral part of these consolidated financial statements.

第83至187頁之附註乃綜合財務報表之其中部分。

Consolidated Balance Sheet (Continued)

綜合資產負債表(續)

		As at 31 December	
		於十二月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
	Note		
	附註		
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	29	163	205
Total non-current liabilities		163	205
Current liabilities			
Trade and bills payables	27	239,199	266,270
Payables for payment processing solutions business	27	292,587	808,650
Other payables and accruals	27	848,409	625,417
Amounts due to investments accounted for using the equity method	34	57,755	81,468
Current tax liabilities		46,197	34,884
Borrowing	28	9,596	-
		1,493,743	1,816,689
Liabilities of disposal group classified as held-for-sale	33	-	96,480
Total current liabilities		1,493,743	1,913,169
Total liabilities		1,493,906	1,913,374
Total equity and liabilities		5,657,451	5,499,041

The financial statements on pages 76 to 187 were approved by the Board of Directors on 7 March 2018 and were signed on its behalf.

第76至187頁之財務報表由董事會於二零一八年三月七日批准及其代表簽署。

XU WENSHENG

徐文生

Director

董事

LI WENJIN

李文晉

Director

董事

The notes on pages 83 to 187 are an integral part of these consolidated financial statements.

第83至187頁之附註乃綜合財務報表之其中部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2017
截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital 股本	Share premium 股份溢價	Contributed surplus 實繳盈餘	Other reserves 其他儲備	Exchange reserve 外匯儲備	Retained earnings 保留盈利	Non-controlling interests 非控股權益	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 January 2017	於二零一七年一月一日之結餘	6,942	1,063,153	168,434	517,504	(10,644)	1,785,827	54,451	3,585,667
Comprehensive income	全面收益								
Profit for the year	年內溢利	-	-	-	-	-	346,144	43,370	389,514
Other comprehensive income/(loss)	其他全面收益/(虧損)								
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	72,357	-	6,382	78,739
Share of other comprehensive income/(loss) of an investment accounted for using the equity method	應佔以權益法入賬之一筆投資之其他全面收益/(虧損)								
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	56,207	-	-	56,207
- change in values of available-for-sale financial assets	- 可供出售金融資產之價值變動	-	-	-	(2,028)	-	-	-	(2,028)
- remeasurement of post-employment benefit obligations	- 重新計量離職後福利責任	-	-	-	(23)	-	-	-	(23)
Release of reserve upon dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項投資權益攤薄後釋出之儲備								
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	315	-	-	315
Change in values of available-for-sale financial assets	可供出售金融資產之價值變動	-	-	-	61,635	-	-	-	61,635
Release of reserves upon disposal of subsidiaries	出售附屬公司後釋出之儲備	-	-	-	-	(1,699)	-	-	(1,699)
Release of reserves upon deregistration of a subsidiary	取消註冊一間附屬公司釋出之儲備	-	-	-	-	(4,782)	-	-	(4,782)
Total comprehensive income	全面收益總額	-	-	-	59,584	122,398	346,144	49,752	577,878
Balance at 31 December 2017	於二零一七年十二月三十一日之結餘	6,942	1,063,153	168,434	577,088	111,754	2,131,971	104,203	4,163,545

The notes on pages 83 to 187 are an integral part of these consolidated financial statements.

第83至187頁之附註乃綜合財務報表之其中部分。

Consolidated Statement of Changes in Equity (Continued)

綜合權益變動表(續)

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Exchange reserve 外匯儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Balance at 1 January 2016	於二零一六年一月一日之結餘	6,942	1,063,153	168,434	493,501	74,935	1,501,863	29,116	3,337,944
Comprehensive income	全面收益								
Profit for the year	年內溢利	-	-	-	-	-	283,964	28,692	312,656
Other comprehensive income/(loss)	其他全面收益/(虧損)								
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	(44,563)	-	(3,357)	(47,920)
Share of other comprehensive loss of an investment accounted for using the equity method	應佔以權益法入賬之一筆投資之其他全面虧損								
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	(41,132)	-	-	(41,132)
Release of reserve upon dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項投資權益攤薄後釋出之儲備								
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	116	-	-	116
Change in values of available-for-sale financial assets	可供出售金融資產之價值變動	-	-	-	22,755	-	-	-	22,755
Total comprehensive income/(loss)	全面收益/(虧損)	-	-	-	22,755	(85,579)	283,964	25,335	246,475
Share of other reserves of an investment accounted for using the equity method	應佔以權益法入賬之一項投資之其他儲備	-	-	-	1,248	-	-	-	1,248
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	6,942	1,063,153	168,434	517,504	(10,644)	1,785,827	54,451	3,585,667

The notes on pages 83 to 187 are an integral part of these consolidated financial statements.

第83至187頁之附註乃綜合財務報表之其中部分。

Consolidated Cash Flow Statement

綜合現金流量表

		For the year ended 31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from operating activities	經營業務之現金流量		
Cash (used in)/generated from operations	經營(所用)/所得現金	30(a) (116,323)	917,763
Overseas income tax paid	已支付海外所得稅	(37,124)	(8,932)
Net cash (used in)/generated from operating activities	經營業務(所用)/所得現金淨額	(153,447)	908,831
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment	購置物業、廠房及設備	(429,067)	(170,950)
Purchase of intangible assets	購置無形資產	(214)	-
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	30(b) 312	454
Net cash inflow arising from disposal of subsidiaries	出售附屬公司產生的現金流入淨額	33 98,668	-
Purchase of an available-for-sale financial asset	購置一項可供出售金融資產	-	(82,518)
Purchase of a financial asset at fair value through profit or loss	購置一項按公平值計入損益之金融資產	-	(78,000)
Acquisition of a subsidiary, net cash paid	收購一間附屬公司，淨額現金付出	-	(1,975)
Dividend income from an associated company	來自一間聯營公司之股息收入	20 29,120	21,840
Interest received	已收利息	27,807	19,704
Net cash used in investing activities	投資活動所用現金淨額	(273,374)	(291,445)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank borrowing	銀行借款所得款項	9,258	-
Interest paid for bank borrowing	已付銀行借款利息	(9)	-
Decrease in short-term bank deposits	短期銀行存款減少	3,559	3,879
Net cash generated from financing activities	融資活動所得現金淨額	12,808	3,879
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物之(減少)/增加淨額	(414,013)	621,265
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	2,804,978	2,292,287
Exchange gain/(loss) on cash and cash equivalents	現金及現金等價物之匯兌收益/(虧損)	150,517	(108,574)
Cash and cash equivalents at end of the year	年終現金及現金等價物	2,541,482	2,804,978
Analysis of cash and cash equivalents:	現金及現金等價物之分析:		
Cash and cash equivalents	現金及現金等價物	24 2,541,482	2,726,733
Cash and cash equivalents included in disposal group classified as held-for-sale	計入分類為持作出售之出售組別的現金及現金等價物	-	78,245
		2,541,482	2,804,978

The notes on pages 83 to 187 are an integral part of these consolidated financial statements.

第83至187頁之附註乃綜合財務報表之其中部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 GENERAL INFORMATION

Hi Sun Technology (China) Limited (the “Company”) and its subsidiaries (together the “Group”), are principally engaged in the provision of payment processing solutions, provision of financial solutions, sales of electronic power meters and solutions, sales of information security chips and solutions and provision of platform operation solutions.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, except for the available-for-sale financial assets and financial assets at fair value through profit or loss, which are measured at fair values.

1 一般資料

高陽科技(中國)有限公司(「本公司」)及其附屬公司(統稱為「本集團」)主要從事提供支付交易處理解決方案、提供金融解決方案、銷售電能計量產品及解決方案、銷售信息安全芯片及解決方案及提供平台運營解決方案。

本公司為一間於百慕達註冊成立之有限公司，其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

本公司於香港聯合交易所有限公司上市。

除另有所指外，此等綜合財務報表以千港元(千港元)為單位呈列。

2 重大會計政策概要

編製此等綜合財務報表時採用之主要會計政策載列如下。除另有所指外，該等政策於呈報之所有年度貫徹採用。

2.1 編製基準

本公司之綜合財務報表乃根據所有適用之香港財務報告準則(「香港財務報告準則」)及香港公司條例(第622章)而編製。此等綜合財務報表按歷史成本常規法編製，惟按公平值計量之可供出售金融資產及按公平值計入損益之金融資產除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.1 Basis of preparation (Continued)

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.1.1 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2017:

- Recognition of deferred tax assets for unrealised losses – Amendments to HKAS 12
- Annual improvements to HKFRSs 2014 – 2016 cycle – Amendments to HKFRS 12, and
- Disclosure initiative – Amendments to HKAS 7.

The adoption of these amendments did not have material impact on the financial statements for the current year. The amendments to HKAS 7 require disclosure of changes in liabilities arising from financing activities (Note 30(c)).

2.1 編製基準 (續)

為符合香港財務報告準則，編製財務報表時須作出若干重要之會計估計，管理層亦須在應用本集團會計政策之過程中作出判斷。涉及較高判斷或較為複雜的範疇或對綜合財務報表具有重大影響的假設及估計的範疇均於附註4中披露。

2.1.1 會計政策及披露變動

(a) 本集團採納之新訂及經修訂準則

本集團已於二零一七年一月一日或之後開始之財政年度首次採納以下準則之修訂：

- 香港會計準則第12號之修訂－確認未變現虧損之遞延稅項資產
- 香港財務報告準則第12號之修訂－二零一四年至二零一六年週期有關香港財務報告準則年度改進之修訂；及
- 香港會計準則第7號之修訂－披露計劃。

採納此等修訂並無對本年度財務報表造成重大影響。香港會計準則第7號之修訂規定披露融資活動產生之負債變動(附註30(c))。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1 編製基準(續)

2.1.1 Changes in accounting policy and disclosures (Continued)

2.1.1 會計政策及披露變動(續)

- (b) New standards and interpretations not yet adopted

- (b) 尚未採納之新訂準則及詮釋

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2017 and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

編製此等綜合財務報表時，並未應用多項於二零一七年一月一日之後開始年度期間生效之新訂準則以及準則及詮釋之修訂。概無該等準則及修訂預期會對本集團之綜合財務報表造成重大影響，惟下文所載者除外：

HKFRS 9, 'Financial instruments'

香港財務報告準則第9號「金融工具」

HKFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

香港財務報告準則第9號闡述金融資產及金融負債之分類、計量及終止確認，為對沖會計法引進新條則，及為金融資產引進全新之減值模式。

The Group has reviewed its financial assets and liabilities and is expecting the following impact from the adoption of the new standard on 1 January 2018:

本集團已審閱其金融資產及負債，並預期於二零一八年一月一日採納新準則的影響如下：

- equity instruments currently classified as available-for-sale ("AFS") for which a fair value through other comprehensive income ("FVOCI") election is available and hence there will be no change to the accounting for these assets, and
- equity investments currently measured at fair value through profit or loss ("FVPL") which will continue to be measured on the same basis under HKFRS 9.

- 目前分類為可供出售（「可供出售」）之權益工具（可選擇按公平值計入其他全面收益（「公平值計入其他全面收益」），故該等資產之會計將無變動），及
- 股本投資目前按公平值計入損益（「公平值計入損益」）計量，而其將根據香港財務報告準則第9號項下之同一基準繼續計量。

Accordingly, the Group does not expect the new guidance to affect the classification and measurement of these financial assets. However, gains or losses realised on the sale of financial assets at FVOCI will no longer be transferred to profit or loss on sale, but instead reclassified below the line from the FVOCI reserve to retained earnings.

因此，本集團預期該新指引並不會對其金融資產之分類及計量造成影響。然而，銷售按公平值計入其他全面收益之金融資產所變現的收益或虧損將不再轉撥至銷售的損益，而是將項下項目自按公平值計入其他全面收益儲備重新分類至保留盈利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policy and disclosures (Continued)

- (b) New standards and interpretations not yet adopted (Continued)

HKFRS 9, 'Financial instruments' (Continued)

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from HKAS 39 'Financial Instruments: Recognition and Measurement' and have not been changed.

The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under HKFRS 15 'Revenue from Contracts with Customers', lease receivables, loan commitments and certain financial guarantee contracts. Based on the assessments undertaken to date, the Group expects it may result in earlier recognition of credit losses.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

This new standard must be applied for financial years commencing on or after 1 January 2018. The Group will apply the new rules retrospectively from 1 January 2018, with the practical expedients permitted under the standard. Comparatives for 2017 will not be restated.

2.1 編製基準(續)

2.1.1 會計政策及披露變動(續)

- (b) 尚未採納之新訂準則及詮釋(續)

香港財務報告準則第9號「金融工具」(續)

由於新規定僅影響指定按公平值計入損益之金融負債會計方法，而本集團並無任何該等負債，故對本集團金融負債之會計方法並無影響。終止確認之規則已自香港會計準則第39號「金融工具：確認及計量」轉移且並無變動。

新減值模式要求根據預期信貸虧損確認減值撥備，而非如根據香港會計準則第39號之情況般僅產生信貸虧損。該模式適用於按攤銷成本分類之金融資產、按公平值計入其他全面收益計量之債務工具、根據香港財務報告準則第15號「客戶合約收入」之合約資產、租賃應收款項、貸款承擔及若干金融擔保合約。基於截至目前所作評估，本集團預期其可能造成提早確認信貸虧損。

該新準則亦引進擴大披露之規定及更改其呈報方式。此等影響預期將更改本集團有關其金融工具作出披露之性質及程度（特別是於採納新準則之年度內）。

該新準則必須應用於二零一八年一月一日或之後開始之財政年度。受該準則可行權宜方法所規限，本集團將自二零一八年一月一日起追溯應用該新準則。二零一七年比較數字將不作重列。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1 編製基準(續)

2.1.1 Changes in accounting policy and disclosures (Continued)

2.1.1 會計政策及披露變動(續)

- (b) New standards and interpretations not yet adopted (Continued)

- (b) 尚未採納之新訂準則及詮釋(續)

HKFRS 15, 'Revenue from contracts with customers'

香港財務報告準則第15號「客戶合約收入」

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a new standard for the recognition of revenue. This will replace HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts and the related literature.

香港會計師公會(「香港會計師公會」)已頒佈確認收入之新準則。此將取代涵蓋貨品及服務之香港會計準則第18號及涵蓋建築合約之香港會計準則第11號及相關文獻。

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

該新準則乃根據當貨品或服務之控制權轉讓予客戶時才確認收入之原則下作出。

The standard permits either a full retrospective or a modified retrospective approach for the adoption.

此準則允許對是次採納採用全面追溯法或經修訂追溯法。

Management is currently assessing the effects of applying the new standards on the Group's consolidated financial statements and has identified the application of HKFRS 15 may result in the identification of separate performance obligations which could affect the timing of the recognition of revenue generated from the provision of services.

管理層現正評估應用新準則對本集團綜合財務報表的影響，並已識別應用香港財務報告準則第15號可能導致單獨履行義務，從而可能影響確認提供服務所產生收入的時點。

More detailed assessment will be carried out by the Group to estimate the impact of the new rules on the Group's consolidated financial statements.

本集團將進行更為詳盡的評估，以估計新準則對本集團綜合財務報表的影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policy and disclosures (Continued)

- (b) New standards and interpretations not yet adopted (Continued)

This new standard is mandatory for financial years commencing on or after 1 January 2018. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

HKFRS 16, 'Leases'

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$76,083,000.

The Group has not yet assessed the adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable lease payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

2.1 編製基準 (續)

2.1.1 會計政策及披露變動 (續)

- (b) 尚未採納之新訂準則及詮釋 (續)

該新準則將於二零一八年一月一日或之後開始之財政年度強制生效。本集團擬使用經修改追溯法採納該準則，意味著採納的累計影響將於截至二零一八年一月一日的保留盈利內確認及比較數字將不作重列。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號於二零一六年一月發佈。其將導致於資產負債表確認之絕大部分租約取消區分為經營租約及融資租約。在新準則下，確認資產（使用租賃項目之權利）及支付租金之金融負債。唯一例外情況為短期低價值之租約。

對於出租人之會計處理將不會出現重大變動。

此準則將主要影響本集團經營租約之會計處理。於呈報日期，本集團有76,083,000港元之不可撤銷經營租約承擔。

本集團尚未評估是否需調整（如有），例如由於租期定義之變更及可變租賃付款及延長及終止選擇權的不同處理。因此，尚無法估計使用權資產及於採納新準則時將須確認之租賃負債的金額以及上述將對本集團日後之損益及現金流量分類產生何種影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1 編製基準(續)

2.1.1 Changes in accounting policy and disclosures (Continued)

2.1.1 會計政策及披露變動(續)

- (b) New standards and interpretations not yet adopted (Continued)

- (b) 尚未採納之新訂準則及詮釋(續)

HKFRS 16, 'Leases' (Continued)

香港財務報告準則第16號「租賃」(續)

This new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

該新準則將於二零一九年一月一日或之後開始之財務年度強制生效。於此階段，本集團不擬於生效日期前採納此準則。本集團擬應用簡單轉換法並不會重列首次採納前一年的比較金額。

There are no other standards and interpretations that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

並無其他準則及詮釋尚未生效而預期將於本期間或未來報告期間對實體或可預見的未來交易產生重大影響。

2.2 Principles of consolidation and equity accounting

2.2 綜合入賬及權益會計法原則

(i) Subsidiaries

(i) 附屬公司

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

附屬公司為本集團擁有控制權之所有實體。當本集團因參與實體之營運而獲得或有權享有其可變回報，並能夠運用其指揮實體業務之權力影響上述回報，本集團即對該實體有控制權。附屬公司由控制權轉移至本集團當日起全數綜合入賬，並於控制權終止當日起不再綜合入賬。

The acquisition method of accounting is used to account for business combinations by the Group.

本集團採用收購會計法將業務合併入賬。

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

集團公司間之公司間交易、結餘及未變現交易收益予以對銷。未變現虧損亦會予以抵銷，除非有關交易顯示所轉讓資產的減值證據。附屬公司之會計政策已按需要調整，以確保與本集團採納之政策貫徹一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.2 Principles of consolidation and equity accounting (Continued)

(i) Subsidiaries (Continued)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

(ii) Associated companies

Associated companies are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associated companies are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in consolidated income statement, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associated companies are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

2.2 綜合入賬及權益會計法原則 (續)

(i) 附屬公司 (續)

業績內之非控股權益及附屬公司權益分別獨立呈列於綜合收益表、綜合全面收益表、綜合權益變動表及綜合資產負債表。

(ii) 聯營公司

聯營公司指本集團對其有重大影響力而無控制權或共同控制權之所有實體，本公司通常持有20%至50%之表決權。於按成本初次確認後，於聯營公司之投資使用權益會計法入賬（見下文(iii)）。

(iii) 權益會計法

根據權益會計法，投資初步按成本確認，其後進行調整以於綜合收益表內確認本集團分佔其投資對象的收購後溢利或虧損，以及於其他全面收益確認其分佔投資對象其他全面收益的變動。已收或應收聯營公司的股息確認為投資賬面值扣減。

當本集團分佔按權益會計法入賬的投資虧損等於或超過其佔該實體之權益（包括任何其他無抵押長期應收款項）時，本集團不再進一步確認虧損，除非本集團代其他實體承擔責任或支付款項。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.2 Principles of consolidation and equity accounting (Continued)

2.2 綜合入賬及權益會計法原則(續)

(iii) Equity accounting (Continued)

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.11.

(iv) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in consolidated income statement. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

(iii) 權益會計法(續)

本集團與其聯營公司進行交易的未變現收益予以抵銷，以本集團於該等實體的權益為限。未變現虧損亦會予以抵銷，除非有關交易顯示所轉讓資產的減值證據。按權益會計法入賬的投資對象會計政策已按需要修訂，以確保與本集團所採納之政策貫徹一致。

按權益會計法入賬之投資賬面值根據附註2.11所述政策進行減值測試。

(iv) 擁有權權益之變動

本集團將與非控股權益之交易(並不導致喪失控制權者)視作與本集團權益持有人之交易。擁有權權益變動導致控股權益與非控股權益賬面值之間之調整，以反映彼等於附屬公司之相對權益。非控股權益調整數額與任何已付或已收代價間之任何差額於本公司擁有人應佔權益中之獨立儲備內確認。

倘本集團不再擁有控制權或重大影響力，導致不再綜合入賬或按權益會計法入賬投資，其於該實體之任何保留權益按其公平值重新計算，而賬面值變動則於綜合收益表內確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益，其公平值為初始賬面值。此外，先前於其他全面收益確認與該實體有關之任何金額，按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味先前在其他全面收益確認之金額在適用香港財務報告準則所指明／允許之下重新分類至損益或轉撥至另一權益類別。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.2 Principles of consolidation and equity accounting (Continued)

(iv) Changes in ownership interests (Continued)

If the ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

2.2 綜合入賬及權益會計法原則 (續)

(iv) 擁有權權益之變動 (續)

倘對聯營公司之擁有權權益減少但仍保留重大影響力，則先前於其他全面收益確認之金額僅按比例重新分類至損益（視適用情況而定）。

2.3 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論收購權益工具或其他資產。收購附屬公司之已轉讓代價為：

- 所轉讓資產之公平值
- 所收購業務先前擁有人產生之負債
- 本集團發行之股權
- 或然代價安排產生之任何資產或負債之公平值，及
- 於附屬公司任何已存在權益之公平值。

除少數特殊情況外，於業務合併收購之可識別資產以及承擔之負債及或然負債，初步按收購日期之公平值計量。本集團按逐項收購基準確認收購對象任何非控股權益，以公平值或以非控股權益應佔被收購實體可識別資產淨值的比例計量。

收購相關成本於產生時支銷。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations (Continued)

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in consolidated income statement as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in consolidated income statement.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in consolidated income statement.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 重大會計政策概要(續)

2.3 業務合併(續)

- 所轉讓代價，
- 被收購實體之任何非控股權益金額，及
- 任何先前於被收購實體之股本權益於收購日期之公平值

超逾所收購可識別資產淨值公平值之差額以商譽列賬。倘該等金額低於所收購業務可識別資產淨值之公平值，則其差額直接於綜合收益表內確認為議價購入。

或然代價分類為權益或金融負債。分類為金融負債之金額隨後按公平值重新計量，而公平值變動則於綜合收益表內確認。

如業務合併分階段進行，收購方之前於收購對象持有權益於收購日之賬面值，於收購日按公平值重新計量。重新計量產生的任何盈虧在綜合收益表中確認。

2.4 獨立財務報表

於附屬公司之投資按成本值扣除減值列賬。成本包括直接應佔投資成本。附屬公司之業績乃由本公司按已收及應收股息基準入賬。

倘股息超出附屬公司宣派股息期間之全面收益總額，或倘獨立財務報表中投資之賬面值超出綜合財務報表所示投資對象資產淨值(包括商譽)之賬面值，則須於自該等投資收取股息時，對該等附屬公司之投資進行減值測試。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors that makes strategic decisions.

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses are presented in the consolidated income statement on net basis within 'administrative expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair values are reported as part of the fair value gain or loss. For example, translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in consolidated income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

2.5 分類報告

經營分類之申報方式與向主要經營決策者提供之內部報告所採用者貫徹一致。主要經營決策者(負責分配經營分類資源及評估其表現)已確定為作出策略決定之執行董事。

2.6 外幣換算

(a) 功能及呈報貨幣

本集團旗下各實體之財務報表所列項目均採用有關實體營業所在主要經濟環境通用之貨幣(「功能貨幣」)為計算單位。綜合財務報表以港元(「港元」)呈報,而港元為本公司之功能貨幣及本集團之呈報貨幣。

(b) 交易及結餘

外幣交易按交易當日適用之匯率或重新計量項目之估值換算為功能貨幣。因結算該等交易及按年度結算日匯率換算以外幣計值之貨幣資產及負債產生之外匯收益及虧損,均於綜合收益表確認。

外匯收益及虧損淨額均於綜合收益表列作「行政費用」。

按外幣公平值計量之非貨幣項目乃按於釐定公平值當日之匯率換算。按公平值列賬之資產及負債之匯兌差額呈報為部分公平值損益。例如,非貨幣金融資產及負債(例如按公平值計入溢利或虧損之權益)之換算差額,乃於綜合收益表中確認為公平值收益或虧損之部分。非貨幣金融資產(例如分類為可供出售金融資產之權益)之換算差額則計入其他全面收益。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.6 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to consolidated income statement, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2.6 外幣換算(續)

(c) 本集團旗下公司

功能貨幣與呈報貨幣不同(全部均非高通脹經濟之貨幣)之業績及財務狀況,按以下方式換算為呈報貨幣:

- (i) 各資產負債表所呈列資產及負債,按該資產負債表結算日期之收市匯率換算;
- (ii) 各收益表之收入及支出,按平均匯率換算,惟此平均值並非該等交易日期當時匯率具累積效果之合理約數除外。在此情況下,收入及開支於交易日期換算;及
- (iii) 所得出之所有匯兌差額會在其 他全面收益中確認。

於編製綜合賬目時,換算海外實體任何投資淨額以及借款產生之匯兌差額均於其他全面收益確認。當出售海外業務或償還構成該投資淨額部分之任何借款,相關匯兌差額於綜合收益表重新歸類為出售之部分收益或虧損。

收購海外實體產生之商譽及公平值調整視為該海外實體之資產及負債,按收市匯率換算。匯兌差額乃於其他全面收益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要(續)

2.6 Foreign currency translation (Continued)

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associated company that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to consolidated income statement.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in consolidated income statement. For all other partial disposals (that is, reductions in the Group's ownership interest in associated companies or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to consolidated income statement.

2.7 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

2.6 外幣換算(續)

(d) 出售及部分出售海外業務

於出售海外業務(即出售本集團於海外業務之全部權益或涉及失去對一間設有海外業務之附屬公司控制權之出售、或涉及失去對設有海外業務之合營企業共同控制權之出售、或涉及失去對一間設有海外業務之聯營公司重大影響力之出售)時,就本公司擁有人應佔該業務而於權益內累計之所有匯兌差額,重新分類至綜合收益表。

倘此乃部分出售而不導致本集團失去設有海外業務之附屬公司之控制權,該累計匯兌差額之應佔比例重新歸於非控股權益,且不會於綜合收益表確認。就所有其他部分出售(即本集團於聯營公司或合營企業擁有權權益減少而不會導致本集團失去重大影響或共同控制權)而言,該累計匯兌差額之應佔比例須重新分類至綜合收益表。

2.7 物業、廠房及設備

所有物業、廠房及設備按歷史成本減折舊及減值虧損列賬。歷史成本包括收購此等項目直接應佔開支。

當與項目有關之未來經濟利益可能流入本集團,以及該項目成本能可靠計算時,其後成本才會計入資產之賬面值或確認為獨立資產(視適用情況而定)。已維修部分賬面值解除確認。所有其他維修及保養費於產生之財政期間於綜合收益表扣除。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.7 Property, plant and equipment (Continued)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Buildings	5-10%
Leasehold improvements	20% or over lease terms, whichever is shorter
Office furniture and equipment	18%-33%
Plant and equipment	10%-33%
Motor vehicles	18%-25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the consolidated income statement.

2.8 Investment properties

Property that is held for long-term yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. The cost of an investment property comprises its purchase price and any costs directly attributable to bringing the property to its intended use. After initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

2.7 物業、廠房及設備(續)

物業、廠房及設備之折舊以直線法於其估計可用年內分配其成本至剩餘價值。所採用年率如下：

樓宇	5-10%
租賃物業裝修	20%或按租賃年期(以較低者為準)
辦公室家具及設備	18%-33%
廠房及設備	10%-33%
汽車	18%-25%

資產之剩餘價值及可用年期會於各報告期末審閱及調整(如適用)。

倘資產賬面值超過其估計可收回金額，則其賬面值將即時撇減至其可收回金額。

出售收益及虧損透過比較所得款項與有關資產賬面值釐定，於綜合收益表之「行政費用」確認。

2.8 投資物業

持作取得長期收益或資本升值或兩者之物業，及並非由本集團佔用之物業，均分類為投資物業。投資物業成本包括其買入價及與令物業達致其擬定用途直接有關之任何成本。初步確認後，投資物業按成本扣減累計折舊及減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.8 Investment properties (Continued)

Depreciation is calculated using the straight-line method to allocate cost of the investment property over its estimated useful lives, as follows:

Buildings	5%
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Subsequent expenditure is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment.

2.9 Leasehold land

Leasehold land is stated at cost less accumulated amortisation and impairment losses. Cost represents upfront prepayments made for the rights to use the land for periods varying from 40 to 50 years. Amortisation of leasehold land is expensed in the consolidated income statement on a straight-line basis over the period of the lease or when there is impairment, the impairment is expensed in the consolidated income statement.

2.10 Intangible assets

(a) Goodwill

Goodwill is measured as described in Note 2.11. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2.8 投資物業 (續)

投資物業之折舊以直線法於其估計可用年期限內分配其成本。所採用比率如下：

樓宇	5%
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其後開支僅於與項目有關之未來經濟利益可能流入本集團，以及該項目成本能可靠計量時，方計入資產賬面值。所有其他維修及保養成本於產生之財政期間在綜合收益表支銷。

倘投資物業成為業主自用，則重新分類為物業、廠房及設備。

2.9 租賃土地

租賃土地按成本減累計攤銷及減值虧損列賬。成本指就使用土地權利而支付之預付款項，為期40至50年。租賃土地攤銷於租期內按直線法在綜合收益表支銷，或當出現減值，有關減值在綜合收益表支銷。

2.10 無形資產

(a) 商譽

商譽乃按附註2.11所述計量。收購附屬公司之商譽計入無形資產。商譽不予攤銷，惟每年進行減值測試，或當有事件或情況改變顯示資產有可能減值時作出更頻密的減值測試，並按成本見累計減值虧損列賬。出售實體之收益或虧損包括與出售實體相關商譽之賬面值。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.10 Intangible assets (Continued)

(a) Goodwill (Continued)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

(b) Brand name, customer list and contracts, patents and capitalised software development costs and in-progress technology

Separately acquired brand name, customer list and contracts, patents and capitalised software development costs and in-progress technology are shown at historical cost. Brand name, customer list, contracts, patent and capitalised software development costs and in-progress technology acquired in a business combination are recognised at fair values at the date of acquisition. They have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of them over their estimated useful lives (1.5-5 years).

(c) Software

Acquired software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (3 to 5 years). Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

2.10 無形資產(續)

(a) 商譽(續)

商譽乃分配至各現金產生單位，以進行減值測試。現金產生單位或現金產生單位組別預期將從產生商譽的業務合併中獲益，方會獲得分配商譽。按監察商譽以作內部管理用途的最低層面（即經營分類）識別單位或單位組別。

(b) 品牌、顧客名單及合約、專利及資本化軟件開發成本及研發中技術

分開收購之品牌、顧客名單及合約、專利及資本化軟件開發成本及研發中技術，按歷史成本列賬。業務合併中收購之品牌、顧客名單、合約、專利及資本化軟件開發成本及研發中技術，按收購日期公平值確認。其有限定可使用年期，按成本扣減累計攤銷列賬。攤銷利用直線法將其成本分攤至其估計可使用年期（1.5至5年）計算。

(c) 軟件

所收購軟件根據購買及使用該特定軟件所引起之成本撥充資本。有關成本按其估計可用年期（3至5年）攤銷。與開發或維修電腦軟件程式相關之成本，已於產生時確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.11 Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subjected to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.12 Disposal group held-for-sale

Disposal group is classified as held-for-sale when its carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The disposal group is stated at the lower of carrying amount and fair value less costs to sell. Financial assets (other than investments in subsidiaries) which are classified as held-for-sale, would continue to be measured in accordance with the policies set out elsewhere in Note 2.

2.13 Financial assets and liabilities

2.13.1 Classification

The Group classifies its financial assets and liabilities in the following categories: financial assets at fair value through profit or loss, loans and receivables, available-for-sale financial assets and other financial liabilities at amortised cost. The classification depends on the purpose for which the financial assets and liabilities were acquired. Management determines the classification of its financial assets at initial recognition.

2.11 非金融資產之減值

商譽毋須攤銷並會每年進行減值測試，或於有事件或情況改變顯示可能出現減值時更頻繁地進行減值測試。倘有事件或情況改變顯示賬面值可能無法收回時，我們將檢討資產的減值情況。減值虧損按資產賬面值超過其可收回金額的差額確認。可收回金額為資產公平值減出售成本或使用價值（以較高者為準）。評估減值時，資產按可獨立識別現金流入的最低分類組合（現金產生單位）分類，其所產生的現金流入基本上獨立於其他資產或資產組別。倘非金融資產（商譽除外）出現減值，則會於各報告日檢討可否撥回減值。

2.12 持作出售之出售集團

當出售集團之賬面值已主要透過出售交易獲收回並且出售被視為極有可能進行，則出售集團將會獲分類為持作出售。出售集團按賬面值及公平值減出售成本中較低者列值。獲分類為持作出售之金融資產（於附屬公司之投資除外）將繼續按附註2另有所載之政策之方式計量。

2.13 金融資產及負債

2.13.1 分類

本集團把金融資產及負債分為以下幾類：按公平值計入損益之金融資產、貸款及應收款項、可供出售金融資產及其他按攤銷成本列賬之金融負債。分類視乎購入金融資產及負債之目的。管理層在初步確認時決定金融資產之分類。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要(續)

2.13 Financial assets and liabilities (Continued)

2.13.1 Classification (Continued)

- (a) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.
- (b) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and bills receivables', 'other receivables and deposits', 'amounts due from investments accounted for using the equity method', 'short-term bank deposits' and 'cash and cash equivalents' in the consolidated balance sheet.
- (c) Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the balance sheet date.

2.13 金融資產及負債(續)

2.13.1 分類(續)

- (a) 按公平值計入損益之金融資產
按公平值計入損益之金融資產乃持作買賣之金融資產。倘金融資產主要為於短期內出售而購入，則分類為持作買賣。除非已指定為對沖工具，否則衍生工具亦分類為持作買賣。倘資產預期將於12個月內償付，則該等資產歸類為流動資產，否則則歸類為非流動。
- (b) 貸款及應收款項
貸款及應收款項為有固定或可釐定付款且並無在活躍市場報價之非衍生金融資產。此等項目計入流動資產，惟倘結算或預期結算款項於結算日後超過12個月者，則分類為非流動資產。本集團之貸款及應收款項包括綜合資產負債表中之「應收賬款及應收票據」、「其他應收款項及按金」、「應收以權益法入賬之投資之款項」、「短期銀行存款」及「現金及現金等價物」。
- (c) 可供出售金融資產
可供出售金融資產為被指定為此分類或並無分類為任何其他類別之非衍生工具。除非投資到期或管理層有意在結算日後12個月內出售該項投資，否則此等資產計入非流動資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.13 Financial assets and liabilities (Continued)

2.13.1 Classification (Continued)

(d) Other financial liabilities at amortised cost

Other financial liabilities at amortised cost are initially measured at fair values and subsequently measured at amortised cost, using the effective interest method. The Group's other financial liabilities at amortised cost comprise 'trade and bills payables', 'payables for payment processing solutions business', 'other payables and accruals', 'amounts due to investments accounted for using the equity method' and 'borrowing' in the consolidated balance sheet.

2.13.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair values through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair values. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the consolidated income statement within 'other gains/(losses), net' in the period in which they arise.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as 'other gains/(losses), net'.

2.13 金融資產及負債 (續)

2.13.1 分類 (續)

(d) 其他按攤銷成本列賬之金融負債

其他按攤銷成本列賬之金融負債初步按公平值計量，其後採用實際利率法按攤銷成本計量。本集團按攤銷成本計量之其他金融負債包括綜合資產負債表中之「應付賬款及應付票據」、「支付交易處理解決方案業務之應付款項」、「其他應付款項及應計款項」、「應付以權益法入賬之一項投資之款項」及「借款」。

2.13.2 確認及計量

以日常方式買賣之金融資產於交易日確認，交易日為本集團承諾購買或出售資產之日。就所有並非按公平值計入溢利或虧損之金融資產而言，投資初步按公平值加交易成本確認。按公平值計入溢利或虧損之金融資產初步按公平值確認，交易成本則於綜合收益表支銷。倘收取投資現金流量之權利屆滿或轉移且本集團已將所有權絕大部分風險及所有回報轉移，則終止確認金融資產。可供出售金融資產及按公平值計入溢利或虧損之金融資產其後按公平值列賬。貸款及應收款項其後採用實際利率法按攤銷成本列賬。

「按公平值計入損益之金融資產」一類中因公平值變動產生之收益或虧損乃於其產生期間在綜合收益表作為「其他收益／（虧損）」呈列。

分類為可供出售之貨幣及非貨幣證券之公平值變動在其他全面收益內確認。

當分類為可供出售之證券售出或減值時，在權益累計之已確認公平值調整將計入綜合收益表作為「其他收益／（虧損）淨額」。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.15 Impairment of financial assets

The Group assesses at each of the balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(a) *Assets carried at amortised cost*

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

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 (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2.14 抵銷金融工具

金融資產及負債於擁有合法可強制執行權利抵銷已確認金額及於擬按淨值基準結算或同時變現資產及結算負債時予以抵銷；有關淨額則於綜合資產負債表內列賬。合法可強制執行權利不得以未來事件釐定及必須於日常業務過程及本公司或對手方違約、無力償債或破產時強制執行。

2.15 金融資產減值

本集團於各結算日評估是否有客觀證據證明某項金融資產或某組金融資產已減值。只有當存在客觀證據證明於首次確認資產後發生之一宗或多宗事件導致出現減值(「虧損事項」)，而該宗(或該等)虧損事項對該項或該組金融資產之估計未來現金流量構成之影響可以合理估計，有關金融資產或金融資產組別則已減值及產生減值虧損。對於被歸類為可供出售的股本投資，證券的公平值顯著或持續跌至低於其成本，則被視為資產減值之跡象。

(a) *按攤銷成本列賬之資產*

就貸款及應收款項而言，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量(不包括仍未產生之未來信用虧損)之現值兩者之差額計量。資產賬面值予以削減，而虧損金額則在綜合收益表確認。

如在往後期間，減值虧損之金額減少，而此減少可客觀地聯繫至減值確認後才發生之事件(例如債務人之信用評級有所改善)，則先前已確認減值虧損可在綜合收益表中撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要 (續)

2.15 Impairment of financial assets (Continued)

(b) Assets classified as available-for-sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in consolidated income statement – is removed from equity and recognised in the consolidated income statement.

Impairment losses on equity instruments that were recognised in consolidated income statement are not reversed through consolidated income statement in a subsequent period.

2.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in progress comprises raw materials, direct labour and related production overhead (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.17 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

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

2.15 金融資產減值 (續)

(b) 分類為可供出售之資產

倘出現可供出售金融資產減值之客觀證據，其累計虧損（按收購成本與當前公平值兩者之差額扣除該金融資產先前於綜合收益表內確認之任何減值虧損計量）乃自權益剔除，並於綜合收益表內確認。

於綜合收益表確認之權益工具減值虧損不會於其後期間透過綜合收益表撥回。

2.16 存貨

存貨乃以成本值及可變現淨值兩者中較低者列賬。成本以加權平均方法釐定。製成品及在製品之成本包括按一般產能計算之原材料、直接工資及相關生產經常開支。變現淨值為日常業務過程中之估計售價扣除適用之可變銷售開支。

2.17 應收賬款及其他應收款項

應收賬款乃於日常業務過程中就銷售商品或提供服務而應收客戶之款項。倘應收賬款及其他應收款項預計將在一年或以內收回（或在業務正常經營週期內之較長期間），則分類為流動資產。否則，在非流動資產中列報。

應收賬款及其他應收款項初步按公平值確認，其後利用實際利率法按攤銷成本扣除減值撥備計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.17 Trade and other receivables (Continued)

A provision 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 the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated income statement within 'administrative expenses'. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against 'administrative expenses' in the consolidated income statement.

2.18 Cash and cash equivalents

In the consolidated cash flows statement, cash and cash equivalents include cash in hand and deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.19 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.20 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.17 應收賬款及其他應收款項(續)

當有客觀證據顯示本集團將未能根據應收款項之原訂條款收回所有應收款項，即就應收賬款及其他應收款項進行減值撥備。債務人之重大財務困難、債務人可能破產或進行財務重組，以及拖欠或逾期付款，均被視為應收款項已減值之跡象。撥備金額為資產之賬面值與按原實際利率貼現之估計未來現金流量現值之差額。資產之賬面值通過備抵賬調減，虧損金額在綜合收益表中「行政費用」內確認。當應收款項不可收回時，該金額在應收款項備抵賬中撇銷。其後收回早前撇銷之金額則撥回綜合收益表中之「行政費用」。

2.18 現金及現金等價物

綜合現金流量表中現金及現金等價物包括手頭現金、銀行活期存款、原定到期日為三個月或以下之其他短期高度流通投資及銀行透支。

2.19 股本

普通股分類為權益。發行新股份或購股權直接有關之增量成本於權益列示為自所得款項扣除稅項之扣減。

2.20 應付賬款及其他應付款項

應付賬款為在日常業務過程中向供應商購買商品或服務而應支付之責任。如付款之支付日期在一年或以內(或在業務正常週期內之較長期間)，應付款項被分類為流動負債；否則分類為非流動負債。

應付賬款及其他應付款項初步按公平值確認，其後利用實際利率法按攤銷成本計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Borrowings

Borrowings are initially recognised at fair values, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated income statement as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.22 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重大會計政策概要(續)

2.21 借款

借款初步按公平值扣除所產生之交易成本予以確認。借款其後按攤銷成本計量。所得款項(扣除交易成本)與贖回金額之間的任何差額使用實際利息法於借款期間在綜合收益表內確認。在貸款很有可能部分或全部提取之情況下,就設立貸款融資支付之費用乃確認為貸款之交易成本。在此情況下,該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款很有可能部分或全部提取之情況下,該費用撥充資本作為流動資金服務之預付款項,並於其相關融資期間內予以攤銷。

當合約中規定之責任解除、取消或屆滿時,借款從綜合資產負債表中剔除。已消除或轉讓給另一方之金融負債之賬面值與已支付代價(包括已轉讓之非現金資產或所承擔之負債)之間的差額,在綜合收益表中確認為其他收入或融資成本。

除非本集團有權無條件將債務結算日期遞延至報告期間後至少12個月,否則借款將被劃分為流動負債。

2.22 當期及遞延所得稅

當期稅項開支包括當期及遞延稅項。稅項於綜合收益表確認,除非有關稅項是關於在其他全面收益確認或直接計入權益之項目。在此情況下,稅項亦各自於其他全面收益或直接於權益內確認。

(a) 當期所得稅

當期所得稅支出根據本公司附屬公司營運及產生應課稅收入所在國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例有待詮釋之情況定期評估報稅表狀況,並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.22 Current and deferred income tax (Continued)

(b) *Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

(c) *Offsetting*

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.22 當期及遞延所得稅(續)

(b) *遞延所得稅*

遞延所得稅乃就資產與負債之稅基及資產與負債於綜合財務報表中賬面值兩者之暫時差額，以負債法悉數撥備。然而，倘遞延稅項負債乃產生自商譽之初始確認，則不會確認遞延稅項負債。倘遞延所得稅乃產生自於初步確認交易（業務合併除外）資產或負債而得之商譽，且當時之交易並無影響會計或應課稅溢利或虧損，則亦不會予以確認。遞延所得稅乃以於結算日已訂明或實質訂明之稅率（及法例）釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時適用。

遞延稅項資產僅在未來很可能有應課稅利潤用作抵銷該等暫時差額及虧損，方會予以確認。

倘本集團能夠控制撥回暫時差額之時間，且該等差額可能不會於可見將來撥回，則不會就海外業務之投資賬面值與稅基之間之暫時差額確認遞延稅項負債及資產。

(c) *抵銷*

當有合法可強制執行權利將當期稅項資產與當期稅項負債抵銷，且遞延稅項結餘涉及相同稅務機關，則可將遞延稅項資產與負債互相抵銷。當實體有合法可強制執行權利將當期稅項資產與當期稅項負債抵銷，並有意按淨額基準結算或同時變現資產及清償負債，則可將當期稅項資產與稅項負債互相抵銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要(續)

2.23 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Pension Scheme") set up pursuant to the Mandatory Provident Fund Schemes Ordinance, for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the Pension Scheme. The assets of the Pension Scheme are held separately from those of the Group in an independently administrated fund. The Group's employer contributions vest fully with the employees when contributed to the Pension Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to vesting fully in the contributions, in accordance with the rules of the Pension Scheme.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.23 僱員福利

(a) 僱員有薪假期

僱員獲享之年度休假在僱員可享有時確認。本集團會對僱員服務至結算日所累積之年度休假估算負債作出撥備。

僱員享有之病假及產假直至僱員休假之時方會確認。

(b) 退休金責任

本集團為其所有香港僱員運作一個根據強制性公積金計劃條例設立之定額供款強制性公積金退休福利計劃(「退休計劃」)。退休計劃供款按僱員基本薪金之某個百分比計算，並於根據退休計劃規則應支付供款時在綜合收益表扣除。退休計劃之資產與本集團資產分開持有，並由獨立管理基金保管。本集團之僱主供款在向退休計劃作出供款時悉數歸屬僱員，惟本集團作出之僱主自願供款，會按照退休計劃之規則在僱員於有關供款全數歸屬前離職時退回本集團。

本集團於支付供款後即無其他付款責任。供款於到期時確認為僱員福利支出，並扣減僱員於供款全數歸屬前離職而被沒收之供款。預付供款於退回現金或扣減未來供款時確認為資產。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.23 Employee benefits (Continued)

(b) Pension obligations (Continued)

In addition, pursuant to the government regulations in the People's Republic of China (the "PRC"), the Group is required to contribute an amount to certain retirement benefit schemes based on approximately 7% to 20% of the wages for the year of those employees in the PRC. The local municipal government undertakes to assume the retirement benefits obligations of those employees of the Group. Contributions to these retirement benefits schemes are charged to the consolidated income statement as incurred.

(c) Profit sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.24 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.23 僱員福利(續)

(b) 退休金責任(續)

此外，根據中華人民共和國(「中國」)政府之規例，本集團須按中國僱員該年度之工資約7%至20%就若干退休福利計劃作出供款，由當地市政府承擔該等本集團僱員之退休福利責任。就該等退休福利計劃作出之供款於產生時在綜合收益表中扣除。

(c) 溢利分享及花紅計劃

本集團按照特定計算方法就花紅及溢利分享確認負債及開支，該計算方法於作出若干調整後已計入本公司股東應佔溢利。當出現合約責任或過往慣例引致推定責任時，本集團即確認撥備。

2.24 撥備

當本集團因過往事件承擔現有法律或推定責任，而解除責任很有可能導致資源流出，且金額能夠可靠計算之情況下，便會確認撥備。

倘承擔若干類似責任，於釐定解除責任是否需要流出資源時，將以整類責任類別為考慮。即使同類責任當中任何一項導致資源流出可能性甚低，亦會確認撥備。

撥備採用稅前利率按照預期需結算有關責任之支出現值計量，該利率反映當時市場對金錢時間值及有關責任特定風險之評估。隨著時間過去而增加之撥備確認為利息開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要(續)

2.25 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amount for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the Group. Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below:

(a) Sales of goods

Sales of goods are recognised when a group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(b) Provision of services

Revenue from fixed-price contracts is recognised using the stage of completion method, measured by reference to the agreed milestones of work performed and is shown after eliminating sales within the Group.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in the consolidated income statement in the period in which the circumstances that give rise to the revision become known by management.

The Group recognises revenue from its payment processing solution business when services are rendered which generally coincide when the underlying transactions of the merchants (customers of the Group) have been acknowledged by the relevant banks and financial institutions, by which contractual right of the Group and the merchants to receive cash flows from the financial institutions is established and amount to be received could be reliably estimated. Revenue from early settlement services is recognised when the services are rendered, which generally coincide when the settlement has been completed.

2.25 收入確認

收入乃按收回或應收之代價之公平值計量，為本集團於日常業務中銷售貨品及提供服務之金額。所示收入已扣除增值稅、退貨、回扣及折扣，並抵銷本集團內公司間之銷售。收入於收入數額能夠可靠計量；未來經濟利益將可能流入有關實體；及本集團每項業務均符合具體條件時按以下方式確認：

(a) 銷售貨品

當集團旗下實體交付產品予客戶及客戶接納產品，且合理確定可以收回相關應收款項時，即確認銷售貨品收入。

(b) 提供服務

來自固定價格合約之收入乃按完成階段方法確認，經參考工作所達致之協定重要階段作出計量，並於對銷本集團內公司間之銷售後列賬。

倘發生情況，使收入、成本或完工進度之原有估計有所變動，便會對估計作出修改。有關修改可能導致估計收入或成本增加或減少，在管理層得悉引致修改之情況期間在綜合收益表反映。

本集團於提供服務時確認支付交易處理解決方案業務之收入，一般而言，商戶（本集團客戶）之相關交易於此時已獲相關銀行及金融機構確認，並已確立本集團及商戶自金融機構收取現金流量之合約權利，而將收取金額能夠可靠估量。來自提早結算服務之收入於提供服務時確認，一般而言，有關結算於此時已完成。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 重大會計政策概要(續)

2.26 Other income

(a) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(b) Lease income – operating lease

Rental income from investment property is recognised in the consolidated income statement on a straight-line basis over the term of the lease.

2.26 其他收入

(a) 利息收入

利息收入以實際利率法按時間比例確認。

(b) 租金收入－經營租約

投資物業租金收入按直線法於租期內在綜合收益表確認。

2.27 Leases (as the lessee for operating leases)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

2.27 租約(經營租約之承租人)

凡擁有權所涉及絕大部分風險及回報由出租人保留之租約，均列作經營租約。根據經營租約所付租金在扣除來自出租人之任何優惠後，在租約年期內以直線法在綜合收益表支銷。

2.28 Government grants

Grants from the government for high-tech companies are recognised in 'other income' in the consolidated income statements at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

2.28 政府資助

倘有合理保證可收到政府資助且本集團亦將會遵行所有附帶條件，對高科技企業之政府資助會按其公平值於綜合收益表「其他收入」確認。

2.29 Research and development

Research expenditure is expensed as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and costs can be measured reliably. Other development expenditures are expensed as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

2.29 研發

研究開支於產生時支銷。考慮其商業及技術可行性而認為該項目將成功且成本能可靠地計量時，於發展項目產生之成本(有關設計及測試新產品或改良產品)確認為無形資產。其他發展開支於產生時支銷。過往確認為開支之發展成本不會於往後期間確認為資產。

2.30 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2.30 股息分派

向本公司股東分派之股息於本公司股東或董事(視適用情況而定)批准股息期內，在本集團及本公司財務報表內確認為負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities exposed it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors. The Directors identified and evaluated financial risks in close co-operation with the operating units of the Group.

(a) Market risk

(i) Foreign exchange risk

The Group's foreign currency transactions are mainly denominated in Renminbi ("RMB"), HK\$, Japanese Yen ("JPY") and US dollars ("US\$"). The majority of assets and liabilities are denominated in RMB, HK\$, JPY and US\$, and there are no significant assets and liabilities denominated in other currencies. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in a currency other than HK\$, JPY or RMB, which are the functional currencies of the major operating companies within the Group. The Group currently does not hedge its foreign currency exposure.

As HK\$ is pegged to US\$, management believes that the exchange rate risk for translations between HK\$ and US\$ do not have material impact to the Group. The exchange rate of RMB to HK\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

3 財務風險管理

3.1 財務風險因素

本集團之活動面對多種財務風險：市場風險（包括外幣風險、公平值利率風險、現金流量利率風險與價格風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃針對財務市場難以預測之特性，並盡量減低對財務表現之潛在負面影響。

董事會負責風險管理。董事透過與本集團營運單位緊密合作，識別及評估財務風險。

(a) 市場風險

(i) 外匯風險

本集團外匯交易主要以人民幣（「人民幣」）、港元、日圓（「日圓」）及美元（「美元」）計值。資產及負債大部分以人民幣、港元、日圓及美元計值。本集團並無以其他貨幣計值之重大資產及負債。本集團面對並非以港元、日圓或人民幣（為本集團內主要營運公司之功能貨幣）計值之未來商業交易以及已確認資產及負債產生之外匯風險。本集團現時並無對沖其外匯風險。

由於港元與美元掛鈎，故管理層認為港元與美元進行換算之匯率風險對本集團並無重大影響。人民幣兌港元須遵守中國政府頒佈之外匯管制規則及規例。本集團透過密切監控外幣匯率之變動來控制其外幣風險。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

For companies with HK\$ as their functional currency

At 31 December 2017, if RMB had weakened/strengthened by 5% against the HK\$ with all other variables held constant, post-tax profit for the year would have been approximately HK\$2,847,000 (2016: HK\$1,724,000) lower/higher, mainly as a result of the foreign exchange difference on translation of RMB denominated current account with group companies.

As at 31 December 2017, if JPY had weakened/strengthened by 1% against the HK\$ with all other variables held constant, post-tax profit for the year would have been approximately HK\$1,888,000 (2016: HK\$1,260,000) lower/higher, mainly as a result of the foreign exchange difference on translation of JPY denominated cash and cash equivalents.

For companies with RMB as their functional currency

At 31 December 2017, if HK\$ had weakened/strengthened by 5% against the RMB with all other variables held constant, post-tax profit for the year would have been approximately HK\$6,615,000 (2016: HK\$6,273,000) higher/lower, mainly as a result of the foreign exchange difference on translation of HK\$ denominated current accounts with group companies.

At 31 December 2017, if US\$ had weakened/strengthened by 5% against the RMB with all other variables held constant, post-tax profit for the year would have been approximately HK\$213,000 (2016: HK\$385,000) lower/higher, mainly as a result of the foreign exchange difference on translation of US\$ denominated cash and cash equivalents as well as the current accounts with group companies.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

就以港元為其功能貨幣之公司

於二零一七年十二月三十一日，若人民幣兌港元貶值／升值5%，其他所有變數維持不變，則年內除稅後溢利將減少／增加約2,847,000港元（二零一六年：1,724,000港元），主要由於兌換以人民幣計值與集團公司之往來賬產生匯兌差額。

於二零一七年十二月三十一日，若日圓兌港元貶值／升值1%，其他所有變數維持不變，則年內除稅後溢利將減少／增加約1,888,000港元（二零一六年：1,260,000港元），主要由於兌換以日圓計值之現金及現金等價物產生匯兌差額。

就以人民幣為其功能貨幣之公司

於二零一七年十二月三十一日，若港元兌人民幣貶值／升值5%，其他所有變數維持不變，則年內除稅後溢利將增加／減少約6,615,000港元（二零一六年：6,273,000港元），主要由於兌換以港元計值與集團公司之往來賬產生匯兌差額。

於二零一七年十二月三十一日，若美元兌人民幣貶值／升值5%，其他所有變數維持不變，則年內除稅後溢利將減少／增加約213,000港元（二零一六年：385,000港元），主要由於兌換以美元計值之現金及現金等價物以及與集團公司之往來賬產生匯兌差額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Price risk

The Group is not exposed to commodity price risk.

(iii) Cash flow and fair value interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises mainly from short-term bank deposits and cash and cash equivalents. Other financial assets and financial liabilities are non-interest-bearing and are measured at amortised cost.

At 31 December 2017, if interest rates on interest-bearing short-term bank deposits and cash and cash equivalents had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year of the Group would have been approximately HK\$25,574,000 (2016: HK\$28,230,000) higher/lower due to interest income earned on market interest rate.

As at 31 December 2017, the Group's borrowing is all issued at fixed rates which expose the Group to fair value interest rate risk. Management considers the fair value exposure of the fixed rate borrowing is insignificant to the Group. As at 31 December 2016, the Group did not have any borrowing.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 價格風險

本集團概無承受商品價格風險。

(iii) 現金流量及公平值利率風險

利率風險指金融工具之公平值或現金流量因市場利率改變而出現波動之風險。本集團之利率風險主要來自短期銀行存款及現金及現金等價物。其他金融資產及金融負債乃不計息並按攤銷成本計量。

於二零一七年十二月三十一日，若計息之短期銀行存款及現金及現金等價物之利率上升／下降100個基點，而其他所有變數維持不變，則本集團年內除稅後溢利將增加／減少約25,574,000港元（二零一六年：28,230,000港元），乃由於就市場利率賺取之利息收入所致。

於二零一七年十二月三十一日，本集團之借款全部按固定利率作出，令本集團承受公平值利率風險。管理層認為本集團就固定利率借款承受之公平值風險並不重大。於二零一六年十二月三十一日，本集團並無任何借款。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The Group is exposed to credit risk in relation to its trade and bills receivables, other receivables and deposits, amounts due from investments accounted for using the equity method, short-term bank deposits and deposits with banks.

The carrying amounts of trade and bills receivables, other receivables and deposits, amounts due from investments accounted for using the equity method, short-term bank deposits and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk, deposits are mainly placed with state-owned financial institutions and reputable banks. The Group has policies in place to ensure that sales are made to reputable and creditworthy customers with an appropriate financial strength, credit history and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the authorisation of credit limits to individual customers and recoverable amount of each individual trade receivables.

Management considers the credit risk for amounts due from investments accounted for using the equity method to be minimal after considering the financial condition of the entities. Management has performed assessment over the recoverability of the balances and management does not expect any losses from non-performance by these entities.

The Group has concentration of credit risk. Sales of goods and services to the largest customer accounted for 6% (2016: 10%) for the total revenue, and top five customers constituted 15% (2016: 26%) of the Group's turnover for the year ended 31 December 2017.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

本集團承受與其應收賬款及應收票據、其他應收款項及按金、應收以權益法入賬之投資之款項、短期銀行存款以及銀行存款有關之信貸風險。

應收賬款及應收票據、其他應收款項及按金、應收以權益法入賬之投資之款項、短期銀行存款及現金及現金等價物之賬面值，乃本集團面對與金融資產有關之最大信貸風險。

為控制該風險，存款主要存入國有金融機構及有良好信譽之銀行。本集團制定政策以確保銷售予擁有相當財政實力、信貸記錄及支付適當百分比首期付款之信譽良好客戶。本集團亦制定其他監控程序以確保採取跟進措施收回逾期債務。此外，本集團定期審閱個別客戶之信用限額授權及每項個別應收賬款之可收回金額。

管理層在考慮實體的財務狀況後，認為以權益法入賬之投資應收款項之信用風險最小。管理層已評估餘額之可回收性，且管理層認為該等實體之不履行不會造成任何損失。

本集團有信貸集中風險。向最大客戶銷售之貨物及服務佔本集團截至二零一七年十二月三十一日止年度總收入之6% (二零一六年: 10%)，五大客戶則構成本集團營業額15% (二零一六年: 26%)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

With prudent liquidity risk management, the Group aims to maintain sufficient cash and cash equivalents and ensure the availability of funding through an adequate amount of available financing, including short-term bank borrowing. Due to the dynamic nature of the underlying businesses, the Group's finance department maintains flexibility in funding by maintaining adequate amount of cash and cash equivalents and flexibility in funding through having available sources of financing.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to interest bearing bank deposits with appropriate maturities to manage its overall liquidity position. As at 31 December 2017, the Group maintained cash and bank balances of HK\$2,541,482,000 (2016: HK\$2,804,978,000) that is expected to be readily available and sufficient to meet the cash outflows of its financial liabilities, hence management considers that the Group's exposure to liquidity risk is not significant.

As at 31 December 2017, the Group's total available banking facilities amounted to approximately HK\$19,192,000 (2016: HK\$17,786,000).

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

透過審慎之流動資金風險管理，本集團致力維持充足之現金及現金等價物，確保透過充足可動用融資金額(包括短期銀行借款)取得足夠資金。由於有關業務之多變性質，本集團之財務部門透過維持充足之現金及現金等價物以及可動用融資來源維持資金之靈活彈性。

經營實體持有超過營運資金管理所需之現金盈餘，將撥入具有適當期限之計息銀行存款以管理其整體流動資金狀況。於二零一七年十二月三十一日，本集團之現金及銀行餘額為2,541,482,000港元(二零一六年：2,804,978,000港元)，預期足以應付其金融負債之現金流出。因此，管理層以為，本集團所承受的流動資金風險並不重大。

於二零一七年十二月三十一日，本集團可動用銀行融資總額約為19,192,000港元(二零一六年：17,786,000港元)。

下表根據結算日至合約到期餘下期間之分析，將本集團之非衍生金融負債分為有關到期日組別。該表所披露金額為合約未貼現現金流量。由於貼現之影響不大，故於十二個月內到期之結餘相等於其賬面結餘。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3 財務風險管理(續)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

		Less than 1 year 少於一年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2017		於二零一七年十二月三十一日	
Trade and bills payables	應付賬款及應付票據	239,199	239,199
Payables for payment processing solutions business	支付交易處理解決方案業務之應付款項	292,587	292,587
Other payables and accruals	其他應付款項及應計款項	819,031	819,031
Amounts due to investments accounted for using the equity method	應付以權益法入賬之投資之款項	57,755	57,755
Borrowing	借款	9,596	9,596
Total	合計	1,418,168	1,418,168
At 31 December 2016		於二零一六年十二月三十一日	
Trade and bills payables	應付賬款及應付票據	266,270	266,270
Payables for payment processing solutions business	支付交易處理解決方案業務之應付款項	808,650	808,650
Other payables and accruals	其他應付款項及應計款項	590,998	590,998
Amounts due to investments accounted for using the equity method	應付以權益法入賬之投資之款項	81,468	81,468
Total	合計	1,747,386	1,747,386

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt includes borrowing of the Group. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus total debt.

As at 31 December 2017, the gearing ratio was as follows:

3 財務風險管理(續)

3.2 資本風險管理

本集團管理資本之目的為保障本集團持續經營，以為股東提供回報以及為其他利益相關者帶來利益，並維持最佳資本結構以減低資金成本。

為維持或調整資本結構，本集團可調整向股東支付之股息金額、向股東退回股本、發行新股份或出售資產以減少債項。

本集團以資本負債比率作為監控資本之基準。該比率按負債總額除以總資本計算。負債總額包括本集團之借款。總資本按綜合資產負債表所示「權益」加負債總額計算。

於二零一七年十二月三十一日，資本負債比率如下：

		As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元
Borrowing (Note 28)	借款(附註28)	9,596
Total debt	負債總額	9,596
Total equity	權益總額	4,163,545
Total capital	總資本	4,173,141
Gearing ratio	資本負債比率	0.2%

The Group did not have any borrowing as at 31 December 2016.

於二零一六年十二月三十一日，本集團並無任何借款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

(i) Fair value hierarchy

The table below analyses the Group's financial instruments carried at fair values as at 31 December 2017 by level of the inputs to valuation techniques used to measure fair values. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets that were measured at fair values at 31 December 2017.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Available-for-sale financial assets	可供出售金融資產				
– Unlisted equity security	– 非上市股本證券	–	–	15,536	15,536
– Unlisted investment fund	– 非上市投資基金	–	–	162,849	162,849
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產				
– Unlisted convertible preference shares	– 非上市可換股優先股	–	–	93,485	93,485
– Listed trading securities	– 上市交易證券	2,702	–	–	2,702
Total	合計	2,702	–	271,870	274,572

3 財務風險管理(續)

3.3 公平值估計

(i) 公平值層級

下表按計量公平值之估值技術所用輸入數據之層級，分析本集團於二零一七年十二月三十一日按公平值列賬之金融工具。有關輸入數據乃按下文所述而分類歸入公平值架構內之三個層級：

- 相同資產或負債之活躍市場報價(未經調整)(第一級)。
- 除包含於第一級之報價外，資產或負債之可觀察直接(即價格)或間接(即源自價格者)輸入資料(第二級)。
- 並非根據可觀察市場數據而釐定之資產或負債之輸入資料(即不可觀察之輸入資料)(第三級)。

下表呈列本集團按於二零一七年十二月三十一日公平值計量之資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3 財務風險管理(續)

3.3 Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

The following table presents the Group's assets that were measured at fair values at 31 December 2016.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Available-for-sale financial assets	可供出售金融資產				
– Unlisted equity security	– 非上市股本證券	–	–	14,664	14,664
– Unlisted investment fund	– 非上市投資基金	–	–	91,449	91,449
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產				
– Unlisted convertible preference shares	– 非上市可換股優先股	–	–	76,880	76,880
Total	合計	–	–	182,993	182,993

There were no significant transfers of financial assets between the fair value hierarchy classifications during the year (2016: same).

年內，公平值等級分類間並無金融資產重大轉讓（二零一六年：相同）。

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(a) 第一級之金融工具

在活躍市場買賣之金融工具（例如公開買賣衍生工具及買賣及可供出售證券）之公平值，根據結算日之市場報價計算。本集團所持金融資產之市場報價為當時買入價。有關工具按第一級計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity security, unlisted investment fund and unlisted convertible preference shares.

(ii) Valuation techniques used to determine fair values

The Group's finance department includes a team that performs the valuations of financial assets required for financial reporting purposes, including level 3 fair values. As part of the valuation process, this team reports directly to the chief financial officer (CFO) and external valuers will be engaged, if necessary.

In applying the discounted cash flow technique, management has taken into account the estimated amount that the Group would receive to sell the instrument at the balance sheet date, taking into account current interest rates and the current credit worthiness of the counterparties. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate for a similar instrument at the balance sheet date.

3 財務風險管理(續)

3.3 公平值估計(續)

(i) 公平值層級(續)

(b) 第二級之金融工具

並非於活躍市場內買賣之金融工具(如場外衍生工具)以估值技術釐定公平值,其盡量採用可觀察市場數據,並盡量減少依賴實體之特定估計。若工具之公平值所需要所有重大輸入資料均為可觀察數據,有關工具計入第二級。

(c) 第三級之金融工具

若一項或多項重大輸入資料並非以可觀察之市場數據為準,有關工具將計入第三級。上述適用於非上市股本證券、非上市投資基金及非上市可換股優先股。

(ii) 釐定公平值使用之估值技術

本集團財務部包括一個就財務報告審閱所需金融資產估值(包括第三級公平值)之團隊。於估值過程中,該團隊直接向財務總監匯報,並於有需要時委聘外部估值師。

應用貼現現金流量技術時,管理層已計及本集團會收取以於結算日出售工具的估計金額、現時利率以及對手方現時信用狀況。倘運用貼現現金流量技術,估計未來現金流量按管理層於結算日的最佳估計及與類似工具的相關市場貼現率作出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3)

Specific valuation techniques used to value level 3 financial instruments include techniques such as discounted cash flow analysis and net asset value model. There are no changes in valuation techniques during the year (2016: same).

The following table presents the changes in level 3 financial instruments for the year ended 31 December 2017:

		Financial asset at fair value through profit or loss – unlisted convertible preference shares 按公平值計入損益之金融資產 —非上市可換股優先股 HK\$'000 千港元	Available-for-sale financial asset		Total 合計 HK\$'000 千港元
			– unlisted equity security 可供出售金融資產 —非上市股本證券 HK\$'000 千港元	– unlisted investment fund —非上市投資基金 HK\$'000 千港元	
As at 1 January 2017	於二零一七年一月一日	76,880	14,664	91,449	182,993
Fair value (losses)/gains on revaluation recognised in other comprehensive income	於其他全面(虧損)/收益確認之重估公平值收益	-	(278)	61,913	61,635
Fair value gains on revaluation recognised in consolidated income statement	於綜合收益表確認之重估公平值收益	16,605	-	-	16,605
Exchange realignment	匯兌調整	-	1,150	9,487	10,637
As at 31 December 2017	於二零一七年十二月三十一日	93,485	15,536	162,849	271,870
Unrealised gains recognised in consolidated income statement attributable to balances held at the end of the reporting period	於報告期間未持有結餘應佔之綜合收益表之已確認未變現收益	16,605	-	-	16,605

3 財務風險管理(續)

3.3 公平值估計(續)

(iii) 使用重大不可觀察輸入數據之公平值計量(第三級)

用以就第三級金融工具估值之特定估值技術包括貼現現金流量分析及資產淨值模式等技術。年內估值技術並無變動(二零一六年:相同)。

下表呈列截至二零一七年十二月三十一日止年度第三級金融工具之變動:

Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3) (Continued)

The following table presents the changes in level 3 financial instruments for the year ended 31 December 2016:

		Financial asset at fair value through profit or loss – unlisted convertible preference shares 按公平值計入損益之金融資產 – 非上市可換股優先股 HK\$'000 千港元	Available-for-sale financial asset		Total 合計 HK\$'000 千港元
			– unlisted equity security – 非上市股本證券 HK\$'000 千港元	– unlisted investment fund – 非上市投資基金 HK\$'000 千港元	
As at 1 January 2016	於二零一六年一月一日	–	6,982	–	6,982
Additions	添置	78,000	–	82,518	160,518
Fair value gains on revaluation recognised in other comprehensive income	於其他全面收益確認重估公平值收益	–	8,471	14,284	22,755
Fair value losses on revaluation recognised in consolidated income statement	於綜合收益表確認之重估公平值虧損	(1,120)	–	–	(1,120)
Exchange realignment	匯兌調整	–	(789)	(5,353)	(6,142)
As at 31 December 2016	於二零一六年十二月三十一日	76,880	14,664	91,449	182,993
Unrealised losses recognised in consolidated income statement attributable to balances held at the end of the reporting period	於報告期間未持有結餘應佔之綜合收益表之已確認未變現虧損	(1,120)	–	–	(1,120)

3 財務風險管理(續)

3.3 公平值估計(續)

(iii) 使用重大不可觀察輸入數據之公平值計量(第三級)(續)

下表呈列截至二零一六年十二月三十一日止年度第三級金融工具之變動:

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3) (Continued)

Quantitative information about fair value measurements using significant unobservable inputs (Level 3):

(i) Available-for-sale financial asset – unlisted equity security

The key unobservable assumptions used in the valuation of the unlisted equity securities as at 31 December 2016 and 2017 are:

Valuation techniques	Unobservable inputs	As at	As at
		31 December 2017	31 December 2016
Discounted cash flow analysis	Pre-tax discount rate	20.9%	21.2%
	Terminal growth rate	3.0%	3.0%
	Compound annual growth rate	12.7%	22.0%

As at 31 December 2017, the pre-tax discount rate used to compute the fair value is 20.9% (2016: 21.2%). If the discount rate shifted upward by 1%, the impact on other comprehensive income would be HK\$907,000 (2016: HK\$901,000) lower. The higher the pre-tax discount rate, the lower the fair value.

(ii) Available-for-sale financial asset – unlisted investment fund

The key unobservable assumptions used in the valuation of the unlisted investment fund as at 31 December 2016 and 2017 are:

Valuation techniques	Unobservable inputs	As at	As at
		31 December 2017	31 December 2016
Net asset value (Note i)	N/A	N/A	N/A

Note:

- (i) The Group has determined that the audited net asset value approximates fair value of the unlisted investment fund after applying a portfolio discount 10% (2016: 10%).

3 財務風險管理(續)

3.3 公平值估計(續)

(iii) 使用重大不可觀察輸入數據之公平值計量(第三級)(續)

利用重大不可觀察輸入數據計量公平值之量化資料(第三級):

(i) 可供出售金融資產—非上市股本證券

於二零一六年及二零一七年十二月三十一日，非上市股本證券之估值採用之主要不可觀察假設如下：

估值技術	不可觀察輸入數據	於	於
		二零一七年十二月三十一日	二零一六年十二月三十一日
貼現現金流量分析	稅前貼現率	20.9%	21.2%
	終端增長率 複合年增長率	3.0% 12.7%	3.0% 22.0%

於二零一七年十二月三十一日，用作計算公平值之稅前貼現率為20.9%（二零一六年：21.2%）。倘貼現率上調1%，其他全面收益將減少907,000港元（二零一六年：901,000港元）。稅前貼現率越高則公平值越低。

(ii) 可供出售金融資產—非上市投資基金

於二零一六年及二零一七年十二月三十一日，非上市投資基金之估值採用之主要不可觀察假設如下：

估值技術	不可觀察輸入數據	於	於
		二零一七年十二月三十一日	二零一六年十二月三十一日
資產淨值	不適用	不適用	不適用

附註：

- (i) 本集團確定，在應用投資組合折讓10%（二零一六年：10%）後，經審核資產淨值相當於非上市投資基金之公平值。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3) (Continued)

(iii) Financial asset at fair value through profit or loss – unlisted convertible preference shares

The key unobservable assumptions used in the valuation of the unlisted convertible preference shares as at 31 December 2016 and 2017 are:

Valuation techniques	Unobservable inputs	As at 31 December 2017	As at 31 December 2016
Discounted cash flow analysis	Pre-tax discount rate	31.5%	32.2%
	Terminal growth rate	3.0%	3.0%
	Compound annual growth rate	44.8%	44.4%

As at 31 December 2017, the pre-tax discount rate used to compute the fair value is 31.5% (2016: 32.2%). If the discount rate shifted upward by 1%, the impact on profit or loss would be HK\$2,717,000 (2016: HK\$1,791,000) lower. The higher the pre-tax discount rate, the lower the fair value.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the consolidated financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of receivables

The Group makes provision for impairment of receivables based on an assessment of the recoverability of the receivables. Provisions are applied to the receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of impairment requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables and provision for impaired receivables in the period in which such estimate has been changed.

3 財務風險管理(續)

3.3 公平值估計(續)

(iii) 使用重大不可觀察輸入數據之公平值計量(第三級)(續)

(iii) 按公平值計入損益之金融資產 – 非上市可換股優先股

於二零一六年及二零一七年十二月三十一日，非上市可換股優先股之估值採用之主要不可觀察假設如下：

估值技術	不可觀察 輸入數據	於 二零一七年 十二月 三十一日	於 二零一六年 十二月 三十一日
貼現現金	稅前貼現率	31.5%	32.2%
流量分析	終端增長率	3.0%	3.0%
	複合年增長率	44.8%	44.4%

於二零一七年十二月三十一日，用作計算公平值之稅前貼現率為31.5%（二零一六年：32.2%）。倘貼現率上調1%，損益將減少2,717,000港元（二零一六年：1,791,000港元）。稅前貼現率越高則公平值越低。

4 關鍵會計估計及判斷

用於編製綜合財務報表之估計及判斷，乃基於過往經驗及其他因素，包括預期日後在有關情況下相信合理出現之事件而作出。

本集團作出有關未來之估計及假設。顧名思義，所作會計估計甚少與有關之實際結果相同。下文討論之估計及假設可能會對下一個財政年度資產與負債之賬面值造成重大影響。

(a) 應收款項減值

本集團根據應收款項之可收回性評估作出應收款項減值撥備。倘出現任何事件或情況變動表明結餘可能無法收回，則會就應收款項作出撥備。識別減值須作出判斷及估計。倘預期金額與原估計存在差異，則該差異將會影響於有關估計出現變動期間之應收款項之賬面值及應收款項減值撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Impairment of inventories

Inventories are carried at the lower of cost and net realisable value. The cost of inventories is written down to net realisable value when there is an objective evidence that the cost of inventories may not be recoverable. The cost of inventories may not be recoverable if those inventories are aged and damaged, if they have become wholly or partially obsolete, or if their selling prices have declined. The cost of inventories may also not be recoverable if the estimated costs to be incurred to make the sales have increased.

The amount written off to the consolidated income statement is the difference between the carrying value and net realisable value of the inventories. In determining whether the inventories can be recoverable, significant judgement is required. In making this judgement, the Group evaluates, among other factors, the duration and extent by all means to which the amount will be recovered.

(c) Fair values of the unlisted financial instruments

The fair values of the unlisted financial instruments that are not traded in an active market, including available-for-sale financial assets and a financial asset at fair value through profit or loss, is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each of the balance sheet date. The Group has used discounted cash flow analysis and net asset value model for the unlisted financial instruments that are not traded in active market.

(d) Income taxes and deferred taxation

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

4 關鍵會計估計及判斷 (續)

(b) 存貨減值

存貨乃按成本與可變現淨值之較低者列賬。倘有客觀證據顯示存貨成本或不能收回，則將存貨成本撇減至可變現淨值。倘存貨陳舊及損壞、全部或部分過時或售價下跌，則可能不能收回存貨成本。倘進行銷售將予產生之估計成本增加，亦可能導致不能收回存貨成本。

於綜合收益表撇銷之金額為存貨賬面值與可變現淨值之間之差額。於釐定可收回之存貨時須作出重大判斷。於作出有關判斷時，本集團會評估（其中包括）以任何方式收回金額的時間及情況。

(c) 非上市金融工具公平值

並非在活躍市場交易之非上市金融工具（包括可供出售金融資產及按公平值計入損益之金融資產）之公平值乃採用估值技術釐定。本集團運用判斷選擇多種方法，並作出主要基於各結算日當時市況的假設。本集團曾就計算並非在活躍市場交易之非上市金融工具採用現金流量貼現法及資產淨值模式進行分析。

(d) 所得稅及遞延稅項

本集團在不同司法管轄區均須繳納所得稅。釐定所得稅撥備時須作出重大判決。眾多交易及計算之最終稅務釐定均充滿未知之數。倘該等事宜的最終稅務結果與原先記錄者有差異，則該等差異將影響作出釐定期間之所得稅及遞延稅項撥備。

有關若干臨時差異及稅項虧損的遞延稅項資產於管理層認為可取得未來應課稅溢利用作抵銷臨時差異或稅項虧損的情況下確認。其實際動用情況的結果可能有差異。

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5 REVENUE, OTHER INCOME AND OTHER GAINS/(LOSSES), NET 5 收入、其他收入及其他收益／(虧損)淨額

Revenue, other income and other gains/(losses), net recognised during the year are as follows:

於年內確認之收入、其他收入及其他收益／(虧損)淨額如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated) (重列) (Note 6) (附註6)
Turnover	營業額		
Provision of payment processing solutions	提供支付交易處理解決方案	1,979,939	1,050,313
Provision of financial solutions	提供金融解決方案	295,328	348,079
Sales of electronic power meters and solutions	銷售電能計量產品及解決方案	250,960	258,239
Sales of information security chips and solutions	銷售信息安全芯片及解決方案	177,224	56,539
Provision of platform operation solutions	提供平台運營解決方案	206,527	208,067
		2,909,978	1,921,237
Other income	其他收入		
Interest income	利息收入	27,807	19,704
Subsidy income	補貼收入	12,513	10,967
Rental income	租金收入	2,210	3,584
Others	其他	4,191	11,950
		46,721	46,205
Other gains/(losses), net	其他收益／(虧損)淨額		
Fair values gains/(losses) on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值收益／(虧損)		
– Unlisted convertible preference shares	– 非上市可換股優先股	16,605	(1,120)
– Listed trading securities	– 上市交易證券	(248)	–
Gain on deregistration of a subsidiary	取消註冊一間附屬公司收益	4,782	–
		21,139	(1,120)

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION

Management has determined the operating segments based on the internal reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business of the Group from a product perspective.

Due to continual development of the Group, management has changed its internal organisational structure to align more closely with the Group's strategic decision and market dynamics to better serve customers. In particular, separate business units has been set up for its electronic power meters and solutions business and information security chips and solutions business. The Group has adopted the new organisational structure as the reporting format effective for the year ended 31 December 2017. The comparative segment information has been restated to reflect the current organisational structure.

The Group is organised into five main operating segments in these internal reports:

- (a) Payment processing solutions – principally engaged in provision of payment processing services, merchants recruiting and related products and solutions;
- (b) Financial solutions – principally engaged in the provision of information system consultancy, integration and operation services and sales of information technology products to financial institutions and banks;
- (c) Electronic power meters and solutions – principally engaged in the manufacturing and sales of electronic power meters, data collection terminals and related products and solutions;
- (d) Information security chips and solutions – principally engaged in the provision of information system consultancy services, the sales of mag-strip card security decoder chips and related products and solutions; and
- (e) Platform operation solutions – principally engaged in the provision of telecommunication and mobile payment platform operation services and operation value-added services.

The Board of Directors assesses the performance of the operating segments based on a measure of adjusted earnings/(losses) before interest expense, taxes, depreciation and amortisation ("EBITDA").

6 分類資料

管理層根據董事會審閱以作出策略決定之內部報告而釐定經營分類。

董事會從產品角度考慮本集團業務。

由於本集團持續發展，管理層已更新內部組織架構以更貼近本集團之策略性決定及市場動態以對客戶提供更佳服務。特別是，已為其電能計量產品及解決方案業務以及信息安全芯片及解決方案業務設立單獨事業部。本集團已於截至二零一七年十二月三十一日止年度採納新組織架構作為呈報方式。比較分類資料已重列以反映以目前之組織架構。

本集團之內部報告分為五個主要經營分類：

- (a) 支付交易處理解決方案—主要從事提供支付交易處理服務、商戶招攬以及相關產品及解決方案；
- (b) 金融解決方案—主要從事向金融機構及銀行提供資訊系統諮詢、集成與運營服務及銷售資訊科技產品；
- (c) 電能計量產品及解決方案—主要從事生產及銷售電能計量產品、數據收集終端及相關產品及解決方案；
- (d) 信息安全芯片及解決方案—主要從事提供資訊系統諮詢服務以及銷售磁條卡加密解碼芯片以及相關產品及解決方案；及
- (e) 平台運營解決方案—主要從事提供電訊及移動支付平台運營服務及運營增值服務。

董事會按扣除利息支出、稅項、折舊及攤銷前計算經調整盈利/(虧損)（「EBITDA」）評估經營分類之表現。

Notes to the Consolidated Financial Statements 綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分類資料(續)

An analysis of the Group's revenue and results for the year by operating segment is as follows:

本集團於年內按業務分類之收入及業績分析如下：

		Payment processing solutions 支付 交易處理 解決方案 HK\$'000 千港元	Financial solutions 金融 解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及 解決方案 HK\$'000 千港元	Information security chips and solutions 信息 安全芯片及 解決方案 HK\$'000 千港元	Platform operation solutions 平台運營 解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total Group 集團合計 HK\$'000 千港元
Year ended 31 December 2017	截至二零一七年 十二月三十一日止年度							
Segment turnover	分類營業額	1,979,939	295,328	250,960	177,224	209,683	-	2,913,134
Inter-segment turnover	分類間營業額	-	-	-	-	(3,156)	-	(3,156)
Turnover from external customers	來自外部客戶之營業額	1,979,939	295,328	250,960	177,224	206,527	-	2,909,978
Segmental EBITDA	分類EBITDA	432,375	23,942	1,692	26,867	7,259	(948)	491,187
Depreciation	折舊	(171,718)	(525)	(3,126)	(477)	(3,075)	(119)	(179,040)
Amortisation	攤銷	-	(8,555)	(254)	-	(141)	-	(8,950)
Segmental operating profit/(loss)	分類經營溢利/(虧損)	260,657	14,862	(1,688)	26,390	4,043	(1,067)	303,197
Unallocated other income	未分配其他收入							5,161
Unallocated corporate expenses	未分配企業開支							(71,443)
Finance costs	融資成本							(9)
Gain on disposal of subsidiaries	出售附屬公司收益							63,262
Share of result of an investment accounted for using the equity method	應佔以權益法入賬之 一筆投資之業績							134,531
Gain on dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項 投資權益攤薄收益							113
Profit before income tax	除所得稅前溢利							434,812
Income tax expense	所得稅開支							(45,298)
Profit for the year	年內溢利							389,514

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分類資料 (續)

		Payment processing solutions 支付 交易處理 解決方案 HK\$'000 千港元	Financial solutions 金融 解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及 解決方案 HK\$'000 千港元 (restated) (重列)	Information security chips and solutions 信息 安全芯片及 解決方案 HK\$'000 千港元 (restated) (重列)	Platform operation solutions 平台運營 解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total Group 集團合計 HK\$'000 千港元
Year ended 31 December 2016	截至二零一六年 十二月三十一日止年度							
Segment turnover	分類營業額	1,050,313	351,407	258,239	56,539	210,766	-	1,927,264
Inter-segment turnover	分類間營業額	-	(3,328)	-	-	(2,699)	-	(6,027)
Turnover from external customers	來自外部客戶之營業額	1,050,313	348,079	258,239	56,539	208,067	-	1,921,237
Segmental EBITDA	分類EBITDA	253,239	26,473	16,374	6,370	8,055	(13,438)	297,073
Depreciation	折舊	(83,587)	(1,449)	(3,449)	(499)	(3,323)	(282)	(92,589)
Amortisation	攤銷	-	(10,267)	(237)	-	-	-	(10,504)
Segmental operating profit/(loss)	分類經營溢利/(虧損)	169,652	14,757	12,688	5,871	4,732	(13,720)	193,980
Unallocated other income	未分配其他收入							4,900
Unallocated corporate expenses	未分配企業開支							(66,557)
Share of result of an investment accounted for using the equity method	應佔以權益法入賬之 一筆投資之業績							198,992
Gain on dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項 投資權益攤薄收益							826
Profit before income tax	除所得稅前溢利							332,141
Income tax expense	所得稅開支							(19,485)
Profit for the year	年內溢利							312,656

Unallocated corporate expenses represent costs that are used for all segments, including depreciation of property, plant and equipment of HK\$1,640,000 (2016: HK\$1,542,000), depreciation of investment properties of HK\$212,000 (2016: HK\$206,000) and amortisation of leasehold land of HK\$760,000 (2016: HK\$760,000), respectively.

未分配企業開支指用於所有分類之成本，分別包括物業、廠房及設備折舊1,640,000港元（二零一六年：1,542,000港元）、投資物業折舊212,000港元（二零一六年：206,000港元）及租賃土地攤銷760,000港元（二零一六年：760,000港元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

The segment assets and liabilities at 31 December 2017 and additions to non-current assets for the year ended 31 December 2017 are as follows:

6 分類資料(續)

於二零一七年十二月三十一日之分類資產與負債及截至二零一七年十二月三十一日止年度非流動資產之添置如下：

		Payment processing solutions 支付 交易處理 解決方案 HK\$'000 千港元	Financial solutions 金融解決 方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及 解決方案 HK\$'000 千港元	Information security chips and solutions 信息 安全芯片及 解決方案 HK\$'000 千港元	Platform operation solutions 平台運營 解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total Group 集團合計 HK\$'000 千港元
As at 31 December 2017	於二零一七年 十二月三十一日									
Segment assets	分類資產	1,888,946	346,121	362,179	146,695	772,790	72,020	3,154,717	(1,086,017)	5,657,451
Segment liabilities	分類負債	(1,263,715)	(315,595)	(261,928)	(110,624)	(380,191)	(170,130)	(77,740)	1,086,017	(1,493,906)
Year ended 31 December 2017	截至二零一七年 十二月三十一日止年度									
Additions to non-current assets (excluding long-term deposits, investments accounted for using the equity method, available-for- sale financial assets and financial assets at fair value through profit or loss)	非流動資產之添置(不包括 長期按金、以權益法入賬 之投資、可供出售金融資 產及按公平值計入損益之 金融資產)	388,523	1,341	464	287	2,099	4	-	-	392,718

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

The segment assets and liabilities at 31 December 2016 and additions to non-current assets for the year ended 31 December 2016 are as follows:

		Payment processing solutions 支付 交易處理 解決方案 HK\$'000 千港元	Financial solutions 金融解決 方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及 解決方案 HK\$'000 千港元 (restated) (重列)	Information security chips and solutions 信息 安全芯片及 解決方案 HK\$'000 千港元 (restated) (重列)	Platform operation solutions 平台運營 解決方案 HK\$'000 千港元	Others	Unallocated	Elimination	Total Group
As at 31 December 2016	於二零一六年 十二月三十一日									
Segment assets	分類資產	2,004,105	333,645	398,761	38,033	904,958	81,248	2,945,638	(1,207,347)	5,499,041
Segment liabilities	分類負債	(1,634,724)	(303,450)	(297,378)	(27,597)	(601,608)	(182,146)	(73,818)	1,207,347	(1,913,374)
Year ended 31 December 2016	截至二零一六年 十二月三十一日止年度									
Additions to non-current assets (excluding long-term deposits, investments accounted for using the equity method, available-for- sale financial assets and financial assets at fair value through profit or loss)	非流動資產之添置(不包括 長期按金、以權益法入賬 之投資、可供出售金融資 產及按公平值計入損益之 金融資產)	167,628	142	743	480	4,171	166	82	-	173,412

Unallocated assets mainly include an investment accounted for using the equity method of HK\$1,823,245,000 (2016: HK\$1,663,250,000) and cash and cash equivalents of HK\$527,339,000 (2016: HK\$747,471,000).

During the year, additions to non-current assets mainly comprise additions to property, plant and equipment and intangible assets (2016: same).

Information provided to the Board of Directors is measured in a manner consistent with that of the consolidated financial statements. These assets and liabilities are allocated based on the operations of the segment.

Sales between segments are carried out at normal commercial terms. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the consolidated income statement.

6 分類資料(續)

於二零一六年十二月三十一日之分類資產與負債及截至二零一六年十二月三十一日止年度非流動資產之添置如下：

未分配資產主要包括以權益法入賬之一筆投資1,823,245,000港元(二零一六年:1,663,250,000港元)以及現金及現金等價物527,339,000港元(二零一六年:747,471,000港元)。

年內，非流動資產之添置主要包括對物業、廠房及設備以及無形資產之添置(二零一六年：相同)。

向董事會提供之資料採用與綜合財務報表一致之方法計量。該等資產與負債按分類之業務分配。

分類間之銷售按一般商業條款進行。向董事會匯報自外部客戶之收入採用與綜合收益表一致之方法計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

The Group is principally domiciled in Mainland China, Hong Kong and Macau (2016: Mainland China, Hong Kong, Japan and Macau). The Group's turnover by geographical locations, which is determined by the locations in which the turnover are generated from, is as follows:

		For the year ended	
		31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Mainland China	中國大陸	2,844,322	1,863,410
Hong Kong	香港	55,651	31,506
Japan	日本	10,005	19,110
Macau	澳門	–	7,211
		2,909,978	1,921,237

The Group's non-current assets (excluding long-term deposits, investments accounted for using the equity method, available-for-sale financial assets and financial assets at fair value through profit or loss) and current assets by geographical locations, which is determined by the geographical locations in which the asset is located, is as follows:

		As at 31 December	
		於十二月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Mainland China	中國大陸	542,071	302,173
Hong Kong	香港	818	9,676
		542,889	311,849
Current assets	流動資產		
Mainland China	中國大陸	2,293,956	2,386,544
Hong Kong	香港	719,766	720,741
Japan	日本	–	222,590
Macau	澳門	2,697	7,640
		3,016,419	3,337,515

本集團按地區劃分之非流動資產(不包括長期按金、以權益法入賬之投資、可供出售金融資產及按公平值計入損益之金融資產)及流動資產(按相關資產所在地釐定)載列如下:

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 EXPENSES BY NATURE

Expenses included in cost of sales, selling expenses and administrative expenses are analysed as follows:

7 以性質區分之開支

於銷售成本、銷售開支及行政費用計入之開支分析如下：

		For the year ended	
		31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Auditor's remuneration	核數師酬金		
– audit services	– 核數服務	2,950	2,700
– non-audit services	– 非核數服務	800	800
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備折舊 (附註14)	180,680	94,131
Depreciation of investment properties (Note 13)	投資物業折舊 (附註13)	212	206
Amortisation of leasehold land (Note 15)	租賃土地攤銷 (附註15)	981	983
Amortisation of intangible assets (Note 16)	無形資產攤銷 (附註16)	8,729	10,281
Employee benefit expense (including directors' emoluments) (Note 9)	僱員福利支出 (包括董事酬金) (附註9)	513,482	443,743
Costs of inventories sold (including write-back of provision/provision for inventories) (Note 21)	售出存貨成本 (包括撥回撥備/存貨撥備) (附註21)	315,022	234,825
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約租金	31,980	27,902
Operating lease rentals in respect of equipment	設備之經營租約租金	–	17
Research and development costs (including staff cost)	研究及開發成本 (包括員工成本)	185,609	154,210
Loss on disposals of property, plant and equipment (Note 30(b))	出售物業、廠房及設備之虧損 (附註30(b))	302	754
Provision/(write-back of provision) for inventories (Note 21)	存貨撥備/(撥備撥回) (附註21)	783	(1,385)
Write-back of provision for impairment of trade receivables, net (Note 22)	應收賬款減值之撥備撥回淨額 (附註22)	–	(3,507)

8 NET FOREIGN EXCHANGE GAIN/(LOSS)

The net foreign exchange gain recognised in administrative expenses for the year ended 31 December 2017 amounted to HK\$21,626,000 (2016: loss of HK\$5,371,000).

8 外匯收益/(虧損)淨額

截至二零一七年十二月三十一日止年度，於行政費用確認之外匯收益淨額為21,626,000港元(二零一六年：虧損5,371,000港元)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

9 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) 9 僱員福利開支(包括董事酬金)

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Wages and salaries	工資及薪金	442,760	385,066
Pension costs and social security costs	退休金成本及社會保障成本	70,722	58,677
		513,482	443,743

Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2017 included four (2016: four) directors whose emoluments are reflected in the analysis shown in Note 37. The emoluments payable to the remaining one (2016: one) individual during the year are as follows:

五名最高薪人士

本集團截至二零一七年十二月三十一日止年度五名最高薪人士包括四名(二零一六年:四名)董事。彼等之酬金已在附註37分析中反映。本年度應付餘下一名(二零一六年:一名)人士之酬金如下:

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,612	2,557
Pension cost – defined contribution plan	退休金成本—定額供款計劃	61	43
		2,673	2,600

The emoluments fall within the following band:

酬金介乎下列組別:

		Number of individuals 人數	
		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	1	1

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 INCOME TAX EXPENSE

10 所得稅開支

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax	現時稅項		
– Hong Kong profits tax	– 香港利得稅	–	–
– Overseas taxation	– 海外稅項	45,344	20,017
Deferred tax	遞延稅項	(46)	(13)
Adjustments in respect or prior years	過往年度調整	–	(519)
Income tax expense	所得稅開支	45,298	19,485

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Effective from 1 January 2008, subsidiaries in the PRC are subject to corporate income tax (“CIT”) in accordance with the new PRC CIT Law as approved by the National People’s Congress on 16 March 2007. According to the new PRC CIT Law and the relevant regulations, the new CIT tax rate applicable is 25% unless preferential rates are applicable in the cities where the subsidiaries are located.

If a subsidiary is subject to CIT and qualified as High and New Technology Enterprise (“HNTE”), the applicable CIT tax rate is 15%. If a subsidiary is subject to CIT and qualified as Software and Integrated Circuit Enterprise (“SICE”), the applicable CIT tax rate is 0% for the first two years of being qualified and 12.5% for the next three years.

香港利得稅為以年內估計應課稅溢利按稅率16.5% (二零一六年: 16.5%) 計算。海外溢利稅項則以年內估計應課稅溢利，按本集團營運所在國家當時之稅率計算。

根據全國人民代表大會於二零零七年三月十六日通過之新中國企業所得稅法(「企業所得稅」)及相關法規，新中國企業所得稅法自二零零八年一月一日起生效，除非優惠稅率適用於附屬公司所在城市，否則中國附屬公司須遵照新企業所得稅適用稅率25%之規定。

倘一間附屬公司須遵照企業所得稅之規定及合資格成為高新技術企業(「高新技術企業」)，則適用企業所得稅稅率為15%。倘一間附屬公司須遵照企業所得稅之規定及合資格成為軟件及集成電路企業(「軟件及集成電路企業」)，則規定首兩年適用企業所得稅稅率為0%，隨後三年稅率為12.5%。

Notes to the Consolidated Financial Statements 綜合財務報表附註

10 INCOME TAX EXPENSE (Continued)

Applicable corporate income tax rates of principal subsidiaries

Beijing Hi Sun Advanced Business Solutions Information Technology Limited (“ABS”) was renewed as HNTE in 2015 under the new PRC CIT Law. Hangzhou PAX Electronic Technology Limited (“Hangzhou Electronic Technology”) was renewed as HNTE in 2014 under the new PRC CIT Law and re-submitted HNTE application in 2017 under the new PRC CIT Law. 隨行付支付有限公司 (“VBill”) was renewed as HNTE in 2017 under the new PRC CIT Law. Hunan Hisun Mobile Pay IT Limited (“HN Mobile Pay”) was re-qualified as HNTE in 2017 under the new PRC CIT Law. As such, the applicable corporate income tax rate for ABS, Hangzhou Electronic Technology, VBill and HN Mobile Pay was 15% for the year ended 31 December 2017. The applicable corporate income tax rate for ABS, Hangzhou Electronic Technology and VBill was 15% and for HN Mobile Pay was 25% for the year ended 31 December 2016.

Megahunt Microelectronic Technology (Beijing) Company Limited (“Megahunt Microelectronic Technology”) was qualified as SICE in 2015 under the new PRC CIT Law. As such, the applicable corporate income tax rate for Megahunt Microelectronic Technology was 12.5% (2016: 0%) for the year ended 31 December 2017.

10 所得稅開支(續)

主要附屬公司之適用企業所得稅率

北京高陽金信信息技術有限公司(「高陽金信信息」)於二零一五年根據中國新企業所得稅法續新為高新技術企業。杭州百富電子技術有限公司(「杭州電子技術」)於二零一四年根據中國新企業所得稅法續新為高新技術企業，以及於二零一七年根據中國新企業所得稅法再次申請為高新技術企業。隨行付支付有限公司(「隨行付」)於二零一七年根據中國新企業所得稅法續新為高新技術企業。湖南高陽通聯信息技術有限公司(「湖南高陽通聯」)於二零一七年根據中國新企業所得稅法再次合資格為高新技術企業。因此，截至二零一七年十二月三十一日止年度，高陽金信信息、杭州電子技術、隨行付及湖南高陽通聯之適用企業所得稅率為15%。截至二零一六年十二月三十一日止年度，高陽金信信息、杭州電子技術及隨行付之適用企業所得稅率為15%，湖南高陽通聯之適用企業所得稅率為25%。

兆訊恒達微電子技術(北京)有限公司(「兆訊恒達微電子技術」)於二零一五年根據中國新企業所得稅法合資格成為軟件及集成電路企業。因此，截至二零一七年十二月三十一日止年度，兆訊恒達微電子技術之適用企業所得稅率為12.5%(二零一六年：0%)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 INCOME TAX EXPENSE (Continued)

Applicable corporate income tax rates of principal subsidiaries (Continued)

The taxation on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities in the respective jurisdictions as follows:

10 所得稅開支 (續)

主要附屬公司之適用企業所得稅率 (續)

本集團除所得稅前溢利之稅項與各司法權區採用適用於綜合實體溢利之加權平均稅率所計算理論稅額之差額如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	434,812	332,141
Tax calculated at domestic tax rates applicable to profit in the respective countries	按於各個國家產生溢利之適用當地稅率計算之稅項	65,712	52,879
Tax effects of:	稅務影響：		
Income not subject to taxation	毋須課稅收入	(46,958)	(45,360)
Expenses not deductible for tax purposes	就課稅而言不可扣稅之開支	4,662	4,837
Utilisation of previously unrecognised tax losses	動用過往未確認之稅項虧損	(718)	(12,017)
Tax losses for which no deferred income tax was recognised	並無遞延所得稅獲確認之稅項虧損	22,600	19,665
Adjustments in respect of prior years	過往年度調整	-	(519)
Income tax expense	所得稅開支	45,298	19,485

The weighted average applicable tax rate was 15.1% for the year ended 31 December 2017 (2016: 15.9%). The change is caused by a change in the profitability mix of the Group's subsidiaries in the respective countries.

截至二零一七年十二月三十一日止年度，加權平均適用稅率為15.1%（二零一六年：15.9%）。變動原因乃本集團之附屬公司於相關國家之盈利能力組合出現變動所致。

Notes to the Consolidated Financial Statements 綜合財務報表附註

11 DIVIDENDS

No dividend has been paid or declared by the Company for the year ended 31 December 2017 (2016: Nil).

12 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利 (千港元)	346,144	283,964
Weighted average number of ordinary shares in issue (thousands shares)	已發行普通股加權平均數 (千股)	2,776,834	2,776,834
Basic earnings per share (HK\$ per share)	每股基本盈利(每股港元)	0.125	0.102

(b) Diluted

Diluted earnings per share is calculated by adjusting the net income and the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive shares.

For the year ended 31 December 2017, the Group has three categories (2016: same) of potentially dilutive shares: share options issued by an associated company – PAX Global Technology Limited (“PAX Global”), and share options and convertible preference shares issued by an associated company – Cloopen Group Holding Limited (“Cloopen”).

11 股息

截至二零一七年十二月三十一日止年度，本公司並無派付或宣派任何股息(二零一六年：無)。

12 每股盈利

(a) 基本

每股基本盈利乃按本公司擁有人應佔溢利除年內已發行普通股加權平均數計算。

(b) 攤薄

每股攤薄盈利乃按轉換所有潛在攤薄股份之假設而調整收入淨額及發行在外普通股加權平均數計算。

截至二零一七年十二月三十一日止年度，本集團有三類(二零一六年：相同)具潛在攤薄效應之股份：一間聯營公司—百富環球科技有限公司(「百富環球」)發行之購股權及一間聯營公司—Clopen Group Holding Limited(「Clopen」)發行之購股權及可換股優先股。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 EARNINGS PER SHARE (Continued)

(b) Diluted (Continued)

Dilutive effects arise from share options issued by PAX Global for the year ended 31 December 2017 (2016: same).

For share options issued by PAX Global, the exercise of the outstanding share options in PAX Global would have a dilutive effect. The exercise of the share options in PAX Global would be dilutive if the net profit attributable to the owners of the Company will decrease as a result of the decrease in the Group's share of profit of associated company and reduce in gain on dilution of interest in an associated company. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual fair value of the associated company's shares) based on the monetary value of the subscription rights attached to outstanding share options of PAX Global. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options of PAX Global.

For share options and convertible preference shares issued by Cloopen, as at 31 December 2017, the carrying amount of the interest in Cloopen was zero (2016: same). As at 31 December 2017, the Group's share of loss exceeded its interest in the ordinary shares of Cloopen, the exercise of the abovementioned share options and convertible preference shares would not have any impact on the diluted earnings per share (2016: same).

12 每股盈利(續)

(b) 攤薄(續)

百富環球於截至二零一七年十二月三十一日止年度發行購股權產生攤薄影響(二零一六年:相同)。

就百富環球發行之購股權而言,行使百富環球之未行使購股權可能具有攤薄影響。倘本集團應佔聯營公司溢利減少及於聯營公司之權益攤薄收益減少將導致本公司擁有人應佔溢利淨額減少,則行使百富環球之購股權將具有攤薄影響。釐定可按公平值收購之股份數目(按聯營公司股份之平均年度公平值釐定)乃根據百富環球之未行使購股權所附之認購權貨幣價值計算。上文所計算之股份數目乃與假設百富環球之購股權獲行使之已發行股份數目作比較。

就Cloopen發行之購股權及可換股優先股而言,於二零一七年十二月三十一日,於Cloopen之權益賬面值為零(二零一六年:相同)。於二零一七年十二月三十一日,本集團應佔虧損超過其於Cloopen普通股之權益,故行使上述購股權及可換股優先股將不會對每股攤薄盈利造成任何影響(二零一六年:相同)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 EARNINGS PER SHARE (Continued)

12 每股盈利(續)

(b) Diluted (Continued)

(b) 攤薄(續)

		For the year ended	
		31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利(千港元)	346,144	283,964
Assuming exercise of all outstanding dilutive share options issued by the associated company (HK\$'000)	假設一間聯營公司發行之所有尚未行使購股權獲悉數行使(千港元)		
– Decrease in share of profit of the associated company	– 於一間聯營公司之應佔溢利減少	(89)	(1,027)
– Reduce in gain on dilution of the associated company	– 於一間聯營公司之攤薄收益減少	(2,316)	(6,573)
Adjusted profit attributable to owners of the Company used to determine diluted earnings per share (HK\$'000)	用以釐定每股攤薄盈利之本公司擁有人應佔經調整溢利(千港元)	343,739	276,364
Weighted average number of ordinary shares for diluted earnings per share (thousands shares)	每股攤薄盈利之普通股加權平均數(千股)	2,776,834	2,776,834
Diluted earnings per share attributable to the owners of the Company (HK\$ per share)	本公司擁有人應佔每股攤薄溢利(每股港元)	0.124	0.100

Notes to the Consolidated Financial Statements

綜合財務報表附註

13 INVESTMENT PROPERTIES

13 投資物業

		Buildings 樓宇 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	
Cost	成本	3,446
Accumulated depreciation	累計折舊	(1,557)
Net book amount	賬面淨值	1,889
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度	
Opening net book value	年初賬面淨值	1,889
Transfer from property, plant and equipment (Note 14)	轉自物業、廠房及設備 (附註14)	371
Depreciation	折舊	(206)
Closing net book value	年終賬面淨值	2,054
At 31 December 2016	於二零一六年十二月三十一日	
Cost	成本	4,125
Accumulated depreciation	累計折舊	(2,071)
Net book amount	賬面淨值	2,054
Fair value (Note)	公平值(附註)	11,017
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度	
Opening net book value	年初賬面淨值	2,054
Transfer from property, plant and equipment (Note 14)	轉自物業、廠房及設備 (附註14)	64
Depreciation	折舊	(212)
Closing net book value	年終賬面淨值	1,906
At 31 December 2017	於二零一七年十二月三十一日	
Cost	成本	4,256
Accumulated depreciation	累計折舊	(2,350)
Net book amount	賬面淨值	1,906
Fair value (Note)	公平值(附註)	11,989

Notes to the Consolidated Financial Statements 綜合財務報表附註

13 INVESTMENT PROPERTIES (Continued)

Note:

Fair value measurements using significant other observable inputs (level 2)

The investment properties located at Level 15 to 17, Yindu Building, No. 67 Fu Cheng Road, Haidian District, Beijing City, PRC (北京市海淀區阜成路67號銀都大廈15-17樓). The fair value as at 31 December 2017 was assessed by the independent and professionally qualified valuer, Asset Appraisal Limited.

The valuation was determined using the direct comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

At 31 December 2017, the Group had no unprovided contractual obligations for future repairs and maintenance (2016: Nil).

All depreciation expense during the year has been charged to administrative expenses (2016: same).

The following amounts have been recognised in the consolidated income statement:

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Rental income	租金收入	2,210	3,584
Direct operating expenses arising from investment property that generated rental income	帶有租金收入之投資物業所產生之直接經營開支	(434)	(332)

There were no direct operating expenses arising from investment property that did not generate rental income during the year (2016: same).

The period of leases whereby the Group leases out its investment properties under operating leases ranged from 1 to 2 years (2016: same).

At 31 December 2016 and 2017, the future aggregate minimum rentals receivables under non-cancellable operating leases are as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than 1 year	不超過1年	1,378	2,956
Later than 1 year and not later than 5 years	超過1年但不超過5年	-	885
		1,378	3,841

13 投資物業(續)

附註:

以其他重大可觀察輸入數據作為公平值計量(第二級)

投資物業位於北京市海淀區阜成路67號銀都大廈15-17樓。於二零一七年十二月三十一日之公平值由獨立專業合資格估值師中誠達資產評值顧問有限公司評定。

估值乃採用直接比較法釐定。於鄰近地區可比較物業之銷售價格會就主要屬性(例如物業面積)之差異作出調整。此估值方法之最重大輸入值為每平方呎價。

於二零一七年十二月三十一日,本集團概無有關日後維修及保養而未作撥備之合約責任(二零一六年:無)。

年內所有折舊開支已計入行政費用(二零一六年:相同)。

以下金額已於綜合收益表內確認:

年內,不帶有租金收入之投資物業並無產生任何直接經營開支(二零一六年:相同)。

本集團根據經營租約租出其投資物業之租期介乎1至2年(二零一六年:相同)。

於二零一六年及二零一七年十二月三十一日,根據不可撤銷經營租約之未來最低應收租金總額如下:

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Buildings	Leasehold improvements	Office	Plant and equipment	Motor vehicles	Total
				furniture and equipment			
		樓宇	物業裝修	租賃辦公室 家具及設備	廠房及設備	汽車	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日						
Cost	成本	40,760	26,823	211,569	249,444	31,502	560,098
Accumulated depreciation	累計折舊	(16,625)	(20,187)	(188,966)	(89,806)	(23,193)	(338,777)
Accumulated impairment loss	累計減值虧損	-	-	-	(7,087)	-	(7,087)
Net book amount	賬面淨值	24,135	6,636	22,603	152,551	8,309	214,234
Year ended 31 December 2016	截至二零一六年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	24,135	6,636	22,603	152,551	8,309	214,234
Additions	添置	-	-	16,257	154,425	671	171,353
Acquisition of a subsidiary	收購一間附屬公司	-	159	7	-	-	166
Transfer to investment properties (Note 13)	轉往投資物業 (附註13)	(371)	-	-	-	-	(371)
Disposals (Note 30(b))	出售(附註30(b))	-	-	(980)	(159)	(69)	(1,208)
Depreciation	折舊	(1,819)	(2,108)	(13,635)	(73,887)	(2,682)	(94,131)
Transferred to disposal group classified as held-for-sales	轉往分類為持作出售之 出售組別	-	-	(4,748)	(2,782)	-	(7,530)
Exchange realignment	匯兌調整	(1,269)	(292)	(1,280)	(12,226)	(332)	(15,399)
Closing net book amount	年終賬面淨值	20,676	4,395	18,224	217,922	5,897	267,114
At 31 December 2016	於二零一六年十二月三十一日						
Cost	成本	37,812	25,700	127,341	377,835	30,138	598,826
Accumulated depreciation	累計折舊	(17,136)	(21,305)	(109,117)	(153,248)	(24,241)	(325,047)
Accumulated impairment loss	累計減值虧損	-	-	-	(6,665)	-	(6,665)
Net book amount	賬面淨值	20,676	4,395	18,224	217,922	5,897	267,114
Year ended 31 December 2017	截至二零一七年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	20,676	4,395	18,224	217,922	5,897	267,114
Additions	添置	-	187	12,528	377,244	2,545	392,504
Transfer to investment properties (Note 13)	轉往投資物業 (附註13)	(64)	-	-	-	-	(64)
Disposals (Note 30(b))	出售(附註30(b))	-	-	(467)	(147)	-	(614)
Depreciation	折舊	(1,801)	(2,143)	(10,924)	(162,952)	(2,860)	(180,680)
Exchange realignment	匯兌調整	1,528	276	1,513	25,058	389	28,764
Closing net book amount	年終賬面淨值	20,339	2,715	20,874	457,125	5,971	507,024
At 31 December 2017	於二零一七年十二月三十一日						
Cost	成本	40,587	26,860	139,520	797,705	32,274	1,036,946
Accumulated depreciation	累計折舊	(20,248)	(24,145)	(118,646)	(333,390)	(26,303)	(522,732)
Accumulated impairment loss	累計減值虧損	-	-	-	(7,190)	-	(7,190)
Net book amount	賬面淨值	20,339	2,715	20,874	457,125	5,971	507,024

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14 PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expense of HK\$164,844,000 (2016: HK\$78,230,000) has been expensed in cost of sales, HK\$520,000 (2016: HK\$381,000) in selling expenses and HK\$15,316,000 (2016: HK\$15,520,000) in administrative expenses respectively.

As at 31 December 2017, banking facilities of approximately HK\$19,192,000 (2016: HK\$17,786,000) were secured by buildings with a net book value of HK\$9,000,000 (2016: HK\$9,330,000).

15 LEASEHOLD LAND

The movement of the net book amount for leasehold land is as follows:

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Opening net book amount	年初賬面淨值	32,215	33,785
Amortisation	攤銷	(981)	(983)
Exchange realignment	匯兌調整	740	(587)
Closing net book amount	年終賬面淨值	31,974	32,215

During the year, amortisation expense of HK\$55,000 (2016: HK\$55,000) has been expensed in cost of sales and HK\$926,000 (2016: HK\$928,000) in administrative expenses, respectively.

As at 31 December 2017, banking facilities of approximately HK\$19,192,000 (2016: HK\$17,786,000) were secured by leasehold land with a total net carrying amount of HK\$3,098,000 (2016: HK\$2,948,000).

14 物業、廠房及設備(續)

折舊開支中164,844,000港元(二零一六年: 78,230,000港元)已於銷售成本中支銷, 520,000港元(二零一六年: 381,000港元)於銷售開支支銷及15,316,000港元(二零一六年: 15,520,000港元)已於行政費用支銷。

於二零一七年十二月三十一日, 銀行信貸約19,192,000港元(二零一六年: 17,786,000港元)以賬面淨值9,000,000港元(二零一六年: 9,330,000港元)之樓宇作抵押。

15 租賃土地

租賃土地之賬面淨值變動如下:

年內, 攤銷費用中55,000港元(二零一六年: 55,000港元)已於銷售成本支銷及926,000港元(二零一六年: 928,000港元)於行政費用支銷。

於二零一七年十二月三十一日, 銀行信貸約19,192,000港元(二零一六年: 17,786,000港元)已由賬面淨值總額3,098,000港元(二零一六年: 2,948,000港元)之租賃土地作抵押。

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16 INTANGIBLE ASSETS

16 無形資產

		Goodwill	Brand name	Customer list and contracts	Patents and capitalised software development costs	In progress technology	Computer software	Total
		商譽	品牌	客戶名單及合約	專利及已撥充資本之軟件成本	研發中技術	電腦軟件	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日							
Cost	成本	116,436	4,721	4,721	23,842	6,308	30,800	186,828
Accumulated amortisation	累計攤銷	-	(4,721)	(4,721)	(23,809)	(6,308)	(11,978)	(51,537)
Accumulated impairment loss	累計減值虧損	(116,436)	-	-	-	-	-	(116,436)
Net book amount	賬面淨值	-	-	-	33	-	18,822	18,855
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度							
Opening net book amount	年初賬面淨值	-	-	-	33	-	18,822	18,855
Acquisition of a subsidiary	收購一間附屬公司	1,515	-	200	-	-	178	1,893
Amortisation charge	攤銷支出	-	-	-	(14)	-	(10,267)	(10,281)
Exchange realignment	匯兌調整	-	-	-	(1)	-	-	(1)
Closing net book amount	年終賬面淨值	1,515	-	200	18	-	8,733	10,466
At 31 December 2016	於二零一六年十二月三十一日							
Cost	成本	104,686	4,446	4,646	22,456	5,942	30,978	173,154
Accumulated amortisation	累計攤銷	-	(4,446)	(4,446)	(22,438)	(5,942)	(22,245)	(59,517)
Accumulated impairment loss	累計減值虧損	(103,171)	-	-	-	-	-	(103,171)
Net book amount	賬面淨值	1,515	-	200	18	-	8,733	10,466
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度							
Opening net book amount	年初賬面淨值	1,515	-	200	18	-	8,733	10,466
Additions	添置	-	-	-	214	-	-	214
Amortisation charge	攤銷支出	-	-	(105)	(32)	-	(8,592)	(8,729)
Exchange realignment	匯兌調整	-	-	13	8	-	13	34
Closing net book amount	年終賬面淨值	1,515	-	108	208	-	154	1,985
At 31 December 2017	於二零一七年十二月三十一日							
Cost	成本	114,008	4,798	5,014	24,454	6,411	30,992	185,677
Accumulated amortisation	累計攤銷	-	(4,798)	(4,906)	(24,246)	(6,411)	(30,838)	(71,199)
Accumulated impairment loss	累計減值虧損	(112,493)	-	-	-	-	-	(112,493)
Net book amount	賬面淨值	1,515	-	108	208	-	154	1,985

During the year, amortisation expense of HK\$8,697,000 (2016: HK\$10,267,000) has been expensed in cost of sales and HK\$32,000 (2016: HK\$14,000) in administrative expenses, respectively.

年內，攤銷費用中8,697,000港元(二零一六年：10,267,000港元)已於銷售成本支銷及32,000港元(二零一六年：14,000港元)於行政費用支銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 AVAILABLE-FOR-SALE FINANCIAL ASSETS

The Group's available-for-sale financial assets include unlisted equity security and unlisted investment fund with the following details:

17 可供出售金融資產

本集團可供出售金融資產包括非上市股本證券及非上市投資基金，詳情如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	106,113	6,982
Addition	添置	-	82,518
Fair value gains on revaluation recognised in other comprehensive income	於其他全面收益確認之重估公平值收益	61,635	22,755
Exchange realignment	匯兌調整	10,637	(6,142)
At 31 December	於十二月三十一日	178,385	106,113
Unlisted equity investments outside Hong Kong	香港境外之非上市股本投資	15,536	14,664
Unlisted investment fund outside Hong Kong	香港境外之非上市投資基金	162,849	91,449
		178,385	106,113

The carrying amounts of the available-for-sale financial assets are denominated in RMB.

可供出售金融資產之賬面值按人民幣列值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS 18 按公平值計入損益之金融資產

The Group's financial assets at fair value through profit or loss represent investment in unlisted convertible preference shares and listed equity securities with the following details:

本集團按公平值計入損益之金融資產指於非上市可換股優先股及上市股本證券之投資，詳情如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	76,880	–
Addition	添置	2,950	78,000
Net fair value gains/(losses) on revaluation recognised in consolidated income statement	於綜合收益表確認之重估公平值收益／(虧損)淨額	16,357	(1,120)
At 31 December	於十二月三十一日	96,187	76,880
Non-current assets	非流動資產		
Unlisted convertible preference shares outside Hong Kong (Note (a))	香港境外之非上市可換股優先股 (附註(a))	93,485	76,880
Current assets	流動資產		
Listed equity securities in Hong Kong (Note (b))	香港之上市股本證券 (附註(b))	2,702	–
		96,187	76,880

Notes to the Consolidated Financial Statements 綜合財務報表附註

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes:

(a) Unlisted convertible preference shares outside Hong Kong

On 10 June 2016, the Group subscribed 7,443,326 Convertible Series C Preferred Shares (the "Convertible Series C Preferred Shares") of Cloopen (Note 20). The consideration for the Convertible Series C Preferred Shares subscribed by the Group was approximately HK\$78,000,000 (equivalent to US\$10,000,000).

The Group, as a holder of the Convertible Series C Preferred Shares has:

- (i) an option to request Cloopen to redeem the Convertible Series C Preferred Shares at the price equal to the greater of the issue price with an 8% compound interest per annum return plus any accrued but unpaid dividends or the fair value at the date of redemption after the earliest of 10 June 2020 or the occurrence of other conditions as provided for under the definitive subscription agreement; and
- (ii) an option to convert the Convertible Series C Preferred Shares into ordinary shares of Cloopen at the conversion price based on certain conditions on the date of conversion as provided for under the definitive subscription agreement.

The Convertible Series C Preferred Shares, together with the abovementioned options, were designated as a financial asset at fair value through profit or loss and recognised at fair values. The fair values of the Convertible Series C Preferred Shares were valued by an independent valuer at the date of initial inception and on 31 December 2017.

The carrying amount of the unlisted convertible preference shares is denominated in US\$.

(b) Listed equity securities in Hong Kong

The fair value of the listed equity securities is based on their current bid prices in an active market and their carrying amount is denominated in HK\$.

Changes in fair value of financial assets at fair value through profit or loss are recorded in 'other gains/(losses), net' in the consolidated income statement.

18 按公平值計入損益之金融資產(續)

附註:

(a) 香港境外之非上市可換股優先股

於二零一六年六月十日,本集團認購7,443,326股 Cloopen之C系列可換股優先股(「C系列可換股優先股」)(附註20)。本集團所認購C系列可換股優先股之代價約為78,000,000港元(相當於10,000,000美元)。

本集團(作為C系列可換股優先股持有人)有:

- (i) 權利要求Cloopen於二零二零年六月十日或發生最終認購協議所訂明之其他條件(以較早者為準)後按相等於下列較高者之價格贖回C系列可換股優先股:具8%複合年利率回報加任何應計但未付股息之發行價或於贖回日期之公平值;及
- (ii) 權利於最終認購協議所訂明之轉換日期根據若干條件按轉換價將C系列可換股優先股轉換為 Cloopen之普通股。

C系列可換股優先股連同上述權利乃指定為按公平值計入損益之金融資產,並按公平值確認。C系列可換股優先股之公平值乃由獨立估值師於首次入賬日期及二零一七年十二月三十一日進行估值。

非上市可換股優先股的賬面值乃以美元列值。

(b) 香港之上市股本證券

上市股本證券的公平值乃基於活躍市場之現時競投價,且其賬面值乃以港元列值。

按公平值計入損益之金融資產之公平值變動乃於綜合收益表內「其他收益/(虧損)淨額」中列賬。

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綜合財務報表附註

19 SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2017:

19 附屬公司

於二零一七年十二月三十一日，主要附屬公司之名單如下：

Name	Place of incorporation and type of legal entity	Principal activities and place of operation	Particulars of issued share capital/ registered capital	Proportion of ordinary shares directly held by the Group (%)	Proportion of ordinary shares held by non-controlling interests (%)
名稱	註冊成立地點及法定實體類別	主要業務及營業地點	已發行股本／註冊資本詳情	本集團直接持有之普通股比例 (%)	非控股權益持有之普通股比例 (%)
Beijing Hi Sun Advanced Business Solutions Information Technology Limited 北京高陽金信信息技術有限公司	The PRC, limited liability company 中國·有限公司	Provision of financial solutions, services and related products in PRC 在中國提供金融解決方案、服務及相關產品	HK\$ 100,000,000 100,000,000港元	100%	—
Hunan Hisun Mobile Pay IT Limited* 湖南高陽通聯信息技術有限公司*	The PRC, limited liability company 中國·有限公司	Provision of platform operation solutions in PRC 在中國提供平台運營解決方案	RMB 42,435,000 人民幣 42,435,000元	100%	—
Hangzhou PAX Electronic Technology Limited 杭州百富電子技術有限公司	The PRC, limited liability company 中國·有限公司	Manufacturing and sales of electronic power meters and solutions in PRC 在中國生產及銷售電能計量產品及解決方案	RMB 53,400,000 人民幣 53,400,000元	100%	—
Megahunt Microelectronic Technology (Beijing) Company Limited 兆訊恒達微電子技術(北京)有限公司	The PRC, limited liability company 中國·有限公司	Sales of information security chips and solutions in PRC 銷售信息安全芯片及解決方案	HK\$ 15,000,000 15,000,000港元	100%	—
隨行付支付有限公司 隨行付支付有限公司	The PRC, limited liability company 中國·有限公司	Provision of payment processing solutions in PRC 在中國提供支付交易處理解決方案	RMB 199,900,000 人民幣 199,900,000元	80.04%	19.96%

* 隨行付支付有限公司, Hunan Hisun Mobile Pay IT Limited and 福建高陽飛動信息技術有限公司 are the subsidiaries of 重慶結行移動商務有限公司 (“Just-In Mobile”). The Company does not have legal ownership in equity of Just-In Mobile. Nevertheless, under certain contractual agreements enacted among the registered owners of Just-In Mobile, the Company and the Company's other subsidiary, the Company controls Just-In Mobile by way of controlling more than one half of the voting rights of it, governing its financial and operating policies and appointing or removing the majority of the members of its controlling authorities, and casting the majority of votes at meetings of such authorities. In addition, such contractual agreements also transfer the risks and rewards of Just-In Mobile to the Company. As a result, they are presented as the consolidating subsidiaries of the Company.

* 隨行付支付有限公司、湖南高陽通聯信息技術有限公司及福建高陽飛動信息技術有限公司為重慶結行移動商務有限公司(「重慶結行」)之附屬公司。本公司並無擁有重慶結行權益之法定擁有權。然而，根據重慶結行註冊擁有人、本公司與本公司其他附屬公司所訂立之若干合約協議，本公司透過控制重慶結行逾半投票權，控制其財務及營運決策、任免其管治組織之大部分成員，以及於該管治組織會議上投大多數票，從而控制重慶結行。此外，有關合約協議亦將重慶結行之風險及回報轉移予本公司。因此，彼等被列作本公司之綜合附屬公司。

Notes to the Consolidated Financial Statements 綜合財務報表附註

19 SUBSIDIARIES (Continued)

(a) Material non-controlling interest

The total non-controlling interest as at 31 December 2017 is HK\$104,203,000 (2016: HK\$54,451,000), of which HK\$124,776,000 (2016: HK\$73,456,000) is attributed to VBill and its subsidiaries ("VBill Group"), which is considered to be material to the Group.

Significant restrictions of subsidiaries with material non-controlling interests

Cash and short-term deposits of HK\$1,376,159,000 (2016: HK\$1,530,056,000) are held in PRC and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for VBill Group.

Summarised balance sheet:

		VBill Group	
		隨行付集團	
		As at 31 December	
		於十二月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current	非流動		
Assets	資產	474,267	231,424
Current	流動		
Assets	資產	1,407,883	1,543,446
Liabilities	負債	(1,257,020)	(1,406,854)
Net assets	資產淨值	625,130	368,016

19 附屬公司(續)

(a) 重大非控股權益

於二零一七年十二月三十一日之非控股權益總額為104,203,000港元(二零一六年: 54,451,000港元)·其中124,776,000港元(二零一六年: 73,456,000港元)與隨行付及其附屬公司(「隨行付集團」)有關·相關權益對本集團屬重大。

擁有重大非控股權益之附屬公司之顯著限制

現金及短期存款1,376,159,000港元(二零一六年: 1,530,056,000港元)乃在中國持有並受限於當地外匯管制法規。此等當地外匯管制法規規定從該國輸出資本(並非透過普通股息)之限制。

擁有重大非控股權益之附屬公司之財務資料概要

以下載列隨行付集團之財務資料概要。

資產負債表概要:

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 SUBSIDIARIES (Continued)

(a) Material non-controlling interest (Continued)

Summarised financial information of subsidiaries with material non-controlling interests (Continued)

Summarised income statement:

19 附屬公司(續)

(a) 重大非控股權益(續)

擁有重大非控股權益之附屬公司之財務資料概要(續)

收益表概要:

		VBill Group 隨行付集團	
		For the year ended 31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收入	1,969,933	1,031,203
Profit before income tax	除所得稅前溢利	259,874	174,531
Profit for the year	年內溢利	220,003	155,388
Other comprehensive income/(loss)	其他全面收益/(虧損)	37,116	(20,588)
Total comprehensive income	全面收益總額	257,119	134,800
Total comprehensive income attributable to non-controlling interests	非控股權益應佔全面收益總額	51,321	26,906

Notes to the Consolidated Financial Statements 綜合財務報表附註

19 SUBSIDIARIES (Continued)

(a) Material non-controlling interest (Continued)

Summarised financial information of subsidiaries with material non-controlling interests (Continued)

Summarised cash flows statement:

19 附屬公司(續)

(a) 重大非控股權益(續)

擁有重大非控股權益之附屬公司之財務資料概要(續)

現金流量表概要:

		VBill Group 隨行付集團	
		For the year ended 31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from operating activities	經營業務之現金流量		
Cash generated from operations	經營所得現金	134,615	850,431
Income tax paid	已支付所得稅	(32,818)	(9,779)
Cash generated from operating activities	經營業務所得現金	101,797	840,652
Cash flows from investing activities	投資活動之現金流量	(366,941)	(151,269)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物之(減少)/增加淨額	(265,144)	689,383
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	1,530,075	925,700
Exchange gain/(loss) on cash and cash equivalents	現金及現金等價物之匯兌收益/(虧損)	111,277	(85,008)
Cash and cash equivalents at end of the year	年終現金及現金等價物	1,376,208	1,530,075

The information above is the amount before inter-company eliminations.

以上資料為集團內公司間對銷前之金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD 20 以權益法入賬之投資

The balance recognised in the consolidated balance sheet is as follows:

於綜合資產負債表確認之結餘如下：

		As at 31 December	
		於十二月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Associated company:	聯營公司：		
– PAX Global (Note (a))	– 百富環球 (附註(a))	1,823,245	1,663,250

The amount of share of results recognised in the consolidated income statement is as follows:

於綜合收益表確認的業績之應佔金額如下：

		For the year ended	
		31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Associated company:	聯營公司：		
– PAX Global (Note (a))	– 百富環球 (附註(a))	134,531	198,992

The amount of gain on dilution of interest recognised in the consolidated income statement is as follows:

於綜合收益表確認之權益攤薄收益金額如下：

		For the year ended	
		31 December	
		截至十二月三十一日止年度	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Associated company:	聯營公司：		
– PAX Global (Note (a))	– 百富環球 (附註(a))	113	826

Notes to the Consolidated Financial Statements 綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued) 20 以權益法入賬之投資(續)

(a) Investment in PAX Global

Set out below is an associated company of the Group as at 31 December 2017, which, in the opinion of the directors, is material to the Group – PAX Global. PAX Global has share capital consisting solely of ordinary shares, which are held directly by the Group; its principal places of business are in the PRC, Hong Kong, the United States of America and Italy.

(a) 於百富環球之投資

下文載列於二零一七年十二月三十一日董事認為對本集團而言屬重大之本集團聯營公司—百富環球。百富環球擁有由本集團直接持有僅以普通股構成之股本，其主要營業地點為中國、香港、美國及意大利。

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定實體類別	Particular of issued share capital 已發行股本詳情	Nature of relationship 關係性質	Effective interest held 所持有之實際權益	Measurement method 計量方法
31 December 2017 二零一七年十二月三十一日					
PAX Global (Note i) 百富環球(附註i)	Bermuda, limited liability company 百慕達·有限公司	1,100,194,000 ordinary shares of HK\$0.1 each 1,100,194,000股每股面值0.1港元之普通股	Note 34 附註34	33.09% 33.09%	Equity 權益
31 December 2016 二零一六年十二月三十一日					
PAX Global (Note i) 百富環球(附註i)	Bermuda, limited liability company 百慕達·有限公司	1,107,874,000 ordinary shares of HK\$0.1 each 1,107,874,000股每股面值0.1港元之普通股	Note 34 附註34	32.86% 32.86%	Equity 權益

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued) 20 以權益法入賬之投資(續)

(a) Investment in PAX Global (Continued)

On 20 December 2010, as a result of the Group's spinoff of PAX Global to be separately listed on the Hong Kong Stock Exchange, PAX Global became an associated company of the Group. On the date when control ceased, the Group's retained interest in PAX Global was fair valued, and this give rise to the difference between the carrying value of investment in an associated company of the Group and its share of net assets value of PAX Global.

(a) 於百富環球之投資(續)

於二零一零年十二月二十日，由於本集團分拆將於香港聯交所獨立上市之百富環球，百富環球成為本集團之聯營公司。於停止控制權當日，本集團於百富環球保留之權益以公平值計量，導致於本集團聯營公司之投資之賬面值與其於百富環球資產淨值所佔份額出現差異。

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	1,663,250	1,525,040
Share of profit	應佔溢利	134,531	198,992
Share of other comprehensive income/(loss)	應佔其他全面收益/(虧損)	54,156	(41,132)
Share of other reserves	應佔其他儲備	-	1,248
Dilution of interest (Note ii)	權益攤薄(附註ii)	428	942
Dividend received	已收股息	(29,120)	(21,840)
At 31 December	於十二月三十一日	1,823,245	1,663,250

Impairment test for interest in PAX Global

As at 31 December 2017, the fair value of the Group's interest in PAX Global, which is listed on The Stock Exchange of Hong Kong Limited, was HK\$1,274,000,000 (2016: HK\$1,870,960,000) and the carrying amount of the Group's interest was HK\$1,823,245,000 (2016: HK\$1,663,250,000). The fair value is based on the current price in an active market as at balance sheet date.

於百富環球之權益之減值測試

於二零一七年十二月三十一日，本集團於百富環球(在香港聯合交易所有限公司上市)之權益公平值為1,274,000,000港元(二零一六年：1,870,960,000港元)，本集團權益之賬面值為1,823,245,000港元(二零一六年：1,663,250,000港元)。公平值乃按於結算日之活躍市場現時價格釐定。

As at 31 December 2017, the fair value of the investment is less than its carrying value. An impairment test is performed to determine the recoverable amount of the investment. The recoverable amount calculated based on value-in-use which exceeds the carrying value as at 31 December 2017.

於二零一七年十二月三十一日，投資之公平值少於其賬面值。進行減值測試旨在釐定投資之可回收金額。按照於二零一七年十二月三十一日之使用價值超出賬面值金額計算可回收金額。

Notes to the Consolidated Financial Statements 綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

20 以權益法入賬之投資(續)

(a) Investment in PAX Global (Continued)

As at 31 December 2017, the Group's interest in PAX Global was 33.09% (2016: 32.86%).

There are no contingent liabilities relating to the Group's interest in PAX Global.

Note i: PAX Global is principally engaged in the development and sales of electronic funds transfer point-of-sales ("E-payment Terminals") products, provision of payment solutions services and maintenance services (collectively, the "E-payment Terminals solution business").

Note ii: During the year ended 31 December 2017, certain employees of PAX Global exercised their share options granted pursuant to a share option scheme set up on 1 December 2010. A gain on dilution of interest in an associated company of HK\$113,000 (2016: HK\$826,000) was recognised in the consolidated income statement, including release of reserve debited to the consolidated income statement of HK\$315,000 (2016: HK\$116,000). The Group's interest in PAX Global decreased from 32.86% to 32.70% accordingly.

Note iii: During the year, PAX Global repurchased a total of 13,000,000 ordinary shares (2016: 10,000,000 ordinary shares) on the Stock Exchange of Hong Kong Limited. Such repurchased shares were subsequently cancelled during the year. The Group's interest in PAX Global increased from 32.70% to 33.09% accordingly.

(a) 於百富環球之投資(續)

於二零一七年十二月三十一日，本集團於百富環球之權益為33.09%（二零一六年：32.86%）。

概無有關本集團於百富環球之權益之或然負債。

附註i: 百富環球主要從事開發及銷售電子支付銷售點（「電子支付銷售點」）產品，以及提供支付解決方案服務及維護服務（統稱「電子支付終端解決方案業務」）。

附註ii: 截至二零一七年十二月三十一日止年度，百富環球若干僱員行使根據於二零一零年十二月一日設立之購股權計劃授出之購股權。於一間聯營公司之權益攤薄收益113,000港元（二零一六年：826,000港元）已於綜合收益表中確認，包括扣除自綜合收益表之儲備315,000港元（二零一六年：116,000港元）。因此，本集團於百富環球之權益由32.86%減至32.70%。

附註iii: 年內，百富環球在香港聯合交易所有限公司購回合共13,000,000股普通股（二零一六年：10,000,000股普通股）。有關購回股份隨後已於年內註銷。因此，本集團於百富環球之權益由32.70%增至33.09%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued) 20 以權益法入賬之投資(續)

(a) Investment in PAX Global (Continued)

Extracted financial information set out below are the summarised consolidated financial information of PAX Global which is accounted for using the equity method.

(a) 於百富環球之投資(續)

下文所載之財務資料撮要為以權益法入賬之百富環球綜合財務資料概要。

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current	流動		
Cash and cash equivalents	現金及現金等價物	2,165,224	2,207,205
Other current assets (excluding cash)	其他流動資產(不包括現金)	2,673,949	2,013,214
Total current assets	流動資產總值	4,839,173	4,220,419
Trade payables	應付賬款	(953,084)	(662,485)
Other payables and accruals	其他應付及應計款項	(281,585)	(226,791)
Other current liabilities	其他流動負債	(68,291)	(36,141)
Borrowings	借款	(14,367)	-
Total liabilities	負債總額	(1,317,327)	(925,417)
Non-current	非流動		
Assets	資產	393,043	212,644
Liabilities	負債	(17,823)	(6,363)
Net assets	資產淨值	3,897,066	3,501,283

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入	3,591,080	2,914,842
Profit for the year	年內溢利	336,566	603,434
Other comprehensive income/(loss)	其他全面收益/(虧損)	162,137	(126,208)
Total comprehensive income	全面收益總額	498,703	477,226
Dividends received from the associated company	向該聯營公司收取之股息	29,120	21,840

Notes to the Consolidated Financial Statements 綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

20 以權益法入賬之投資(續)

(b) Investment in Cloopen

Set out below is an associated company of the Group as at 31 December 2017 – Cloopen. As at 31 December 2017, the carrying value of Cloopen is nil (2016: same) which is not considered as material to the consolidated financial statements of the Group. Cloopen has share capital consisting of class A ordinary share, class B ordinary share, series A convertible preferred shares, series B convertible preferred shares and series C convertible preferred shares.

As at 31 December 2017, the Group's effective interest in the ordinary shares of Cloopen, calculated based on all issued and outstanding ordinary shares of Cloopen which are held by the Group, is 50.51% (2016: 47.85%).

There are no contingent liabilities and commitments to provide funding relating to the Group's interest in Cloopen.

The interest in Cloopen was initially measured at fair value. The carrying amount was increased or decreased to recognise the Group's share of the profits or loss and movements in other comprehensive income or loss of the interest in Cloopen to the extent the carrying amount of the interest in Cloopen reduced to nil due to losses, after the initial recognition. As at 31 December 2017, the Group's share of loss of Cloopen exceeded its interest in the ordinary shares of Cloopen, there are no overall financial impact on the consolidated income statement from the investment for the current year. As at 31 December 2017, the unrecognised share of loss of the interest in Cloopen is HK\$270,658,000 (2016: HK\$134,079,000).

(b) 於Cloopen之投資

下文載列於二零一七年十二月三十一日本集團之聯營公司—Cloopen。於二零一七年十二月三十一日，Cloopen之賬面值為零(二零一六年：相同)，對本集團之綜合財務報表不屬重大。Cloopen擁有之股本由A類普通股、B類普通股、A系列可換股優先股、B系列可換股優先股及C系列可換股優先股構成。

於二零一七年十二月三十一日，按本集團所持Cloopen全部已發行及發行在外普通股計算，本集團於Cloopen之實際普通股權益為50.51%(二零一六年：47.85%)。

概無就本集團於Cloopen之權益提供資金之或然負債及承擔。

於Cloopen之權益初步按公平值計量。在初次確認後倘於Cloopen之權益之賬面值因虧損減至零，賬面值將因應本集團應佔於Cloopen之權益之損益份額以及其他全面收益或虧損變動而增加或減少。於二零一七年十二月三十一日，本集團應佔Cloopen之虧損超過其於Cloopen普通股之權益，該項投資於本年並無對綜合收益表構成整體財務影響。於二零一七年十二月三十一日，未確認應佔於Cloopen之權益之虧損為270,658,000港元(二零一六年：134,079,000港元)。

21 INVENTORIES

21 存貨

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Raw materials	原材料	7,053	47,275
Work-in-progress	在製品	65,956	2,616
Finished goods	製成品	22,398	25,081
		95,407	74,972

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 INVENTORIES (Continued)

The cost of inventories recognised in cost of sales amounted to HK\$315,022,000 (2016: HK\$234,825,000), which included provision for inventories of HK\$783,000 (2016: write-back of provision of HK\$1,385,000).

The gross amount of inventories carried at net realisable value amounted to approximately HK\$37,689,000 (2016: HK\$34,176,000) as at 31 December 2017. Full provision has been made with regard to these balances.

21 存貨 (續)

確認為銷售成本之存貨成本達315,022,000港元(二零一六年: 234,825,000港元), 包括存貨撥備783,000港元(二零一六年: 撥備撥回1,385,000港元)。

於二零一七年十二月三十一日, 按可變現淨值列賬之存貨總額約為37,689,000港元(二零一六年: 34,176,000港元), 並已就此等結餘作出全數撥備。

22 TRADE AND BILLS RECEIVABLES AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

22 應收賬款及應收票據及其他應收款項、預付款項及按金

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current portion	即期部分		
Trade receivables (Note (a))	應收賬款 (附註(a))	270,240	247,647
Bills receivables (Note (b))	應收票據 (附註(b))	13,902	1,284
Less: provision for impairment of receivables (Note (c))	減: 應收款項減值撥備 (附註(c))	(5,823)	(5,397)
		278,319	243,534
Prepayments, deposits and other receivables:	預付款項、按金及其他應收款項:		
Prepayments	預付款項	19,857	15,086
Deposits	按金	12,237	11,193
Others	其他	33,973	11,761
		66,067	38,040
		344,386	281,574
Non-current portion	非即期部分		
Long-term deposits and prepayments	長期按金及預付款項	3,028	3,434
Total	合計	347,414	285,008

Notes to the Consolidated Financial Statements 綜合財務報表附註

22 TRADE AND BILLS RECEIVABLES AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

The carrying amounts approximate their fair values. The carrying amounts of the trade and bills receivables, other receivables, prepayments and deposits and long-term deposits and prepayments are denominated in the following currencies:

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
HK\$	港元	3,778	9,705
RMB	人民幣	342,435	273,493
JPY	日圓	—	603
Macanese pataca ("MOP")	澳門幣(「澳門幣」)	1,201	1,207
		347,414	285,008

(a) Trade receivables

The Group's credit terms to trade debtors range from 0 to 180 days. The ageing analysis of the trade receivables primarily based on invoice date was as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Current to 90 days	即期至90日	188,974	170,730
91 to 180 days	91至180日	27,060	18,925
181 to 365 days	181至365日	19,564	23,981
Over 365 days	365日以上	34,642	34,011
		270,240	247,647

As at 31 December 2017, trade receivables included retention money receivables of HK\$50,513,000 (2016: HK\$52,230,000), which represents approximately 10% to 20% (2016: same) of the relevant contract sum granted to certain customers in the PRC that have a retention period of normally one year. As at 31 December 2017, the retention money receivables aged over 365 days primarily based on invoice date amounted to HK\$25,766,000 (2016: HK\$25,806,000).

22 應收賬款及應收票據及其他應收款項、預付款項及按金(續)

賬面值與其公平值相若。應收賬款及應收票據、其他應收款項、預付款項及按金以及長期按金及預付款項之賬面值乃以下列貨幣列值：

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
HK\$	港元	3,778	9,705
RMB	人民幣	342,435	273,493
JPY	日圓	—	603
Macanese pataca ("MOP")	澳門幣(「澳門幣」)	1,201	1,207
		347,414	285,008

(a) 應收賬款

本集團給予貿易債務人之信貸期由0至180日不等。主要按發票日期作出之應收賬款賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Current to 90 days	即期至90日	188,974	170,730
91 to 180 days	91至180日	27,060	18,925
181 to 365 days	181至365日	19,564	23,981
Over 365 days	365日以上	34,642	34,011
		270,240	247,647

於二零一七年十二月三十一日，應收賬款包括應收保固金50,513,000港元(二零一六年：52,230,000港元)，佔授予若干中國客戶相關合約款項約10%至20%(二零一六年：相同)，該等客戶之保固期限一般為一年。於二零一七年十二月三十一日，主要按發票日期計算賬齡超過365日以上之應收保固金為25,766,000港元(二零一六年：25,806,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 TRADE AND BILLS RECEIVABLES AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

(Continued)

(a) Trade receivables (Continued)

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

As of 31 December 2017, trade receivables of HK\$42,301,000 (2016: HK\$39,444,000) were past due but not impaired. The ageing analysis of these trade receivables primarily based on invoice date was as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current to 90 days	即期至90日	-	-
91 to 180 days	91至180日	18,339	7,726
181 to 365 days	181至365日	4,015	11,308
Over 365 days	365日以上	19,947	20,410
		42,301	39,444

(b) Bills receivables

The balance represents bank acceptance notes with maturity dates within six months. The maturity profile of the bills receivables of the Group is as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Falling within 90 days	90日內	13,902	1,284

22 應收賬款及應收票據及其他應收款項、預付款項及按金 (續)

(a) 應收賬款 (續)

逾期但未減值之應收款項涉及若干與本集團有良好交易記錄之獨立客戶。鑒於過往經驗，該部分客戶之信貸質素未發生重大變化，應收款項結欠仍可全數回收，故管理層認為不需要就該等結餘作減值準備。本集團並無就任何該等應收款項結餘持有抵押品。

於二零一七年十二月三十一日，應收賬款42,301,000港元（二零一六年：39,444,000港元）乃逾期但未減值。主要按發票日期作出之該等應收賬款賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current to 90 days	即期至90日	-	-
91 to 180 days	91至180日	18,339	7,726
181 to 365 days	181至365日	4,015	11,308
Over 365 days	365日以上	19,947	20,410
		42,301	39,444

(b) 應收票據

該結餘指到期日為少於六個月之銀行承兌票據。本集團應收票據之到期情況如下：

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Falling within 90 days	90日內	13,902	1,284

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 TRADE AND BILLS RECEIVABLES AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

(c) Provision for impairment of receivables

As of 31 December 2017, trade receivables of HK\$5,823,000 (2016: HK\$5,397,000) were impaired. These impaired receivables mainly relate to individual customers who are delinquent in payment. The ageing of these receivables primarily based on invoice date was as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Over 365 days	365日以上	5,823	5,397

Movement on the provision for impairment of receivables are as follows:

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年	2016 二零一六年
At 1 January	於一月一日	5,397	18,645
Write-back of provision for impairment of trade receivables, net	應收賬款減值撥備撥回淨額	-	(3,507)
Receivables written off during the year as uncollectible	列為不可收回款項於年內撇銷之應收款項	-	(9,360)
Exchange realignment	匯兌調整	426	(381)
At 31 December	於十二月三十一日	5,823	5,397

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

22 應收賬款及應收票據及其他應收款項、預付款項及按金(續)

(c) 應收款項減值撥備

於二零一七年十二月三十一日，應收賬款5,823,000港元(二零一六年：5,397,000港元)已減值。該等已減值應收款項主要與個別拖欠款項之客戶有關。主要按發票日期作出之該等應收款項賬齡分析如下：

As at 31 December 於十二月三十一日	
2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
5,823	5,397

應收款項減值撥備變動如下：

For the year ended 31 December 截至十二月三十一日止年度	
2017 二零一七年	2016 二零一六年
5,397	18,645
-	(3,507)
-	(9,360)
426	(381)
5,823	5,397

其他類別之應收賬款及其他應收款項並無包括減值資產。

於報告日期所面對之最大信貸風險乃上述各類應收款項之賬面值。本集團並無持有任何抵押品作為擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 SHORT-TERM BANK DEPOSITS

Short-term bank deposits of HK\$16,153,000 (2016: HK\$18,388,000) represented bank deposits of the Group with original maturities over three months which are placed as guaranteed deposits for bills payables and are denominated in RMB.

24 CASH AND CASH EQUIVALENTS

23 短期銀行存款

短期銀行存款16,153,000港元(二零一六年: 18,388,000港元)指本集團就應付票據而存作保證按金及原有到期日為三個月以上之銀行存款,並以人民幣列值。

24 現金及現金等價物

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash at bank and on hand	銀行存款及手頭現金	1,804,392	1,428,187
Short-term bank deposits (original maturities of less than three months)	短期銀行存款 (原有到期日少於三個月)	737,090	1,298,546
		2,541,482	2,726,733

Included in short-term bank deposits were HK\$681,238,000 (2016: HK\$827,107,000) bank deposits with original maturities within three months and effective interest rate of 0.5% (2016: 1.8%) which are placed as guaranteed deposits for bills payables, tenders or deposits designated for settlement of certain payables in relation to the payment processing solutions business and are denominated in RMB. The remaining balance of HK\$55,852,000 (2016: HK\$471,439,000) were fixed bank deposits with effective interest rate of 2.1% (2016: 1.1%) and average maturity day of 86 days (2016: 83 days).

Funds of the Group amounting to approximately HK\$1,845,541,000 (2016: HK\$2,009,531,000) are kept in the bank accounts opened with banks in the PRC where the remittance of funds is subject to foreign exchange control.

短期銀行存款中681,238,000港元(二零一六年: 827,107,000港元)指本集團就應付票據而存作保證按金、投標或為有關支付交易處理解決方案業務之若干應付款項作為指定結算存款之銀行存款,該等銀行存款原有到期日為三個月以內及實際利率為0.5%(二零一六年: 1.8%),並以人民幣列值。餘下結餘55,852,000港元(二零一六年: 471,439,000港元)為固定銀行存款,實際利率為2.1%(二零一六年: 1.1%)及平均到期日為86日(二零一六年: 83日)。

本集團資金約為1,845,541,000港元(二零一六年: 2,009,531,000港元)存放於中國銀行開設之銀行賬戶,匯出資金須受外匯管制。

Notes to the Consolidated Financial Statements 綜合財務報表附註

24 CASH AND CASH EQUIVALENTS (Continued)

Cash and cash equivalents are denominated in the following currencies:

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
HK\$	港元	317,918	468,564
RMB	人民幣	1,820,718	1,977,699
US\$	美元	211,457	273,813
JPY	日圓	188,824	252
MOP	澳門幣	2,565	6,405
		2,541,482	2,726,733

24 現金及現金等價物(續)

現金及現金等價物按以下貨幣列值：

25 SHARE CAPITAL

25 股本

		Ordinary shares of HK\$0.0025 each 每股面值0.0025 港元之普通股	
		No. of shares 股數	HK\$'000 千港元
Authorised: At 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	法定： 於二零一六年一月一日、 二零一六年十二月三十一日、 二零一七年一月一日及 二零一七年十二月三十一日	4,000,000,000	10,000
Issued and fully paid: At 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	已發行及繳足： 於二零一六年一月一日、 二零一六年十二月三十一日、 二零一七年一月一日及 二零一七年十二月三十一日	2,776,833,835	6,942

Note:

Share options of the Company

The Company operates a share option scheme 2011 (the "Scheme") for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme include the Group's full-time employees, and Executive and non-Executive Directors. The Scheme became effective on 29 April 2011 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years from that date. No share option was granted under the Scheme.

附註：

本公司之購股權

本公司運作一項二零一一年購股權計劃(「該計劃」)，旨在吸引、留聘及激勵有才幹之僱員，以助本集團日後發展及擴充業務。該計劃之合資格參與者包括本集團之全職僱員以及執行及非執行董事。該計劃於二零一一年四月二十九日生效，除非該計劃另行取消或修訂，否則將由該日起計十年期間仍然有效及生效。並無根據該計劃授出任何購股權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 RESERVES

26 儲備

		Share premium	Contributed surplus (Note(i))	Other reserves	Exchange reserve	Retained earnings	Total
		股份溢價	實繳盈餘 (附註(i))	其他儲備	匯兌儲備	保留盈利	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	1,063,153	168,434	517,504	(10,644)	1,785,827	3,524,274
Profit for the year	年內溢利	-	-	-	-	346,144	346,144
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	72,357	-	72,357
Share of other comprehensive income/(loss) of an investment accounted for using the equity method	應佔以權益法入賬之一筆投資之其他全面收益/(虧損)	-	-	-	-	-	-
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表所產生之匯兌差額	-	-	-	56,207	-	56,207
- change in values of available-for-sale financial assets	- 可供出售金融資產之價值變動	-	-	(2,028)	-	-	(2,028)
- remeasurement of post employment benefit obligations	- 重新計量離職後福利責任	-	-	(23)	-	-	(23)
Release of reserve upon dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項投資權益攤薄後釋出之儲備	-	-	-	-	-	-
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表產生之匯兌差額	-	-	-	315	-	315
Change in values of available-for-sale financial assets	可供出售金融資產之價值變動	-	-	61,635	-	-	61,635
Release of reserves upon disposal of subsidiaries	於出售附屬公司後釋出之儲備	-	-	-	(1,699)	-	(1,699)
Release of reserves upon deregistration of a subsidiary	取消註冊一間附屬公司後釋出之儲備	-	-	-	(4,782)	-	(4,782)
At 31 December 2017	於二零一七年十二月三十一日	1,063,153	168,434	577,088	111,754	2,131,971	4,052,400

Notes to the Consolidated Financial Statements 綜合財務報表附註

26 RESERVES (Continued)

26 儲備(續)

		Share premium	Contributed surplus <i>(Note(i))</i>	Other reserves	Exchange reserve	Retained earnings	Total
		股份溢價	實繳盈餘 <i>(附註(i))</i>	其他儲備	匯兌儲備	保留盈利	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	1,063,153	168,434	493,501	74,935	1,501,863	3,301,886
Profit for the year	年內溢利	-	-	-	-	283,964	283,964
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	(44,563)	-	(44,563)
Share of other comprehensive loss of an investment accounted for using the equity method	應佔以權益法入賬之投資之其他全面虧損	-	-	-	-	-	-
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表所產生之匯兌差額	-	-	-	(41,132)	-	(41,132)
Release of reserve upon dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項投資權益攤薄後釋出之儲備	-	-	-	-	-	-
- exchange differences arising on translation of the financial statements of foreign subsidiaries	- 換算海外附屬公司財務報表產生之匯兌差額	-	-	-	116	-	116
Change in values of available-for-sale financial assets	可供出售金融資產之價值變動	-	-	22,755	-	-	22,755
Share of other reserves of an investment accounted for using the equity method	應佔以權益法入賬之一筆投資之其他儲備	-	-	1,248	-	-	1,248
At 31 December 2016	於二零一六年十二月三十一日	1,063,153	168,434	517,504	(10,644)	1,785,827	3,524,274

Notes:

- (i) The contributed surplus of the Group represents the difference between the nominal value of the ordinary shares and share premium account of Hi Sun Holdings Limited ("HSHL") acquired pursuant to the Group reorganisation (the "Reorganisation") on 17 October 2001 as set out in the circular to the shareholders of HSHL dated 9 August 2001, over the nominal value of the Company's shares issued in exchange thereof.
- (ii) Other reserves mainly represents the difference between the net proceeds from issuance of convertible preference shares of subsidiaries upon their conversion into ordinary shares of the Company in prior years, the reserves arising from the granting and exercising of employees' incentive programme of a subsidiary and the reserves arising from the change in values of the available-for-sale financial assets.

附註:

- (i) 本集團之實繳盈餘指向高陽控股有限公司(「高陽控股」)股東寄發日期為二零零一年八月九日之通函所載,根據於二零零一年十月十七日進行之集團重組(「重組」)所收購之高陽控股之普通股面值及股份溢價賬,與本公司就此交換之已發行股份面值之差額。
- (ii) 其他儲備主要指於過往年度獲轉換為本公司普通股後所發行附屬公司可換股優先股之所得款項淨額、授出及行使一間附屬公司之僱員獎勵計劃所產生之儲備,以及可供出售金融資產價值變動產生的儲備之差額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 RESERVES (Continued)

Notes: (Continued)

- (iii) PRC companies are required to allocate 10% of the companies' net profit to a reserve fund until such fund reaches 50% of the companies' registered capital. The statutory reserve fund can be utilised upon approval by the relevant authorities, to offset accumulated losses or to increase registered capital of the companies, provided that such fund is maintained at a minimum of 25% of the companies' registered capital. As at 31 December 2017, retained earnings comprise of statutory reserve fund amounting to HK\$88,466,000 (2016: HK\$64,921,000).

26 儲備 (續)

附註：(續)

- (iii) 中國公司必須將公司純利之10%分配至儲備金，直至該儲備金達到公司註冊資本之50%。法定儲備金經有關當局批准後可用於抵銷累計虧損或增加公司之註冊資本，惟該儲備金最低須維持於公司註冊資本之25%水平。於二零一七年十二月三十一日，保留盈利含有法定儲備金達88,466,000港元（二零一六年：64,921,000港元）。

27 TRADE AND BILLS PAYABLES, PAYABLES FOR PAYMENT PROCESSING SOLUTIONS BUSINESS AND OTHER PAYABLES AND ACCRUALS

27 應付賬款及應付票據、支付交易處理解決方案業務之應付款項、其他應付款項及應計款項

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Trade payables (Note (a))	應付賬款 (附註(a))	218,178	230,566
Bills payables (Note (b))	應付票據 (附註(b))	21,021	35,704
		239,199	266,270
Payables for payment processing solutions business (Note (c))	支付交易處理解決方案業務之應付款項 (附註(c))	292,587	808,650
Other payables and accruals (Note (d))	其他應付款項及應計款項 (附註(d))	848,409	625,417
		1,380,195	1,700,337

Trade and bills payables, payables for payment processing solutions business and other payables and accruals are denominated in the following currencies:

應付賬款及應付票據、支付交易處理解決方案業務之應付款項、其他應付款項及應計款項按以下貨幣列值：

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
HK\$	港元	41,537	32,420
RMB	人民幣	1,338,658	1,666,368
JPY	日圓	—	242
MOP	澳門幣	—	1,307
		1,380,195	1,700,337

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 TRADE AND BILLS PAYABLES, PAYABLES FOR PAYMENT PROCESSING SOLUTIONS BUSINESS AND OTHER PAYABLES AND ACCRUALS (Continued)

Notes:

(a) Trade payables

As at 31 December 2017 and 2016, the ageing analysis of the trade payables primarily based on invoice date was as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Current to 90 days	即時至90日	141,038	177,059
91 to 180 days	91至180日	33,096	33,503
181 to 365 days	181至365日	30,344	8,162
Over 365 days	365日以上	13,700	11,842
		218,178	230,566

The credit period granted by the suppliers ranges from 0 to 180 days.

獲供應商授予之信貸期介乎0至180日之間。

(b) Bills payables

The balance represents bank acceptance notes:

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Due within 90 days	90日內到期	12,971	19,161
Due within 91 to 180 days	91至180日內到期	8,050	16,543
		21,021	35,704

(c) Payables for payment processing solutions business

This balance represents payables to merchants for the payment processing solutions business. The amounts are generally due for settlement within 30 days and is denominated in RMB.

27 應付賬款及應付票據、支付交易處理解決方案業務之應付款項、其他應付款項及應計款項(續)

附註:

(a) 應付賬款

於二零一七年及二零一六年十二月三十一日，主要按發票日期作出之應付賬款賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Current to 90 days	即時至90日	141,038	177,059
91 to 180 days	91至180日	33,096	33,503
181 to 365 days	181至365日	30,344	8,162
Over 365 days	365日以上	13,700	11,842
		218,178	230,566

(b) 應付票據

餘額指銀行承兌票據：

		As at 31 December 於十二月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Due within 90 days	90日內到期	12,971	19,161
Due within 91 to 180 days	91至180日內到期	8,050	16,543
		21,021	35,704

(c) 支付交易處理解決方案業務之應付款項

有關結餘指就支付交易處理解決方案業務應付商戶之款項。有關金額一般於30日內進行結算及按人民幣列值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 TRADE AND BILLS PAYABLES, PAYABLES FOR PAYMENT PROCESSING SOLUTIONS BUSINESS AND OTHER PAYABLES AND ACCRUALS (Continued)

Notes: (Continued)

(d) Other payables and accruals

Accrued staff costs and pension obligations	應計員工成本及退休金供款	219,370	162,675
Deposits and receipt in advance	按金及預先收取款項	445,287	332,501
Others	其他	183,752	130,241
		848,409	625,417

27 應付賬款及應付票據、支付交易處理解決方案業務之應付款項、其他應付款項及應計款項(續)

附註：(續)

(d) 其他應付款項及應計款項

As at 31 December		於十二月三十一日	
2017		2016	
二零一七年		二零一六年	
HK\$'000		HK\$'000	
千港元		千港元	
	219,370		162,675
	445,287		332,501
	183,752		130,241
	848,409		625,417

28 BORROWING

28 借款

Current

Bank borrowing

即期

銀行借款

As at 31 December

於十二月三十一日

2017		2016	
二零一七年		二零一六年	
HK\$'000		HK\$'000	
千港元		千港元	
	9,596		-

As at 31 December 2017, bank borrowing would mature on 28 December 2018 and bears average interest of 4.57% annually (2016: Nil). The interest-bearing borrowing is carried at amortised cost.

At 31 December 2017, the Group's borrowing was repayable within 1 year.

The carrying amount of short-term borrowing approximate its fair value. The carrying amount of the Group's borrowing as at 31 December 2017 are denominated in the RMB.

As at 31 December 2017, the borrowing is pledged by buildings (Note 14) and leasehold land (Note 15) of the Group.

There was no borrowing as at 31 December 2016.

於二零一七年十二月三十一日，銀行借款於二零一八年十二月二十八日到期，按平均年利率4.57厘（二零一六年：無）計息。計息借款按攤銷成本列賬。

於二零一七年十二月三十一日，本集團之借款須於一年內償還。

短期借款之賬面金額與其公平值相若。於二零一七年十二月三十一日，本集團借款之賬面金額乃以人民幣計值。

於二零一七年十二月三十一日，借款由本集團樓宇（附註14）及租賃土地（附註15）作抵押。

於二零一六年十二月三十一日，概無任何借款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deferred tax assets to be recovered after 12 months	12個月後將予撥回之遞延稅項資產	(344)	(361)
Deferred tax liabilities to be settled within 12 months	12個月內將付之遞延稅項負債	49	48
Deferred tax liabilities to be settled after 12 months	12個月後將付之遞延稅項負債	458	518
Deferred tax liabilities – net	遞延稅項負債－淨額	163	205

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

年內，將相同稅項司法權區之結餘互相抵銷前，遞延稅項資產與負債之變動如下：

Deferred tax liabilities

遞延稅項負債

		2017 二零一七年			2016 二零一六年		
		Accelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	Revaluation of intangible assets 無形 資產重估 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Accelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	Revaluation of intangible assets 無形 資產重估 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January	於一月一日	136	430	566	151	371	522
Acquisition of a subsidiary	收購一間附屬公司	-	-	-	-	99	99
Credited to the consolidated income statement	計入綜合收益表	(35)	(46)	(81)	(15)	(13)	(28)
Exchange realignment	匯兌調整	-	22	22	-	(27)	(27)
At 31 December	於十二月三十一日	101	406	507	136	430	566

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 DEFERRED INCOME TAX (Continued)

Deferred tax assets

At 1 January	於一月一日
Charged to the consolidated income statement	計入綜合收益表
Exchange realignment	匯兌調整
At 31 December	於十二月三十一日

29 遞延所得稅 (續)

遞延稅項資產

As at 31 December	
於十二月三十一日	
2017	2016
二零一七年	二零一六年
HK\$'000	HK\$'000
千港元	千港元
(361)	(390)
35	15
(18)	14
(344)	(361)

Deferred tax assets are recognised for tax losses carry forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. As at 31 December 2017, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to HK\$377,874,000 (2016: HK\$400,406,000). These tax losses have no expiry date except that HK\$145,556,000 will expire from 2018 to 2022 (2016: HK\$167,687,000 will expire from 2017 to 2021). The potential deferred tax assets in respect of these tax losses which have not been recognised amounted to HK\$67,935,000 (2016: HK\$73,821,000).

As at 31 December 2017, deferred taxation has not been provided for in the consolidated financial statements in respect of the withholding tax that would be payable on unremitted earnings of certain PRC subsidiaries of the Group amounting to approximately HK\$63,326,000 (2016: HK\$44,552,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

遞延稅項資產乃因應相關稅項利益有可能透過日後應課稅溢利變現而就所結轉之稅項虧損作確認。於二零一七年十二月三十一日，本集團將結轉以抵銷日後應課稅收入之未確認稅項虧損為377,874,000港元（二零一六年：400,406,000港元）。除145,556,000港元將於二零一八年至二零二二年期間屆滿（二零一六年：167,687,000港元於二零一七年至二零二一年期間屆滿）外，該等稅項虧損並無屆滿日期。未就該等稅項虧損確認之潛在遞延稅項資產為67,935,000港元（二零一六年：73,821,000港元）。

於二零一七年十二月三十一日，由於本集團可控制撥回暫時差額之時間且暫時差額可能不會於可見未來撥回，故尚未就本集團若干中國附屬公司未匯盈利之應付預扣稅約63,326,000港元（二零一六年：44,552,000港元）於綜合財務報表作出遞延稅項撥備。

Notes to the Consolidated Financial Statements 綜合財務報表附註

30 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS 30 綜合現金流量表附註

(a) Reconciliation of profit before income tax to net cash (used in)/generated from operations

(a) 除所得稅前溢利與經營(所用)/所得現金淨額之對賬

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	434,812	332,141
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	180,680	94,131
Depreciation of investment properties	投資物業折舊	212	206
Amortisation of leasehold land	租賃土地攤銷	981	983
Amortisation of intangible assets	無形資產攤銷	8,729	10,281
Net fair values (gains)/losses on financial assets at fair value through profit or loss	按公平值計入損益之金融資產公平值(收益)/虧損淨額	(16,357)	1,120
Gain on disposal of subsidiaries	出售附屬公司收益	(63,262)	-
Gain on deregistration of a subsidiary	取消註冊一間附屬公司收益	(4,782)	-
Loss on disposals of property, plant and equipment	出售物業、廠房及設備之虧損	302	754
Provision/(write-back of provision) for inventories	存貨撥備/(撥備撥回)	783	(1,385)
Write-back of provision for impairment of trade receivables, net	應收賬款撥回減值撥備淨額	-	(3,507)
Share of result of an investment accounted for using the equity method	應佔以權益法入賬之一筆投資業績	(134,531)	(198,992)
Gain on dilution of interest in an investment accounted for using the equity method	以權益法入賬之一項投資權益攤薄收益	(113)	(826)
Interest income	利息收入	(27,807)	(19,704)
Finance costs	融資成本	9	-
Operating profit before working capital changes	營運資金變動前之經營溢利	379,656	215,202
Increase in inventories	存貨增加	(14,781)	(24,744)
Increase in trade and bills receivables and other receivables, prepayments and deposits	應收賬款及應收票據及其他應收款項、預付款項及按金增加	(174,340)	(32,412)
Increase in amounts due from investments accounted for using the equity method	應收以權益法入賬之投資之款項增加	(1,913)	(3,270)
Increase in a financial asset at fair value through profit or loss	按公平值計入損益之金融資產增加	(2,950)	-
Increase in amount due to an investment accounted for using the equity method	應付以權益法入賬之投資之款項增加	7,459	17,056
(Decrease)/increase in trade and bills payables, payables for payment processing solutions business and other payables and accruals	應付賬款及應付票據、支付交易處理解決方案業務之應付款項以及其他應付款項及應計款項(減少)/增加	(309,454)	745,931
Cash (used in)/generated from operations	經營(所用)/所得現金	(116,323)	917,763

Notes to the Consolidated Financial Statements

綜合財務報表附註

30 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS (Continued) 30 綜合現金流量表附註(續)

(b) In the cash flow statements, proceeds from disposals of property, plant and equipment comprise:

(b) 於現金流量表中，出售物業、廠房及設備所得款項包括：

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net book amount (Note 14)	賬面淨值(附註14)	614	1,208
Loss on disposals of property, plant and equipment	出售物業、廠房及設備之虧損	(302)	(754)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	312	454

(c) Reconciliation of liabilities arising from financing activities

This section sets out an analysis of liabilities arising from financing activities and the movements in liabilities arising from financing activities for each of the years presented.

(c) 融資活動產生之負債對賬

本節載列各呈列年度融資活動產生之負債及融資活動產生之負債變動之分析。

		Borrowing due within 1 year 於一年內 到期之借款 HK\$'000 千港元
As at 1 January 2017	於二零一七年一月一日	—
Cash flows	現金流量	9,258
Exchange difference	滙兌差額	338
As at 31 December 2017	於二零一七年十二月三十一日	9,596

Notes to the Consolidated Financial Statements 綜合財務報表附註

31 CONTINGENT LIABILITIES

In 2015, the Company entered into a performance guarantee agreement with a customer (the "Performance Guarantee Agreement"). Pursuant to the Performance Guarantee Agreement, the Company agreed to provide the customer with a guarantee in relation to the due and punctual performance of a subsidiary of the Group in providing services for a modernisation project with not more than HK\$60,000,000 (2016: HK\$60,000,000) and claims of infringement of third party's intellectual property right. As at 31 December 2017, the Company does not recognise any liability in relation to the Performance Guarantee Agreement as the Directors of the Company consider the possibility of reimbursement is not probable.

In 2017, the Company entered into a guarantee agreement with Megahunt Microelectronic Technology (the "Guarantee Agreement"). Pursuant to the Guarantee Agreement, the Company agreed to provide Megahunt Microelectronic Technology with a guarantee to repay the due and unsettled debts of Megahunt Microelectronic Technology payable to a supplier, should Megahunt Microelectronic Technology cease or fail to honour its obligations, with not more than HK\$46,800,000 (equivalent to US\$6,000,000). As at 31 December 2017, the Company does not recognise any liability in relation to the Guarantee Agreement as the Directors of the Company consider the possibility of reimbursement is not probable.

Save as disclosed above, the Group had no material contingent liability as at 31 December 2016 and 2017.

31 或然負債

於二零一五年，本公司與一名客戶訂立表現擔保協議（「表現擔保協議」）。根據表現擔保協議，本公司同意就本集團一間附屬公司恰當及如期為維新項目提供服務之表現，向該名客戶提供不多於60,000,000港元（二零一六年：60,000,000港元）之擔保及侵犯第三方知識產權之申索。於二零一七年十二月三十一日，由於本公司董事認為提出索償之可能性不高，故本公司並無確認有關表現擔保協議之任何負債。

於二零一七年，本公司與Megahunt Microelectronic Technology訂立擔保協議（「擔保協議」）。據此，本公司同意向Megahunt Microelectronic Technology提供不多於46,800,000港元（等於6,000,000美元）的擔保，以償還Megahunt Microelectronic Technology應付與一名供應商的到期未清償債務，惟倘Megahunt Microelectronic Technology終止或未能履行其責任。於二零一七年十二月三十一日，由於本公司董事認為提出索償的可能性不高，故本公司並無確認有關擔保協議之任何負債。

除上文披露者外，於二零一六年及二零一七年十二月三十一日，本集團並無任何重大或然負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 COMMITMENTS

(a) Operating lease commitments

As at 31 December 2017 and 2016, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		Land and buildings 土地及樓宇	
		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than one year	不超過一年	25,790	17,248
Later than one year and not later than five years	超過一年但不超過五年	50,293	55,325
Later than five years	超過五年	-	8,840
		76,083	81,413

(b) Capital commitments

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	-	41

32 承擔

(a) 經營租賃承擔

於二零一七年及二零一六年十二月三十一日，本集團於不可撤銷經營租約項下之未來最低租賃付款總額如下：

(b) 資本承擔

於年終已訂約但尚未產生之資本承擔如下：

33 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE AND GAIN ON DISPOSAL OF SUBSIDIARIES

As at 31 December 2016, the assets and liabilities related to Merchant Support Co., Ltd and its subsidiary (part of the payment processing solutions segment) (the "Disposal Group"), 100% wholly-owned subsidiaries of the Group, have been presented as held-for-sale following a memorandum of understanding entered by the Company, Merchant Support Co., Ltd and an independent third party to sell the Disposal Group in Japan (the "Disposal").

33 分類為持作出售之出售組別的資產及負債及出售附屬公司收益

於二零一六年十二月三十一日，有關本集團全資附屬公司Merchant Support Co., Ltd及其附屬公司之資產及負債（屬支付交易處理解決方案分類之部分）（「出售組別」），繼本公司、Merchant Support Co., Ltd及一名獨立第三方訂立諒解備忘錄在日本出售出售組別後呈列為持作出售（出售事項）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

33 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE AND GAIN ON DISPOSAL OF SUBSIDIARIES (Continued)

33 分類為持作出售之出售組別之資產及負債及出售附屬公司收益(續)

On 27 June 2017, the Group disposed of its 100% equity interests in the Disposal Group for a cash consideration of HK\$66,215,000. A gain on disposal of HK\$63,262,000 was resulted and had been recognised in the consolidated income statement.

於二零一七年六月二十七日，本集團出售其於出售組別的全部權益，現金代價為66,215,000港元。導致出售收益63,262,000港元並已於綜合收益表確認。

		As at 27 June 2017 於 二零一七年 六月二十七日 HK\$'000 千港元
Cash consideration received	已收現金代價	66,215
Analysis of assets and liabilities over which control was lost:	對失去控制之資產及負債的分析：	
Property, plant and equipment	物業、廠房及設備	(7,580)
Long-term deposits and prepayments	長期存款及預付款項	(256)
Receivables from payment processing solutions business	支付交易處理解決方案業務之應收款項	(123,078)
Cash and cash equivalents	現金及現金等價物	(90,289)
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	(3,926)
Amount due to the Company	應付本公司款項	129,364
Other payables and accruals	其他應付款項及應計款項	1,182
Payables for payment processing solutions business	支付交易處理解決方案業務之應付款項	96,553
Net liabilities disposed of	已處置之負債淨額	1,970
Release of exchange reserve upon disposal of subsidiaries	出售附屬公司後釋出之匯兌儲備	1,699
Professional fees directly attributable to the Disposal	直接歸屬於出售事項之專業費用	(6,622)
Gain on disposal of subsidiaries	出售附屬公司收益	63,262

Notes to the Consolidated Financial Statements

綜合財務報表附註

33 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE AND GAIN ON DISPOSAL OF SUBSIDIARIES (Continued)

33 分類為持作出售之出售組別的資產及負債及出售附屬公司收益(續)

An analysis of the net inflow of cash and cash equivalents in respect of the Disposal is as follows:

有關出售事項之現金及現金等價物流入淨額之分析如下：

		For the year ended 31 December 2017 截至 二零一七年 十二月 三十一日 止年度 HK\$'000 千港元
Cash consideration	現金代價	66,215
Settlement of amount due to the Company	償付應付本公司款項	129,364
Cash and cash equivalents disposed	已處置之現金及現金等價物	(90,289)
Professional fees	專業費用	(6,622)
<hr/>		
Net inflow of cash and cash equivalents in respect of the Disposal	有關出售事項之現金及現金等價物流入淨額	98,668

Notes to the Consolidated Financial Statements 綜合財務報表附註

34 RELATED PARTY TRANSACTIONS

As at 31 December 2017, Rich Global Limited (incorporated in British Virgin Islands) owns 22.22% of the Company's shares. The remaining 77.78% of the shares are widely held.

(a) Transactions with related parties

Except as disclosed below and elsewhere in the consolidated financial statements, the Group has no significant transaction with related parties during the year ended 31 December 2017 (2016: same).

34 關連方交易

於二零一七年十二月三十一日，於英屬處女群島註冊成立之Rich Global Limited擁有本公司22.22%股份。餘下77.78%股份由公眾人士持有。

(a) 與關連方之交易

除下文及綜合財務報表其他部分披露者外，於截至二零一七年十二月三十一日止年度，本集團並無與關連方進行其他重大交易（二零一六年：相同）。

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Transactions with PAX Global, an associated company:	與聯營公司百富環球之交易：		
– Rental income (Note i)	– 租金收入 (附註i)	1,460	1,505
– Purchase of electronic payment products (Note ii)	– 購買電子支付產品 (附註ii)	135,774	134,889
– Sales of mag-stripe card security decoder chips (Note iii)	– 銷售磁條卡加密解碼芯片 (附註iii)	59,966	31,726
– Commission charges (Note iv)	– 佣金開支 (附註iv)	139	–
Transaction with Cloopen, an associated company:	與聯營公司Cloopen 之交易：		
– Technical and support services charges (Note v)	– 技術及支援服務費用 (附註v)	58,146	55,538

Notes:

- (i) Rental income from an associated company was charged at a fixed monthly fee mutually agreed between the two parties.
- (ii) Purchase of electronic payment products was transacted pursuant to the terms and conditions set out in the framework agreement entered into by the Group and an associated company on 19 December 2012. The terms and conditions of the framework agreement has been renewed on 31 December 2015.
- (iii) Sales of mag-stripe card security decoder chips were transacted pursuant to the terms and conditions set out in the framework agreement entered into by the Group and an associated company on 31 December 2013. The terms and conditions of the framework agreement has been renewed on 30 December 2016.

附註：

- (i) 來自一間聯營公司之租金收入每月按雙方共同協定之固定費用收取。
- (ii) 購買電子支付產品乃根據本集團與一間聯營公司所訂立日期為二零一二年十二月十九日之框架協議所載條款及條件進行交易。該框架協議之條款及條件已於二零一五年十二月三十一日續訂。
- (iii) 銷售磁條卡加密解碼芯片乃根據本集團與一間聯營公司於二零一三年十二月三十一日訂立之框架協議所載條款及條件進行交易。該框架協議之條款及條件已於二零一六年十二月三十日續訂。

Notes to the Consolidated Financial Statements

綜合財務報表附註

34 RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties (Continued)

Notes: (Continued)

- (iv) Commission fee to an associated company was charged at a rate mutually agreed between the two parties.
- (v) Technical and support services fee were charged pursuant to the terms and conditions set out in the framework agreement entered into by the Group and an associated company on 9 May 2016. These related party transactions were also the continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(b) Balances with investments accounted for using the equity method

34 關連方交易 (續)

(a) 與關連方之交易 (續)

附註：(續)

- (iv) 應付一間聯營公司的佣金費乃按照雙方協定之費率計算。
- (v) 技術及支援服務費乃根據本集團與一間聯營公司於二零一六年五月九日訂立之框架協議所載條款及條件扣除。該等關連方交易亦按上市規則第十四A章界定為持續關連交易。

(b) 以權益法入賬之投資之結餘

	As at 31 December 於十二月三十一日	
	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amounts due from associated companies 應收聯營公司款項	16,289	13,258
Amounts due to associated companies 應付聯營公司款項 (附註i) (Note i)	(57,755)	(81,480)

Note:

- (i) As at 31 December 2016, an amount due to an associated company of HK\$12,000 has been classified as held-for-sale.

As at 31 December 2016 and 2017, these balances are denominated in RMB, unsecured, interest-free and repayable on demand.

(c) Key management compensation

During the years ended 31 December 2017 and 2016, key management compensation is equivalent to the Directors' emolument as disclosed in Note 37.

附註：

- (i) 於二零一六年十二月三十一日，應付聯營公司之款項為12,000港元，其已分類為持作出售。

於二零一六年及二零一七年十二月三十一日，該等結餘均以人民幣計值，為無抵押、不計息及應要求償還。

(c) 主要管理層之補償

截至二零一七年及二零一六年十二月三十一日止年度，主要管理層之補償相等於附註37所披露之董事酬金。

Notes to the Consolidated Financial Statements 綜合財務報表附註

35 EVENTS AFTER THE BALANCE SHEET DATE

- (i) On 15 January 2018, the directors and shareholders of VBill have passed a resolution to conditionally grant options to several management (the “Grantees”) of VBill pursuant to the terms of a share option scheme for VBill (the “VBill Share Option Scheme”) a right to subscribe up to approximately 12% of the enlarged registered and paid up capital of VBill at the exercise price of RMB12.51 for every RMB1.00 in the registered and paid up capital of VBill within a period of 3 years from the date of grant.

The exercise of the options shall be conditional upon and subject to the fulfilment and satisfaction of the following conditions:

- (1) the Grantees shall have been under full time employment of VBill or its subsidiary(ies) for at least 5 years on the date of exercise and the remaining term of employment under each of their respective employment contracts with VBill or its subsidiary(ies) shall not be less than 12 months from the date of exercise; and
- (2) all necessary consents, waivers and permits (including but not limited to approval from the relevant regulatory bodies such as The People’s Bank of China) in respect of the exercise of Options having been obtained by the relevant parties, who shall also ensure that such exercise shall have no adverse effect on the business of VBill and its subsidiaries.

The options were granted on 5 February 2018 pursuant to a shareholders’ resolution at the special general meeting (“SGM”) passed on 5 February 2018.

Assuming that all Grantees exercise the options in full, the Grantees will, in aggregate, own additional approximately 12% of the enlarged capital of VBill and the Group’s interests in VBill will be diluted from approximately 80.04% to approximately 70.44%. The relevant employee share option expenses will be recognised in the consolidated income statement of the Group for the year ending 31 December 2018.

- (ii) On 28 February 2018, the Group entered into a share subscription agreement (the “Series D Subscription Agreement”) with Cloopen and certain other investors. Pursuant to the Series D Subscription Agreement, the Group has conditionally agreed to subscribe for 2,434,015 Convertible Series D Preferred Shares (the “Convertible Series D Preferred Shares”) of Cloopen at the consideration of HK\$39,000,000 (equivalent to US\$5,000,000). The relevant financial impact of the transaction will be reflected in the consolidated financial statements of the Group for the year ending 31 December 2018.

35 結算日後事項

- (i) 於二零一八年一月十五日，隨行付的董事及股東通過決議案，以向隨行付的多名管理層（「承授人」）有條件授出購股權，根據隨行付購股權計劃（「隨行付購股權計劃」）的條款，其賦予權利可於授出日期起三年內按隨行付註冊及繳足股本中每人民幣1.00元作價人民幣12.51元的行使價，認購隨行付經擴大註冊及繳足股本最高約12%。

購股權須待下列條件獲履行及達成後，方可行使：

- (1) 承授人於行使日期須已成為隨行付或其附屬公司之全職僱員至少五年，且各自與隨行付或其附屬公司訂立之僱用合約所載剩餘僱用年期自行使日期起計不少於12個月；及
- (2) 相關各方已就行使購股權取得一切必要同意、豁免及許可（包括但不限於中國人民銀行等有關監管機構之批准），該等人士亦須確保有關行使不會對隨行付及其附屬公司之業務產生不利影響。

根據二零一八年二月五日於股東特別大會（「股東特別大會」）通過的股東決議案，已於二零一八年二月五日授出購股權。

假設全部承授人悉數行使購股權，承授人將合共擁有隨行付經擴大股本的額外約12%，而本集團於隨行付的權益將約80.04%攤薄至約70.44%。相關僱員購股權開支將於本集團截至二零一八年十二月三十一日止年度的綜合收益表確認。

- (ii) 於二零一八年二月二十八日，本集團與Cloopen及若干其他投資者訂立股份認購協議（「D系列認購協議」）。根據D系列認購協議，本集團已有條件同意認購2,434,015股Cloopen可轉換D系列優先股（「可轉換D系列優先股」），代價為39,000,000港元（相當於5,000,000美元）。該交易的相關財務影響將於本集團截至二零一八年十二月三十一日止年度的綜合財務報表內反映。

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY 36 本公司之資產負債表及儲備變動

Balance sheet of the Company

本公司之資產負債表

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
ASSETS	資產		
Non-current assets	非流動資產		
Investment properties	投資物業	2,310	2,568
Leasehold land	租賃土地	21,992	22,751
Investments in subsidiaries	於附屬公司之投資	713,127	713,127
Investment accounted for using the equity method	以權益法入賬之投資	259,770	259,770
Total non-current assets	非流動資產總值	997,199	998,216
Current assets	流動資產		
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	955	2,504
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	2,702	-
Amounts due from subsidiaries	應收附屬公司款項	580,112	307,823
Cash and cash equivalents	現金及現金等價物	438,251	539,761
		1,022,020	850,088
Assets of disposal group classified as held-for-sale	分類為持作出售之出售組別的資產	-	128,856
Total current assets	流動資產總值	1,022,020	978,944
Total assets	資產總值	2,019,219	1,977,160

Notes to the Consolidated Financial Statements 綜合財務報表附註

36 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued) 36 本公司之資產負債表及儲備變動(續)

Balance sheet of the Company (Continued)

本公司之資產負債表(續)

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
EQUITY	權益		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	6,942	6,942
Reserves	儲備	1,406,836	1,368,677
	<i>Note (a) 附註(a)</i>		
Total equity	權益總額	1,413,778	1,375,619
LIABILITIES	負債		
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計款項	25,083	20,648
Amounts due to subsidiaries	應付附屬公司款項	565,558	566,093
Current income tax liabilities	當期所得稅負債	14,800	14,800
Total current liabilities	流動負債總額	605,441	601,541
Total liabilities	負債總額	605,441	601,541
Total equity and liabilities	權益及負債總額	2,019,219	1,977,160

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued) 36 本公司之資產負債表及儲備變動(續)

Balance sheet of the Company (Continued)

Note (a): Reserves movement of the Company

		Share premium	Contributed Surplus (Note)	Other reserves	Retained earnings	Total
		股份溢價	實繳盈餘 (附註)	其他儲備	保留盈利	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	1,290,857	46,417	34,223	(2,820)	1,368,677
Profit for the year	年內溢利	-	-	-	38,159	38,159
At 31 December 2017	於二零一七年十二月三十一日	1,290,857	46,417	34,223	35,339	1,406,836
At 1 January 2016	於二零一六年一月一日	1,290,857	46,417	34,223	17,946	1,389,443
Loss for the year	年內虧損	-	-	-	(20,766)	(20,766)
At 31 December 2016	於二零一六年十二月三十一日	1,290,857	46,417	34,223	(2,820)	1,368,677

Note:

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the reorganisation over the nominal value of the Company's shares issued in exchange thereof. Under the Companies Act 1981 of Bermuda, a company may make distributions to its members out of the contributed surplus under certain circumstances.

本公司之資產負債表(續)

附註(a): 本公司之儲備變動

附註:

本公司之實繳盈餘指根據重組所收購之附屬公司股份公平價值超過本公司就此交換之已發行股份面值之金額。根據百慕達一九八一年公司法，公司可在若干情況下從實繳盈餘中撥出款額以向其股東作出分派。

Notes to the Consolidated Financial Statements 綜合財務報表附註

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

37 董事之福利及權益(按香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則要求作出披露)

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2017:

(a) 董事及行政總裁之酬金

每名董事及行政總裁之酬金載列如下:

截至二零一七年十二月三十一日止年度:

		Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remuneration paid or receivable in respect of accepting office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the Company or its subsidiary undertaking	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事									
Cheung Yuk Fung	張玉峰	810	-	1,200	-	-	-	-	-	2,010
Kui Man Chun	渠萬春	-	-	-	-	-	-	-	-	-
(Chief Executive Officer)	(行政總裁)	-	2,190	5,600	-	-	18	-	-	7,808
Xu Wensheng	徐文生	-	2,370	5,200	-	-	18	-	-	7,588
Li Wenjin	李文晉	-	1,710	5,600	-	-	18	-	-	7,328
Xu Chang Jun	徐昌軍	-	2,018	4,600	-	-	18	-	-	6,636
Independent Non-Executive Directors	獨立非執行董事									
Tam Chun Fai	譚振輝	180	-	150	-	-	-	-	-	330
Leung Wai Man, Roger	梁偉民	180	-	150	-	-	-	-	-	330
Chang Kai-Tzung, Richard	張楷淳	180	-	150	-	-	-	-	-	330
Total	合計	1,350	8,288	22,650	-	-	72	-	-	32,360

Notes to the Consolidated Financial Statements

綜合財務報表附註

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

37 董事之福利及權益 (按香港公司條例 (第622章) 第383條、公司 (披露董事利益資料) 規例 (第622G章) 及香港上市規則要求作出披露) (續)

(a) Directors' and chief executive's emoluments (Continued)

(a) 董事及行政總裁之酬金 (續)

For the year ended 31 December 2016:

截至二零一六年十二月三十一日止年度：

		Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remuneration paid or receivable in respect of accepting office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
		袍金	薪金	酌情花紅	房屋津貼	其他福利估計貨幣價值	僱主之退休福利計劃供款	就接受委任為董事之已付或應收酬金	就董事有關管理本公司或其附屬公司事務之其他服務之已付或應收酬金	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事									
Cheung Yuk Fung	張玉峰	360	-	1,000	-	-	-	-	-	1,360
Kui Man Chun (Chief Executive Officer)	渠萬春 (行政總裁)	-	1,920	5,300	-	-	18	-	-	7,238
Xu Wensheng	徐文生	-	1,906	4,800	-	-	18	-	-	6,724
Li Wenjin	李文晉	-	1,440	4,000	-	-	18	-	-	5,458
Xu Chang Jun	徐昌軍	-	1,565	4,000	-	-	18	-	-	5,583
Non-Executive Director	非執行董事									
Chang Kai-Tzung, Richard*	張楷淳*	21	-	-	-	-	-	-	-	21
Independent Non-Executive Directors	獨立非執行董事									
Tam Chun Fai	譚振輝	162	-	120	-	-	-	-	-	282
Leung Wai Man, Roger	梁偉民	162	-	120	-	-	-	-	-	282
Chang Kai-Tzung, Richard*	張楷淳*	146	-	120	-	-	-	-	-	266
Xu Sitao**	許思濤**	19	-	-	-	-	-	-	-	19
Total	合計	870	6,831	19,460	-	-	72	-	-	27,233

* Mr. Chang Kai-Tzung, Richard was re-designated as an Independent Non-Executive Director of the Company on 26 February 2016.

* 張楷淳先生於二零一六年二月二十六日獲調任為本公司獨立非執行董事。

** Mr. Xu Sitao ceased to be an Independent Non-Executive Director for the Company on 26 February 2016.

** 許思濤先生於二零一六年二月二十六日停任本公司獨立非執行董事。

Notes to the Consolidated Financial Statements 綜合財務報表附註

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the year (2016: Nil).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year (2016: Nil).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2017, the Company did not pay consideration to any third parties for making available directors' services (2016: Nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2017, there is no loans, quasi-loans and other dealing arrangements in favour of directors, or controlled bodies corporate by and connected entities with such directors (2016: Nil).

(f) Directors' material interests in transactions, arrangements or contracts

Save as disclosed, no significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly; subsisted at the end of the year or at any time during the year (2016: Nil).

37 董事之福利及權益(按香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則要求作出披露)(續)

(b) 董事退休福利

年內,概無董事已經或將會收取任何退休福利(二零一六年:無)。

(c) 董事離職福利

年內,概無董事已經或將會收取任何離職福利(二零一六年:無)。

(d) 就獲取董事服務向第三方支付之代價

於截至二零一七年十二月三十一日止年度,本公司並無就獲取董事服務而向任何第三方支付代價(二零一六年:無)。

(e) 有關以董事、該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

於截至二零一七年十二月三十一日止年度,概無以董事、或該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易安排(二零一六年:無)。

(f) 董事於交易、安排或合約之重大權益

除披露外,本公司概無於年終或年內任何時間訂有任何本公司董事於當中直接或間接擁有任何重大權益且與本公司業務有關之重大交易、安排及合約(二零一六年:無)。

Summary of Financial Information

財務資料摘要

A summary of the published consolidated results and of the consolidated assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and restated as appropriate, is set as below:

摘錄自經審核財務報表及按適用情況重列之本集團過去五個財政年度已公佈綜合業績及綜合資產與負債概要如下：

		Year ended 31 December 截至十二月三十一日止年度				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Results	業績					
Profit/(loss) attributable to owners	權益持有人應佔溢利/(虧損)	346,144	283,964	183,486	397,071	30,045
Assets and liabilities	資產及負債					
Total assets	資產總值	5,657,451	5,499,041	4,576,515	4,110,752	3,576,445
Total liabilities	負債總額	(1,493,906)	(1,913,374)	(1,238,571)	(896,549)	(830,469)
Capital and reserves attributable to the owners of the Company	本公司擁有人應佔股本及儲備	4,059,342	3,531,216	3,308,828	3,192,381	2,759,360



高陽科技(中國)有限公司*
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